

# Principal Malaysia Titans Fund

Annual Report

For The Financial Year Ended 30 June 2024

**PRINCIPAL MALAYSIA TITANS FUND**  
**ANNUAL REPORT**  
**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024**

| <b>CONTENTS</b>  | <b>PAGE(S)</b> |
|--|----------------|
| INVESTORS' LETTER  | i              |
| MANAGER'S REPORT   | ii - ix        |
| Fund Objective and Policy  |                |
| Performance Data   |                |
| Market Review  |                |
| Fund Performance   |                |
| Portfolio Structure  |                |
| Market Outlook   |                |
| Investment Strategy  |                |
| Soft Commissions and Rebates                                       |                |
| Securities Financing Transactions                                  |                |
| State of Affair of The Fund  |                |
| Circumstances That Materially Affect Any Interest of Unit Holders  |                |
| Cross Trade  |                |
| Unit Split   |                |
| STATEMENT BY MANAGER   | 1              |
| TRUSTEE'S REPORT   | 2 - 3          |
| INDEPENDENT AUDITORS' REPORT                                       | 4 - 7          |
| STATEMENT OF COMPREHENSIVE INCOME                                  | 8              |
| STATEMENT OF FINANCIAL POSITION                                    | 9              |
| STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNIT<br>HOLDERS | 10             |
| STATEMENT OF CASH FLOWS  | 11             |
| NOTES TO THE FINANCIAL STATEMENTS                                  | 12– 34         |
| DIRECTORY  | 35             |

## 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 Malaysia Titans Fund for the financial year ended 30 June 2024. You may also download this report from our website at [www.principal.com.my](http://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](http://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 maximise capital growth over the medium to long-term through the stock market.

**Has the Fund achieved its objective?**

The Fund has achieved its objective of providing medium to long-term capital growth. The Fund’s returns are stated and described under the Fund Performance section of this report.

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

The Fund may invest between 70% to 98% (both inclusive) of its net asset value (“NAV”) in equities and other equity related securities. The Fund may also invest up to 28% of its NAV in other permissible investments. In line with its objective, the investment policy and strategy of the Fund will focus on investment in shares of companies with growth potential and listed on the main market. The Fund may opt to seek investment exposure via CIS that is in line with the Fund’s objective, subject to the requirement of the GUTF. With effect from 10 July 2023, the Fund may invest up to 25% of its NAV in companies that are listed in any Eligible Market globally with some operations or businesses in Malaysia to capture growth opportunities.

The asset allocation strategy for this Fund is as follows:

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

**Fund category/type**

Equity/Growth

**When was the Fund launched?**

| <b>Name of Class</b> | <b>Launch Date</b> |
|----------------------|--------------------|
| Class D              | 22 January 2024    |
| Class MYR            | 1 August 1995      |

**What was the size of the Fund as at 30 June 2024?**

RM297.45 million (184.59 million units)

**What is the Fund’s benchmark?**

FTSE Bursa Malaysia Top 100 (“FBM100”) Index.

**What is the Fund distribution policy?**

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

**What was the net income distribution for the financial year ended 30 June 2024?**

There was no distribution made during the financial year ended 30 June 2024.

**PERFORMANCE DATA**

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

|   | <b>30.06.2024</b> | <b>30.06.2023</b> | <b>30.06.2022</b> |
|---|-------------------|-------------------|-------------------|
|   | %                 | %                 | %                 |
| Quoted securities                         |                   |                   |                   |
| - Construction                            | 8.17              | 2.10              | 3.39              |
| - Consumer Products & Services            | 2.55              | 8.75              | 12.99             |
| - Energy                                  | 13.6              | 6.03              | 3.56              |
| - Financial Services                      | 14.07             | 16.92             | 26.97             |
| - Healthcare                              | 7.49              | 8.82              | 3.31              |
| - Industrial Products & Services          | 7.32              | 11.89             | 12.95             |
| - Plantation                              | -                 | 0.53              | 8.85              |
| - Properties                              | 8.17              | -                 | 0.17              |
| - Real Estate Investment Trusts (“REITs”) | -                 | 2.03              | -                 |
| - Technology                              | 12.17             | 16.64             | 8.20              |
| - Telecommunications & Media              | 1.29              | 6.33              | 2.15              |
| - Transportation & Logistics              | 6.55              | 6.84              | 3.96              |
| - Utilities                               | 12.20             | 8.16              | -                 |
| Cash and other assets                     | 7.00              | 5.44              | 13.76             |
| Liabilities                               | (0.58)            | (0.48)            | (0.26)            |
|   | <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:

|                                | <b>30.06.2024</b> | <b>30.06.2023</b> | <b>30.06.2022</b> |
|--------------------------------|-------------------|-------------------|-------------------|
| Net asset value (RM Million)   |                   |                   |                   |
| - Class D                      | 1.32              | -                 | -                 |
| - Class MYR                    | 296.12            | 227.29            | 261.75            |
| Units in circulation (Million) |                   |                   |                   |
| - Class D                      | 1.12              | -                 | -                 |
| - Class MYR                    | 183.46            | 191.82            | 208.98            |
| Net asset value per unit (RM)  |                   |                   |                   |
| - Class D                      | 1.1844            | -                 | -                 |
| - Class MYR                    | 1.6140            | 1.1849            | 1.2525            |
| Highest NAV per unit (RM)      |                   |                   |                   |
| - Class D                      | 1.2311            | -                 | -                 |
| - Class MYR                    | 1.6776            | 1.3051            | 1.4704            |
| Lowest NAV per unit (RM)       |                   |                   |                   |
| - Class D                      | 0.9987            | -                 | -                 |
| - Class MYR                    | 1.1836            | 1.1843            | 1.2433            |
| Total return (%)               |                   |                   |                   |
| - Class D                      | -                 | -                 | -                 |
| - Class MYR                    | 36.21             | (1.85)            | (2.07)            |
| Capital growth (%)             |                   |                   |                   |
| - Class D                      | -                 | -                 | -                 |
| - Class MYR                    | 36.21             | (5.40)            | (6.27)            |
| Income return (%)              |                   |                   |                   |
| - Class D                      | -                 | -                 | -                 |
| - Class MYR                    | -                 | 3.74              | 4.48              |

**PERFORMANCE DATA (CONTINUED)**

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

|  | 30.06.2024 | 30.06.2023 | 30.06.2022 |
|--|------------|------------|------------|
| Total Expense Ratio (“TER”) (%)            | 1.54       | 1.54       | 1.53       |
| Portfolio Turnover Ratio (“PTR”) (times) # | 0.64       | 0.81       | 0.58       |

# The Fund’s PTR decreased from 0.81 times as at 30 June 2023 to 0.64 times as at 30 June 2024 on lower trading activities during the financial year under review.

**Gross/Net distribution per unit (sen)**

Distribution on 25 October 2022

|             |   |      |   |
|-------------|---|------|---|
| - Class MYR | - | 4.54 | - |
|-------------|---|------|---|

Distribution on 26 October 2021

|             |   |   |      |
|-------------|---|---|------|
| - Class MYR | - | - | 6.22 |
|-------------|---|---|------|

**Since  
inception to  
30.06.2024  
%**

Annual total return

|           |  |  |  |       |
|-----------|--|--|--|-------|
| - Class D |  |  |  | 18.44 |
|-----------|--|--|--|-------|

(Launch date: 22 January 2024)

|                     | 30.06.2024<br>% | 30.06.2023<br>% | 30.06.2022<br>% | 30.06.2021<br>% | 30.06.2020<br>% |
|---------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Annual total return |                 |                 |                 |                 |                 |
| - Class MYR         | 36.21           | (1.85)          | (2.07)          | 12.93           | (6.24)          |

(Launch date: 1 August 1995)

Performance data 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 JULY 2023 TO 30 JUNE 2024)**

For the financial year under review, FBM100 Index (the “Index”) increased by 1,954.06 or 19.85% from 9,844.00 points to 11,798.06 points.

The Index surged by 5.58% month-on-month (“m-o-m”) in July 2023. Sentiment was sharply lifted by the slump in the US Dollar (“USD”), benefiting the Malaysian Ringgit (“MYR/RM”), and waning expectations of a US recession following recent favourable economic data points – cooling inflation and still resilient jobs market. Gainers were broad-based, with mainly large caps forging ahead.

The market took a pause following a dizzying rally the previous month, up just 0.18% m-o-m in August 2023. That said, we saw decent gains in Financials, Utilities and Materials. Sentiment was dampened by rebound in the USD and rising US Treasury (“UST”) yields on expectations of further interest rate hikes in the US as economic data points remain strong.

The Index dropped 1.61% m-o-m in September 2023. The sell-off, which largely concentrated towards the last week of the month, was rather broad-based, led by Financials and Commodities. While there could be volatility caused by quarter-end rebalancing, investors were spooked by UST yields at a 16-year high and persistent dollar strength affecting Emerging Market (“EM”), in addition to the US Federal Reserve (the “Fed”) hawkish messaging on interest rates.

**MARKET REVIEW (1 JULY 2023 TO 30 JUNE 2024) (CONTINUED)**

In October 2023, the Index gained 0.69% m-o-m. There was bargain hunting in Financials and Commodities following the steep sell-off in the previous month. Within the broader market, Construction performed better while Technology, Energy and Property languished. Overall sentiment remains clouded by the surge in US treasury yields which topped 5% last month and persistent USD strength affecting EM markets, coupled with tensions in the Middle East.

The Index gained 0.79% m-o-m in November 2023. Overall sentiment was lifted by expectations that the Fed may be done with rate hikes given the cooling inflation and recent economic data out of the US. The pullback in US treasury yields and the weaker dollar lifted interest in EM markets.

FBM100 Index ended 2023 higher with the month of December rose by 0.86% m-o-m. Investors rejoiced at the Fed’s decision to hold rates and signalling the end of hikes given the cooling inflation data and recent economic data out of the US. Coupled with the weaker USD and falling treasury yields, investors were quick to lock in gains ahead of the year-end holidays.

The market rallied in January 2024 with the Index surged 3.99% m-o-m. Sentiment was lifted by Fed’s communication on interest rates given the recent cooling inflation and economic data out of the US. The weaker USD and lower treasury yield that ensued favoured EM.

The Index continued its rally in February 2024 gaining 2.33% m-o-m, making Malaysia market outperforming most ASEAN markets. This was also despite the stronger dollar following stronger-than-expected inflation and economic data out of the US, and bets on rate cuts by the Fed pushed back.

In March 2024, the Index edged higher by 0.55% m-o-m despite profit-taking set in. Bets on rate cuts by the Fed were pushed back given the persistent strong data out of the US, and there was an absence of fresh catalysts domestically. During the month, there were also distortions caused by FTSE rebalancing (as well as Morgan Stanley Capital International (“MSCI”) rebalancing in February 2024) and many Index stocks going ex-dividends.

FBM100 Index surged 2.54% m-o-m in April 2024. Local investors remain upbeat despite bets on rate cuts by the Fed pushed back given the persistent strong economic data out of the US and sticky inflation. The run-up was relatively broad-based.

FBM100 Index’s rally extended into May 2024, up 2.32% m-o-m. Investors stayed upbeat despite bets on rate cuts by the Fed pushed back given the persistent strong economic data out of the US and sticky inflation.

Despite investors took the opportunity to lock in gains in June 2024, FBM100 Index continued to edge higher by 0.24% m-o-m. Overall, sentiment still remained relatively upbeat considering recent weakness in US economic data and inflation moderating.

**FUND PERFORMANCE**

|                     | <b>1 year to<br/>30.06.2024<br/>%</b> | <b>3 years to<br/>30.06.2024<br/>%</b> | <b>5 years to<br/>30.06.2024<br/>%</b> | <b>Since<br/>inception to<br/>30.06.2024<br/>%</b> |
|---------------------|---------------------------------------|--|--|--|
| Income Distribution |                                       |  |  |  |
| - Class D           | -                                     | -                                      | -                                      | -  |
| - Class MYR         | -                                     | 8.39                                   | 18.88                                  | 297.80   |
| Capital Growth      |                                       |  |  |  |
| - Class D           | -                                     | -                                      | -                                      | 18.44  |
| - Class MYR         | 36.21                                 | 20.78                                  | 16.61                                  | 69.47  |
| Total Return        |                                       |  |  |  |
| - Class D           | -                                     | -                                      | -                                      | 18.44  |
| - Class MYR         | 36.21                                 | 30.92                                  | 38.62                                  | 574.14   |



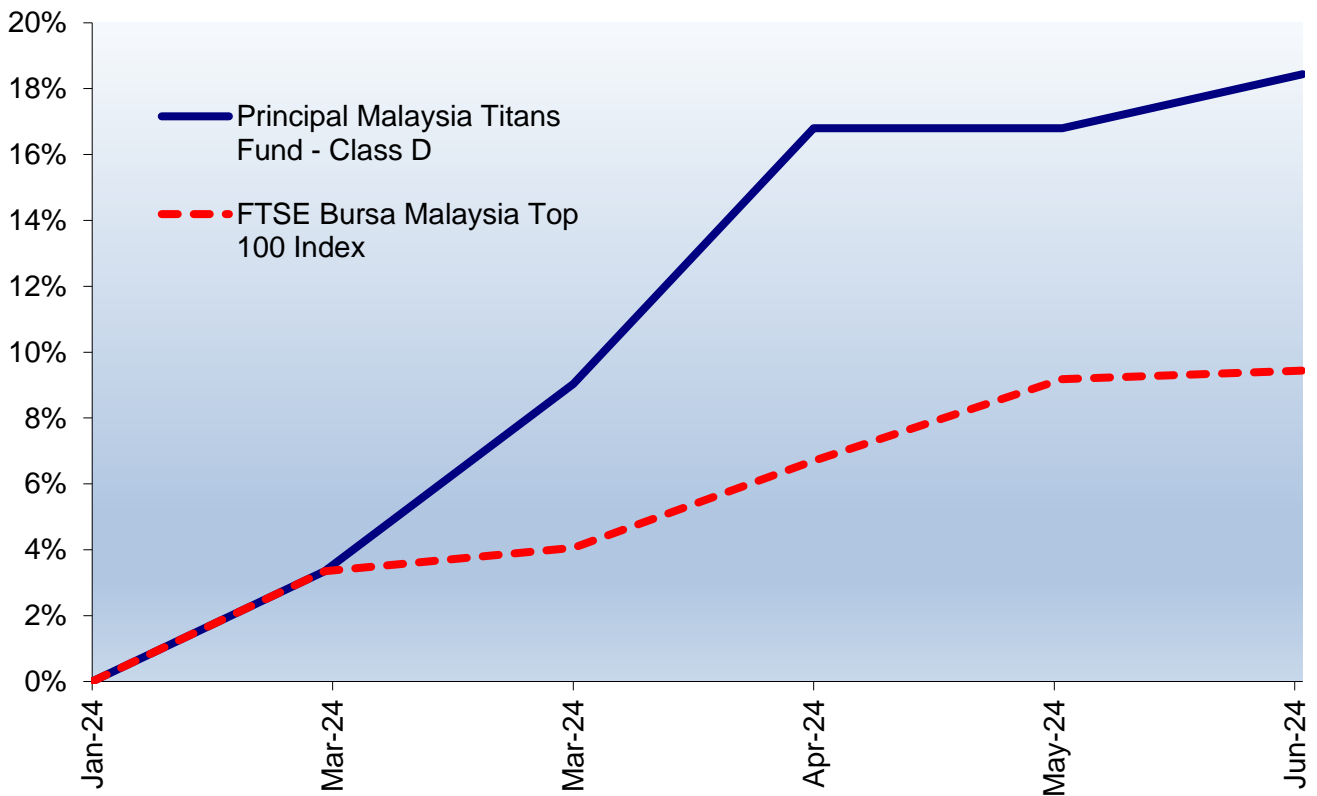
**FUND PERFORMANCE (CONTINUED)**

|                      | <b>1 year to<br/>30.06.2024<br/>%</b> | <b>3 years to<br/>30.06.2024<br/>%</b> | <b>5 years to<br/>30.06.2024<br/>%</b> | <b>Since<br/>inception to<br/>30.06.2024<br/>%</b> |
|----------------------|---------------------------------------|--|--|--|
| Benchmark            |                                       |  |  |  |
| - Class D            | -                                     | -                                      | -                                      | 9.44   |
| - Class MYR          | 19.85                                 | 8.49                                   | 1.43                                   | 70.36  |
| Average Total Return |                                       |  |  |  |
| - Class D            | -                                     | -                                      | -                                      | 47.12  |
| - Class MYR          | 36.21                                 | 9.36                                   | 6.74                                   | 6.82   |

For the financial year under review, the Fund's total return surged by 36.21%, while the benchmark rose by 19.85%. As such, the Fund outperformed the benchmark by 16.36 percentage points.

**Since Inceptions**

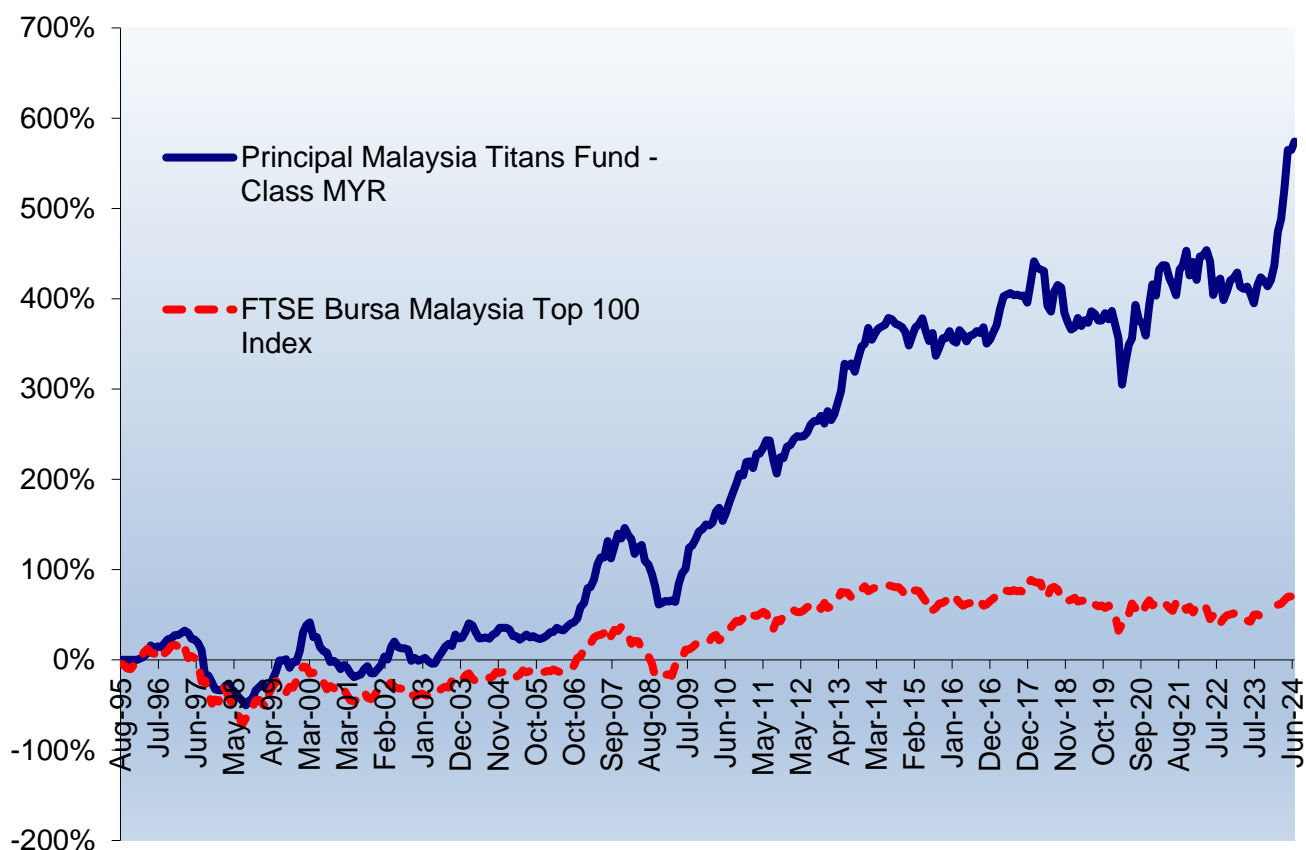
**Class D**



**FUND PERFORMANCE (CONTINUED)**

**Since Inceptions**

**Class MYR**



**Changes in NAV**

|                  | 30.06.2024 | 30.06.2023 | Changes<br>% |
|------------------|------------|------------|--------------|
| <b>Class D</b>   |            |            |              |
| NAV (RM Million) | 1.33       | -          | -            |
| NAV/Unit (RM)    | 1.1844     | -          | -            |
| <b>Class MYR</b> |            |            |              |
| NAV (RM Million) | 296.12     | 227.29     | 30.28        |
| NAV/Unit (RM)    | 1.6140     | 1.1849     | 36.21        |

The Fund's NAV for Class MYR increased by 30.28%, while NAV per unit jumped by 36.21% which attributable to the commendable return recorded by the Fund for the financial year 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 year have been extracted from Lipper.

## PORTFOLIO STRUCTURE

### Asset allocation

| (% of NAV)            | 30.06.2024    | 30.06.2023    |
|-----------------------|---------------|---------------|
| Quoted securities     | 93.58         | 95.04         |
| Cash and other assets | 7.00          | 5.44          |
| Liabilities           | (0.58)        | (0.48)        |
| <b>TOTAL</b>          | <b>100.00</b> | <b>100.00</b> |

Asset allocation decreased from 95.04% as at 30 June 2023 to 93.58% as at 30 June 2024 as we locked in gains following the strong performance in the first half of 2024.

### MARKET OUTLOOK\*

Malaysia's manufacturing sector reflected stable conditions in June 2024, with the Purchasing Managers' Index ("PMI") reading at 49.9 points versus 50.2 points in May 2024. S&P Global saw further expansion in total new orders and exports, while staffing levels were unchanged. There was also stability in input cost inflation and firms raised prices at an accelerated pace. Firms remained cautious and scaled back purchases as well as inventories, and business confidence waned further. That said, the latest PMI data supports an acceleration in Gross Domestic Products ("GDP") growth into second quarter 2024. To recap, Bank Negara Malaysia ("BNM") projects GDP to grow 4% to 5% in 2024, from an estimate of 3.8% in 2023, and 4.2% in first quarter of 2024.

We expect BNM to maintain OPR at 3.0% for the rest of the year given muted inflation and modest economic growth. Inflation was at 2.0% in May 2024, an uptick from April 2024. There appears to be sufficient headroom to central bank's latest 2.0% to 3.5% Consumer Price Index ("CPI") forecast for 2024 with the impending subsidy rationalization plans.

Despite the strong performance in first half of 2024, Malaysia's equity market valuation remains compressed, trading at a forward price-to-earnings ("P/E") ratio of 13.9 times which is around 1 standard deviation below the historical mean. This is based on consensus earnings growth of 10% for both 2024 and 2025 (post inclusion of Sunway into FBMKLCI). Sustained strength in domestic investments (both Domestic Direct Investment ("DDI") and foreign direct investment ("FDI")), fiscal consolidation gathering pace (in particular subsidy rationalisation initiatives) and the stabilisation of the MYR/RM currency are factors we see supportive of narrowing risk premiums and higher valuation multiples.

\* 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

Overall, we remain positive on the Malaysia equity market. We believe key themes such as National Energy Transition Roadmap ("NETR") will continue to drive the market. We stay overweight in Utilities, Construction, Property and selective Energy. Additionally, we remain optimistic on selective Financials as we expect positive momentum to persist supported by healthy GDP growth. Key risks are the derailment of Malaysia's macroeconomic recovery and corporate earnings growth due to the larger-than-expected impact of rising inflation, slower global economic growth, and heightened geopolitical risk.

## **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. We 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.

During the financial year 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 year under review.

## **STATE OF AFFAIR OF THE FUND**

Effective 28 November 2023, the Fund has changed Trustee to HSBC (Malaysia) Trustee Berhad following the issuance of the First Supplemental Master Prospectus (Conventional funds) dated 27 October 2023.

There were no other 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 MALAYSIA TITANS 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 34 are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial position of the Fund as at 30 June 2024 and of its financial performance, changes in net assets attributable to unit holders and cash flows for the financial year then ended in accordance with the provisions of the Malaysian Financial Reporting Standards (“MFRS”) and International Financial Reporting Standards (“IFRS”).

For and on behalf of the Manager

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

**MUNIRAH KHAIRUDDIN**

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

**UDAY JAYARAM**

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

Kuala Lumpur  
16 August 2024

**TRUSTEE'S REPORT TO THE UNIT HOLDERS OF  
PRINCIPAL MALAYSIA TITANS FUND**

We have acted as the Trustee of Principal Malaysia Titans Fund (the "Fund") for the financial period from 1 July 2023 to 27 November 2023. To the best of our knowledge, Principal Asset Management Berhad (the "Manager") has managed the Fund in accordance with the following:

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

For and on behalf of the Trustee,  
**UNIVERSAL TRUSTEE (MALAYSIA) BERHAD**

**ONG TEE VANN**  
Chief Executive Officer

Kuala Lumpur  
16 August 2024

**TRUSTEE'S REPORT**

**TO THE UNIT HOLDERS OF  
PRINCIPAL MALAYSIA TITANS FUND ("Fund")**

We have acted as Trustee of the Fund for the financial period from 28 November 2023 to 30 June 2024 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, Principal Asset Management Berhad has operated and managed the Fund during the period covered by these financial statements in accordance with the following:

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

For HSBC (Malaysia) Trustee Berhad

Yap Lay Guat  
Manager, Investment Compliance Monitoring

Kuala Lumpur  
16 August 2024

**INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF  
PRINCIPAL MALAYSIA TITANS FUND**

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

*Opinion*

We have audited the financial statements of Principal Malaysia Titans Fund (the "Fund"), which comprise the statement of financial position of the Fund as at 30 June 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 34.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 30 June 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 MALAYSIA TITANS 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 MALAYSIA TITANS 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 MALAYSIA TITANS 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 Unit Trust Funds 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  
16 August 2024

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024**

|   | Note | 2024<br>RM        | 2023<br>RM         |
|---|------|-------------------|--------------------|
| <b>INCOME/(LOSS)</b>  |      |                   |                    |
| Dividend income   |      | 6,646,427         | 8,385,194          |
| Interest income from deposits with licensed financial institutions at amortised cost                      |      | 285,135           | 439,619            |
| Net gain/(loss) on financial assets at fair value through profit or loss                                  | 8    | 75,296,467        | (6,441,318)        |
| Net foreign exchange gain   |      | 6,315             | 8,860              |
|   |      | <u>82,234,344</u> | <u>2,392,355</u>   |
| <b>EXPENSES</b>   |      |                   |                    |
| Management fee  | 4    | 3,723,311         | 3,668,868          |
| Trustee fee   | 5    | 37,141            | 54,459             |
| Audit fee   |      | 9,400             | 9,400              |
| Tax agent's fee   |      | 4,400             | 6,800              |
| Transaction costs   |      | 1,057,422         | 1,425,265          |
| Other expenses  |      | 62,671            | 71,722             |
|   |      | <u>4,894,345</u>  | <u>5,236,514</u>   |
| <b>PROFIT/(LOSS) BEFORE TAXATION</b>  |      | 77,339,999        | (2,844,159)        |
| Taxation  | 7    | <u>-</u>          | <u>-</u>           |
| <b>PROFIT/(LOSS) AFTER TAXATION REPRESENTING TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE FINANCIAL YEAR</b> |      | <u>77,339,999</u> | <u>(2,844,159)</u> |
| Profit/(Loss) after taxation is made up as follows:   |      |                   |                    |
| Realised amount   |      | 8,641,055         | (1,652,884)        |
| Unrealised amount   |      | 68,698,944        | (1,191,275)        |
|   |      | <u>77,339,999</u> | <u>(2,844,159)</u> |

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

**STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2024**

|  | Note | 2024<br>RM         | 2023<br>RM         |
|--|------|--------------------|--------------------|
| <b>ASSETS</b>  |      |                    |                    |
| Cash and cash equivalents                              | 9    | 10,757,219         | 9,497,689          |
| Financial assets at fair value through profit or loss  | 8    | 278,343,559        | 216,024,930        |
| Amount due from stockbrokers                           |      | 678,490            | 2,583,243          |
| Amount due from Manager                                |      | 8,768,209          | 43,486             |
| Amount due from Manager – Collective investment scheme |      |                    |                    |
| - Management fee rebate                                |      | 7,883              | -                  |
| Dividends receivable                                   |      | 618,362            | 237,956            |
| <b>TOTAL ASSETS</b>                                    |      | <u>299,173,722</u> | <u>228,387,304</u> |
| <b>LIABILITIES</b>                                     |      |                    |                    |
| Amount due to stockbrokers                             |      | 976,994            | 609,350            |
| Amount due to Manager                                  |      | 367,007            | 176,935            |
| Accrued management fee                                 |      | 356,120            | 284,512            |
| Amount due to Trustee                                  |      | 2,365              | 4,363              |
| Distribution payable                                   |      | 1,006              | 1,006              |
| Other payables and accruals                            |      | 23,204             | 18,801             |
| <b>TOTAL LIABILITIES</b>                               |      | <u>1,726,696</u>   | <u>1,094,967</u>   |
| <b>NET ASSET VALUE OF THE FUND</b>                     |      | <u>297,447,026</u> | <u>227,292,337</u> |
| <b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS</b>         | 11   | <u>297,447,026</u> | <u>227,292,337</u> |
| <b>REPRESENTED BY:</b>                                 |      |                    |                    |
| <b>FAIR VALUE OF OUTSTANDING UNITS</b>                 |      |                    |                    |
| - Class D  |      | 1,331,940          | -                  |
| - Class MYR  |      | 296,115,086        | 227,292,337        |
|  |      | <u>297,447,026</u> | <u>227,292,337</u> |
| <b>NUMBER OF UNITS IN CIRCULATION (UNITS)</b>          |      |                    |                    |
| - Class D  | 10   | 1,124,514          | -                  |
| - Class MYR  |      | 183,462,578        | 191,819,139        |
|  |      | <u>184,587,092</u> | <u>191,819,139</u> |
| <b>NET ASSET VALUE PER UNIT (RM)</b>                   |      |                    |                    |
| - Class D  |      | 1.1844             | -                  |
| - Class MYR  |      | 1.6140             | 1.1849             |

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

**STATEMENT OF CHANGES IN NET ASSET ATTRIBUTABLE TO UNIT HOLDERS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024**

|   | Note | 2024<br>RM                | 2023<br>RM                |
|---|------|---------------------------|---------------------------|
| <b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE BEGINNING OF THE FINANCIAL YEAR</b> |      | <u>227,292,337</u>        | <u>261,754,181</u>        |
| Movement due to units created and cancelled during the financial year:                |      |                           |                           |
| Creation of units from applications   |      |                           |                           |
| - Class D   |      | 1,741,341                 | -                         |
| - Class MYR   |      | <u>41,156,398</u>         | <u>34,301,073</u>         |
|   |      | <u>42,897,739</u>         | <u>34,301,073</u>         |
| Creation of units from distributions  |      |                           |                           |
| - Class MYR   | 6    | <u>-</u>                  | <u>8,727,870</u>          |
| Cancellation of units   |      |                           |                           |
| - Class D   |      | (452,708)                 | -                         |
| - Class MYR   |      | <u>(49,630,341)</u>       | <u>(65,769,260)</u>       |
|   |      | <u>(50,083,049)</u>       | <u>(65,769,260)</u>       |
| Total comprehensive income/(loss) for the financial year                              |      | 77,339,999                | (2,844,159)               |
| Distribution  |      | <u>-</u>                  | <u>(8,877,368)</u>        |
| <b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE END OF THE FINANCIAL YEAR</b>       | 11   | <u><u>297,447,026</u></u> | <u><u>227,292,337</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 30 JUNE 2024**

|   | Note     | 2024<br>RM               | 2023<br>RM              |
|---|----------|--------------------------|-------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                                 |          |                          |                         |
| Proceeds from disposal of quoted securities                                 |          | 165,916,017              | 198,318,268             |
| Purchase of quoted securities   |          | (151,739,041)            | (197,681,702)           |
| Dividend income received  |          | 6,264,029                | 8,377,233               |
| Interest income received from deposits with licensed financial institutions |          | 285,135                  | 439,619                 |
| Management fee paid   |          | (3,651,703)              | (3,698,389)             |
| Management fee rebate   |          | 7,956                    | -                       |
| Trustee fee paid  |          | (39,139)                 | (54,655)                |
| Payments for other fees and expenses  |          | (70,079)                 | (86,584)                |
| Payment of other foreign exchange loss                                      |          | (1,093)                  | -                       |
| Other income received   |          | -                        | 8,860                   |
| <b>Net cash generated from operating activities</b>                         |          | <u>16,972,082</u>        | <u>5,622,650</u>        |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                                 |          |                          |                         |
| Cash proceeds from units created  |          | 34,173,016               | 48,495,275              |
| Payments for cancellation of units  |          | (49,892,977)             | (65,926,576)            |
| Distribution paid   |          | -                        | (158,712)               |
| <b>Net cash used in financing activities</b>                                |          | <u>(15,719,961)</u>      | <u>(17,590,013)</u>     |
| Net increase/(decrease) in cash and cash equivalents                        |          | 1,252,121                | (11,967,363)            |
| Effects of foreign exchange differences                                     |          | 7,409                    | -                       |
| Cash and cash equivalents at the beginning of the financial year            |          | <u>9,497,689</u>         | <u>21,465,052</u>       |
| Cash and cash equivalents at the end of the financial year                  | <b>9</b> | <u><u>10,757,219</u></u> | <u><u>9,497,689</u></u> |
| <u>Cash and cash equivalents comprise:</u>                                  |          |                          |                         |
| Deposits with licensed financial institutions                               |          | 10,480,851               | 9,305,778               |
| Bank balances   |          | <u>276,368</u>           | <u>191,911</u>          |
| Cash and cash equivalents at the end of the financial year                  | <b>9</b> | <u><u>10,757,219</u></u> | <u><u>9,497,689</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 30 JUNE 2024

### 1. THE FUND, THE MANAGER, AND ITS PRINCIPAL ACTIVITIES

Principal Malaysia Titans Fund (the “Fund”) is governed by a Principal Master Deed dated 15 May 2008, a First Supplemental Master Deed dated 25 June 2008, a Third Supplemental Master Deed dated 14 July 2008, a Fourth Supplemental Master Deed dated 18 March 2009, a Fifth Supplemental Master Deed dated 16 July 2009, an Eighteenth Supplemental Master Deed dated 25 March 2015, a Twentieth Supplemental Master Deed dated 21 October 2019, a Twenty Third Supplemental Master Deed dated 27 June 2022 and a Twenty Fourth Supplemental Master Deed dated 13 January 2023 (collectively referred to as the “Deeds”), made between Principal Asset Management (the “Manager”), and Universal Trustee (Malaysia) Berhad (the “Previous Trustee”) and a Twenty Fifth Supplemental Master Deed dated 26 May 2023 (collectively referred to as the “Deeds”) between the Manager and HSBC (Malaysia) Trustee Berhad (the “Trustee”).

The Fund may invest between 70% to 98% (both inclusive) of its net asset value (“NAV”) in equities and other equity related securities. The Fund may also invest up to 28% of its NAV in other permissible investments. In line with its objective, the investment policy and strategy of the Fund will focus on investment in shares of companies with growth potential and listed on the main market. The Fund may opt to seek investment exposure via CIS that is in line with the Fund’s objective, subject to the requirement of the GUTF. With effect from 10 July 2023, the Fund may invest up to 25% of its NAV in companies that are listed in any Eligible Market globally with some operations or businesses in Malaysia to capture growth opportunities.

The asset allocation strategy for this Fund is as follows:

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

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

The Fund has issued First Supplemental Master Prospectus (Conventional funds) dated 27 October 2023.

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(l).

There are no other standards, amendments to standards or interpretations that are effective for financial year beginning on 1 July 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 financial year beginning on/after 1 July 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 at fair value through other comprehensive income ("OCI").

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

All of the Fund's financial liabilities 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. Transaction costs are expensed in the statement of comprehensive income.

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

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.

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.

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

If a valuation based on the market price does not represent the fair value of the quoted securities, for example during abnormal market conditions or when no market price is available, including in the event of a suspension in the quotation of the quoted securities for a period exceeding 14 days, or such shorter period as agreed by the Trustee, then the quoted securities are valued as determined in good faith by the Manager, based on the methods or bases approved by the Trustee after appropriate technical consultation.

Deposits with licensed financial institutions are stated at cost plus accrued interest calculated on the effective interest method over the financial year from the date of placement to the date of maturity of the respective deposits.

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

Impairment for assets carried at amortised costs

The Fund measures credit risk and expected credit losses ("ECL") using probability of default, exposure at default and loss given default. The Manager 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.

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.

**2. MATERIAL ACCOUNTING POLICIES (CONTINUED)****(b) Financial assets and financial liabilities (continued)**Definition of default and credit-impaired financial assets

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

Write-off

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

**(c) Income recognition**

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

Interest income from deposits with licensed financial institutions is recognised on a time proportionate basis using the effective interest rate method on an accrual basis.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

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

**(d) Functional and presentation currency**

Items included in the financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates (the "functional currency"). The financial statements are presented in MYR/RM, which is the Fund's functional and presentation currency.

**(e) Taxation**

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

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

**2. MATERIAL ACCOUNTING POLICIES (CONTINUED)****(f) Cash and cash equivalents**

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

**(g) 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.

**(h) Transaction costs**

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

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

Amounts due from and to stockbrokers represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled or delivered on the statement of financial position date respectively.

**(j) Unit holders' capital**

The unit holders' contributions to the Fund meet the criteria to be classified as equity instruments under MFRS 132 "*Financial Instruments: Presentation*". Those criteria include:

- the units entitle the holder to a proportionate share of the Fund's NAV;
- the units are the most subordinated class and class features are identical;
- there are no contractual obligations to deliver cash or another financial asset other than the obligation on the Fund to repurchase; and
- the total expected cash flows from the units over its life are based substantially on the profit or loss of the Fund.

The Fund issues cancellable units, in two classes of units, known as the Class MYR, and Class D, which are cancelled at the unit holder's option and do not have identical features subject to restrictions as stipulated in the Prospectus and GUTF. 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 prices based on the Fund's NAV per unit at the time of creation or cancellation. The Fund's NAV per unit is calculated by dividing the net assets attributable to unit holders with the total number of outstanding units.

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

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

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

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

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

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

**3. FINANCIAL INSTRUMENT AND RISK MANAGEMENT OBJECTIVES AND POLICIES**

Financial instruments of the Fund are as follows:

|   | <b>Financial<br/>assets at fair<br/>value through<br/>profit or loss<br/>RM</b> | <b>Financial<br/>assets at<br/>amortised<br/>cost<br/>RM</b> | <b>Total<br/>RM</b> |
|---|---|--|---------------------|
| <b>2024</b>   |   |  |                     |
| Cash and cash equivalents (Note 9)                        | -   | 10,757,219   | 10,757,219          |
| Quoted securities (Note 8)                                | 278,343,559   | -  | 278,343,559         |
| Amount due from stockbrokers                              | -   | 678,490  | 678,490             |
| Amount due from Manager                                   | -   | 8,768,209  | 8,768,209           |
| Amount due from Manager –<br>Collective investment scheme |   |  |                     |
| - Management fee rebate                                   | -   | 7,883  | 7,883               |
| Dividends receivable                                      | -   | 618,362  | 618,362             |
|   | <u>278,343,559</u>  | <u>20,830,163</u>  | <u>299,173,722</u>  |
| <b>2023</b>   |   |  |                     |
| Cash and cash equivalents (Note 9)                        | -   | 9,497,689  | 9,497,689           |
| Quoted securities (Note 8)                                | 216,024,930   | -  | 216,024,930         |
| Amount due from stockbrokers                              | -   | 2,583,243  | 2,583,243           |
| Amount due from Manager                                   | -   | 43,486   | 43,486              |
| Dividends receivable                                      | -   | 237,956  | 237,956             |
|   | <u>216,024,930</u>  | <u>12,362,374</u>  | <u>228,387,304</u>  |

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

The Fund aims to maximise capital growth over the medium to long-term through the stock market.

The Fund is exposed to a variety of risks which include market risk (inclusive of price risk and interest rate 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 restriction as stipulated in the Deeds and GUTF.

**(a) Market risk**

**(i) Price risk**

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

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

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

|  | <b>2024</b>        | <b>2023</b>        |
|--|--------------------|--------------------|
|  | <b>RM</b>          | <b>RM</b>          |
| Financial assets at fair value through profit or loss: |                    |                    |
| - Quoted securities                                    | <u>278,343,559</u> | <u>216,024,930</u> |

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

| <b>% Change in price of quoted securities</b> | <b>Market value</b> | <b>Impact on profit or loss/NAV</b> |
|---|---------------------|-------------------------------------|
|   | <b>RM</b>           | <b>RM</b>                           |
| <b>2024</b>                                   |                     |                                     |
| -5%   | 264,426,381         | (13,917,178)                        |
| 0%  | 278,343,559         | -                                   |
| +5%   | <u>292,260,737</u>  | <u>13,917,178</u>                   |
| <b>2023</b>                                   |                     |                                     |
| -5%   | 205,223,683         | (10,801,247)                        |
| 0%  | 216,024,930         | -                                   |
| +5%   | <u>226,826,177</u>  | <u>10,801,247</u>                   |

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

**(a) Market risk (continued)**

**(ii) Interest rate risk**

Interest rate is a general economic indicator that will have an impact on the management of the Fund.

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

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

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

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

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

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

|   | <b>2024</b> | <b>2023</b> |
|---|-------------|-------------|
|   | %           | %           |
| Deposits with licensed financial institutions | 3.31        | 3.05        |

**(b) Credit risk**

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

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

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

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

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

(b) Credit risk (continued)

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

|             | Cash and cash equivalents<br>RM | Amount due from stockbrokers<br>RM | Amount due from Manager<br>RM | Amount due from Manager – Collective investment scheme - management fee rebate<br>RM | Dividends receivable<br>RM | Total<br>RM       |
|-------------|---------------------------------|------------------------------------|-------------------------------|--|----------------------------|-------------------|
| <b>2024</b> |                                 |                                    |                               |  |                            |                   |
| - AAA       | 10,757,219                      | -                                  | -                             | -  | -                          | 10,757,219        |
| - Not Rated | -                               | 678,490                            | 8,768,209                     | 7,883  | 618,362                    | 10,072,944        |
|             | <u>10,757,219</u>               | <u>678,490</u>                     | <u>8,768,209</u>              | <u>7,883</u>   | <u>618,362</u>             | <u>20,830,163</u> |
| <b>2023</b> |                                 |                                    |                               |  |                            |                   |
| - AAA       | 9,497,689                       | -                                  | -                             | -  | -                          | 9,497,689         |
| - Not Rated | -                               | 2,583,243                          | 43,486                        | -  | 237,956                    | 2,864,685         |
|             | <u>9,497,689</u>                | <u>2,583,243</u>                   | <u>43,486</u>                 | <u>-</u>   | <u>237,956</u>             | <u>12,362,374</u> |

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

|   | Less than 1 month<br>RM | Between 1 month to 1 year<br>RM | Total<br>RM        |
|---|-------------------------|---------------------------------|--------------------|
| <b>2024</b>                             |                         |                                 |                    |
| Amount due to stockbrokers              | 976,994                 | -                               | 976,994            |
| Amount due to Manager                   | 367,007                 | -                               | 367,007            |
| Accrued management fee                  | 356,120                 | -                               | 356,120            |
| Amount due to Trustee                   | 2,365                   | -                               | 2,365              |
| Distribution payable                    | 1,006                   | -                               | 1,006              |
| Other payables and accruals             | -                       | 23,204                          | 23,204             |
| Net assets attributable to unit holders | <u>297,447,026</u>      | <u>-</u>                        | <u>297,447,026</u> |



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

(c) Liquidity risk (continued)

|  | Less than<br>1 month<br>RM | Between<br>1 month to<br>1 year<br>RM | Total<br>RM        |
|--|----------------------------|---------------------------------------|--------------------|
| <b>2024 (continued)</b>                    |                            |                                       |                    |
| <b>Contractual undiscounted cash flows</b> | <u>299,150,518</u>         | <u>23,204</u>                         | <u>299,173,722</u> |
| <b>2023</b>                                |                            |                                       |                    |
| Amount due to stockbrokers                 | 609,350                    | -                                     | 609,350            |
| Amount due to Manager                      | 176,935                    | -                                     | 176,935            |
| Accrued management fee                     | 284,512                    | -                                     | 284,512            |
| Amount due to Trustee                      | 4,363                      | -                                     | 4,363              |
| Distribution payable                       | 1,006                      | -                                     | 1,006              |
| Other payables and accruals                | -                          | 18,801                                | 18,801             |
| <b>Contractual undiscounted cash flows</b> | <u>1,076,166</u>           | <u>18,801</u>                         | <u>1,094,967</u>   |

Deposits with licensed financial institutions of the Fund have an average maturity of 3 days (2023: 1 day).

(d) Capital risk management

The capital of the fund is represented by net assets attributable to unit holders of RM297,447,026 (2023: RM227,292,337). 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 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 price is not within the bid-ask spread, the Manager will determine the point within the bid-ask spread that is most representative of the fair value.

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

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

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

(e) Fair value estimation (continued)

(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 judgment, 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.

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

|   | Level 1<br>RM      | Level 2<br>RM | Level 3<br>RM | Total<br>RM        |
|---|--------------------|---------------|---------------|--------------------|
| <b>2024</b>   |                    |               |               |                    |
| Financial asset at fair value through profit or loss: |                    |               |               |                    |
| - Quoted securities                                   | <u>278,343,559</u> | <u>-</u>      | <u>-</u>      | <u>278,343,559</u> |
| <b>2023</b>   |                    |               |               |                    |
| Financial asset at fair value through profit or loss: |                    |               |               |                    |
| - Quoted securities                                   | <u>216,024,930</u> | <u>-</u>      | <u>-</u>      | <u>216,024,930</u> |

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

**(e) Fair value estimation (continued)**

**(i) Fair value hierarchy (continued)**

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

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

**4. MANAGEMENT FEE**

In accordance with the Deeds, the Manager is entitled to a maximum management fee of 1.50% per annum, calculated daily based on the NAV of the Fund.

For the financial year ended 30 June 2024, the management fee is recognised at a rate of 1.50% per annum (2023: 1.50% per annum).

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

**5. TRUSTEE AND CUSTODIAN FEES**

In accordance with the Deeds, the Trustee is entitled to a fee at the following rates for both the current and the previous financial year:

| <b>Size of the Fund</b>               | <b>Rate per annum on the NAV</b> |
|---------------------------------------|----------------------------------|
| First RM20 million                    | 0.06%                            |
| Next RM20 million                     | 0.05%                            |
| Next RM20 million                     | 0.04%                            |
| Next RM20 million                     | 0.03%                            |
| Next RM20 million                     | 0.02%                            |
| Any amount in excess of RM100 million | 0.01%                            |

Trustees fee is calculated daily based on the NAV of the Fund. The Trustees fee includes local custodian fee, which is subject to a maximum fee of RM25,000 per annum.

For the financial period from 1 July 2023 until 27 November 2023, the Trustee fee is recognised at the above-mentioned rates and the custodian fees is recognised at an annual fee of RM25,000 per annum (2023: RM25,000 per annum). Effective 28 November 2023, the Trustee fee is recognised at the rate of 0.01% per annum.

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

**6. DISTRIBUTION**

Distribution to unit holders was derived from the following sources (assessed up to distribution declaration date):

Breakdown of distribution were as follows:

|  | RM       | 2024<br>% | RM               | 2023<br>%     |
|--|----------|-----------|------------------|---------------|
| <b>Source of distribution</b>                    |          |           |                  |               |
| Distribution out of current year's income        | -        | -         | 8,877,368        | 100.00        |
| Distribution out of prior year's income/capital* | -        | -         | -                | -             |
| <b>Total</b>                                     | <u>-</u> | <u>-</u>  | <u>8,877,368</u> | <u>100.00</u> |

|  | 2024<br>RM | 2023<br>RM  |
|--|------------|-------------|
| <b>Gross/Net distribution per unit (sen)</b> |            |             |
| Distribution on 25 October 2022              |            |             |
| - Class MYR                                  | <u>-</u>   | <u>4.54</u> |

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

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

Gross distribution per unit is derived from gross realised income less expenses, 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.

There are unrealised loss of nil for the financial year 30 June 2024 (2023: RM1,191,275)

**7. TAXATION**

|                                     | 2024<br>RM | 2023<br>RM |
|-------------------------------------|------------|------------|
| Tax charged for the financial year: |            |            |
| - Current taxation                  | <u>-</u>   | <u>-</u>   |

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

|   | 2024<br>RM        | 2023<br>RM         |
|---|-------------------|--------------------|
| Profit/(Loss) before taxation                               | <u>77,339,999</u> | <u>(2,844,159)</u> |
| Taxation at Malaysian statutory rate of 24% (2023: 24%)     | 18,561,600        | (682,598)          |
| Tax effects of:   |                   |                    |
| Income not subject to tax                                   | (19,736,242)      | (572,040)          |
| Expenses not deductible for tax purposes                    | 266,883           | 355,502            |
| Restriction on tax deductible expenses for Unit Trust Funds | <u>907,759</u>    | <u>899,136</u>     |
| Taxation  | <u>-</u>          | <u>-</u>           |

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

|   | 2024<br>RM         | 2023<br>RM         |
|---|--------------------|--------------------|
| At fair value through profit or loss:                                       |                    |                    |
| - Quoted securities   | <u>278,343,559</u> | <u>216,024,930</u> |
| Net profit/(loss) on financial assets at fair value through profit or loss: |                    |                    |
| - Realised gain/(loss) on disposals   | 6,581,685          | (5,250,044)        |
| - Unrealised fair value gain/(loss)   | 68,698,943         | (1,191,274)        |
| - Management fee rebate #   | <u>15,839</u>      | <u>-</u>           |
|   | <u>75,296,467</u>  | <u>(6,441,318)</u> |

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

| Name of counter                         | Quantity<br>Units | Aggregate<br>cost<br>RM | Market<br>value<br>RM | Percentage<br>of NAV<br>% |
|---|-------------------|-------------------------|-----------------------|---------------------------|
| <b>2024</b>                             |                   |                         |                       |                           |
| <b>QUOTED SECURITIES</b>                |                   |                         |                       |                           |
| <b>Construction</b>                     |                   |                         |                       |                           |
| Gamuda Bhd                              | 1,763,689         | 7,270,713               | 11,605,074            | 3.90                      |
| IJM Corporation Bhd                     | <u>4,161,700</u>  | <u>8,419,811</u>        | <u>12,693,185</u>     | <u>4.27</u>               |
|   | <u>5,925,389</u>  | <u>15,690,524</u>       | <u>24,298,259</u>     | <u>8.17</u>               |
| <b>Consumer Products &amp; Services</b> |                   |                         |                       |                           |
| Johor Plantations Group                 | 524,400           | 440,496                 | 440,496               | 0.15                      |
| RGB                                     | 6,164,800         | 2,856,363               | 2,897,456             | 0.97                      |
| Sime Darby Bhd                          | 1,414,800         | 3,330,597               | 3,706,776             | 1.25                      |
| Well Chip Group Bhd                     | <u>459,900</u>    | <u>528,885</u>          | <u>528,885</u>        | <u>0.18</u>               |
|   | <u>8,563,900</u>  | <u>7,156,341</u>        | <u>7,573,613</u>      | <u>2.55</u>               |
| <b>Energy</b>                           |                   |                         |                       |                           |
| Bumi Armada Bhd                         | 4,735,000         | 2,578,184               | 2,651,600             | 0.89                      |
| Dayang Enterprise Holding Bhd           | 4,348,800         | 7,144,888               | 11,437,344            | 3.85                      |
| Dialog Group Bhd                        | 3,955,100         | 8,065,840               | 9,452,689             | 3.18                      |
| Hibiscus Petroleum Bhd                  | 313,880           | 785,149                 | 731,340               | 0.25                      |
| Keyfield International Bhd              | 4,511,700         | 8,487,558               | 10,828,080            | 3.64                      |
| Perdana Petroleum Bhd                   | 7,461,430         | 2,633,618               | 2,947,265             | 0.99                      |
| Yinson Holdings Bhd                     | <u>1,016,200</u>  | <u>2,412,834</u>        | <u>2,367,746</u>      | <u>0.80</u>               |
|   | <u>26,342,110</u> | <u>32,108,071</u>       | <u>40,416,064</u>     | <u>13.60</u>              |
| <b>Financial Services</b>               |                   |                         |                       |                           |
| AMMB Holding Bhd                        | 1,472,500         | 6,005,052               | 6,317,025             | 2.12                      |
| CIMB Group Holdings Bhd                 | 2,798,326         | 14,442,674              | 19,028,617            | 6.40                      |
| Malayan Banking Bhd                     | 535,009           | 4,726,716               | 5,328,690             | 1.79                      |
| Public Bank Bhd                         | <u>2,781,590</u>  | <u>11,418,341</u>       | <u>11,181,992</u>     | <u>3.76</u>               |
|   | <u>7,587,425</u>  | <u>36,592,783</u>       | <u>41,856,324</u>     | <u>14.07</u>              |

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

| Name of counter                               | Quantity<br>Units | Aggregate<br>cost<br>RM | Market<br>value<br>RM | Percentage<br>of NAV<br>% |
|---|-------------------|-------------------------|-----------------------|---------------------------|
| <b>2024 (CONTINUED)</b>                       |                   |                         |                       |                           |
| <b>QUOTED SECURITIES<br/>(CONTINUED)</b>      |                   |                         |                       |                           |
| <b>Health Care</b>                            |                   |                         |                       |                           |
| Hartalega Holding Bhd                         | 3,874,000         | 6,857,038               | 12,706,720            | 4.27                      |
| Kossan Rubber Industries                      | 1,319,400         | 1,728,170               | 3,100,590             | 1.04                      |
| KPJ Healthcare Bhd                            | 2,603,300         | 3,409,619               | 5,024,369             | 1.69                      |
| Top Glove Corp Bhd                            | 1,328,000         | 1,251,064               | 1,460,800             | 0.49                      |
|   | <u>9,124,700</u>  | <u>13,245,891</u>       | <u>22,292,479</u>     | <u>7.49</u>               |
| <b>Industrial Products &amp;<br/>Services</b> |                   |                         |                       |                           |
| KJTS Group Bhd                                | 897,100           | 454,379                 | 574,144               | 0.19                      |
| Nationgate Holdings Bhd                       | 4,887,400         | 6,184,236               | 8,943,942             | 3.01                      |
| Sunway Bhd                                    | 2,348,200         | 4,923,169               | 8,477,002             | 2.85                      |
| Sunway Bhd - WB 03/10/2024                    | 300,200           | 171,622                 | 675,450               | 0.23                      |
| V.S. Industry Bhd                             | 2,426,500         | 3,001,107               | 3,081,655             | 1.04                      |
|   | <u>10,859,400</u> | <u>14,734,513</u>       | <u>21,752,193</u>     | <u>7.32</u>               |
| <b>Property</b>                               |                   |                         |                       |                           |
| Eastern and Oriental Bhd                      | 3,553,200         | 2,198,806               | 3,499,902             | 1.18                      |
| Iskandar Waterfront City Bhd                  | 3,894,400         | 2,952,209               | 2,901,328             | 0.98                      |
| Malaysian Resources<br>Corporation<br>Bhd     | 4,611,600         | 2,830,071               | 2,790,018             | 0.94                      |
| Sime Darby Property Bhd                       | 2,200,000         | 2,753,492               | 2,948,000             | 0.99                      |
| SP Setia Bhd                                  | 4,320,200         | 5,505,413               | 5,961,876             | 2.00                      |
| UEM Sunrise Bhd                               | 5,715,500         | 5,536,675               | 6,172,740             | 2.08                      |
|   | <u>24,294,900</u> | <u>21,776,666</u>       | <u>24,273,864</u>     | <u>8.17</u>               |
| <b>Technology</b>                             |                   |                         |                       |                           |
| Cape EMS Bhd                                  | 4,663,000         | 6,336,495               | 4,359,905             | 1.47                      |
| Frontken Corp Bhd                             | 1,702,200         | 5,855,402               | 7,591,812             | 2.55                      |
| Genetec Technology Bhd                        | 4,424,100         | 11,135,371              | 9,909,984             | 3.33                      |
| Greatech Technology Bhd                       | 637,500           | 3,321,192               | 3,346,875             | 1.13                      |
| Inari Amertron Bhd                            | 1,150,300         | 3,560,787               | 4,256,110             | 1.43                      |
| ITMAX System Bhd                              | 394,100           | 616,172                 | 1,008,896             | 0.34                      |
| Malaysian Pacific Industries                  | 40,000            | 1,593,976               | 1,576,800             | 0.53                      |
| Oppstar Bhd                                   | 3,133,400         | 5,670,649               | 4,136,088             | 1.39                      |
|   | <u>16,144,600</u> | <u>38,090,044</u>       | <u>36,186,470</u>     | <u>12.17</u>              |
| <b>Telecommunications/Media</b>               |                   |                         |                       |                           |
| Telekom Malaysia Bhd                          | 567,912           | 3,002,534               | 3,839,085             | 1.29                      |

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

| Name of counter   | Quantity<br>Units         | Aggregate<br>cost<br>RM   | Market<br>value<br>RM     | Percentage<br>of NAV<br>% |
|---|---------------------------|---------------------------|---------------------------|---------------------------|
| <b>2024 (CONTINUED)</b>   |                           |                           |                           |                           |
| <b>QUOTED SECURITIES<br/>(CONTINUED)</b>  |                           |                           |                           |                           |
| <b>Transportation/Logistics</b>   |                           |                           |                           |                           |
| Malaysia Airports Holding Bhd   | 1,438,128                 | 9,885,914                 | 14,237,467                | 4.78                      |
| MISC Bhd - Local  | 615,000                   | 4,975,843                 | 5,239,800                 | 1.77                      |
|   | <u>2,053,128</u>          | <u>14,861,757</u>         | <u>19,477,267</u>         | <u>6.55</u>               |
| <b>Utilities</b>  |                           |                           |                           |                           |
| Tenaga Nasional Bhd   | 1,342,800                 | 12,163,066                | 18,503,784                | 6.21                      |
| YTL Corporation Bhd   | 1,708,000                 | 2,562,629                 | 5,892,601                 | 1.98                      |
| YTL Power International Bhd   | 2,485,800                 | 3,186,446                 | 11,981,556                | 4.01                      |
|   | <u>5,536,600</u>          | <u>17,912,141</u>         | <u>36,377,941</u>         | <u>12.20</u>              |
| <b>TOTAL QUOTED<br/>SECURITIES</b>  | <b><u>117,000,064</u></b> | <b><u>215,171,265</u></b> | <b><u>278,343,559</u></b> | <b><u>93.58</u></b>       |
| <b>ACCUMULATED<br/>UNREALISED GAIN ON<br/>FINANCIAL ASSETS AT<br/>FAIR VALUE THROUGH<br/>PROFIT OR LOSS</b> |                           | <b><u>63,172,294</u></b>  |                           |                           |
| <b>TOTAL FINANCIAL ASSETS<br/>AT FAIR VALUE<br/>THROUGH PROFIT OR<br/>LOSS</b>                              |                           | <b><u>278,343,559</u></b> |                           |                           |
| <b>2023</b>   |                           |                           |                           |                           |
| <b>QUOTED SECURITIES</b>  |                           |                           |                           |                           |
| <b>Construction</b>   |                           |                           |                           |                           |
| Gamuda Bhd  | <u>1,082,457</u>          | <u>3,535,494</u>          | <u>4,762,811</u>          | <u>2.10</u>               |
| <b>Consumer Products<br/>&amp; Services</b>   |                           |                           |                           |                           |
| Genting Bhd   | 1,650,500                 | 7,819,683                 | 6,701,030                 | 2.95                      |
| Genting Malaysia Bhd  | 4,240,900                 | 12,999,450                | 10,432,614                | 4.59                      |
| Sime Darby Bhd  | 1,342,900                 | 3,118,787                 | 2,752,945                 | 1.21                      |
|   | <u>7,234,300</u>          | <u>23,937,920</u>         | <u>19,886,589</u>         | <u>8.75</u>               |

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

| Name of counter                               | Quantity<br>Units | Aggregate<br>cost<br>RM | Market<br>value<br>RM | Percentage<br>of NAV<br>% |
|---|-------------------|-------------------------|-----------------------|---------------------------|
| <b>2023 (CONTINUED)</b>                       |                   |                         |                       |                           |
| <b>QUOTED SECURITIES<br/>(CONTINUED)</b>      |                   |                         |                       |                           |
| <b>Energy</b>                                 |                   |                         |                       |                           |
| Bumi Armada Bhd                               | 5,527,900         | 3,069,769               | 2,598,113             | 1.14                      |
| Dayang Enterprise<br>Holdings Bhd             | 2,939,100         | 3,868,781               | 3,762,048             | 1.66                      |
| Hibiscus Petroleum Bhd                        | 2,424,700         | 2,197,912               | 2,097,365             | 0.92                      |
| Yinson Holdings Bhd -<br>Warrant              | 827,314           | 320,990                 | 525,344               | 0.23                      |
| Yinson Holdings Bhd                           | 1,844,200         | 4,378,811               | 4,721,152             | 2.08                      |
|   | <u>13,563,214</u> | <u>13,836,263</u>       | <u>13,704,022</u>     | <u>6.03</u>               |
| <b>Financial Services</b>                     |                   |                         |                       |                           |
| AMMB Holdings Bhd                             | 511,600           | 1,921,939               | 1,851,992             | 0.81                      |
| CIMB Group Holdings<br>Bhd                    | 3,193,326         | 16,183,619              | 16,158,230            | 7.11                      |
| Hong Leong Bank Bhd                           | 205,000           | 3,365,765               | 3,886,800             | 1.71                      |
| Malayan Banking Bhd                           | 535,009           | 4,726,716               | 4,617,128             | 2.03                      |
| Public Bank Bhd                               | 2,647,590         | 10,778,586              | 10,193,222            | 4.48                      |
| RHB Bank Bhd                                  | 328,191           | 1,846,945               | 1,782,077             | 0.78                      |
|   | <u>7,420,716</u>  | <u>38,823,570</u>       | <u>38,489,449</u>     | <u>16.92</u>              |
| <b>Health Care</b>                            |                   |                         |                       |                           |
| Hartalega Holding Bhd                         | 4,981,000         | 8,486,808               | 9,414,090             | 4.14                      |
| IHH Healthcare Bhd                            | 781,000           | 5,117,560               | 4,600,090             | 2.02                      |
| Kossan Rubber<br>Industries                   | 488,500           | 579,524                 | 630,165               | 0.28                      |
| KPJ Healthcare Bhd                            | 2,148,700         | 2,452,803               | 2,406,544             | 1.06                      |
| Top Glove Corp Bhd                            | 3,704,000         | 3,505,747               | 3,000,240             | 1.32                      |
|   | <u>12,103,200</u> | <u>20,142,442</u>       | <u>20,051,129</u>     | <u>8.82</u>               |
| <b>Industrial Products &amp;<br/>Services</b> |                   |                         |                       |                           |
| Cape EMS Bhd                                  | 4,652,300         | 6,418,988               | 6,047,990             | 2.66                      |
| Kelington Group Bhd                           | 745,400           | 1,087,374               | 1,110,646             | 0.49                      |
| MST Golf Group Bhd                            | 131,800           | 106,758                 | 106,758               | 0.05                      |
| Nationgate Holdings<br>Bhd                    | 5,920,800         | 7,343,444               | 8,289,120             | 3.65                      |
| Press Metal Aluminium<br>Holding Bhd          | 1,691,400         | 6,897,395               | 7,949,580             | 3.50                      |
| Scicom MSC Bhd                                | 263,800           | 299,413                 | 306,008               | 0.13                      |
| Solarvest Holdings                            | 2,043,000         | 2,124,662               | 2,390,310             | 1.05                      |
| V.S. Industry                                 | 893,200           | 793,835                 | 812,812               | 0.36                      |
|   | <u>16,341,700</u> | <u>25,071,869</u>       | <u>27,013,224</u>     | <u>11.89</u>              |



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

| Name of counter                       | Quantity<br>Units         | Aggregate<br>cost<br>RM   | Market<br>value<br>RM     | Percentage<br>of NAV<br>% |
|---------------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| <b>2023 (CONTINUED)</b>               |                           |                           |                           |                           |
| <b>QUOTED SECURITIES (CONTINUED)</b>  |                           |                           |                           |                           |
| <b>Plantation</b>                     |                           |                           |                           |                           |
| Kuala Lumpur Kepong Bhd               | 55,000                    | 1,188,880                 | 1,207,800                 | 0.53                      |
| <b>Real Estate Investment</b>         |                           |                           |                           |                           |
| Pavilion REIT                         | 3,723,600                 | 4,542,792                 | 4,617,264                 | 2.03                      |
| <b>Technology</b>                     |                           |                           |                           |                           |
| Frontken Corporation Bhd              | 1,243,800                 | 4,242,643                 | 3,917,970                 | 1.73                      |
| Genetec Technology Berhad             | 4,539,100                 | 11,424,824                | 10,530,712                | 4.63                      |
| Inari Amertron Bhd                    | 1,032,000                 | 3,107,537                 | 2,827,680                 | 1.24                      |
| Infomina Bhd                          | 771,900                   | 1,054,472                 | 1,428,015                 | 0.63                      |
| ITMAX System Bhd                      | 996,900                   | 1,558,646                 | 1,395,660                 | 0.61                      |
| LGMS Bhd                              | 1,051,300                 | 1,213,905                 | 1,230,021                 | 0.54                      |
| My Eg Services Bhd                    | 11,056,100                | 10,254,490                | 8,292,075                 | 3.65                      |
| Oppstar Bhd                           | 3,133,400                 | 5,670,649                 | 5,922,126                 | 2.61                      |
| Vitrox Corp Bhd                       | 284,700                   | 2,340,323                 | 2,271,906                 | 1.00                      |
|                                       | <u>24,109,200</u>         | <u>40,867,489</u>         | <u>37,816,165</u>         | <u>16.64</u>              |
| <b>Telecommunications &amp; Media</b> |                           |                           |                           |                           |
| Astro Malaysia Holding Bhd            | 8,261,400                 | 5,731,887                 | 4,956,840                 | 2.18                      |
| Maxis Bhd                             | 500,400                   | 2,023,686                 | 2,051,640                 | 0.91                      |
| Telekom Malaysia Bhd                  | 1,500,912                 | 7,935,277                 | 7,369,478                 | 3.24                      |
|                                       | <u>10,262,712</u>         | <u>15,690,850</u>         | <u>14,377,958</u>         | <u>6.33</u>               |
| <b>Transportation &amp; Logistics</b> |                           |                           |                           |                           |
| Malaysia Airports Holdings Bhd        | 1,928,128                 | 13,254,249                | 13,265,521                | 5.84                      |
| MISC Bhd                              | 318,800                   | 2,441,977                 | 2,282,608                 | 1.00                      |
|                                       | <u>2,246,928</u>          | <u>15,696,226</u>         | <u>15,548,129</u>         | <u>6.84</u>               |
| <b>Utilities</b>                      |                           |                           |                           |                           |
| Tenaga Nasional Bhd                   | 1,483,800                 | 13,276,560                | 13,428,390                | 5.91                      |
| YTL Power International Bhd           | 3,940,000                 | 4,941,224                 | 5,122,000                 | 2.25                      |
|                                       | <u>5,423,800</u>          | <u>18,217,784</u>         | <u>18,550,390</u>         | <u>8.16</u>               |
| <b>TOTAL QUOTED SECURITIES</b>        | <b><u>103,566,827</u></b> | <b><u>221,551,579</u></b> | <b><u>216,024,930</u></b> | <b><u>95.04</u></b>       |

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

| Name of counter   | Quantity<br>Units | Aggregate<br>cost<br>RM | Market<br>value<br>RM | Percentage<br>of NAV<br>% |
|---|-------------------|-------------------------|-----------------------|---------------------------|
| <b>2023 (CONTINUED)</b>   |                   |                         |                       |                           |
| <b>QUOTED SECURITIES<br/>(CONTINUED)</b>  |                   |                         |                       |                           |
| <b>ACCUMULATED<br/>UNREALISED LOSS<br/>ON FINANCIAL<br/>ASSETS AT FAIR<br/>VALUE THROUGH<br/>PROFIT OR LOSS</b> |                   |                         |                       |                           |
|   |                   | <u>(5,526,649)</u>      |                       |                           |
| <b>TOTAL FINANCIAL<br/>ASSETS AT FAIR<br/>VALUE THROUGH<br/>PROFIT OR LOSS</b>                                  |                   |                         |                       |                           |
|   |                   | <u>216,024,930</u>      |                       |                           |

9. CASH AND CASH EQUIVALENTS

|   | <b>2024</b><br>RM | <b>2023</b><br>RM |
|---|-------------------|-------------------|
| Deposits with licensed financial institutions | 10,480,851        | 9,305,778         |
| Bank balances                                 | 276,368           | 191,911           |
|   | <u>10,757,219</u> | <u>9,497,689</u>  |

10. NUMBER OF UNITS IN CIRCULATION (UNITS)

|                | <b>2024</b>         | <b>2023</b>         |
|----------------|---------------------|---------------------|
|                | <b>No. of units</b> | <b>No. of units</b> |
| Class D (i)    | 1,124,514           | -                   |
| Class MYR (ii) | 183,462,578         | 191,819,139         |
|                | <u>184,587,092</u>  | <u>191,819,139</u>  |

(i) Class D

|  | <b>2024</b>      | <b>2023</b> |
|--|------------------|-------------|
| At the beginning of the financial year   | -                | -           |
| Add: Creation of units from applications | 1,516,725        | -           |
| Less: Cancellation of units              | (392,211)        | -           |
| At the end of the financial year         | <u>1,124,514</u> | <u>-</u>    |

(i) Class MYR

|  | <b>2024</b>         | <b>2023</b>         |
|--|---------------------|---------------------|
|  | <b>No. of units</b> | <b>No. of units</b> |
| At the beginning of the financial year   | 191,819,139         | 208,975,756         |
| Add: Creation of units from applications | 28,279,769          | 27,795,970          |
| Add: Creation of units from distribution | -                   | 7,199,431           |
| Less: Cancellation of units              | (36,636,330)        | (52,152,018)        |
| At the end of the financial year         | <u>183,462,578</u>  | <u>191,819,139</u>  |

**11. NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS**

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

|                             | <b>2024</b> | <b>2023</b>        |
|-----------------------------|-------------|--------------------|
|                             | <b>RM</b>   | <b>RM</b>          |
| Unit holders' contributions | -           | 123,129,982        |
| Retained earnings           | -           | 104,162,355        |
|                             | <u>-</u>    | <u>227,292,337</u> |

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

|   | <b>Unit holders' contributions</b> | <b>Retained earnings</b> | <b>Total</b>       |
|---|------------------------------------|--------------------------|--------------------|
|   | <b>RM</b>                          | <b>RM</b>                | <b>RM</b>          |
| <b>Balance as at 1 July 2022</b>                | 145,870,299                        | 115,883,882              | 261,754,181        |
| Movements in unit holders' contributions:       |                                    |                          |                    |
| - Creation of units from applications           | 34,301,073                         | -                        | 34,301,073         |
| - Creation of units from distribution           | 8,727,870                          | -                        | 8,727,870          |
| - Cancellation of units                         | (65,769,260)                       | -                        | (65,769,260)       |
| Total comprehensive loss for the financial year | -                                  | (2,844,159)              | (2,844,159)        |
| Distribution                                    | -                                  | (8,877,368)              | (8,877,368)        |
| <b>Balance at 30 June 2023</b>                  | <u>123,129,982</u>                 | <u>104,162,355</u>       | <u>227,292,337</u> |

Disclosure of net assets attributable to unit holders is not required for financial year ended 30 June 2024 as the Fund issued multiple classes of units during the financial year.

**12. TOTAL EXPENSE RATIO ("TER")**

|     | <b>2024</b> | <b>2023</b> |
|-----|-------------|-------------|
|     | <b>%</b>    | <b>%</b>    |
| TER | <u>1.54</u> | <u>1.54</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 and custodian fee
- C = Audit fee
- D = Tax agent's fee
- E = Other expenses excluding Central Depository System ("CDS") fee and withholding tax
- F = Average NAV of the Fund calculated on a daily basis

The average NAV of the Fund for the financial year calculated on daily basis is RM247,654,650 (2023: RM247,483,830).

13. PORTFOLIO TURNOVER RATIO (“PTR”)

|     | 2024        | 2023        |
|-----|-------------|-------------|
| PTR | <u>0.64</u> | <u>0.81</u> |

PTR is derived based on the following calculation:

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

where:

total acquisition for the financial year = RM151,607,415 (2023: RM197,610,856)

total disposal for the financial year = RM164,578,943 (2023: RM201,563,706)

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   |
| CIMB Group Sdn Bhd  | Shareholder of the Manager   |
| CIMB Investment Bank Bhd  | Fellow related party to the Manager  |
| CIMB Securities Sdn Bhd   | Fellow related party to the Manager  |
| CIMB Bank Bhd   | Fellow related party to the Manager  |
| CGS-CIMB Securities Sdn 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 the Manager                |

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

Units held by the Manager and parties related to the Manager

|                                   | 2024         |        | 2023         |        |
|-----------------------------------|--------------|--------|--------------|--------|
|                                   | No. of units | RM     | No. of units | RM     |
| <b>Manager</b>                    |              |        |              |        |
| Principal Asset Management Berhad |              |        |              |        |
| - Class MYR                       | 10,459       | 16,881 | 15,225       | 18,040 |

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

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

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

|   | 2024<br>RM | 2023<br>RM |
|---|------------|------------|
| <u>Significant related party balance</u>      |            |            |
| Quoted security:                              |            |            |
| CIMB Group Holdings Bhd                       | 19,028,617 | 16,158,230 |
| <u>Significant related party transactions</u> |            |            |
| Dividend income received:                     |            |            |
| - CIMB Group Holdings Bhd                     | 1,540,195  | 929,440    |

**15. TRANSACTIONS WITH BROKERS**

Details of transactions with the top 10 brokers for the financial year ended 30 June 2024 are as follows:

| Brokers                                  | Value of trades<br>RM | Percentage of total trades<br>% | Brokerage fees<br>RM | Percentage of total brokerage fees<br>% |
|--|-----------------------|---------------------------------|----------------------|---|
| Affin Hwang Investment Bank Bhd          | 60,645,903            | 19.20                           | 136,510              | 19.96                                   |
| RHB Investment Bank Bhd                  | 40,235,337            | 12.74                           | 90,591               | 13.25                                   |
| Maybank Investment Bank Bhd              | 38,638,997            | 12.23                           | 80,870               | 11.82                                   |
| CLSA Securities (M) Sdn Bhd              | 28,807,481            | 9.12                            | 68,292               | 9.98                                    |
| Hong Leong Investment Bank Bhd           | 25,693,821            | 8.14                            | 57,811               | 8.45                                    |
| Macquarie Capital Securities (M) Sdn Bhd | 25,683,711            | 8.13                            | 56,776               | 8.30                                    |
| CGS-CIMB Securities Sdn Bhd #            | 25,482,963            | 8.07                            | 56,242               | 8.22                                    |
| UBS Securities (M) Sdn Bhd               | 20,054,784            | 6.35                            | 44,948               | 6.57                                    |
| Nomura Securities Malaysia Sdn Bhd       | 15,198,481            | 4.81                            | 34,197               | 5.00                                    |

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

Details of transactions with the top 10 brokers for the financial year ended 30 June 2024 are as follows: (continued)

| <b>Brokers</b>                   | <b>Value of trades<br/>RM</b> | <b>Percentage<br/>of total<br/>trades<br/>%</b> | <b>Brokerage<br/>fees<br/>RM</b> | <b>Percentage<br/>of total<br/>brokerage<br/>fees<br/>%</b> |
|----------------------------------|-------------------------------|---|----------------------------------|---|
| CGS Inter Securities (M) Sdn Bhd | 13,072,266                    | 4.14  | 27,689                           | 4.05  |
| Others                           | 22,324,696                    | 7.07  | 30,031                           | 4.40  |
|                                  | <u>315,838,440</u>            | <u>100.00</u>                                   | <u>683,957</u>                   | <u>100.00</u>   |

Details of transactions with the top 10 brokers for the financial year ended 30 June 2023 are as follows:

| <b>Brokers</b>                     | <b>Value of trades<br/>RM</b> | <b>Percentage<br/>of total<br/>trades<br/>%</b> | <b>Brokerage<br/>fees<br/>RM</b> | <b>Percentage<br/>of total<br/>brokerage<br/>fees<br/>%</b> |
|------------------------------------|-------------------------------|---|----------------------------------|---|
| CGS-CIMB Securities Sdn Bhd #      | 51,946,959                    | 13.01   | 87,342                           | 10.25   |
| J.P. Morgan Securities (M) Sdn Bhd | 51,926,286                    | 13.01   | 107,380                          | 12.60   |
| RHB Investment Bank Bhd            | 41,636,449                    | 10.43   | 91,516                           | 10.74   |
| KAF Equities Sdn Bhd               | 40,679,421                    | 10.19   | 89,823                           | 10.54   |
| CLSA Securities (M) Sdn Bhd        | 40,529,282                    | 10.15   | 91,035                           | 10.68   |
| Maybank Investment Bank Bhd        | 38,726,456                    | 9.70  | 86,439                           | 10.14   |
| Hong Leong Investment Bank Bhd     | 29,807,086                    | 7.47  | 65,817                           | 7.72  |
| Affin Hwang Investment Bank Bhd    | 29,140,231                    | 7.30  | 68,739                           | 8.07  |
| UBS Securities (M) Sdn Bhd         | 26,973,733                    | 6.76  | 59,185                           | 6.95  |
| Credit Suisse Sec (M) Sdn Bhd      | 22,130,626                    | 5.54  | 49,794                           | 5.84  |
| Others                             | 25,678,033                    | 6.44  | 55,104                           | 6.47  |
|                                    | <u>399,174,562</u>            | <u>100.00</u>                                   | <u>852,174</u>                   | <u>100.00</u>   |

# Included in the transactions are trades conducted with CGS-CIMB Securities Sdn Bhd, fellow related parties to the Manager amounting to RM25,482,963 (2023: RM51,946,959). The Manager is of the opinion that all transactions with the related companies have been entered into in the normal course of business at agreed terms between the related parties.

**16. APPROVAL OF FINANCIAL STATEMENTS**

The financial statements have been approved for issue by the Manager on 16 August 2024.

## DIRECTORY

### Head Office of the Manager

Principal Asset Management Berhad (Company No.: 199401018399 (304078-K))  
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### Trustee for the Principal Malaysia Titans Fund

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### Trustee for the Principal Malaysia Titans Fund

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### Auditors of the Fund and of the Manager

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

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