

Principal Malaysia Titans Plus Fund

Annual Report

For The Financial Year Ended 31 October 2024

PRINCIPAL MALAYSIA TITANS PLUS FUND

ANNUAL REPORT

FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2024

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INVESTORS' LETTER

Dear Valued Investor,

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

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

We are proud to announce that Principal Malaysia has earned numerous accolades in 2024. At the Asia Asset Management 2024 Best of the Best Awards, we were honored with the Best of the Best Performance Award for China A-Share Equity (3 years) and recognized as the 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 our company was recognized as Asset Management Company of the Year Malaysia. Additionally, we 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). The International Finance Awards honored us with 'Best Asset Management Company – Malaysia 2024' and 'Best Asset Management CEO – Munirah Khairuddin – Malaysia 2024'. At the Triple A Sustainable Investing Awards 2024, we secured the Asset Management Company of the Year (Malaysia) award. The World Business Outlook magazine recognized us with the titles of 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, like our Facebook page (@PrincipalMalaysia), follow us on our Instagram account (@principalmalaysia), and LinkedIn page (Principal Malaysia) 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 investment objective of the Fund is to achieve maximum capital appreciation over the long-term through all types of investments.

Has the Fund achieved its objective?

The Fund has achieved its objective for the financial year under review. 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 at least 70% of its NAV in equities and up to 28% of the Fund’s NAV in other permissible investments and at least 2% of the Fund’s NAV in liquid assets. In line with its objective, the investment policy and strategy of the Fund will focus on investment in shares of companies with growth potential. Generally, the Fund will invest primarily in large capitalisation companies listed on the main market of Bursa Malaysia. The Fund may also invest in ACE market of Bursa Malaysia to provide better return. With effect from 14 April 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:

- at least 70% of the Fund’s NAV will be invested in equities;
- up to 28% of the Fund’s NAV may be invested in other permissible investments; and
- at least 2% of the Fund’s NAV in liquid assets.

Fund category/type

Equity/Aggressive Growth

When was the Fund launched?

Name of Class	Launch Date
Class MYR	28 September 1995
Class SGD *	18 February 2016 (Terminated on 29 July 2024)

*only offered in Singapore

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

RM176.83 million (175.66 million units)

What is the Fund’s benchmark?

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

Note: Investors should note that the risk profile of the Fund is not the same as the risk profile of the benchmark.

What is the Fund distribution policy?

The Manager has the discretion to distribute part or all of the Class’ 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 31 October 2024?

The Fund distributed a total net income of RM6.23 million to unit holders for the financial year ended 31 October 2024 thus the NAV per unit dropped from RM1.0576 to RM1.0208.

Source of distribution	2024		2023	
	RM	%	RM	%
Distribution out of current year's income	6,228,059	100.00	-	-
Distribution out of prior year's income/capital	-	-	-	-
Total	6,228,059	100.00	-	-

PERFORMANCE DATA

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

	31.10.2024	31.10.2023	31.10.2022
	%	%	%
Collective investment scheme	-	0.51	-
Quoted securities			
- Communication Services	2.49	-	-
- Construction	-	4.95	2.96
- Consumer Discretionary	1.30	-	-
- Consumer Products & Services	-	4.94	13.36
- Consumer Staples	2.59	-	-
- Energy	8.18	7.76	3.95
- Financials	21.42	-	-
- Financial Services	-	19.48	29.55
- Health Care	7.74	6.84	2.48
- Industrials	20.71	-	-
- Industrial Products & Services	-	10.11	10.23
- Information Technology	11.45	-	-
- Plantation	-	0.32	8.81
- Property	-	3.60	-
- Real Estate	8.75	-	-
- Technology	-	16.86	9.11
- Telecommunications & Media	-	3.71	3.10
- Transportation & Logistics	-	6.29	4.20
- Utilities	10.82	11.63	1.12
Cash and other assets	5.07	3.25	11.44
Liabilities	(0.52)	(0.25)	(0.31)
	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>

Note: The Fund had applied the Global Industry Classification Standard ("GICS") sectors classification for the financial year ended 31 October 2024 and applied the Bursa classification for the financial year ended 31 October 2023 and 31 October 2022.

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

	31.10.2024	31.10.2023	31.10.2022
NAV (RM Million)			
- Class MYR	176.83	152.93	164.36
- Class SGD	-	0.19	0.26
Units in circulation (Million)			
- Class MYR	175.66	181.98	198.03
- Class SGD	-	0.07	0.10
NAV per unit (RM)			
- Class MYR	1.0066	0.8403	0.8299
- Class SGD	-	2.6513	2.6184
Highest NAV per unit (RM)			
- Class MYR	1.1776	0.8738	0.9435
- Class SGD	-	2.7566	2.9766
Lowest NAV per unit (RM)			
- Class MYR	0.8358	0.8086	0.8256
- Class SGD	-	2.5511	2.6045
Total return (%)			
- Class MYR	24.11	1.25	(8.29)
- Class SGD	-	(3.02)	(15.51)

PERFORMANCE DATA (CONTINUED)

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

	31.10.2024	31.10.2023	31.10.2022
Capital growth (%)			
- Class MYR	19.79	1.25	(11.60)
- Class SGD	-	(3.02)	(18.56)
Income distribution (%)			
- Class MYR	3.61	-	3.75
- Class SGD	-	-	3.74
Total Expense Ratio ("TER") (%) ^	1.57	1.58	1.57
Portfolio Turnover Ratio ("PTR") (times) #	0.53	0.86	0.50

^ The Fund's TER decreased from 1.58% to 1.57% was mainly due to increased in average NAV during the financial year under review.

The Fund's PTR decreased from 0.86 times to 0.53 times which was mainly due to decrease in trading activities during the financial year under review.

	31.10.2024	31.10.2023	31.10.2022
Gross/Net distribution per unit (sen)			
Distribution on 10 October 2024			
- Class MYR	3.68	-	-
Distribution on 26 October 2022			
- Class MYR	-	-	3.10
- Class SGD	-	-	9.77

	31.10.2024	31.10.2023	31.10.2022	31.10.2021	31.10.2020
	%	%	%	%	%
Annual total return					
- Class MYR	24.11	1.25	(8.29)	19.79	(5.04)

(Launch date: 28 September 1995)

	31.10.2024	31.10.2023	31.10.2022	31.10.2021	31.10.2020
	%	%	%	%	%
Annual total return					
- Class SGD	-	(3.02)	(15.51)	18.42	(4.21)

(Launch date: 18 February 2016)

Past performance is not necessarily indicative of future performance and that unit prices and investment returns may go down, as well as up. All performance figures for the financial year have been extracted from Lipper

MARKET REVIEW (1 NOVEMBER 2023 TO 31 OCTOBER 2024)

For the financial year under review, the FBM100 Index increased by 1,498.74 points ("pts") or 14.53% from 10,315.36 pts to 11,814.10 pts. FBM100 Index rose 0.8% Month on Month ("m-o-m") in November 2023. Overall sentiment was lifted by expectations that the US Federal Reserve (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 Emerging Market ("EM") markets. In December 2023, the FBM100 Index continued to move higher; rising 0.9% m-o-m and ended the year of 2023 at 10,485.72 pts. 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 United States Dollar ("USD") and falling treasury yields.

MARKET REVIEW (1 NOVEMBER 2023 TO 31 OCTOBER 2024) (CONTINUED)

FBM100 Index rallied 418.10 pts or 4.0% m-o-m in January 2024. Sentiment was lifted by the 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 FBM100 Index continued its rally in February 2024 gaining 2.3% 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, FBM100 Index edged higher by 0.5% 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 MSCI rebalancing in February 2024) and many index stocks going ex-dividends.

FBM100 Index gained 2.5% 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 2.3% 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 0.2% m-o-m. Overall, sentiment remained relatively upbeat considering recent weakness in US economic data and inflation moderating.

The FBM100 Index rose 2.6% m-o-m in July 2024 in line with gains in regional markets and rebounding off the previous month's sell-off, spurred by The Federal Open Market Committee ("FOMC") Fed cut bets considering the recent weakness in US economic data and inflation moderating.

FBM100 Index rose further by 0.7% m-o-m in August 2024, despite the sharp sell-off at the start of the month due to the massive unwinding of the Japanese Yen carry trade. Sentiment was helped by waning US recession fears given the more positive economic data, and greater conviction on Fed cuts, coupled with the 5% appreciation in the Malaysian Ringgit during the month.

After the market up for 10 consecutive months, FBM100 settled 1.4% m-o-m lower in September 2024 on the back of profit taking. This was in contrast to the stronger US market which recorded new highs following Fed's 50 basis points ("bps") cut during the month and greater confidence of a soft-landing scenario for the US economy.

The FBM100 Index fell further by 1.7% m-o-m in October 2024 as investors were risk-off ahead of the US elections, despite the Fed very likely to cut another 25bps in the November FOMC meeting given the recent inflation print and weak jobs data.

FUND PERFORMANCE

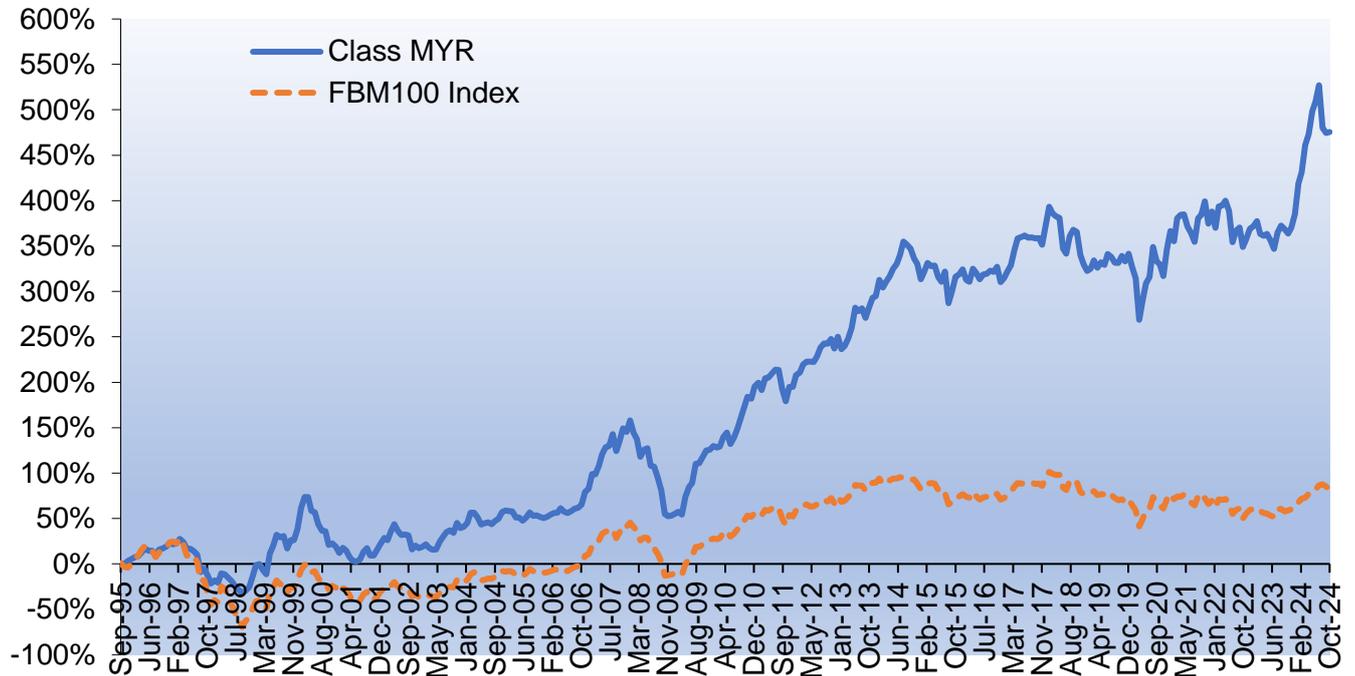
	1 year to 31.10.2024 %	3 years to 31.10.2024 %	5 years to 31.10.2024 %	Since inception to 31.10.2024 %
Income Distribution				
- Class MYR	3.61	7.49	18.34	273.21
Capital Growth				
- Class MYR	19.79	7.22	10.79	54.20
Total Return				
- Class MYR	24.11	15.25	31.10	475.50
Benchmark				
- Class MYR	14.53	5.59	6.28	82.07
Average Total Return				
- Class MYR	24.11	4.84	5.56	6.20

Note : Disclosure of Class SGD is not required as the Class SGD was terminated on 29 July 2024.

For the financial year under review, Class MYR registered a total return of 24.11% and had outperformed the Benchmark by 9.58%.

Since Inception

CLASS MYR



FUND PERFORMANCE (CONTINUED)

Changes in NAV

	31.10.2024	31.10.2023	Changes %
Class MYR			
NAV (RM Million)	176.83	152.93	15.63
NAV/Unit (RM)	1.0066	0.8403	19.79

Note : Disclosure of Class SGD is not required as the Class SGD was terminated on 29 July 2024.

For the financial year under review, the NAV of the Fund increased by 15.63%, while the respective NAV per unit increased by 19.79%. The increase in NAV and NAV per unit was mainly attributable to the positive investment performance.

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

PORTFOLIO STRUCTURE

Asset allocation

(% of NAV)	31.10.2024	31.10.2023
Collective investment scheme	-	0.51
Quoted securities	95.45	96.49
Cash and other assets	5.07	3.25
Liabilities	(0.52)	(0.25)
TOTAL	100.00	100.00

For the financial year under review, the allocation for quoted securities decreased slightly from 96.49% as at 31 October 2023 to 95.45% as at 31 October 2024 due to profit taking, while we remained positive on the Malaysia market. Meanwhile, cash and other assets at 5.07%.

MARKET OUTLOOK*

Malaysia's manufacturing sector conditions remain somewhat muted in October 2024 with a Purchase Managers Index ("PMI") reading of 49.5 pts, unchanged from the previous month. Standard & Poor ("S&P") Global however noted that firms recorded a renewed rise in new order intakes, albeit production volumes scaled back further alongside purchasing activity. Staffing levels were broadly unchanged while inflationary pressures also eased. Optimism of a recovery in new orders over the coming 12 months, which rose to a Year-To-Date ("YTD") high last month, remains solid. The latest PMI data suggests third quarter of 2024 GDP growth momentum could sustain at a similar pace as the preceding quarter, which was at 5.9%. To recap, Bank Negara Malaysia ("BNM") now projects GDP to grow 4.8% - 5.3% in 2024, revised up from 4% to 5% previously, and the economy to expand by 4.5% to 5.5% in 2025. We expect BNM to maintain Overnight Policy Rate ("OPR") at 3.0% for the rest of the year given muted inflation and modest economic growth. Inflation remained stable at 1.9% in October 2024. There appears to be sufficient headroom to central bank's latest 2.0% to 3.5% Consumer Price Index ("CPI") forecast for 2025 with the impending subsidy rationalization plans.

The KLCI is now trading at a forward Price to Earnings ("P/E") ratio of under 14 times, which is at -1 Standard Deviation("sd") below the 10-year historical mean, but still more than 2sd below. Consensus projects earnings growth for FBM30 of 8% to 9% for 2024 and 2025.

MARKET OUTLOOK* (CONTINUED)

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 strengthening of the Malaysian Ringgit are factors we see supportive of the further narrowing of risk premiums (current yield gap at ~330bps and consequently 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

We favour big cap companies with strong fundamentals and solid cash flow and dividends in sectors such as Banks and Utilities. We believe the recent market weakness would be temporary, underpinned by Malaysia's strong fundamentals, favourable economic prospects, and domestic structural reforms. Key investment themes remain in domestic driven sectors (property, construction, consumer) and potential direct beneficiaries of the National Energy Transition Roadmap (“NETR”). Key risks are the derailment of Malaysia's macroeconomic recovery and corporate earnings growth due to 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

In relation to this Fund, the Class SGD has been terminated on 29 July 2024.

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

UNIT SPLIT

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

**STATEMENT BY MANAGER TO THE UNIT HOLDERS OF
PRINCIPAL MALAYSIA TITANS PLUS 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 36 drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial position of the Fund as at 31 October 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
13 December 2024

TRUSTEE'S REPORT

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

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

1. Limitations imposed on the investment powers of the Management Company under the 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.

We are of the opinion that the distribution of income by the Fund is appropriate and reflects the investment objective of the Fund.

For HSBC (Malaysia) Trustee Berhad

Lee Cincee
Senior Manager, Trustee and Fiduciary Services

Kuala Lumpur
13 December 2024

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

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Principal Malaysia Titans Plus Fund (the "Fund"), which comprise the statement of financial position of the Fund as at 31 October 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 36.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 October 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 PLUS 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 PLUS 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 scepticism 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 PLUS 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. 03013/10/2026 J
Chartered Accountant

Kuala Lumpur, Malaysia
13 December 2024

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

	Note	2024 RM	2023 RM
INCOME/(LOSS)			
Dividend income		4,623,288	4,927,828
Interest income from deposits with licensed financial institutions at amortised cost		134,482	237,177
Net gain on financial assets at fair value through profit or loss	8	35,102,783	481,280
Net foreign exchange (loss)/gain		(242,436)	2,211
		<u>39,618,117</u>	<u>5,648,496</u>
EXPENSES			
Management fee	4	2,637,746	2,409,902
Trustee fee	5	79,286	78,365
Audit fee		11,000	10,900
Tax agent's fee		4,700	7,434
Transaction costs		610,627	1,004,117
Other expenses		37,630	36,064
		<u>3,380,989</u>	<u>3,546,782</u>
PROFIT BEFORE DISTRIBUTION AND TAXATION		36,237,128	2,101,714
Distribution:			
- Class MYR	6	<u>6,228,059</u>	<u>-</u>
PROFIT BEFORE TAXATION		30,009,069	2,101,714
Taxation	7	<u>-</u>	<u>-</u>
PROFIT AFTER TAXATION, REPRESENTING TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		<u>30,009,069</u>	<u>2,101,714</u>
Profit after taxation is made up as follows:			
Realised amount		(2,981,963)	(2,853,939)
Unrealised amount		<u>32,991,032</u>	<u>4,955,653</u>
		<u>30,009,069</u>	<u>2,101,714</u>

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

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

	Note	2024 RM	2023 RM
ASSETS			
Cash and cash equivalents	9	8,835,360	4,891,540
Financial assets at fair value through profit or loss	8	168,787,195	148,524,294
Amount due from Manager		110,608	35,222
Amount due from Manager of collective investment scheme			
- Management fee rebate		5,192	-
Dividends receivable		21,273	51,576
TOTAL ASSETS		<u>177,759,628</u>	<u>153,502,632</u>
LIABILITIES			
Amount due to stockbrokers		590,690	84,802
Amount due to Manager		79,185	69,841
Accrued management fee		226,287	196,297
Amount due to Trustee		6,789	5,889
Distribution payable		915	821
Other payables and accruals		25,097	20,300
TOTAL LIABILITIES		<u>928,963</u>	<u>377,950</u>
NET ASSET VALUE OF THE FUND		<u>176,830,665</u>	<u>153,124,682</u>
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS		<u>176,830,665</u>	<u>153,124,682</u>
REPRESENTED BY:			
FAIR VALUE OF OUTSTANDING UNITS			
- Class MYR		176,830,665	152,937,060
- Class SGD		-	187,622
		<u>176,830,665</u>	<u>153,124,682</u>
NUMBER OF UNITS IN CIRCULATION (UNITS)			
- Class MYR		175,658,730	181,983,223
- Class SGD		-	70,765
	10	<u>175,658,730</u>	<u>182,053,988</u>
NET ASSET VALUE PER UNIT (RM)			
- Class MYR		1.0066	0.8403
- Class SGD		-	2.6513
NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES			
- Class MYR		MYR1.0066	MYR0.8403
- Class SGD		-	SGD0.7601

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

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS
FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2024**

	2024 RM	2023 RM
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE BEGINNING OF THE FINANCIAL YEAR	<u>153,124,682</u>	<u>164,623,585</u>
Movement due to units created and cancelled during the financial year:		
Creation of units from applications		
- Class MYR	7,436,048	820,377
- Class SGD	1,448,598	72,434
	<u>8,884,646</u>	<u>892,811</u>
Creation of units from distributions		
- Class MYR	<u>6,092,814</u>	<u>-</u>
Cancellation of units		
- Class MYR	(19,549,834)	(14,343,889)
- Class SGD	(1,730,712)	(149,539)
	<u>(21,280,546)</u>	<u>(14,493,428)</u>
Total comprehensive income for the financial year	<u>30,009,069</u>	<u>2,101,714</u>
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE END OF THE FINANCIAL YEAR	<u><u>176,830,665</u></u>	<u><u>153,124,682</u></u>

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

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

	Note	2024 RM	2023 RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from disposal of quoted securities		97,977,717	138,760,471
Proceeds from disposal of collective investment scheme		2,074,738	-
Purchase of quoted securities		(84,043,394)	(139,323,709)
Purchase of collective investment scheme		(1,302,870)	(806,250)
Dividend income received		4,644,347	5,012,439
Interest income received from deposits with licensed financial institutions		134,482	237,177
Management fee paid		(2,607,756)	(2,420,168)
Trustee fee paid		(78,386)	(79,361)
Payments for other fees and expenses		(40,874)	(60,242)
Payment of other foreign exchange loss		(22,586)	(1,510)
Net cash generated from operating activities		<u>16,735,418</u>	<u>1,318,847</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash proceeds from units created		8,811,982	864,714
Payments for cancellation of units		(21,272,027)	(14,573,226)
Distribution paid		(135,151)	(122,553)
Net cash used in financing activities		<u>(12,595,196)</u>	<u>(13,831,065)</u>
Net increase/(decrease) in cash and cash equivalents		4,140,222	(12,512,218)
Effects of foreign exchange differences		(196,402)	3,836
Cash and cash equivalents at the beginning of the financial year		<u>4,891,540</u>	<u>17,399,922</u>
Cash and cash equivalents at the end of the financial year	9	<u>8,835,360</u>	<u>4,891,540</u>
<u>Cash and cash equivalent comprised:</u>			
Deposits with licensed financial institutions		8,394,494	4,789,417
Bank balances		<u>440,866</u>	<u>102,123</u>
Cash and cash equivalents at the end of the financial year	9	<u>8,835,360</u>	<u>4,891,540</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2024****1. THE FUND, THE MANAGER AND ITS PRINCIPAL ACTIVITIES**

Principal Malaysia Titans Plus Fund (the "Fund") was constituted pursuant to a Deed dated 11 July 2005 and is now governed by a Principal Master Deed dated 15 May 2008, a First Supplemental Master Deed dated 25 June 2008, a Second Supplemental Deed dated 22 December 2022, a Third Supplemental Master Deed dated 14 July 2008, and an Eighteenth Supplemental Master Deed dated 25 March 2015 all executed between the Manager and the Universal Trustee (Malaysia) Berhad (hereinafter known as the "Previous Trustee"), a Seventeenth Supplemental Master Deed dated 19 March 2015 entered into between the Manager, the previous Trustee and the Trustee, in respect of a change in trustee to the Fund (hereinafter collectively the "Initial Deed"), a Deed dated 10 April 2015, a First Supplemental Deed dated 28 August 2019 and a Second Supplemental Deed dated 22 December 2022 (collectively referred to as the "Deeds"), between Principal Asset Management Berhad (the "Manager") and HSBC (Malaysia) Trustee Berhad (the "Trustee").

The Fund may invest at least 70% of its NAV in equities and up to 28% of the Fund's NAV in other permissible investments and at least 2% of the Fund's NAV in liquid assets. In line with its objective, the investment policy and strategy of the Fund will focus on investment in shares of companies with growth potential. Generally, the Fund will invest primarily in large capitalisation companies listed on the main market of Bursa Malaysia. The Fund may also invest in ACE market of Bursa Malaysia to provide better return. With effect from 14 April 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:

- at least 70% of the Fund's NAV will be invested in equities;
- up to 28% of the Fund's NAV may be invested in other permissible investments; and
- at least 2% of the Fund's NAV in liquid assets.

In relation to this Fund, the Class SGD has been terminated on 29 July 2024.

All investments are subject to the Securities Commission Malaysia ("SC") Guidelines on Unit Trust Funds ("GUTF"), SC requirements, the Deeds, except where exemptions or variations have been approved by the SC, internal policies and procedures and the Fund's objective.

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

2. MATERIAL ACCOUNTING POLICY INFORMATION

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 POLICY INFORMATION (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 November 2023 that have a material effect on the financial statements of the Fund.

None of the standards, amendments to standards or interpretations that are effective for the financial year beginning on/after 1 November 2024 are applicable to the Fund.

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

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

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

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

The Fund classifies cash and cash equivalents, amount due from Manager, amount due from Manager of collective investment scheme - Management fee rebate and dividends receivable 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.

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.

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

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 reporting date.

Foreign quoted securities are valued at the last traded market price quoted on the respective foreign stock exchanges at the close of the business day of the respective foreign stock exchanges.

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 basis 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 period from the date of placement to the date of maturity of the respective deposits.

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

Impairment for assets carried at amortised cost

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

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 POLICY INFORMATION (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 is accounted for as the difference between the net disposal proceeds and the carrying amount of quoted securities, determined on a weighted average cost basis.

(d) Foreign currency

Functional and presentation currency

Items included in the financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates (the "functional currency"). The financial statements are presented in Malaysian Ringgit ("MYR" or "RM"), which is the Fund's functional and presentation currency. Due to mixed factors in determining the functional currency of the Fund, the Manager has used its judgement to determine the functional currency that most faithfully represents the economic effects of the underlying transactions, events and conditions and have determined the functional currency to be in MYR primarily due to the following factors:

- i) Significant portion of the Fund's units are denominated in MYR;
- ii) Significant portion of the Fund's expenses are denominated in MYR; and
- iii) The Fund's investments are denominated in MYR.

Transactions and balances

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

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**(e) Cash and cash equivalents**

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

(f) Taxation

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

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

Pursuant to Finance Act 2021, foreign-sourced income received in Malaysia will be taxed at prevailing tax rate(s) of the taxpayer and based on applicable tax rules. Bilateral or unilateral tax credits may be allowed if the same income has suffered foreign tax, and where relevant conditions are met.

Following the announcement by the Honorable Finance Minister II, tax on foreign-sourced income will be exempted for the period from 1 January 2024 until 31 December 2026.

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

(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) Transactions 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, advisors, 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 amount due to stockbrokers represent receivables for investments sold and payables for investments purchased that have been contracted for but not yet settled or delivered on the statement of financial position date respectively. The amount due from stockbrokers balance is held for collection.

(j) Unit holders' contributions

The unit holders' contributions to the Fund meet the definition of puttable instruments classified as financial liability under MFRS 132 "Financial Instruments: Presentation". The Fund issues cancellable units, in two classes of units, known respectively as the Class MYR and Class SGD which are cancelled at the unit holder's option and do not have identical features subject to restrictions as stipulated in the Prospectus and GUTF.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(j) Unit holders' contributions (continued)

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 Class SGD has been terminated on 29 July 2024.

The outstanding units are carried at the redemption amount that is payable at the reporting date if the member exercises the right to put back the unit to the Fund.

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

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

The analysis of realised and unrealised portions of profit or loss after tax presented on the statement of comprehensive income is guided by SC Guidelines on Unit Trust Funds.

(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 SC Guidelines on Unit Trust Funds. However, the Manager is of the opinion that in applying these accounting policies, no significant judgement was required.

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial instruments of the Fund are as follows:

	Financial assets at fair value through profit or loss RM	Financial assets at amortised cost RM	Total RM
2024			
Cash and cash equivalents (Note 9)	-	8,835,360	8,835,360
Quoted securities (Note 8)	168,787,195	-	168,787,195
Amount due from Manager	-	110,608	110,608
Amount due from Manager of collective investment scheme			
- Management fee rebate	-	5,192	5,192
Dividends receivable	-	21,273	21,273
	168,787,195	8,972,433	177,759,628

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

Financial instruments of the Fund are as follows (continued):

	Financial assets at fair value through profit or loss RM	Financial assets at amortised cost RM	Total RM
2023			
Cash and cash equivalents (Note 9)	-	4,891,540	4,891,540
Collective investment scheme (Note 8)	787,296	-	787,296
Quoted securities (Note 8)	147,736,998	-	147,736,998
Amount due from Manager	-	35,222	35,222
Dividends receivable	-	51,576	51,576
	<u>148,524,294</u>	<u>4,978,338</u>	<u>153,502,632</u>

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

The investment objective of the Fund is to achieve maximum capital appreciation over the long term through all types of investments.

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

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

(a) Market risk

(i) Price risk

Price risk 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:

	2024 RM	2023 RM
Financial assets at fair value through profit or loss:		
- Collective investment scheme	-	787,296
- Quoted securities	168,787,195	147,736,998
	<u>168,787,195</u>	<u>148,524,294</u>

The table below summarises the sensitivity of the Fund's profit or loss and NAV to movements in prices of quoted securities and collective investment scheme at the end of each reporting year.

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

(a) Market risk (continued)

(i) Price risk (continued)

The analysis is based on the assumptions that the price of the quoted securities and collective investment scheme fluctuated by 5% with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the quoted securities and collective investment scheme, having regard to the historical volatility of the prices.

% Change in price of quoted securities and collective investment scheme	Market value RM	Impact on profit or loss/NAV RM
2024		
-5%	160,347,835	(8,439,360)
0%	168,787,195	-
5%	<u>177,226,555</u>	<u>8,439,360</u>
2023		
-5%	141,098,079	(7,426,215)
0%	148,524,294	-
5%	<u>155,950,509</u>	<u>7,426,215</u>

(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:

	2024 %	2023 %
Deposits with licensed financial institutions	<u>2.00</u>	<u>3.18</u>

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

(a) Market risk (continued)

(iii) Currency risk

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

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

Financial assets

	Cash and cash equivalents RM	Total RM
2024		
SGD	279	279
USD	418,394	418,394
	<u>418,673</u>	<u>418,673</u>
2023		
SGD	75,844	75,844
USD	4,761	4,761
	<u>80,605</u>	<u>80,605</u>

Financial liabilities

	Net assets attributable to unit holders RM	Total RM
2023		
SGD	187,622	187,622

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

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

(a) Market risk (continued)

(iii) Currency risk (continued)

	Change in foreign exchange rate	Impact on profit or loss/NAV	
		2024 RM	2023 RM
	%		
SGD	+/- 5	+/-14	-/+ 5,589
USD	+/- 5	+/- 20,920	+/- 238
		<u>+/-20,934</u>	<u>-/+ 5,351</u>

(b) Credit risk

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

The credit risk arising from placements of deposits with 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 SC Guidelines on Unit Trust Funds.

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

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

	Cash and cash equivalents RM	Amount due from Manager RM	Amount due from Manager of collective investment scheme - Management fee rebate RM	Dividends receivable RM	Total RM
2024					
- AAA	8,835,360	-	-	-	8,835,360
- Not Rated	-	110,608	5,192	21,273	137,073
	<u>8,835,360</u>	<u>110,608</u>	<u>5,192</u>	<u>21,273</u>	<u>8,972,433</u>
2023					
- AAA	4,891,540	-	-	-	4,891,540
- Not Rated	-	35,222	-	51,576	86,798
	<u>4,891,540</u>	<u>35,222</u>	<u>-</u>	<u>51,576</u>	<u>4,978,338</u>

Deposits with licensed financial institutions of the Fund have an average maturity of 2 days (2023: 1 day).

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

(c) Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting its financial obligations.

The Manager manages this risk by maintaining sufficient level of liquid assets to meet anticipated payments and cancellations of the units by unit holders. Liquid assets comprise bank balances, deposits with licensed financial institutions and other instruments, which are capable of being converted into cash within 7 business days. This is expected to reduce the risks for the entire portfolio without limiting the Fund's growth potentials.

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

	Less than 1 month RM	Between 1 month to 1 year RM	Total RM
2024			
Amount due to stockbrokers	590,690	-	590,690
Amount due to Manager	79,185	-	79,185
Accrued management fees	226,287	-	226,287
Amount due to Trustee	6,789	-	6,789
Distribution payable	915	-	915
Other payables and accruals	-	25,097	25,097
Net assets attributable to unit holders*	<u>176,830,665</u>	<u>-</u>	<u>176,830,665</u>
Contractual undiscounted cash flows	<u>177,734,531</u>	<u>25,097</u>	<u>177,759,628</u>
2023			
Amount due to stockbrokers	84,802	-	84,802
Amount due to Manager	69,841	-	69,841
Accrued management fees	196,297	-	196,297
Amount due to Trustee	5,889	-	5,889
Distribution payable	821	-	821
Other payables and accruals	-	20,300	20,300
Net assets attributable to unit holders*	<u>153,124,682</u>	<u>-</u>	<u>153,124,682</u>
Contractual undiscounted cash flows	<u>153,482,332</u>	<u>20,300</u>	<u>153,502,632</u>

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

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

(d) Capital risk management

The capital of the Fund is represented by net asset attributable to unit holders of RM176,830,665 (2023: RM153,124,682). The amount of capital can change significantly on a daily basis as the Fund is subjected to daily subscriptions and redemptions at the discretion of unit holders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns to unit 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 market price is not within the bid-ask spread, the Manager will determine the point within the bid-ask spread that is most representative of the fair value.

An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The fair value of financial assets that are not traded in an active market is determined by using valuation techniques.

(i) Fair value hierarchy

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

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

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

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

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

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

(e) Fair value estimation (continued)

(i) Fair value hierarchy (continued)

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

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
2024				
Financial asset at fair value through profit or loss:				
- Quoted securities	<u>168,787,195</u>	<u>-</u>	<u>-</u>	<u>168,787,195</u>
2023				
Financial asset at fair value through profit or loss:				
- Collective investment scheme	787,296	-	-	787,296
- Quoted securities	<u>147,736,998</u>	<u>-</u>	<u>-</u>	<u>147,736,998</u>
	<u>148,524,294</u>	<u>-</u>	<u>-</u>	<u>148,524,294</u>

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 Manager, amount due from Manager of collective investment scheme - management fee rebate, 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 and accrued daily based on the NAV of the Fund.

For the financial year ended 31 October 2024, the management fee is recognised at a rate of 1.50% per annum for each class (2023: 1.50% per annum for each class).

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

5. TRUSTEE FEE

In accordance with the Deeds, the Trustee is entitled to a maximum trustee fee of 0.05% per annum, calculated daily based on the NAV of the Fund. The Trustee fee includes the local custodian fee but excludes the foreign sub-custodian fees and charges.

For the financial year ended 31 October 2024, the Trustee fee is recognised at the rate of 0.045% per annum for each class (2023: 0.045% per annum for each class).

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

6. DISTRIBUTION

Breakdown of distribution were as follows:

	2024		2023	
	RM	%	RM	%
Source of distribution				
Distribution out of current year's income	6,228,059	100.00	-	-
Distribution out of prior year's income/capital	-	-	-	-
Total	<u>6,228,059</u>	<u>100.00</u>	<u>-</u>	<u>-</u>
Gross/Net distribution per unit (sen)		2024		2023
		RM		RM
Distribution on 10 October 2024				
- Class MYR		<u>3.68</u>		<u>-</u>

Gross distribution is derived using total income less total expenses. Net distribution above is sourced from current and prior financial years' 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 were no unrealised losses during the financial year ended 31 October 2024 (2023: Nil).

7. TAXATION

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

7. TAXATION (CONTINUED)

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

	2024	2023
	RM	RM
Profit before taxation	<u>30,009,069</u>	<u>2,101,714</u>
Taxation at Malaysian statutory rate of 24% (2023: 24%)	7,202,177	504,411
Tax effects of:		
- Investment income not subject to tax	(9,508,348)	(1,355,639)
- Expenses not deductible for tax purposes	1,666,330	262,138
- Restriction on tax deductible expenses for Unit Trust Funds	<u>639,841</u>	<u>589,090</u>
Taxation	<u>-</u>	<u>-</u>

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2024	2023
	RM	RM
At fair value through profit or loss:		
- Collective investment scheme	-	787,296
- Quoted securities	<u>168,787,195</u>	<u>147,736,998</u>
	<u>168,787,195</u>	<u>148,524,294</u>
Net gain on financial assets at fair value through profit or loss:		
- Realised gain/(loss) on disposals	2,477,390	(4,470,278)
- Unrealised fair value gain	32,620,201	4,951,558
- Management fee rebate #	<u>5,192</u>	<u>-</u>
	<u>35,102,783</u>	<u>481,280</u>

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

For the financial year ended 31 October 2024, management fee rebate is recognised at a rate of 1.00% per annum calculated and accrued daily based on the NAV of the collective investment scheme.

Name of counter	Quantity	Aggregate	Market	Percentage
	Units	cost	value	of NAV
		RM	RM	%
2024				
QUOTED SECURITIES				
MALAYSIA				
Communication Services				
Telekom Malaysia Bhd ²	<u>677,275</u>	<u>3,976,938</u>	<u>4,395,515</u>	<u>2.49</u>

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
2024 (CONTINUED)				
QUOTED SECURITIES				
(CONTINUED)				
MALAYSIA (CONTINUED)				
Consumer Discretionary				
Aeon Co. M Bhd ²	300,000	452,520	438,000	0.25
Mr D.I.Y. Group (M) Bhd ²	845,000	1,796,300	1,850,550	1.05
Tat Sang Holdings Bhd - delisted ¹	31,000	1	-	-
	<u>1,176,000</u>	<u>2,248,821</u>	<u>2,288,550</u>	<u>1.30</u>
Consumer Staples				
99 Speed Mart Retail Holdings Bhd ²	776,800	1,457,820	1,833,248	1.04
Johor Plantations Group ²	900,000	966,950	945,000	0.53
SD Guthrie Bhd ²	47,800	228,962	219,880	0.12
Well Chip Group Bhd ²	1,146,400	1,795,809	1,593,496	0.90
	<u>2,871,000</u>	<u>4,449,541</u>	<u>4,591,624</u>	<u>2.59</u>
Energy				
Dayang Enterprise Holdings Bhd ^{2,3}	2,954,800	4,891,010	6,293,724	3.56
Dialog Group Bhd ²	2,555,500	5,215,474	5,289,885	2.99
Perdana Petroleum Bhd ²	3,403,755	1,191,244	936,033	0.53
Yinson Holdings Bhd ²	689,960	1,669,936	1,862,892	1.05
Yinson Holdings Bhd - Warrant ²	179,382	69,726	81,619	0.05
	<u>9,783,397</u>	<u>13,037,390</u>	<u>14,464,153</u>	<u>8.18</u>
Financials				
Alliance Bank Malaysia Bhd (A1)	219,300	1,008,605	964,920	0.55
AMMB Holdings Bhd (AA2) ³	1,471,200	6,559,009	7,503,120	4.24
CIMB Group Holdings Bhd (AA1) ³	2,176,136	11,862,931	17,387,327	9.83
Malayan Banking Bhd (A3)	359,982	3,159,205	3,779,811	2.14
Public Bank Bhd (AAA) ³	1,863,465	7,537,958	8,236,515	4.66
	<u>6,090,083</u>	<u>30,127,708</u>	<u>37,871,693</u>	<u>21.42</u>
Health Care				
Hartalega Holdings Bhd ³	2,617,000	4,643,756	8,322,060	4.71
Kossan Rubber Industries Bhd ²	1,011,400	1,390,667	2,123,940	1.20
KPJ Healthcare Bhd ²	1,303,100	1,706,727	2,723,479	1.54
Top Glove Corp Bhd ²	473,000	445,770	506,110	0.29
	<u>5,404,500</u>	<u>8,186,920</u>	<u>13,675,589</u>	<u>7.74</u>

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
2024 (CONTINUED)				
QUOTED SECURITIES				
(CONTINUED)				
MALAYSIA (CONTINUED)				
Industrials				
Econpile Holdings Bhd ²	2,822,700	1,037,577	1,114,967	0.63
Frontken Corporation Bhd ²	639,000	2,219,206	2,460,150	1.39
Gamuda Bhd ³	1,050,519	4,416,280	8,971,432	5.07
Greatech Technology Bhd ²	418,600	1,143,569	920,920	0.52
IJM Corporation Bhd ³	2,393,600	4,749,873	7,252,608	4.10
Iskandar Waterfront City Bhd ²	1,614,100	1,229,017	871,614	0.49
Keyfield International Bhd ³	2,456,200	4,926,523	5,305,392	3.00
KJTS Group Bhd ²	582,900	295,800	402,201	0.23
Malaysia Airports Holdings Bhd ²	344,433	2,313,506	3,492,551	1.98
Malaysian Resources Corporation Bhd ²	3,119,600	1,912,978	1,731,378	0.98
Sime Darby Bhd ²	862,100	2,029,545	2,000,072	1.13
Westports Holdings Bhd ²	500,000	2,045,000	2,105,000	1.19
	<u>16,803,752</u>	<u>28,318,874</u>	<u>36,628,285</u>	<u>20.71</u>
Information Technology				
IFCA MSC Bhd ²	2,415,200	1,917,822	1,255,904	0.71
Inari Amertron Bhd ²	790,300	2,468,233	2,276,064	1.29
Nationgate Holdings Bhd ³	2,807,800	3,872,035	5,924,458	3.35
Oppstar Bhd ²	1,444,800	2,622,934	1,220,856	0.69
V.S. Industry ²	1,616,100	2,015,538	1,575,698	0.89
V.S. Industry – Warrants 03/09/2026 ²	161,610	-	26,666	0.02
	<u>9,235,810</u>	<u>12,896,562</u>	<u>12,279,646</u>	<u>6.95</u>
Real Estate				
Eastern and Oriental Bhd ²	2,578,800	1,596,406	2,243,556	1.27
Sime Darby Property Bhd ²	1,740,000	2,470,330	2,488,200	1.41
SP Setia Bhd ²	2,079,900	2,508,295	2,953,458	1.67
Sunway Bhd ²	1,103,200	2,321,685	4,820,984	2.73
UEM Sunrise Bhd ²	3,047,500	2,764,219	2,956,075	1.67
	<u>10,549,400</u>	<u>11,660,935</u>	<u>15,462,273</u>	<u>8.75</u>
Utilities				
Tenaga Nasional Bhd ³	952,600	8,921,502	13,374,504	7.56
YTL Corp Bhd ²	848,000	1,272,525	1,687,520	0.95
YTL Power International Bhd ²	1,310,600	1,685,746	4,075,966	2.31
	<u>3,111,200</u>	<u>11,879,773</u>	<u>19,137,990</u>	<u>10.82</u>
TOTAL MALAYSIA	<u>65,702,417</u>	<u>126,783,462</u>	<u>160,795,318</u>	<u>90.95</u>

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
2024 (CONTINUED) QUOTED SECURITIES (CONTINUED)				
UNITED KINGDOM				
Information Technology				
Samsung Electronics Co. Ltd ²	327	2,292,797	1,515,204	0.85
TOTAL UNITED KINGDOM	327	2,292,797	1,515,204	0.85
UNITED STATES				
Information Technology				
Nvidia Corp ²	5,390	2,308,796	3,131,005	1.77
Taiwan Semiconductor Manufacturing Co Ltd ²	4,013	2,745,166	3,345,668	1.88
	9,403	5,053,962	6,476,673	3.65
TOTAL UNITED STATES	9,403	5,053,962	6,476,673	3.65
TOTAL QUOTED SECURITIES	65,712,147	134,130,221	168,787,195	95.45
ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		34,656,974		
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		168,787,195		
2023 COLLECTIVE INVESTMENT SCHEME				
Islamic ASEAN Equity Fund ²	16,634	806,508	787,296	0.51
TOTAL COLLECTIVE INVESTMENT SCHEME	16,634	806,508	787,296	0.51
ACCUMULATED UNREALISED LOSS ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		(19,212)		

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
2023 (CONTINUED)				
COLLECTIVE				
INVESTMENT SCHEME				
(CONTINUED)				
TOTAL FINANCIAL				
ASSETS AT FAIR VALUE				
THROUGH PROFIT OR				
LOSS		787,296		
QUOTED SECURITIES				
MALAYSIA				
Construction				
Econpile Holdings Bhd ²	819,600	217,850	249,978	0.16
Gamuda Bhd ^{2,3}	947,620	3,323,516	4,396,957	2.87
IJM Corporation Bhd ²	1,544,800	2,700,072	2,935,120	1.92
	<u>3,312,020</u>	<u>6,241,438</u>	<u>7,582,055</u>	<u>4.95</u>
Consumer Products & Service				
Genting Bhd ²	600,500	2,830,839	2,420,015	1.58
Genting Malaysia Bhd ²	871,400	2,730,662	2,108,788	1.38
Mr D.I.Y. Group (M) Bhd ²	706,200	1,457,953	1,045,176	0.68
Sime Darby Bhd ²	866,100	2,006,561	1,983,369	1.30
	<u>3,044,200</u>	<u>9,026,015</u>	<u>7,557,348</u>	<u>4.94</u>
Energy				
Bumi Armada Bhd ²	6,628,300	3,610,818	3,645,565	2.38
Dayang Enterprise Holding Bhd ²	1,686,400	2,252,869	3,136,704	2.05
Hibiscus Petroleum Bhd ²	650,667	1,502,218	1,737,281	1.13
Yinson Holdings Bhd ²	1,240,960	3,003,542	3,040,352	1.99
Yinson Holdings Bhd – Warrant ²	586,382	227,929	319,578	0.21
	<u>10,792,709</u>	<u>10,597,376</u>	<u>11,879,480</u>	<u>7.76</u>
Financial Services				
CIMB Group Holdings Bhd (AA1) ³	2,313,136	11,629,208	13,208,007	8.63
Hong Leong Bank Bhd (AAA)	101,400	1,650,158	1,967,160	1.28
Malayan Banking Bhd (AAA)	359,982	3,159,205	3,247,038	2.12
Public Bank Bhd (AAA) ³	2,448,465	9,904,359	10,185,614	6.65
RHB Bank Bhd (AA1)	219,402	1,240,598	1,224,263	0.80
	<u>5,442,385</u>	<u>27,583,528</u>	<u>29,832,082</u>	<u>19.48</u>
Health Care				
Hartalega Holding Bhd ^{2,3}	3,085,000	5,276,577	6,385,950	4.17
IHH Healthcare Bhd ²	262,300	1,670,094	1,573,800	1.03

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
2023 (CONTINUED)				
QUOTED SECURITIES				
(CONTINUED)				
MALAYSIA (CONTINUED)				
Health Care (continued)				
Kossan Rubber Industries ²	941,300	1,156,711	1,270,755	0.83
Top Glove Corporation Bhd ²	1,705,000	1,614,784	1,236,125	0.81
	<u>5,993,600</u>	<u>9,718,166</u>	<u>10,466,630</u>	<u>6.84</u>
Industrial Products & Service				
Cape EMS Bhd ²	3,452,200	4,705,935	3,900,986	2.55
Nationgate Holdings Bhd ^{2,3}	3,900,700	4,838,484	4,485,805	2.93
Press Metal Aluminium Holding Bhd ²	650,400	2,714,090	3,199,968	2.09
Solarvest Holdings ²	233,700	243,422	294,462	0.19
Sunway Bhd ²	1,188,000	2,307,687	2,197,800	1.44
Sunway Bhd – Warrant 03/10/2024 ²	642,800	367,751	334,256	0.22
Tat Sang Holding Bhd ¹ - delisted	31,000	1	-	-
V.S. Industry ²	1,184,400	1,191,643	1,054,116	0.69
	<u>11,283,200</u>	<u>16,369,013</u>	<u>15,467,393</u>	<u>10.11</u>
Plantation				
Kuala Lumpur Kepong Bhd ²	22,000	538,723	483,560	0.32
Property				
Eastern and Oriental Bhd ²	2,651,800	1,641,597	1,471,749	0.96
Eco World Development Group Bhd ²	308,000	322,488	311,080	0.20
Iskandar Waterfront City Bhd ²	2,450,200	1,852,878	1,506,873	0.98
Sime Darby Property Bhd	430,000	322,242	264,450	0.17
SP Setia Bhd ²	1,065,900	961,466	895,356	0.58
UEM Sunrise Bhd ²	1,359,400	1,009,460	1,080,723	0.71
	<u>8,265,300</u>	<u>6,110,131</u>	<u>5,530,231</u>	<u>3.60</u>
Technology				
Frontken Corporation Bhd ²	955,800	3,296,776	3,039,444	1.98
Genetec Technology Bhd ^{2,3}	3,055,500	7,730,259	7,210,980	4.71
Globetronics Technology Bhd ²	585,400	898,973	837,122	0.55
Inari Amertron Bhd ^{2,3}	1,780,900	5,427,025	5,075,565	3.31
Infomina Bhd ²	787,400	1,154,437	1,204,722	0.79
ITMAX System Bhd ²	312,100	488,067	558,659	0.36
LGMS Bhd ²	600,000	706,078	606,000	0.40
My E.G. Services Bhd ²	5,217,677	4,813,997	4,069,788	2.66

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
2023 (CONTINUED)				
QUOTED SECURITIES (CONTINUED)				
MALAYSIA (CONTINUED)				
Technology (continued)				
Oppstar Bhd ²	2,115,500	3,840,543	3,215,560	2.10
	<u>15,410,277</u>	<u>28,356,155</u>	<u>25,817,840</u>	<u>16.86</u>
Telecommunications & Media				
Astro Malaysia Holdings Bhd ²	5,566,200	3,861,739	2,309,973	1.51
Maxis Bhd ²	369,200	1,507,310	1,462,032	0.95
Telekom Malaysia Bhd ²	377,275	2,003,838	1,912,784	1.25
	<u>6,312,675</u>	<u>7,372,887</u>	<u>5,684,789</u>	<u>3.71</u>
Transportation & Logistics				
Malaysia Airports Holdings Bhd ^{2,3}	1,303,433	8,754,968	9,632,370	6.29
Utilities				
Tenaga Nasional Bhd ^{2,3}	875,600	7,851,027	8,668,440	5.66
YTL Corporation Bhd ²	2,609,000	3,915,117	3,809,140	2.49
YTL Power International Bhd ^{2,3}	2,524,000	3,246,469	5,325,640	3.48
	<u>6,008,600</u>	<u>15,012,613</u>	<u>17,803,220</u>	<u>11.63</u>
TOTAL MALAYSIA	<u>77,190,399</u>	<u>145,681,013</u>	<u>147,736,998</u>	<u>96.49</u>
TOTAL QUOTED SECURITIES	<u>77,190,399</u>	<u>145,681,013</u>	<u>147,736,998</u>	<u>96.49</u>
ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		<u>2,055,985</u>		
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		<u>147,736,998</u>		

Note: The Fund had applied the Global Industry Classification Standard ("GICS") sectors classification for the financial year ended 31 October 2024 (2023: The Bursa sector classification was applied).

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

¹ The counter has been de-listed on 27 October 2003 as the counter does not have an adequate level of financial condition to warrant continued listing. The counter will continue to remain deposited with the Malaysian Central Depository Sdn Bhd as it is not mandatory for the securities to be withdrawn.

² The quoted securities is not rated.

³ The quoted securities is one of the top 10 holdings of the Fund.

9. CASH AND CASH EQUIVALENTS

	2024	2023
	RM	RM
Deposits with licensed financial institutions	8,394,494	4,789,417
Bank balances	440,866	102,123
	<u>8,835,360</u>	<u>4,891,540</u>

10. NUMBER OF UNITS IN CIRCULATION (UNITS)

	2024	2023
	No. of units	No. of units
Class MYR (i)	175,658,730	181,983,223
Class SGD (ii)	-	70,765
	<u>175,658,730</u>	<u>182,053,988</u>

(i) Class MYR

At the beginning of the financial year	181,983,223	198,028,995
Add : Creation of units from applications	6,826,881	975,657
Add : Creation of units from distribution	5,968,666	-
Less: Cancellation of units	(19,120,040)	(17,021,429)
At the end of the financial year	<u>175,658,730</u>	<u>181,983,223</u>

(ii) Class SGD

At the beginning of the financial year	70,765	99,725
Add : Creation of units from applications	436,074	27,126
Less: Cancellation of units	(506,839)	(56,086)
At the end of the financial year	<u>-</u>	<u>70,765</u>

11. TOTAL EXPENSE RATIO (“TER”)

Pursuant to the SC Guidelines

	2024	2023
	%	%
TER	<u>1.57</u>	<u>1.58</u>

Pursuant to the Monetary Authority of Singapore (“MAS”) Guidelines

	2024	2023
	%	%
TER	<u>-*</u>	<u>1.58</u>

*Note : TER pursuant to the MAS Guidelines is no longer applicable as the Class SGD was terminated on 29 July 2024.

11. TOTAL EXPENSE RATIO (“TER”) (CONTINUED)

TER is derived from the following calculation:

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

- A = Management fee (exclude management fee rebate)
- B = Trustee fee
- C = Audit fee
- D = Tax agent’s fee
- E = Other expenses excluding 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 a daily basis is RM175,826,624 (2023: RM160,689,387).

12. PORTFOLIO TURNOVER RATIO (“PTR”)

Pursuant to the SC Guidelines

	2024	2023
PTR (times)	0.53	0.86

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 = RM85,570,639 (2023: RM139,724,271)
- total disposal for the financial year = RM100,405,329 (2023: RM137,981,931)

Pursuant to the Monetary Authority of Singapore (“MAS”) Guidelines

	2024	2023
PTR (times)	-*	0.86

PTR is derived from the following calculation:

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

where:

- total acquisition for the financial year = N/A* (2023: RM139,724,271)
- total disposal for the financial year = N/A* (2023: RM137,981,931)

* Note : PTR pursuant to the MAS Guidelines is no longer applicable as the Class SGD was terminated on 29 July 2024.

13. 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
Principal Islamic Asset Management (Ireland) Plc	Manager of Target Fund
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 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 shareholder of the Manager

	<u>2024</u>		<u>2023</u>	
	<u>No. of units</u>	<u>RM</u>	<u>No. of units</u>	<u>RM</u>
Manager				
Principal Asset Management Berhad				
- Class MYR	12,893	12,978	13,743	11,548
- Class SGD	-	-	8	21

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.

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

	2024 RM	2023 RM
<u>Significant related party transactions</u>		
Dividend income:		
- CIMB Group Holdings Bhd	<u>1,226,621</u>	<u>696,341</u>
Management fee rebate		
- Principal Islamic Asset Management (Ireland) Plc:	<u>5,192</u>	<u>-</u>
<u>Significant related party balances</u>		
Financial assets at fair value through profit or loss:		
Quoted Securities		
- CIMB Group Holdings Bhd	<u>17,387,327</u>	<u>13,208,007</u>
Collective investment scheme managed by Principal Islamic Asset Management (Ireland) Plc:		
- Islamic ASEAN Equity Fund	<u>-</u>	<u>787,296</u>
Amount due from Manager of collective investment scheme - Management fee rebate		
- Principal Islamic Asset Management (Ireland) Plc	<u>5,192</u>	<u>-</u>

14. TRANSACTIONS WITH BROKERS

Details of transactions with the top 10 brokers for financial year ended 31 October 2024 are as follows:

Brokers	Value of trades RM	Percentage of total trades %	Brokerage Fees RM	Percentage of total brokerage fees %
Affin Hwang Investment Bank Bhd	32,041,072	17.23	71,540	17.92
Maybank Investment Bank Bhd	22,243,298	11.96	51,726	12.95
Hong Leong Investment Bank Bhd	18,599,709	10.00	41,849	10.48
RHB Investment Bank Bhd	18,490,880	9.94	41,044	10.28
CGS International Securities Malaysia Sdn Bhd	16,018,830	8.61	34,543	8.65
CLSA Securities M Sdn Bhd	14,993,898	8.06	33,769	8.46
Macquarie Capital Securities (M) Sdn Bhd	13,326,219	7.17	29,449	7.38
Nomura Securities Malaysia Sdn Bhd	10,085,897	5.42	22,693	5.68
UBS Securities M Sdn Bhd	9,818,823	5.28	21,581	5.40
CGS-CIMB Securities Sdn Bhd	9,247,010	4.97	20,263	5.07
#	21,110,332	11.36	30,832	7.73
Others	<u>185,975,968</u>	<u>100.00</u>	<u>399,289</u>	<u>100.00</u>

14. TRANSACTIONS WITH BROKERS (CONTINUED)

Details of transactions with the top 10 brokers for financial year ended 31 October 2023 are as follows:

Brokers	Value of trades RM	Percentage of total trades %	Brokerage Fees RM	Percentage of total brokerage fees %
RHB Investment Bank Bhd	35,966,147	12.95	80,462	13.41
CGS-CIMB Securities Sdn Bhd #	35,783,112	12.89	63,234	10.54
CLSA Securities M Sdn Bhd	29,144,116	10.49	65,544	10.92
J.P. Morgan Securities (M) Sdn Bhd	28,435,998	10.24	57,376	9.56
Maybank Investment Bank Bhd	23,813,675	8.57	53,610	8.93
Affin Hwang Investment Bank Bhd	23,681,294	8.53	55,900	9.32
Hong Leong Investment Bank Bhd	21,750,770	7.83	49,285	8.21
UBS Securities M Sdn Bhd	21,732,985	7.83	47,768	7.96
KAF Equities Sdn Bhd	20,904,479	7.53	47,130	7.85
Macquarie Capital Securities (M) Sdn Bhd	16,015,584	5.77	36,035	6.00
Others	20,478,042	7.37	43,795	7.30
	<u>277,706,202</u>	<u>100.00</u>	<u>600,139</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 RM9,247,010 (2023: RM35,783,112). 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.

15. APPROVAL OF FINANCIAL STATEMENTS

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

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