

Principal Titans Income Plus Fund

(formerly known as CIMB-Principal Equity
Income Fund)

Interim Report

For The Six Months Financial Period Ended 31 July 2020

PRINCIPAL TITANS INCOME PLUS FUND
(formerly known as CIMB-Principal Equity Income Fund)

INTERIM REPORT

FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 JULY 2020

PRINCIPAL TITANS INCOME PLUS FUND
(formerly known as CIMB-Principal Equity Income Fund)

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MEMBERS' LETTER

Dear Valued Investor,

Most of you would have heard investment experts saying that there is no time like the present to invest. I couldn't agree more to this, given that the economic recovery has started to broaden - this is the time that you should remain invested.

Below are some key questions Investors may have, and which we have attempted to answer:

Is there still upside for equities ?

- Yes. 3 stories driving the markets are: central bank liquidity, medical development of Coronavirus 2019 ("COVID-19"), and the US elections.
- The Federal Reserve System (the "Fed") - central bank of the United States will continue to loosen financial conditions and keep stimulus in place even as the economy starts to recover.

Should I remain invested now ?

- Yes. Global stocks have room to rally, backed by positive medical developments, reopening of economies and accommodative monetary policies.
- The Fed announced it will allow target inflation at 2% over time, investors can therefore expect low rates for a longer period, and ultra-low interest rates making it rational for investors to pay more for a given dollar of equity earnings.
- Global stocks have rebounded around 49% since their March lows and credit spreads have narrowed.

Where can investors find yield ?

- Central banks around the world have cut their rates to unprecedented levels to cushion the COVID-19-induced economic slowdown. Accommodative monetary policies also mean rates are set to stay lower for the foreseeable future.
- The Fed has said it is "not even thinking about" raising rates.
- Investors will likely be pushed to search harder for yield, especially in the Asian equities and fixed income space in the medium to long term.

MEMBERS' LETTER (CONTINUED)

We're here to help you choose the right investments according to your risk appetite and long-term financial goals. For our:

- **Conservative investors, we recommend:** Malaysia focus bond and balanced funds that are income focussed.
- **Moderate investors, we recommend:** Regional Asia-Pacific mixed asset funds.
- **More aggressive investors, we recommend:** Growth-oriented funds that offer exposure to growth areas in China, Asia-Pacific, ASEAN and Malaysian aggressive funds.

Be sure to check out our website (www.principal.com.my) and Facebook account (@PrincipalAssetMY) regularly for our latest insights and investment articles.

Please be informed that effective 17 April 2020, the Fund has been renamed as Principal Titans Income Plus Fund following the issuance of the Replacement Master Prospectus.

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

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



Munirah Khairuddin
Chief Executive Officer

MANAGER'S REPORT

FUND OBJECTIVE AND POLICY

What is the investment objective of the Fund?

The Fund aims to provide investors with an opportunity to gain consistent and stable income by investing in a diversified portfolio of dividend yielding equities and fixed income securities. The Fund may also provide moderate capital growth potential over the medium to long-term period.

Has the Fund achieved its objective?

The Fund has performed in line with its objective of providing consistent and stable income, while may also be providing moderate capital growth potential over the medium to long-term period.

What are the Fund investment policy and principal investment strategy?

The Fund may invest between 70% to 98% (both inclusive) of its Net Asset Value ("NAV") in equities and equity related securities in order to gain long-term capital growth. The Fund may opt to invest in foreign equities up to a maximum of 70% of its NAV. Such foreign equities must be equity securities of companies domiciled in, listed in, and/or have significant operations in Asia ex Japan. 'Significant operations' means major businesses of the company. For example, the Fund can invest in a company with significant business or operations in Thailand but listed on the New York Stock Exchange. The threshold for 'significant operations' would be if more than 25% of total group revenue derives from countries in Asia ex Japan. The calculation would be based on the most recent financial reports released by the companies (e.g. interim and annual reports). In line with its objective, the investment policy and strategy of the Fund will be to invest in a diversified portfolio of high dividend yielding stocks and/or fixed income securities aimed at providing a stable income stream in the form of distributions to investors. The Fund may also opt to seek investment exposure via collective investment scheme that is in line with the Fund's objective, subject to the requirement of the Securities Commission Malaysia ("SC") Guidelines.

The Manager has appointed Principal Asset Management (S) Pte Ltd ("Principal Singapore") as the Sub-Adviser of the Fund ("Sub-Adviser"). Principal Singapore will provide investment research and stock recommendation to us in accordance with the investment objective and within the investment restrictions of the Fund.

The asset allocation strategy for this Fund is as follows:

- between 70% to 98% (both inclusive) of the Fund's NAV in equities and equity related securities;
- up to 28% of the Fund's NAV in fixed income securities; and
- at least 2% of the Fund's NAV in liquid assets.

Fund category/type

Equity/Income

How long should you invest for?

Recommended between three (3) years to five (5) years or more

When was the Fund launched?

1 October 2003

What was the size of the Fund as at 31 July 2020?

RM73.06 million (57.26 million units)

PRINCIPAL TITANS INCOME PLUS FUND
(formerly known as CIMB-Principal Equity Income Fund)

FUND OBJECTIVE AND POLICY (CONTINUED)

What is the Fund's benchmark?

50% Financial Times Stock Exchange ("FTSE") Bursa Malaysia ("FBM") Top 100 ("FBM100") Index + 50% MSCI All Country ("AC") Asia ex Japan

Note: The benchmark is for performance comparison only. The benchmark is customised as such to align it closer to the structure of the portfolio and to reflect the composition of the portfolio in line with the markets they operate in and its objectives. Unit holders are cautioned that the risk profile of the Fund is higher than the benchmark.

What is the Fund distribution policy?

Distribution (if any) is expected to be distributed annually, depending on the performance of the Fund and at the Manager's discretion.

What was the net income distribution for the six months financial period ended 31 July 2020?

There was no distribution made for the six months financial period ended 31 July 2020.

PERFORMANCE DATA

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

	31.07.2020	31.07.2019	31.07.2018
	%	%	%
Collective investment schemes	-	1.69	1.57
Quoted securities			
- Communication Services	8.41	8.18	6.59
- Consumer Discretionary	16.17	11.50	14.68
- Consumer Staples	8.22	4.58	4.63
- Energy	5.43	4.78	7.43
- Financials	3.62	19.22	21.49
- Health Care	11.16	1.16	2.63
- Industrials	8.41	15.44	12.24
- Information Technology	20.52	6.07	13.62
- Materials	6.07	2.15	3.57
- Real Estate	1.99	12.20	2.84
- Utilities	3.22	4.96	3.67
Cash and other net assets	6.78	8.07	5.04
	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>

Note: The Fund has adopted the Global Industry Classification Standard ("GICS") sectors classification

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

	31.07.2020	31.07.2019	31.07.2018
NAV (RM Million)	73.06	74.10	70.22
Units in circulation (Million)	57.26	58.69	54.78
NAV per unit (RM)	1.2758	1.2626	1.2818
	01.02.2020 to 31.07.2020	01.02.2019 to 31.07.2019	01.02.2018 to 31.07.2018
Highest NAV per unit (RM)	1.2757	1.2943	1.4611
Lowest NAV per unit (RM)	0.9136	1.2021	1.2535
Total return (%)	5.68	4.89	(6.32)
- Capital growth (%)	5.68	4.89	(12.59)
- Income distribution (%)	-	-	7.18

PRINCIPAL TITANS INCOME PLUS FUND
(formerly known as *CIMB-Principal Equity Income Fund*)

PERFORMANCE DATA (CONTINUED)

	31.07.2020	31.07.2019	31.07.2018
Management Expense Ratio ("MER") (%) ^	1.06	1.02	1.06
Portfolio Turnover Ratio ("PTR") (times) #	1.47	0.52	0.54

^ The Fund's MER increased from 1.02% to 1.06% mainly due to the decrease in average NAV during the financial period under review.

The Fund's PTR rose from 0.52 times to 1.47 times due to shift of allocation from local equities to more foreign equities and the decrease in average NAV during the financial period under review.

	01.02.2020 to 31.07.2020	01.02.2019 to 31.07.2019	01.02.2018 to 31.07.2018
Date of distribution	-	-	13.07.2018
Gross/Net distribution per unit (sen)	-	-	9.00

	31.07.2020	31.07.2019	31.07.2018	31.07.2017	31.07.2016
	%	%	%	%	%
Annual total return	5.62	(1.49)	3.06	22.08	0.13

(Launch date: 1 October 2003)

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

MARKET REVIEW (1 FEBRUARY 2020 TO 31 JULY 2020)

For the period under review, the Malaysia and Asia Ex-Japan stock markets ended higher. The FBM100 Index gained 5.14% in Malaysian Ringgit ("MYR") terms, while the MSCI Asia ex-Japan Index rose by 10.32% in MYR terms.

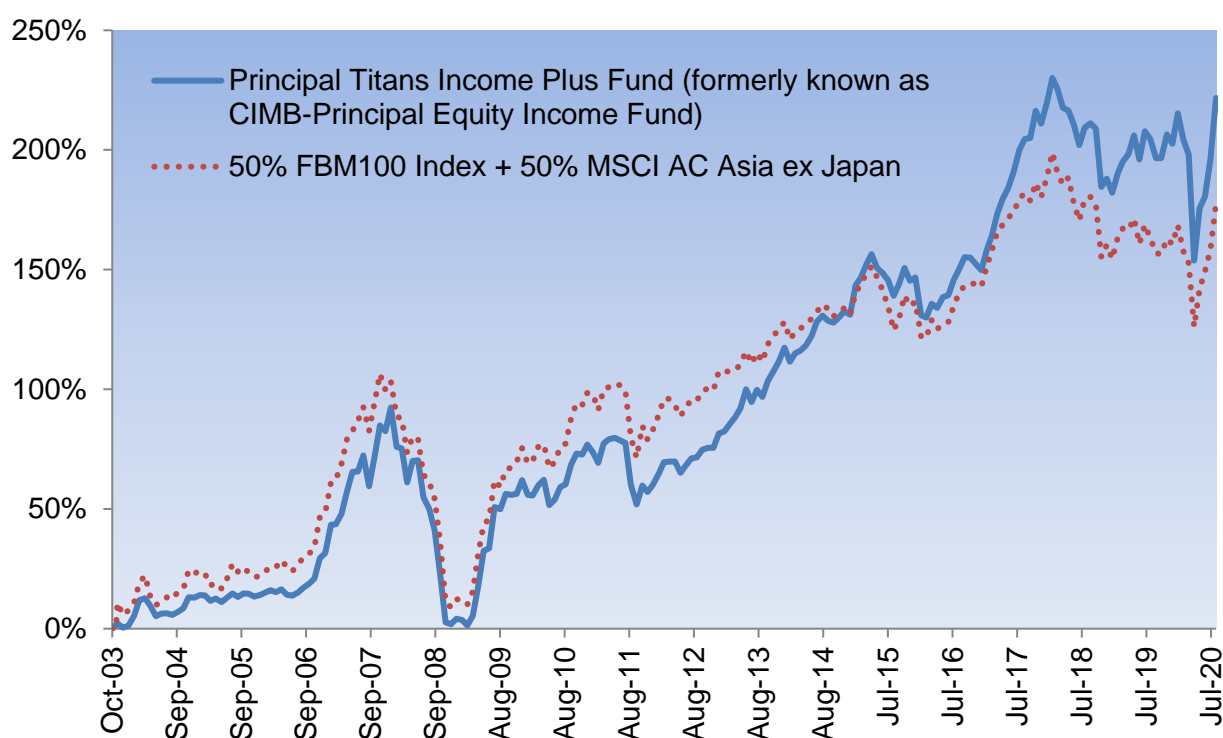
This year started with the sudden outbreak of the COVID-19 in China and the region. The outbreak rapidly morphed into a global pandemic, leading to various forms of lockdown globally. Given the impact of lockdown on economies, global equities markets, including Malaysia and Asia Ex-Japan markets, declined sharply. By end of March 2020, equities markets started to recover, as governments and central banks globally undertook massive fiscal and monetary stimulus to support economies. As the pandemic eased towards the middle of 2020, countries in the region started to re-open their economies. Recovery in economic activities helped the equities markets rebound rapidly in the second quarter of 2020.

PRINCIPAL TITANS INCOME PLUS FUND
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FUND PERFORMANCE

	6 months to 31.07.2020	1 year to 31.07.2020	3 years to 31.07.2020	5 years to 31.07.2020	Since inception to 31.07.2020
	%	%	%	%	%
Income Distribution	-	4.59	12.09	27.91	135.88
Capital Growth	5.68	0.98	(4.33)	2.48	35.81
Total Return	5.68	5.62	7.23	31.09	221.76
Benchmark	7.78	5.63	(0.69)	18.49	177.90
Average Total Return	N/A	5.62	2.35	5.56	7.18

The Fund recorded a gain of 5.68% for the financial period under review. On 1-year, 3-year and 5-year basis, the Fund has gained by 5.62%, 7.23% and 31.09%, respectively.



FUND PERFORMANCE (CONTINUED)

Changes in NAV

	31.07.2020	31.01.2020 Audited	Changes %
NAV (RM Million)	73.06	73.05	0.01
NAV/Unit (RM)	1.2758	1.2069	5.71

For the financial period under review, the Fund's NAV was almost flat due to redemption despite the increase in NAV per unit. The increase in NAV per unit was due to 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 period have been extracted from Lipper.

PORTFOLIO STRUCTURE

Asset allocation

(% of NAV)	31.07.2020	31.01.2020 Audited
Collective investment schemes	-	1.54
Quoted securities	93.32	94.04
Cash and other net assets	6.78	4.08
TOTAL	100.00	100.00

The Fund remained invested in quoted securities during the financial period under review.

MARKET OUTLOOK*

The equity market at the time of writing has rebounded as countries have started to re-open. Beyond this, while the COVID-19 situation remains fluid, we expect any further outbreaks to be contained locally as most countries will likely weigh the consequences of a further broad-based lockdown with re-opening. This should aid in the economic recovery albeit at a slower pace than the past few months. To cope with the economic downturn, many governments and their respective central banks have acted decisively and aggressively by providing massive stimulus both fiscal and monetary to support the economy and financial markets. We expect this to continue for quite some time as most governments are likely to err on the side of caution to ensure an economic recovery is well entrenched before withdrawing this accommodative stance. Financial assets especially Asian equities are likely to trend higher in the near term.

* 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

In the near term, the Fund is likely to invest in companies that have been least impacted by the lockdown, gain market share or benefitted from the lockdown. These companies include leading internet companies in the region, leading technology companies and other companies with strong brands and franchises. For Malaysia equities, we are turning cautious on small- and mid-cap stocks following the recent rally. The Malaysian equity market could also be susceptible to broader base correction particularly on concern of political uncertainty (domestic and US), but we believe any broad base correction will unlikely to re-test March's low given the supportive monetary and fiscal stimulus.

Over the longer term, we remain positive on the outlook for Asian equities due to the young and growing population, growing middle class and strong economic growth potential. Our strategy will aim to achieve the objective of providing consistent and stable income, while may also be providing moderate capital growth potential over the medium to long-term period.

PRINCIPAL TITANS INCOME PLUS FUND
(formerly known as CIMB-Principal Equity Income Fund)

UNIT HOLDINGS STATISTICS

Breakdown of unit holdings by size as at 31 July 2020 are as follows:

Size of unit holdings (units)	No. of unit holders	No. of units held (million)	% of units held
5,000 and below	605	1.52	2.65
5,001 - 10,000	440	3.26	5.69
10,001 - 50,000	924	20.43	35.68
50,001 - 500,000	168	15.40	26.89
500,001 and above	4	16.65	29.09
Total	2,141	57.26	100.00

SOFT COMMISSIONS AND REBATES

Principal Asset Management Berhad (“the Manager”), as well as the Trustees will not retain any form of rebate or soft commission from, or otherwise share in any commission with, any broker in consideration for directing dealings in the investments of the Funds unless the soft commission received is retained in the form of goods and services such as financial wire services and stock quotations system incidental to investment management of the Funds. All dealings with brokers are executed on best available terms.

During the financial period under review, the Manager and the Trustee did not receive any rebates from the brokers or dealers but the Manager has retained soft commission in the form of goods and services such as financial wire services and stock quotations system incidental to investment management of the Funds.

**STATEMENT BY MANAGER TO THE UNIT HOLDERS OF
PRINCIPAL TITANS INCOME PLUS FUND**
(formerly known as CIMB-Principal Equity Income Fund)

We, being the Directors of Principal Asset Management Berhad (the “Manager”), do hereby state that, in the opinion of the Manager, the accompanying unaudited financial statements set out on pages 11 to 45 are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial position of the Fund as at 31 July 2020 and of its financial performance, changes in equity and cash flows for the financial period then ended in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134 - Interim Financial Reporting and International Accounting Standards (“IAS”) 34 - Interim Financial Reporting.

For and on behalf of the Manager
Principal Asset Management Berhad ((Company No.: 199401018399 (304078-K))

MUNIRAH KHAIRUDDIN
Chief Executive Officer/Executive Director

JUAN IGNACIO EYZAGUIRRE BARAONA
Director

Kuala Lumpur
14 September 2020

**TRUSTEE'S REPORT TO THE UNIT HOLDERS OF
PRINCIPAL TITANS INCOME PLUS FUND**
(formerly known as CIMB-Principal Equity Income Fund)

We, Universal Trustee (Malaysia) Berhad, being the Trustee of Principal Titans Income Plus Fund *(formerly known as CIMB-Principal Equity Income Fund)* (the "Fund"), are of the opinion that Principal Asset Management Berhad (the "Manager"), acting in the capacity of Manager of the Fund, have fulfilled their duties in the following manner for the financial period ended 31 July 2020:

- (a) the Fund is being managed in accordance with the limitations imposed on the investment powers of the Manager and the Trustee under the Deeds, the Securities Commission's Guidelines on the Unit Trust Funds, the Capital Markets and Services Act 2007 and other applicable laws;
- (b) valuation/pricing is carried out in accordance with the Deeds and relevant regulatory requirements; and
- (c) creation and cancellation of units are carried out in accordance with the Deeds and relevant regulatory requirements.

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

ONG TEE VANN
Chief Executive Officer

Kuala Lumpur
14 September 2020

PRINCIPAL TITANS INCOME PLUS FUND
(formerly known as CIMB-Principal Equity Income Fund)

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 JULY 2020

	Note	01.02.2020 to 31.07.2020	01.02.2019 to 31.07.2019
		RM	RM
INCOME			
Dividend income		1,338,784	1,143,151
Interest income from deposits with licensed financial institutions at amortised cost		24,783	29,573
Net gain on financial assets at fair value through profit or loss	9	3,928,132	3,233,971
Net foreign exchange loss		<u>(129,309)</u>	<u>(35,247)</u>
		<u>5,162,390</u>	<u>4,371,448</u>
EXPENSES			
Management fee	5	618,834	658,703
Trustee's and custodian fees	6	53,359	51,770
Transaction costs		555,798	207,339
Audit fee		8,550	8,550
Tax agent's fee		18,090	26,111
Other expenses		<u>52,844</u>	<u>52,700</u>
		<u>1,307,475</u>	<u>1,005,173</u>
PROFIT BEFORE TAXATION		3,854,915	3,366,275
Taxation	8	<u>-</u>	<u>-</u>
PROFIT AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD		<u>3,854,915</u>	<u>3,366,275</u>
Profit after taxation is made up as follows:			
Realised amount		(510,549)	1,517,987
Unrealised amount		<u>4,365,464</u>	<u>1,848,288</u>
		<u><u>3,854,915</u></u>	<u><u>3,366,275</u></u>

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

PRINCIPAL TITANS INCOME PLUS FUND
(formerly known as *CIMB-Principal Equity Income Fund*)

UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT 31 JULY 2020

		31.07.2020	31.01.2020
	Note	RM	Audited RM
ASSETS			
Cash and cash equivalents	10	6,177,400	3,281,254
Financial assets at fair value through profit or loss	9	68,104,578	70,040,095
Amount due from stockbrokers		2,022,383	-
Amount due from Manager		121,687	52,049
Amount due from Manager of collective investment schemes			
- Management fee rebate		31,339	27,847
Dividends receivable		136,334	18,168
TOTAL ASSETS		<u>76,593,721</u>	<u>73,419,413</u>
LIABILITIES			
Amount due to stockbrokers		2,474,234	-
Amount due to Manager		929,133	230,963
Accrued management fee		114,210	117,614
Amount due to Trustee		3,704	3,894
Distribution payable		1,390	1,390
Other payables and accruals		15,151	15,307
TOTAL LIABILITIES		<u>3,537,822</u>	<u>369,168</u>
NET ASSET VALUE OF THE FUND		<u>73,055,899</u>	<u>73,050,245</u>
EQUITY			
Unit holders' capital		34,630,465	38,479,726
Retained earnings		38,425,434	34,570,519
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS		<u>73,055,899</u>	<u>73,050,245</u>
NUMBER OF UNITS IN CIRCULATION (UNITS)	11	<u>57,260,117</u>	<u>60,523,031</u>
NET ASSET VALUE PER UNIT (RM)		<u>1.2758</u>	<u>1.2069</u>

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PRINCIPAL TITANS INCOME PLUS FUND
(formerly known as *CIMB-Principal Equity Income Fund*)

UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 JULY 2020

	Note	Unit holders' capital RM	Retained earnings RM	Total RM
Balance as at 1 February 2020		38,479,726	34,570,519	73,050,245
Movement in unit holders' contributions:				
- Creation of units from applications		2,589,919	-	2,589,919
- Cancellation of units		(6,439,180)	-	(6,439,180)
Total comprehensive income for the financial period		-	3,854,915	3,854,915
Balance as at 31 July 2020		<u>34,630,465</u>	<u>38,425,434</u>	<u>73,055,899</u>
Balance as at 1 February 2019		34,594,069	34,621,588	69,215,657
Movement in unit holders' contributions:				
- Creation of units from applications		7,119,744	-	7,119,744
- Cancellation of units		(5,597,824)	-	(5,597,824)
Total comprehensive income for the financial period		-	3,366,275	3,366,275
Balance as at 31 July 2019		<u>36,115,989</u>	<u>37,987,863</u>	<u>74,103,852</u>

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

PRINCIPAL TITANS INCOME PLUS FUND
(formerly known as CIMB-Principal Equity Income Fund)

UNAUDITED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 JULY 2020

	01.02.2020 to 31.07.2020	01.02.2019 to 31.07.2019
	RM	RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Proceeds from disposal of quoted securities	99,442,870	38,377,239
Purchase of quoted securities	(93,736,811)	(40,184,988)
Dividend income received	1,207,909	1,085,640
Interest income received from deposits with licensed financial institutions	24,783	29,573
Management fee paid	(624,695)	(648,414)
Management fee rebates received	5,949	11,009
Trustee's and custodian fees paid	(53,549)	(51,437)
Payments for other fees and expenses	(40,833)	(41,721)
Net realised foreign exchange loss	(187,866)	(64,954)
Net cash generated from/(used in) operating activities	6,037,757	(1,488,053)
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash proceeds from units created	2,520,281	7,094,539
Payments for cancellation of units	(5,741,010)	(5,533,457)
Net cash (used in)/generated from financing activities	(3,220,729)	1,561,082
Net increase in cash and cash equivalents	2,817,028	73,029
Effects of foreign exchange differences	79,118	18,846
Cash and cash equivalents at the beginning of the financial period	3,281,254	5,981,895
Cash and cash equivalents at the end of the financial period	6,177,400	6,073,770
<u>Cash and cash equivalents comprised of:</u>		
Bank balances	1,351,125	3,813,403
Deposits in licensed financial institutions	4,826,275	2,260,367
Cash and cash equivalents at the end of the financial period	6,177,400	6,073,770

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 JULY 2020

1. THE FUND, THE MANAGER AND ITS PRINCIPAL ACTIVITIES

Principal Titans Income Plus Fund (*formerly known as CIMB-Principal Equity Income Fund*) (the “Fund”) is governed by a Principal Master Deed dated 15 May 2008, a First Supplemental Master Deed dated 25 June 2008, a Third Supplemental Master Deed dated 14 July 2008, an Eighth Supplemental Master Deed dated 14 June 2010, a Thirteenth Supplemental Master Deed dated 26 June 2012, an Eighteenth Supplemental Master Deed dated 25 March 2015 and a Twentieth Supplemental Master Deed dated 21 October 2019 (collectively referred to as the “Deeds”) between Principal Asset Management Berhad (the “Manager”) and Universal Trustee (Malaysia) Berhad (the “Trustee”).

The Fund may invest between 70% to 98% (both inclusive) of its NAV in equities and equity related securities in order to gain long-term capital growth. The Fund may opt to invest in foreign equities up to a maximum of 70% of its NAV. Such foreign equities must be equity securities of companies domiciled in, listed in, and/or have significant operations in Asia ex Japan. ‘Significant operations’ means major businesses of the company. For example, the Fund can invest in a company with significant business or operations in Thailand but listed on the New York Stock Exchange. The threshold for ‘significant operations’ would be if more than 25% of total group revenue derives from countries in Asia ex Japan. The calculation would be based on the most recent financial reports released by the companies (e.g. interim and annual reports). In line with its objective, the investment policy and strategy of the Fund will be to invest in a diversified portfolio of high dividend yielding stocks and/or fixed income securities aimed at providing a stable income stream in the form of distributions to investors. The Fund may also opt to seek investment exposure via collective investment scheme that is in line with the Fund’s objective, subject to the requirement of the SC Guidelines.

The Manager has appointed Principal Singapore as the Sub-Adviser of the Fund (“Sub-Adviser”). Principal Singapore will provide investment research and stock recommendation to us in accordance with the investment objective and within the investment restrictions of the Fund.

The asset allocation strategy for this Fund is as follows:

- between 70% to 98% (both inclusive) of the Fund’s NAV in equities and equity related securities;
- up to 28% of the Fund’s NAV in fixed income securities; and
- at least 2% of the Fund’s NAV in liquid assets.

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

The Fund has changed its name from CIMB-Principal Equity Income Fund to Principal Titans Income Plus Fund following the issuance of the Replacement Master Prospectus Issue No.22 dated 17 April 2020.

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of preparation

The financial statements have been prepared in accordance with the provisions of the MFRS and International Financial Reporting Standards (“IFRS”).

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

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

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

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

There are no applicable standards, amendments to standards or interpretations that are effective for financial periods beginning on/after 1 August 2020 to the financial statements of the Fund.

(b) Financial assets and financial liabilities

Classification

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

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

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

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

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Financial assets and financial liabilities (continued)

Classification (continued)

The Fund classifies amount due to stockbrokers, amount due to Manager, accrued management fee, amount due to Trustee, distribution payable, and other payables and accruals as financial liabilities 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 liabilities are recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the financial instrument.

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

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

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

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

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

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

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 bases approved by the Trustee after appropriate technical consultation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Financial assets and financial liabilities (continued)

Recognition and measurement (continued)

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 carried at amortised cost using the effective interest method.

Impairment for assets carried at amortised cost

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

Significant increase in credit risk

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

Definition of default and credit-impaired financial assets

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

Write-off

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(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 collective investment schemes and quoted securities are accounted for as the difference between the net disposal proceeds and the carrying amount of investments, determined on a weighted average cost basis.

(d) 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 Ringgit Malaysia (“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 RM primarily due to the following factors:

- i) Significant portion of the NAV is invested in the form of quoted securities denominated in RM for the purpose of making settlement of the foreign trades; and
- ii) Significant portion of the Fund’s expenses are denominated in RM.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in statement of comprehensive income, except when deferred in OCI as qualifying cash flow hedges.

(e) Cash and cash equivalents

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Taxation

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

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

(g) Transaction costs

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

(h) Other income

Other income represents the Fund's entitlement to management fee rebate derived from the Manager and Manager of the collective investment schemes on an accrual basis to ensure no double charging of management fee. It is accrued daily based on the fair value of collective investment schemes held.

(i) Amount due from/to stockbrokers

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

These amounts are measured at amortised cost. At each reporting date, the Fund measure the loss allowance on amounts due from broker at an amount equal to the lifetime ECL if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Fund shall measure the loss allowance at an amount equal to 12-month ECL. Significant financial difficulties of the broker, probability that the broker will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required.

If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance. A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due.

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Unit holders' contributions

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

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

The outstanding units are carried at the redemption amount that is payable at each financial period if unit holder exercises the right to put the unit back to the Fund.

Units are created and cancelled at prices based on the Fund's NAV per unit at the time of creation or cancellation. The Fund's NAV per unit is calculated by dividing the net assets attributable to unit holders with the total number of outstanding units.

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

The analysis of realised and unrealised portions of profit or loss after tax as presented on the statement of comprehensive income is prepared in accordance with SC Guidelines on Unit Trust 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 judgements are continually evaluated by the Manager and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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

However, the Manager is of the opinion that there are no accounting policies which require significant judgement to be exercised.

3. RISK MANAGEMENT OBJECTIVES AND POLICIES

The investment objective of the Fund is to provide investors with an opportunity to gain consistent and stable income by investing in a diversified portfolio of dividend yielding equities and fixed income securities. The Fund may also provide moderate capital growth potential over the medium to long-term period.

The Fund is exposed to a variety of risks which include market risk (inclusive of 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 SC Guidelines on Unit Trust Funds.

(a) Market risk

(i) Price risk

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

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

(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 period, the Fund is not exposed to a material level of interest rate risk.

3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(a) Market risk (continued)

(iii) Currency risk

Currency risk of the Fund 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.

(b) Credit risk

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

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

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

For the 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 Manager of collective investment schemes, the Fund will invest with an investment management company of the collective investment schemes which is authorised or approved by the relevant regulatory authority in its home jurisdiction.

(c) Liquidity risk

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

The Manager manages this risk by maintaining sufficient level of liquid assets to meet anticipated payments and cancellations of the units by unit holders. Liquid assets comprise bank balances and deposits with licensed financial institutions, which are capable of being converted into cash within 7 business days. Generally, all investments are subject to a certain degree of liquidity risk depending on the nature of the investment instruments, market, sector and other factors. For the purpose of the Fund, the Manager will attempt to balance the entire portfolio by investing in a mix of assets with satisfactory trading volume and those that occasionally could encounter poor liquidity. This is expected to reduce the risks for the entire portfolio without limiting the Fund's growth potentials.

3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(d) Capital risk management

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

(e) Fair value estimation

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

The fair values of financial assets traded in active markets (such as trading securities) are based on quoted market prices at the close of trading on the financial period end date. The Fund utilises the last traded market price for financial assets where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager will determine the point within the bid-ask spread that is most representative of the fair value.

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

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

(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.

3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(e) Fair value estimation (continued)

(i) Fair value hierarchy (continued)

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

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

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
31.07.2020				
Financial assets at fair value through profit or loss:				
- Quoted securities - local	18,873,990			18,873,990
- Quoted securities - foreign	49,230,588	-	-	49,230,588
	68,104,578	-	-	68,104,578
31.01.2020				
Audited				
Financial assets at fair value through profit or loss:				
- Collective investment schemes	1,124,094	-	-	1,124,094
- Quoted securities - local	35,624,178			35,624,178
- Quoted securities - foreign	33,291,823	-	-	33,291,823
	70,040,095	-	-	70,040,095

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

- (ii)** The carrying values of cash and cash equivalents, amount due from stockbrokers, amount due from Manager, amount due from Manager of collective investment schemes, dividends receivable and all 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 up to 3.00% per annum, calculated daily based on the NAV of the Fund.

For the six months financial period ended 31 July 2020, the management fee is recognised at a rate of 1.85% per annum (31.07.2019: 1.85% per annum).

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

5. TRUSTEE'S AND CUSTODIAN FEE

In accordance with the Deeds, the Trustee is entitled to a maximum fee of up to 0.06% per annum, calculated daily based on the NAV of the Fund.

The foreign custodian fee (safekeeping fee and transaction fee, including out of pocket charges) is subject to a minimum of USD500 per month per fund and is charged monthly in arrears. The safekeeping fee ranges from a minimum of 0.04% per annum to a maximum of 0.38% per annum of the market value of the respective foreign portfolios, depending on the country invested. The transaction fee is charged for every transaction and the amounts are dependent on the country invested.

For the six months financial period ended 31 July 2020, the Trustee's fee is recognised at a rate of 0.06% per annum (31.07.2019: 0.06% per annum) while the foreign custodian fee is recognised at RM33,289 (31.07.2019: RM24,537).

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

6. TAXATION

	01.02.2020 to 31.07.2020	01.02.2019 to 31.07.2019
	RM	RM
Tax charged for the financial period:		
- Current taxation	-	-

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:

	01.02.2020 to 31.07.2020	01.02.2019 to 31.07.2019
	RM	RM
Profit before taxation	3,854,915	3,336,275
Taxation at Malaysian statutory rate of 24%	925,180	807,906
Tax effects of:		
- Income not subject to tax	(1,238,974)	(1,049,148)
- Expenses not deductible for tax purposes	161,780	79,659
- Restriction on tax deductible expenses for Unit Trust Funds	152,014	161,583
Taxation	-	-

PRINCIPAL TITANS INCOME PLUS FUND
(formerly known as CIMB-Principal Equity Income Fund)

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	31.07.2020	31.01.2020
	RM	Audited RM
At fair value through profit or loss:		
- Collective investment schemes	-	1,124,094
- Quoted securities - local	18,873,990	35,624,178
- Quoted securities - foreign	49,230,588	33,291,823
	68,104,578	70,040,095
	01.02.2020 to 31.07.2020	01.02.2019 to 31.07.2019
	RM	RM
Net gain on financial assets at fair value through profit or loss:		
- Realised (loss)/gain on disposals	(308,608)	1,382,107
- Unrealised fair value gain	4,229,756	1,829,456
- Management fee rebate #	6,984	22,408
	3,928,132	3,233,971

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

For the financial period ended 31 July 2020, the rebate is recognised at a rate of 1.50% per annum (31.07.2019: 1.50% per annum), calculated and accrued daily based on the NAV of the collective investment schemes.

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
31.07.2020				
QUOTED SECURITIES - LOCAL				
Communication Services				
Time Dotcom Bhd	50,943	490,887	556,298	0.76
Consumer Discretionary				
DRB-Hicom Bhd	287,600	563,063	546,440	0.75
Genting Bhd	273,000	1,200,535	1,045,590	1.43
	560,600	1,763,598	1,592,030	2.18
Consumer Staples				
Kuala Lumpur Kepong Bhd	60,700	1,445,395	1,420,380	1.94
QL Resources Bhd	48,600	400,391	474,336	0.65
	109,300	1,845,786	1,894,716	2.59
Energy				
Dialog Group Bhd	143,400	493,121	543,486	0.74
Serba Dinamik Holdings Bhd	300,100	525,565	489,163	0.67
	443,500	1,018,686	1,032,649	1.41

PRINCIPAL TITANS INCOME PLUS FUND
(formerly known as CIMB-Principal Equity Income Fund)

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
31.07.2020 (CONTINUED)				
QUOTED SECURITIES - LOCAL				
Financials				
Hong Leong Bank Bhd	36,300	527,802	544,500	0.75
Public Bank Bhd	31,000	566,612	527,000	0.72
	<u>67,300</u>	<u>1,094,414</u>	<u>1,071,500</u>	1.47
Health Care				
Hartalega Hldg Bhd	46,200	636,459	936,936	1.28
Kossan Rubber Industries	74,800	747,699	1,316,480	1.80
Top Glove Corporation Bhd	44,400	440,704	1,149,072	1.57
	<u>165,400</u>	<u>1,824,862</u>	<u>3,402,488</u>	4.65
Industrials				
SKP Resources Bhd	248,600	254,740	350,526	0.48
Greotech Technology Bhd	133,400	679,588	720,360	0.99
Lingkar Trans Kota Holdings Bhd	106,300	480,985	425,200	0.58
Pentamaster Corporation Bhd	169,400	1,099,267	1,085,854	1.49
	<u>657,700</u>	<u>2,514,580</u>	<u>2,581,940</u>	3.54
Information Technology				
Inari Amertron Bhd	557,900	1,027,350	1,182,748	1.62
JHM Consolidation Bhd	358,600	551,746	545,072	0.75
Malaysian Pacific Industries Bhd	29,900	375,608	394,680	0.54
MI Technovation Bhd	180,900	671,322	721,791	0.99
	<u>1,127,300</u>	<u>2,626,026</u>	<u>2,844,291</u>	3.90
Materials				
ATA IMS Bhd	518,100	597,321	637,263	0.87
Petronas Chemicals Group Bhd	55,600	347,939	343,608	0.47
Press Metal Aluminium Holdings Bhd	129,700	576,378	627,748	0.86
Cahaya Mata Sarawak Bhd	331,800	547,106	570,696	0.78
	<u>1,035,200</u>	<u>2,068,744</u>	<u>2,179,315</u>	2.98
Real Estate				
Sunway Bhd	458,800	716,259	619,379	0.85
Utilities				
Tenaga Nasional Bhd	96,100	1,310,352	1,099,384	1.50
TOTAL QUOTED SECURITIES – LOCAL	<u>9,448,186</u>	<u>17,274,194</u>	<u>18,873,990</u>	<u>25.83</u>

PRINCIPAL TITANS INCOME PLUS FUND
(formerly known as CIMB-Principal Equity Income Fund)

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
31.07.2020 (CONTINUED)				
QUOTED SECURITIES - FOREIGN				
CAYMAN ISLANDS				
Consumer Discretionary				
Alibaba Group Holding Ltd	38,700	5,748,414	5,205,645	7.13
TOTAL CAYMAN ISLANDS	38,700	5,748,414	5,205,645	7.13
CHINA				
Consumer Discretionary				
China Tourism Group Duty Free Corporation Ltd	5,800	359,074	854,294	1.17
Financials				
Ping An Insurance Group Co. of China Ltd	27,000	1,311,477	1,212,092	1.66
Industrials				
Sany Heavy Industry Co. Ltd	98,500	1,272,540	1,260,368	1.73
Information Technology				
Hangzhou Hikvision Digital Technology Co. Ltd	72,300	1,602,427	1,621,046	2.22
TOTAL CHINA	203,600	4,545,518	4,947,800	6.78
HONG KONG, CHINA				
Communication Services				
Tencent Holdings Ltd	12,700	2,651,279	3,708,288	5.08
Consumer Discretionary				
Brilliance China Automotive	288,000	1,306,597	1,248,804	1.71
Li Ning Co. Ltd	34,500	456,621	470,672	0.64
Meituan Dianping	7,100	721,291	745,010	1.02
Sands China Ltd	57,200	1,147,942	938,308	1.28
	386,800	3,632,451	3,402,794	4.65
Consumer Staples				
China Mengniu Dairy Co. Ltd	66,000	1,179,322	1,311,828	1.80
Tingyi (Cayman Islands) Holding Corporation	126,000	918,650	994,870	1.36
	192,000	2,097,972	2,306,698	3.16

PRINCIPAL TITANS INCOME PLUS FUND
(formerly known as CIMB-Principal Equity Income Fund)

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
31.07.2020 (CONTINUED)				
QUOTED SECURITIES - FOREIGN				
HONG KONG, CHINA				
Health Care				
Jinxin Fertility Group Ltd	214,000	1,305,032	1,266,104	1.73
Wuxi Biologics Cayman Inc.	18,000	1,401,805	1,570,847	2.15
	<u>232,000</u>	<u>2,706,837</u>	<u>2,836,951</u>	<u>3.88</u>
Industrials				
China Conch Venture Holdings Ltd	77,500	1,499,047	1,411,154	1.93
Techtronic Industries Co. Ltd	20,000	471,729	885,269	1.21
	<u>97,500</u>	<u>1,970,776</u>	<u>2,296,423</u>	<u>3.14</u>
Utilities				
China Resources Gas Grp Ltd	60,000	1,273,522	1,253,266	1.72
	<u>60,000</u>	<u>1,273,522</u>	<u>1,253,266</u>	<u>1.72</u>
TOTAL HONG KONG, CHINA	<u>981,000</u>	<u>14,332,837</u>	<u>15,804,420</u>	<u>21.63</u>
INDIA				
Energy				
Reliance Industries Ltd	17,493	1,049,897	2,046,644	2.80
Reliance Industries Ltd - Partly Paid	1,323	23,864	88,158	0.12
	<u>18,816</u>	<u>1,073,761</u>	<u>2,134,802</u>	<u>2.92</u>
TOTAL INDIA	<u>18,816</u>	<u>1,073,761</u>	<u>2,134,802</u>	<u>2.92</u>
INDONESIA				
Financials				
Bank Rakyat Indonesia	394,200	362,673	359,875	0.49
TOTAL INDONESIA	<u>394,200</u>	<u>362,673</u>	<u>359,875</u>	<u>0.49</u>
NETHERLANDS				
Information Technology				
ASML Holding N.V.	530	538,630	794,411	1.09
TOTAL NETHERLANDS	<u>530</u>	<u>538,630</u>	<u>794,411</u>	<u>1.09</u>

PRINCIPAL TITANS INCOME PLUS FUND
(formerly known as CIMB-Principal Equity Income Fund)

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
31.07.2020 (CONTINUED)				
QUOTED SECURITIES - FOREIGN				
SINGAPORE				
Consumer Staples				
First Resources Ltd	426,300	1,786,572	1,804,714	2.47
Information Technology				
Venture Corp Ltd	28,200	1,435,272	1,559,821	2.14
Real Estate				
Keppel DC REIT	45,600	302,176	419,908	0.57
Mapletree Industrial Trust Management Ltd	41,300	337,672	416,045	0.57
	86,900	639,848	835,953	1.14
TOTAL SINGAPORE	541,400	3,861,692	4,200,487	5.75
SOUTH KOREA				
Information Technology				
Samsung Electronics Co. Ltd	14,999	2,366,192	3,089,309	4.23
Materials				
LG Chem Ltd	778	1,155,012	1,571,985	2.15
Posco	1,001	659,135	689,026	0.94
	1,779	1,814,147	2,261,011	3.09
TOTAL SOUTH KOREA	16,778	4,180,339	5,350,320	7.32
TAIWAN				
Information Technology				
ASE Technology Holding Co. Ltd	72,000	757,386	783,276	1.07
MediaTek Inc.	17,000	1,545,362	1,714,856	2.35
Taiwan Semiconductor Manufacturing Co. Ltd	42,000	1,333,486	2,571,637	3.52
	131,000	3,636,234	5,069,769	6.94
TOTAL TAIWAN	131,000	3,636,234	5,069,769	6.94

PRINCIPAL TITANS INCOME PLUS FUND
(formerly known as CIMB-Principal Equity Income Fund)

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
31.07.2020 (CONTINUED)				
QUOTED SECURITIES - FOREIGN				
THAILAND				
Energy				
PTT Explorer & Production PCL	65,100	845,641	803,924	1.10
Health Care				
Sri Trang Gloves Thailand	173,610	1,552,327	1,920,105	2.63
TOTAL THAILAND	238,710	2,397,968	2,724,029	3.73
UNITED STATES				
Communication Services				
SEA Ltd	3,629	1,375,020	1,879,178	2.57
Consumer Discretionary				
New Oriental Education & Technology Group	1,279	660,406	759,851	1.04
TOTAL UNITED STATES	4,908	2,035,426	2,639,029	3.61
TOTAL QUOTED SECURITIES - FOREIGN	2,569,642	42,713,492	49,230,588	67.39
TOTAL QUOTED SECURITIES	12,017,828	59,987,686	68,104,578	93.22
ACCUMULATED UNREALISED GAIN ON QUOTED SECURITIES AT FAIR VALUE THROUGH PROFIT OR LOSS		8,116,892		
TOTAL QUOTED SECURITIES AT FAIR VALUE THROUGH PROFIT OR LOSS		68,104,578		

PRINCIPAL TITANS INCOME PLUS FUND
(formerly known as CIMB-Principal Equity Income Fund)

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
31.01.2020				
Audited				
COLLECTIVE				
INVESTMENT SCHEMES				
CIMB-Principal Indo Domestic Equity Fund	1,943,855	516,914	514,015	0.70
CIMB-Principal SMART Equity Fund	<u>2,036,922</u>	<u>694,693</u>	<u>610,079</u>	<u>0.84</u>
TOTAL COLLECTIVE INVESTMENT SCHEMES	<u>3,980,777</u>	<u>1,211,607</u>	<u>1,124,094</u>	<u>1.54</u>
ACCUMULATED UNREALISED LOSS ON COLLECTIVE INVESTMENT SCHEMES				
		<u>(87,513)</u>		
TOTAL COLLECTIVE INVESTMENT SCHEMES AT FAIR VALUE THROUGH PROFIT OR LOSS				
		<u>1,124,094</u>		

PRINCIPAL TITANS INCOME PLUS FUND
(formerly known as CIMB-Principal Equity Income Fund)

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
31.01.2020 (CONTINUED)				
Audited				
QUOTED SECURITIES - LOCAL				
Communication Services				
Axiata Group Bhd	180,800	800,234	777,440	1.06
Digi.com Bhd	63,800	307,107	269,874	0.37
Media Chinese Int Ltd	1,255,700	294,293	276,254	0.38
Telekom Malaysia Bhd	97,200	380,166	375,192	0.51
Time Dotcom Bhd	85,800	735,583	795,366	1.09
	<u>1,683,300</u>	<u>2,517,383</u>	<u>2,494,126</u>	<u>3.41</u>
Consumer Discretionary				
Carlsberg Brewery Malaysia Bhd	16,900	412,168	552,630	0.76
Genting Malaysia Bhd	444,800	1,411,229	1,343,296	1.84
Sime Darby Bhd	570,300	1,314,013	1,243,254	1.70
	<u>1,032,000</u>	<u>3,137,410</u>	<u>3,139,180</u>	<u>4.30</u>
Consumer Staples				
Aeon Co. M Bhd	458,000	714,134	622,880	0.85
Kuala Lumpur Kepong Bhd	30,400	665,757	693,120	0.95
Nestle Malaysia Bhd	2,500	359,874	360,750	0.49
Sime Darby Plantation Bhd	280,100	1,386,911	1,420,107	1.94
	<u>771,000</u>	<u>3,126,676</u>	<u>3,096,857</u>	<u>4.23</u>
Energy				
Dayang Enterprise Holdings Bhd	155,220	247,643	429,959	0.59
Dialog Group Bhd	131,200	404,409	429,024	0.59
Econpile Holdings Bhd	491,900	271,745	304,978	0.42
Hibiscus Petroleum Bhd	482,100	480,403	409,785	0.56
Serba Dinamik Holdings Bhd	366,030	584,414	823,568	1.13
	<u>1,626,450</u>	<u>1,988,614</u>	<u>2,394,314</u>	<u>3.29</u>
Financials				
CIMB Group Holdings Bhd	363,326	1,872,100	1,791,197	2.45
Hong Leong Bank Bhd	46,900	787,535	750,400	1.03
Malayan Banking Bhd	310,702	2,780,445	2,619,218	3.59
Public Bank Bhd - Local	76,983	1,535,273	1,431,884	1.96
RHB Bank Bhd	169,100	938,713	962,179	1.32
	<u>967,011</u>	<u>7,914,066</u>	<u>7,554,878</u>	<u>10.35</u>
Health Care				
Hartalega Holdings Bhd	289,500	1,605,361	1,713,840	2.35
IHH Healthcare Bhd	183,000	1,034,220	1,043,100	1.43
	<u>472,500</u>	<u>2,639,581</u>	<u>2,756,940</u>	<u>3.78</u>

PRINCIPAL TITANS INCOME PLUS FUND
(formerly known as CIMB-Principal Equity Income Fund)

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
31.01.2020 (CONTINUED)				
Audited				
QUOTED SECURITIES - LOCAL (CONTINUED)				
Industrials				
ATA IMS Bhd	450,000	780,210	774,000	1.06
Gamuda Bhd	97,600	270,745	383,012	0.52
Gamuda Bhd - Warrant	1,840,700	729,469	708,670	0.97
IJM Corp Bhd	475,100	906,139	1,007,212	1.38
Lingkar Trans Kota Holding Bhd	86,600	426,861	406,154	0.56
MISC Bhd – Local	27,200	183,621	209,168	0.29
Westports Holding Bhd	88,400	331,237	349,181	0.48
	<u>3,065,000</u>	<u>3,628,282</u>	<u>3,837,397</u>	<u>5.26</u>
Information Technology				
D&O Green Technologies Bhd	520,600	384,490	413,877	0.57
JHM Consolidation	236,000	307,431	346,920	0.47
Malaysian Pacific Industries Revenue Group Bhd – Warrant	1,152,700	478,592	760,782	1.04
Vitrox Corp Bhd	85,400	601,909	794,220	1.09
	<u>2,065,700</u>	<u>2,524,830</u>	<u>3,160,699</u>	<u>4.33</u>
Materials				
Petronas Chemicals Group Bhd	54,900	426,898	339,831	0.47
Press Metal Aluminium Hldg Bhd	236,700	1,145,302	1,155,096	1.58
	<u>291,600</u>	<u>1,572,200</u>	<u>1,494,927</u>	<u>2.05</u>
Real Estate				
Sime Darby Property Bhd	979,900	764,406	764,322	1.05
Sunway Bhd	404,400	685,175	727,920	1.00
Sunway REIT	61,800	111,568	112,476	0.15
UOA Development Bhd	144,000	330,999	285,120	0.39
	<u>1,590,100</u>	<u>1,892,148</u>	<u>1,889,838</u>	<u>2.59</u>
Utilities				
Taliworks Corp Bhd	627,300	562,823	523,796	0.72
Tenaga Nasional Bhd	263,100	3,673,110	3,278,226	4.49
	<u>890,400</u>	<u>4,235,933</u>	<u>3,802,022</u>	<u>5.21</u>
TOTAL QUOTED SECURITIES - LOCAL	<u>14,455,661</u>	<u>35,177,123</u>	<u>35,624,178</u>	<u>48.80</u>

PRINCIPAL TITANS INCOME PLUS FUND
(formerly known as CIMB-Principal Equity Income Fund)

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
31.01.2020 (CONTINUED)				
Audited				
QUOTED SECURITIES - FOREIGN				
CAYMAN ISLANDS				
Consumer Discretionary				
Alibaba Group Holding Ltd - ADR***	2,959	2,026,588	2,504,190	3.43
TOTAL CAYMAN ISLANDS	2,959	2,026,588	2,504,190	3.43
CHINA				
Financials				
Ping An Insurance Group Co of China Ltd – H*	14,500	730,422	678,444	0.93
Materials				
Anhui Conch Cement Co. Ltd	27,000	742,269	713,549	0.98
TOTAL CHINA	41,500	1,472,691	1,391,993	1.91
HONG KONG, CHINA				
Communication Services				
Tencent Holding Ltd	10,600	1,696,442	2,085,630	2.86
Consumer Discretionary				
Galaxy Entertainment Grp Ltd	25,000	726,987	679,156	0.93
Techtronic Industries Co	43,000	944,051	1,427,863	1.95
Sands China Ltd	37,200	788,049	745,674	1.02
Shenzhou International Group	13,000	713,136	711,809	0.97
	118,200	3,172,223	3,564,502	4.87

PRINCIPAL TITANS INCOME PLUS FUND
(formerly known as CIMB-Principal Equity Income Fund)

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
31.01.2020 (CONTINUED)				
Audited				
QUOTED SECURITIES - FOREIGN (CONTINUED)				
HONG KONG, CHINA (CONTINUED)				
Financials				
AIA Group Ltd	31,100	932,404	1,275,508	1.75
Industrials				
China Conch Venture Holdings	20,000	391,422	365,558	0.50
Information Technology				
Sunny Optical Technology Co Ltd	12,500	760,012	835,428	1.14
Materials				
Kingboard Laminates Holding Ltd	174,000	757,331	739,787	1.01
Real Estate				
China Resources Land Ltd	52,000	939,185	896,961	1.23
TOTAL HONG KONG, CHINA	418,400	8,649,019	9,763,374	13.36
INDIA				
Energy				
Reliance Industries Ltd	13,258	783,361	1,074,279	1.47
Financials				
HDFC Bank Ltd	20,860	1,072,553	1,468,327	2.01
Industrials				
Larsen & Toubro Ltd	7,420	685,631	583,196	0.80
TOTAL INDIA	41,538	2,541,545	3,125,802	4.28

PRINCIPAL TITANS INCOME PLUS FUND
(formerly known as CIMB-Principal Equity Income Fund)

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
31.01.2020 (CONTINUED)				
Audited				
QUOTED SECURITIES - FOREIGN (CONTINUED)				
INDONESIA				
Financials				
Bank Mandiri	251,400	559,568	569,231	0.78
Materials				
Semen Indonesia Persero Tbk	200,100	702,075	717,119	0.98
Real Estate				
Summarecon Agung TBK PT	1,061,500	377,292	269,001	0.37
TOTAL INDONESIA	1,513,000	1,638,935	1,555,351	2.13
SINGAPORE				
Communication Services				
NetLink NBN Trust	272,600	708,008	826,776	1.13
Financials				
DBS Group Holdings Ltd	14,700	1,176,842	1,119,899	1.53
Industrials				
Singapore Technologies Engineering Ltd	88,700	946,256	1,094,728	1.50
Real Estate				
Capitaland Ltd	100,400	1,118,744	1,091,398	1.49
Lendlease Global Commercial	591,200	1,580,330	1,633,289	2.24
	691,600	2,699,074	2,724,687	3.73
TOTAL SINGAPORE	1,067,600	5,530,180	5,766,090	7.89

PRINCIPAL TITANS INCOME PLUS FUND
(formerly known as CIMB-Principal Equity Income Fund)

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
31.01.2020 (CONTINUED)				
Audited				
QUOTED SECURITIES - FOREIGN (CONTINUED)				
SOUTH KOREA				
Information Technology				
Samsung Electronics Co. Ltd	12,384	1,793,530	2,400,459	3.29
SK Hynix Inc	3,832	1,103,756	1,231,378	1.69
	<u>16,216</u>	<u>2,897,286</u>	<u>3,631,837</u>	<u>4.98</u>
TOTAL SOUTH KOREA	<u>16,216</u>	<u>2,897,286</u>	<u>3,631,837</u>	<u>4.98</u>
TAIWAN				
Information Technology				
Ase Technology Holding Co Ltd	106,000	1,068,314	1,070,689	1.47
Largan Precision Co. Ltd	2,000	1,233,963	1,301,194	1.78
Taiwan Semiconductor Manufacturing Co. Ltd	44,000	1,255,100	1,906,432	2.61
	<u>152,000</u>	<u>3,557,377</u>	<u>4,278,315</u>	<u>5.86</u>
TOTAL TAIWAN	<u>152,000</u>	<u>3,557,377</u>	<u>4,278,315</u>	<u>5.86</u>
THAILAND				
Real Estate				
WHA Corp PCL -NVDR	1,193,900	757,692	498,600	0.68
TOTAL THAILAND	<u>1,193,900</u>	<u>757,692</u>	<u>498,600</u>	<u>0.68</u>
UNITED STATES				
Consumer Discretionary				
New Oriental Educ & Tech Grp	1,559	780,429	776,271	1.06
TOTAL UNITED STATES	<u>1,559</u>	<u>780,429</u>	<u>776,271</u>	<u>1.06</u>

PRINCIPAL TITANS INCOME PLUS FUND
(formerly known as CIMB-Principal Equity Income Fund)

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentag e of NAV %
31.01.2020 (CONTINUED)				
Audited				
TOTAL QUOTED SECURITIES - FOREIGN	<u>4,448,672</u>	<u>29,851,742</u>	<u>33,291,823</u>	<u>45.58</u>
TOTAL QUOTED SECURITIES	<u>18,904,333</u>	<u>65,028,865</u>	<u>68,916,001</u>	<u>94.38</u>
ACCUMULATED UNREALISED GAIN ON QUOTED SECURITIES AT FAIR VALUE THROUGH PROFIT OR LOSS		<u>3,887,136</u>		
TOTAL QUOTED SECURITIES AT FAIR VALUE THROUGH PROFIT OR LOSS		<u>68,916,001</u>		

¹ A-shares trade on the two Chinese stock exchanges, the Shanghai Stock Exchange and the Shenzhen Stock Exchange. A-shares are shares of mainland China-based companies and are available for purchase to selected foreign institutions through the Qualified Foreign Institutional Investor ("QFII") system.

² H shares refer to the shares of companies incorporated in the Chinese mainland that are listed on the Hong Kong Stock Exchange or other foreign exchange. H shares are still regulated by Chinese law, but they are denominated in Hong Kong dollars and trade the same as other equities on the Hong Kong exchange.

³ NVDR, or non-voting depository receipt, is a trading instrument issued by Thai NVDR Company Limited, a subsidiary wholly owned by the Stock Exchange of Thailand ("SET"). It is a valid security as specified by the United States Securities and Exchange Commission ("SEC") and is automatically regarded as a listed security by the SET. The underlying security is a listed security in the SET.

⁴ ADR, or American depository receipt, is a negotiable certificate issued by a U.S. bank representing a specified number of shares (or one share) in a foreign stock that is traded on a U.S. exchange. ADRs are denominated in U.S. dollars, with the underlying security held by a U.S. financial institution overseas. ADRs help to reduce administration and duty costs that would otherwise be levied on each transaction.

PRINCIPAL TITANS INCOME PLUS FUND
(formerly known as CIMB-Principal Equity Income Fund)

8. CASH AND CASH EQUIVALENTS

	31.07.2020	31.01.2020
	RM	Audited RM
Deposits with licensed financial institutions	1,351,125	1,497,113
Bank balances	4,826,275	1,784,141
	6,177,400	3,281,254

9. NUMBER OF UNITS IN CIRCULATION (UNITS)

	01.02.2020 to 31.07.2020	01.02.2019 to 31.01.2020
	No of units	Audited No. of units
At the beginning of the financial period/year	60,523,031	57,491,950
Add : Creation of units from applications	2,253,059	14,526,014
Add : Creation of units from distribution	-	2,829,407
Less : Cancellation of units	(5,515,973)	(14,324,340)
At the end of the financial period/year	57,260,117	60,523,031

10. MANAGEMENT EXPENSE RATIO ("MER")

	01.02.2020 to 31.07.2020	01.02.2019 to 31.07.2019
	%	%
MER	1.06	1.02

MER is derived from the following calculation:

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

- A = Management fee (including management fee rebate)
- B = Trustee's and custodian fees
- C = Audit fee
- D = Tax agent's fee
- E = Other expenses excluding withholding tax
- F = Average NAV of the Fund calculated on a daily basis

The average NAV of the Fund for the financial period calculated on a daily basis is RM67,363,704 (31.07.2019: RM71,823,662).

PRINCIPAL TITANS INCOME PLUS FUND
(formerly known as CIMB-Principal Equity Income Fund)

11. PORTFOLIO TURNOVER RATIO (“PTR”)

	01.02.2020 to 31.07.2020	01.02.2019 to 31.07.2019
PTR (times)	1.47	0.52

PTR is derived based on the following calculation:

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

where:

total acquisition for the financial period	= RM95,948,424 (31.07.2019: RM36,539,404)
total disposal for the financial period	= RM101,805,089 (31.07.2019: RM37,958,635)

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

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

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

PRINCIPAL TITANS INCOME PLUS FUND
(formerly known as CIMB-Principal Equity Income Fund)

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

Units held by the Manager and parties related to the Manager

Manager	31.07.2020		31.01.2020	
	No. of units	RM	No. of units	Audited RM
Principal Asset Management Berhad	30,610	39,052	64,071	77,327

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 the 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.

	01.02.2020 to 31.07.2020	01.02.2019 to 31.07.2019
	RM	RM
<u>Significant related party transactions</u>		
Interest income from deposits with licensed financial institution:		
- CIMB Bank Bhd	33	876
Cash placements with licensed financial institution:		
- CIMB Bank Bhd	624,000	9,619,000

There are no significant related party balances for the financial period/year, other than those mentioned elsewhere in the financial statements.

PRINCIPAL TITANS INCOME PLUS FUND
(formerly known as *CIMB-Principal Equity Income Fund*)

13. TRANSACTIONS WITH BROKERS

Details of transactions with the top 10 brokers for the six months financial period ended 31 July 2020 are as follows:

Brokers	Value of trades RM	Percentage of total trades %	Brokerage fees RM	Percentage of total brokerage fees %
Citigroup Global Markets Ltd	26,273,457	13.29	24,122	6.18
Macquarie Capital Securities (Malaysia) Sdn Bhd	16,431,834	8.31	36,253	9.28
KAF Equities Sdn Bhd	13,401,362	6.78	30,153	7.72
Hong Leong Investment Bank Bhd	12,939,521	6.54	29,114	7.46
CGS-CIMB Securities Sdn Bhd #	12,179,466	6.16	18,810	4.82
Affin Hwang Investment Bank Bhd	11,272,860	5.70	25,393	6.50
CGS-CIMB Sec (Singapore) Pte Ltd #	10,077,732	5.10	23,115	5.92
RHB Investment Bank Bhd	9,861,112	4.99	22,264	5.70
CLSA Ltd	9,857,676	4.99	19,687	5.04
Maybank Investment Bank Bhd	9,681,525	4.90	20,714	5.30
Others	65,753,104	33.24	140,850	36.08
	<u>197,729,649</u>	<u>100.00</u>	<u>390,475</u>	<u>100.00</u>

Details of transactions with the top 10 brokers for the six months financial period ended 31 July 2019 are as follows:

Brokers	Value of trades RM	Percentage of total trades %	Brokerage fees RM	Percentage of total brokerage fees %
Macquarie Capital Securities (Malaysia) Sdn Bhd	7,085,775	9.52	13,748	9.27
CLSA Securities Malaysia Sdn Bhd	6,425,085	8.63	8,730	5.88
Maybank Investment Bank Bhd	5,392,284	7.24	11,909	8.03
KAF-Seagroatt & Campbell Securities Sdn Bhd	4,837,032	6.50	10,921	7.36
RHB Investment Bank Bhd	4,781,469	6.42	10,781	7.27
Instinet Pacific Ltd	4,768,598	6.41	12,023	8.10
Affin Hwang Investment Bank Bhd	4,502,234	6.05	10,172	6.86
CGS-CIMB Securities Sdn Bhd #	4,039,494	5.43	8,527	5.75
Citigroup Global Markets Ltd	4,016,036	5.39	6,601	4.45
CGS-CIMB Securities Singapore Pte Ltd #	3,425,576	4.60	8,190	5.52
Others	25,175,337	33.81	46,755	31.51
	<u>74,448,920</u>	<u>100.00</u>	<u>148,357</u>	<u>100.00</u>

13. TRANSACTIONS WITH BROKERS (CONTINUED)

Included in the transactions are trades conducted with CGS-CIMB Securities Sdn Bhd and CGS-CIMB Securities Singapore Pte Ltd, fellow related parties to the Manager amounting to RM12,179,466 (31.07.2019: RM4,039,494) and RM10,077,732 (31.07.2019: RM3,425,576) respectively. 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.

14. SIGNIFICANT EVENT DURING THE YEAR

The worsening of the macro-economic outlook as a result of COVID-19, both domestically and globally, has impacted the Fund's performance during the financial year.

The Manager continues monitoring the situation closely and will be managing the portfolio to achieve the Fund's objective.

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