

# Principal Deposit Fund

Unaudited Semi-Annual Report

For The Six Months Financial Period Ended 28 February 2025

**PRINCIPAL DEPOSIT FUND**

**SEMI-ANNUAL REPORT**

**FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2025**

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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 Semi-annual Fund Report of the Principal Deposit Fund for the six months financial period ended 28 February 2025. You may also download this report from our website at [www.principal.com.my](http://www.principal.com.my).

We are thankful to share that investors like you have helped make our recent recognition at the LSEG Lipper Fund Awards 2025 possible, where Principal Malaysia received nine awards. These acknowledgements reflect the collaborative effort of our entire team to deliver investment solutions that meet your needs.

Building on our recent success, Principal Malaysia also garnered numerous accolades throughout 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, ten at the FSMOne Recommended Funds 2023/2024, and two at the Edge ESG Awards 2024.

Digital innovation is central to our strategy, as we use data and technology to develop the right solutions for you. We will continue to advance our digital capabilities to provide easy access to your investment portfolio and enable you to carry out transactions seamlessly. Please continue to check out our website, 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 Principal Asset Management Berhad (Group of Companies),  
and Managing Director Strategic Distribution & Institutional Client Relations  
(Southeast Asia & Global Shariah)  
Non-Independent Executive Director

**MANAGER’S REPORT**

**FUND OBJECTIVE AND POLICY**

**What is the investment objective of the Fund?**

The Fund aims to generate regular income for investors through investments primarily in the money market.

**Has the Fund achieved its objective?**

For the financial period under review, the Fund is in line with its stated objective.

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

The Fund will place at least 95% of its Net Asset Value (“NAV”) in deposits. Up to 5% of the Fund’s NAV may be invested in money market instruments, short-term bonds and/or notes with a minimum credit rating of “BBB3” or “P2” by RAM Ratings (“RAM”) or equivalent rating by Malaysian Rating Corporation Berhad (“MARC”) or by local rating agency(ies) of the country of issuance or “BBB-” by Standard & Poor’s (“S&P”) or equivalent rating by any other international rating agencies, all of which have a remaining maturity period of less than 397 days. The investment policy and strategy is to invest in liquid and low risk short-term investments for capital preservation\*.

Note: \*The Fund is neither a capital guaranteed fund nor a capital protected fund.

The asset allocation strategy for this Fund is as follows:

- at least 95% of the Fund’s NAV in Deposits; and
- up to 5% of the Fund’s NAV in money market instruments and short-term bonds and/or notes.

**Fund category/type**

Money Market/Income

**When was the Fund launched?**

Name of Class #	Launch Date
Class AI	8 July 2004
Class AR	Effective date*

# With effect from 13 August 2021, the Fund will be split into Class AI and AR where individual unitholders will be designated to Class AR and non-individual unit holders will be designated to Class AI.

\*The effective launch date of Class AR will be the date of the Fund is split into Class AI and AR.

**What was the size of the Fund as at 28 February 2025?**

RM2,379.91 billion (2,157.01 billion units)

**What is the Fund’s benchmark?**

CIMB Bank Overnight Rate

Note: Given that the Fund is an income fund, the Fund shall benchmark itself against the overnight rate for performance comparison purpose only. Therefore, investors are cautioned that the risk profile of the Fund is higher than the benchmark.

**What is the Fund distribution policy?**

Class AI: annually, Class AR monthly, depending on the level of income (if any) the Fund generates.

**What was the net income distribution for the six months financial period ended 28 February 2025?**

The Fund distributed a total net income of RM0.59 million to unit holders for the six months financial period ended 28 February 2025.

**FUND OBJECTIVE AND POLICY (CONTINUED)**

The Fund's NAV per unit before and after distributions were as follows:

<b>Date</b>	<b>NAV per unit (Before distribution)</b>	<b>NAV per unit (After distribution)</b>
Distribution on 26 September 2024		
- Class AI	1.0870	1.0869
- Class AR	1.0870	1.0869
Distribution on 29 October 2024		
- Class AI	1.0904	1.0903
- Class AR	1.0904	1.0903
Distribution on 27 November 2024		
- Class AI	1.0935	1.0934
- Class AR	1.0934	1.0933
Distribution on 27 December 2024		
- Class AI	1.0966	1.0966
- Class AR	1.0967	1.0966
Distribution on 27 January 2025		
- Class AI	1.1000	1.1000
- Class AR	1.1000	1.0999
Distribution on 26 February 2025		
- Class AI	1.1032	1.1031
- Class AR	1.1031	1.1031

Breakdown of distribution were as follows:

<b>Source of distribution</b>	<b>28.02.2025</b>		<b>29.02.2024</b>	
	<b>RM</b>	<b>%</b>	<b>RM</b>	<b>%</b>
Distribution out of current period's income	589,735	100.00	10,480	100.00
Distribution out of prior period's income/capital	-	-	-	-
<b>Total</b>	<b>589,735</b>	<b>100.00</b>	<b>10,480</b>	<b>100.00</b>

**PERFORMANCE DATA**

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

	<b>28.02.2025</b>	<b>29.02.2024</b>	<b>28.02.2023</b>
	<b>%</b>	<b>%</b>	<b>%</b>
Deposits with licensed financial institutions	98.27	99.92	97.42
Cash and other assets	1.78	0.32	2.61
Liabilities	(0.05)	(0.24)	(0.03)
	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>

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

	<b>28.02.2025</b>	<b>29.02.2024</b>	<b>28.02.2023</b>
NAV (RM Million) *			
- Class AI	2,117.44	1,490.64	1,276.41
- Class AR	262.47	159.14	66.19

\* Ex-distribution

**PERFORMANCE DATA (CONTINUED)**

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

	<b>28.02.2025</b>	<b>29.02.2024</b>	<b>28.02.2023</b>
Units in circulation (Million)			
- Class AI	1,919.12	1,398.89	1,241.36
- Class AR	237.89	149.35	64.37
NAV per unit (RM)*			
- Class AI	1.1033	1.0655	1.0282
- Class AR	1.1033	1.0655	1.0282
	<b>01.09.2024</b>	<b>01.09.2023</b>	<b>01.09.2022</b>
	<b>to 28.02.2025</b>	<b>to 29.02.2024</b>	<b>to 28.02.2023</b>
Highest NAV per unit (RM)			
- Class AI	1.1034	1.0655	1.0282
- Class AR	1.1034	1.0655	1.0282
Lowest NAV per unit (RM)*			
- Class AI	1.0850	1.0474	1.0128
- Class AR	1.0845	1.0468	1.0128
Total return (%)			
- Class AI	1.79	1.80	1.52
- Class AR	1.79	1.80	1.52
Capital growth (%)			
- Class AI	1.75	1.80	1.52
- Class AR	1.75	1.80	1.52
Income distribution (%)			
- Class AI	0.04	0.00*	0.00*
- Class AR	0.03	0.00*	0.00*
* Ex-distribution			
Total Expense Ratio ("TER") (%)	0.16	0.16	0.16
Portfolio Turnover Ratio ("PTR") (times) #	1.92	7.42	12.71

# The Fund's PTR decreased from 7.42 times to 1.92 times due to lower number of transactions and increase in average NAV during the financial period under review.

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

Distribution on 26 September 2024			
- Class AI	0.01	-	-
- Class AR	0.01	-	-
Distribution on 29 October 2024			
- Class AI	0.01	-	-
- Class AR	0.01	-	-
Distribution on 27 November 2024			
- Class AI	0.00*	-	-
- Class AR	0.01	-	-
Distribution on 27 December 2024			
- Class AI	0.01	-	-
- Class AR	0.01	-	-
Distribution on 27 January 2025			
- Class AI	0.01	-	-
- Class AR	0.01	-	-
Distribution on 26 February 2025			
- Class AI	0.01	-	-
- Class AR	0.01	-	-

PERFORMANCE DATA (CONTINUED)

	01.09.2024 to 28.02.2025	01.09.2023 to 29.02.2024	01.09.2022 to 28.02.2023
<b>Gross/Net distribution per unit (sen)</b>			
Distribution on 26 September 2023			
- Class AI	-	0.00*	-
- Class AR	-	0.00*	-
Distribution on 27 October 2023			
- Class AI	-	0.00*	-
- Class AR	-	0.00*	-
Distribution on 28 November 2023			
- Class AI	-	0.00*	-
- Class AR	-	0.00*	-
Distribution on 27 December 2023			
- Class AI	-	0.00*	-
- Class AR	-	0.00*	-
Distribution on 29 January 2024			
- Class AI	-	0.00*	-
- Class AR	-	0.00*	-
Distribution on 27 February 2024			
- Class AI	-	0.00*	-
- Class AR	-	0.00*	-
Distribution on 30 September 2022			
- Class AI	-	-	0.00*
- Class AR	-	-	0.00*
Distribution on 31 October 2022			
- Class AI	-	-	0.00*
- Class AR	-	-	0.00*
Distribution on 30 November 2022			
- Class AI	-	-	0.00*
- Class AR	-	-	0.00*
Distribution on 30 December 2022			
- Class AI	-	-	0.00*
- Class AR	-	-	0.00*
Distribution on 27 January 2023			
- Class AI	-	-	0.00*
- Class AR	-	-	0.00*
Distribution on 24 February 2023			
- Class AI	-	-	0.00*
- Class AR	-	-	0.00*

\* denotes value less than RM 0.01

	28.02.2025 %	29.02.2024 %	28.02.2023 %	28.02.2022 %	28.02.2021 %
Annual total return					
- Class AI	3.62	3.63	2.52	1.72	2.05
(Launch date: 8 July 2004)					
- Class AR	3.61	3.63	2.52	1.73	-
(Launch date: 13 August 2021)					

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 SEPTEMBER 2024 TO 28 FEBRUARY 2025)**

Malaysia’s economy grew by 5.0% year-on-year (“y-o-y”) in fourth quarter of 2024 (“4Q2024”), higher than the official advance estimates of 4.8% released earlier. The 4Q2024 growth was supported by the strong expansion in investment activities, sustained household spending amid improved labor market conditions and policy support as well as continued growth in exports of goods and services.

Headline inflation held steady at 1.7% y-o-y in January 2025 (December 2024: 1.7%). Food & beverages and housing & utilities, which made up of 29.8% and 23.2% of the consumer price index (“CPI”) basket respectively, rose at a slightly moderated pace at 2.8% and 2.5% as compared with 3.2% and 2.7% respectively in the previous month. Meanwhile, core inflation ticked up for the first time in 10 months to 1.8% y-o-y in January (December 2024: 1.6%).

Exports in January 2025 recorded slower increase of 0.3% y-o-y from 16.9% y-o-y in December 2024. The slowdown in exports was broad based across key sectors and key export destinations. By sector, manufacturing exports rose 0.4% y-o-y (December 2024: +18.5% y-o-y), agriculture exports softened to 11% y-o-y (December 2024: +28.9% y-o-y) and mining shipments declined by -12.6% (December 2024: -5.1% y-o-y). Broadly, exports to the US and Singapore continued to grow but at a slower pace whilst the exports to China turned negative after the brief rebound in December 2024. Additionally, imports rose at a slower pace of 6.2% y-o-y in January 2025 as compared to 11.9% in December 2024, hampered by the fall in consumption goods imports.

The unemployment rate fell to 3.1% in December 2024 from 3.2% in November 2024, thereby making the full year unemployment rate at 3.3% for 2024 as compared to 3.4%. The improvement in labor market in 2024 was partly contributed by a sustained labor demand across various sectors which saw an increase in job opportunities. Labor supply remained forthcoming with the labor force participation rate in 2024 increased to 70.4% from 70%.

**FUND PERFORMANCE**

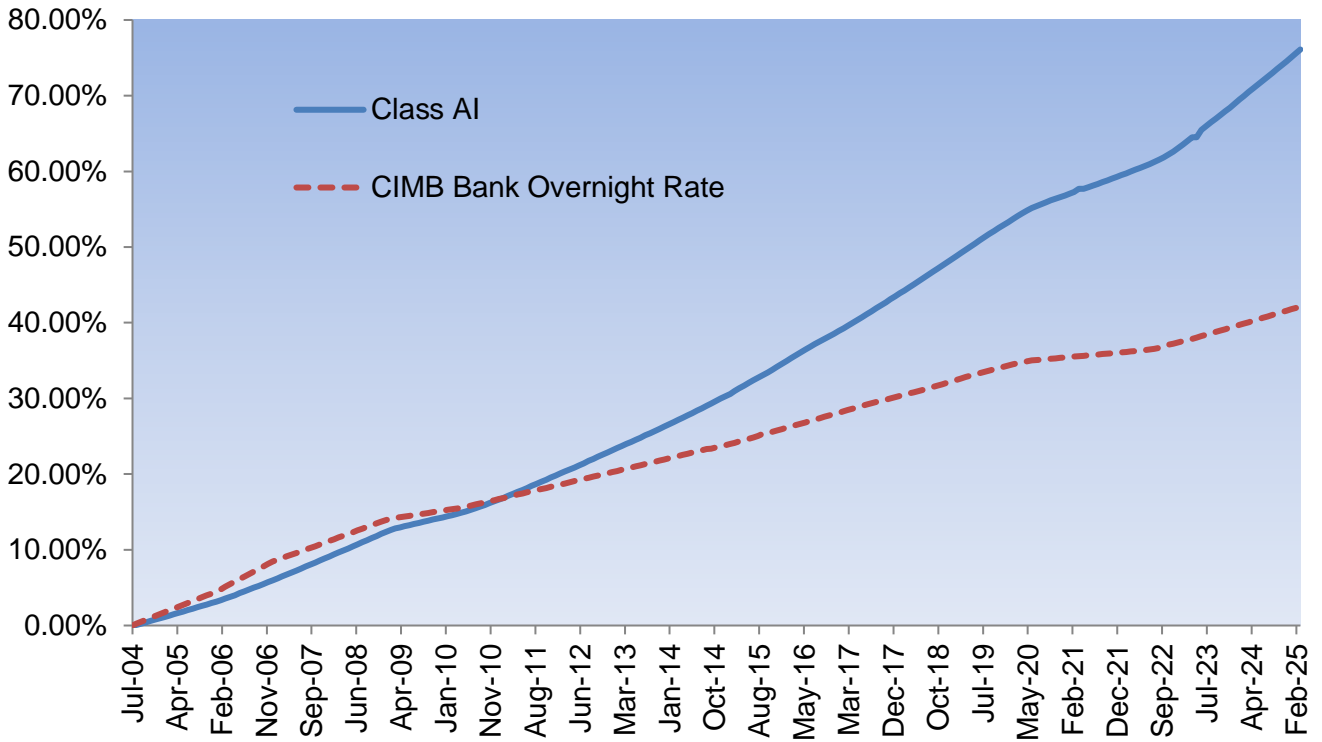
	<b>6 months to 28.02.2025</b>	<b>1 year to 28.02.2025</b>	<b>3 years to 28.02.2025</b>	<b>5 years to 28.02.2025</b>	<b>Since inception to 28.02.2025</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Income Distribution					
- Class AI	0.04	0.07	0.07	3.58	59.61
- Class AR	0.03	0.06	0.07	3.59	59.62
Capital Growth					
- Class AI	1.75	3.55	10.01	10.33	10.33
- Class AR	1.75	3.55	10.01	10.33	10.33
Total Return					
- Class AI	1.79	3.62	10.09	14.28	76.10
- Class AR	1.79	3.61	10.08	14.29	76.11
Benchmark					
- Class AI	0.80	1.61	4.23	5.42	41.96
- Class AR	0.80	1.61	4.23	5.42	41.96
Average Total Return					
- Class AI	3.64	3.62	3.25	2.70	2.78
- Class AR	3.64	3.61	3.25	2.71	2.78

As at 28 February 2025, the Fund’s Class AI and Class AR gave 6 months return of 1.79% for both class, outperforming the benchmark by 99 bps respectively. Since inception, the Fund’s Class AI and Class AR delivered a return of 76.10% and 76.11% to unit holders which outperforming the benchmark by 34.14% and 34.15% respectively.

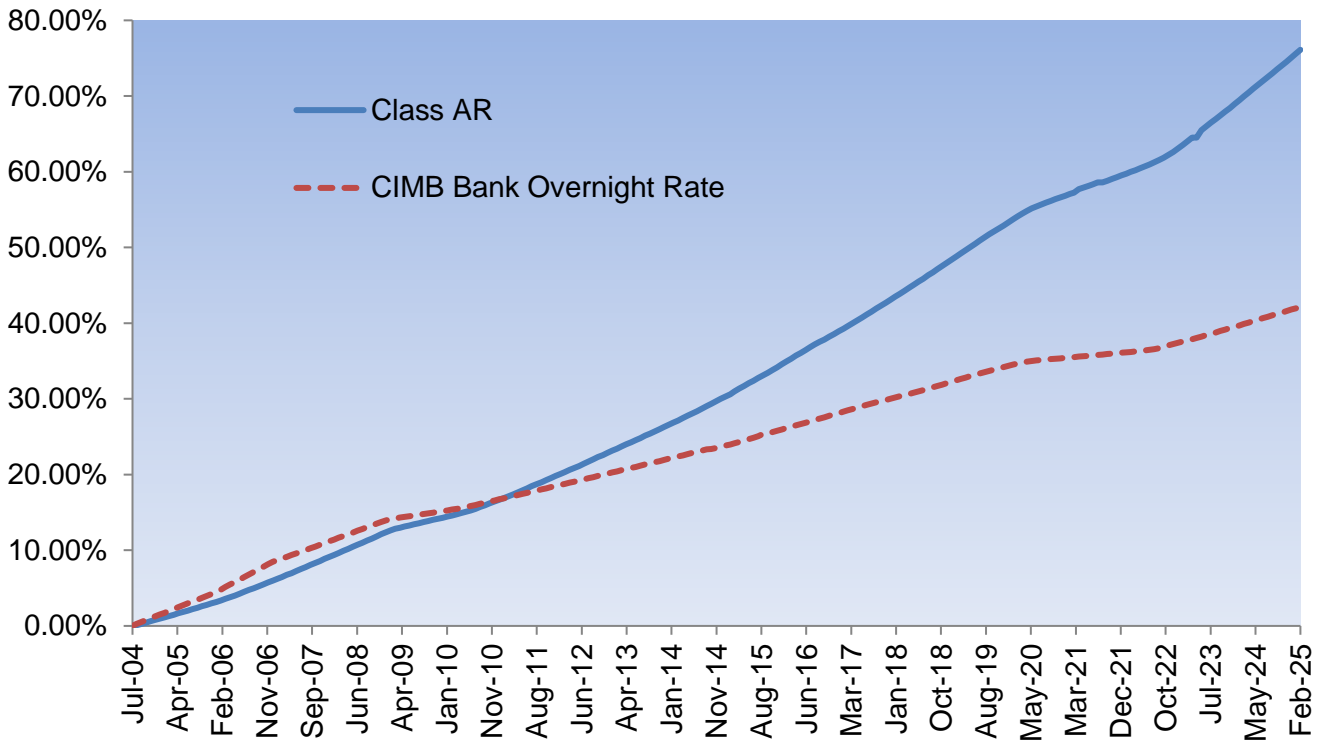
FUND PERFORMANCE (CONTINUED)

Since inception

**Class AI**



**Class AR**



**FUND PERFORMANCE (CONTINUED)**

**Changes in NAV**

	<b>28.02.2025</b>	<b>31.08.2024 Audited</b>	<b>Changes %</b>
<b>Class AI</b>			
NAV (RM Million) *	2,117.44	1,908.79	10.93
NAV/Unit (RM)*	1.1033	1.0843	1.75
<b>Class AR</b>			
NAV (RM Million) *	262.47	201.83	30.05
NAV/Unit (RM)*	1.1033	1.0843	1.75

\* Ex- distribution

The Fund’s NAV in Class AI increased by 10.93% from RM1,908.79 million on 31 August 2024 to RM2,117.44 million on 28 February 2025 and the Fund’s NAV in Class AR increased by 30.05% from RM201.83 million on 31 August 2024 to RM262.47 million on 28 February 2025.

Meanwhile, both classes’ NAV per Unit increased by 1.75% from 31 August 2024 to 28 February 2025.

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**

	<b>28.02.2025</b>	<b>31.08.2024 Audited</b>
Deposits with licensed financial institutions	98.27	98.57
Cash and other assets	1.78	1.53
Liabilities	(0.05)	(0.10)
<b>TOTAL</b>	<b>100.00</b>	<b>100.00</b>

For the financial period ended 28 February 2025, the Fund was invested 98.27% in deposits with licensed financial institutions and 1.78% in cash and other assets.

**MARKET OUTLOOK\***

Bank Negara Malaysia (“BNM”) expects Malaysia’s economy to remain robust in 2025 (2025 Gross Domestic Product (“GDP”) growth expectation: 4.5% to 5.5%), underpinned by resilient domestic demand supported by improvements in employment and income, alongside a recovery in exports. Also, the increase in civil servants’ minimum wages is likely to stimulate economic growth through a boost in domestic consumption. The growth outlook is subject to downside risks from an economic slowdown in major trading partners following significant uncertainties surrounding trade policies and lower-than-expected commodity production. Meanwhile, growth could be lifted by greater spillovers from the global tech upcycle, more robust tourism activity, and faster implementation of investment projects.

BNM expects inflation to remain manageable in 2025, amid easing global cost conditions and the absence of excessive domestic demand pressures. The overall impact of the domestic policy reforms on inflation is expected to be contained, while upside risks would depend on the extent of spillover of domestic policy measures, as well as global commodity prices, financial and trade policies.

## **MARKET OUTLOOK\* (CONTINUED)**

\*This market outlook does not constitute an offer, invitation, commitment, advice or recommendation to make a purchase of any investment. The information given in this article represents the views of Principal Asset Management Berhad ("Principal Malaysia") or based on data obtained from sources believed to be reliable by Principal Malaysia. Whilst every care has been taken in preparing this, Principal Malaysia makes no guarantee, representation or warranty and is under no circumstances liable for any loss or damage caused by reliance on, any opinion, advice or statement made in this market outlook

## **INVESTMENT STRATEGY**

The Fund's objective is to provide investors with liquidity and regular income hence it will continue to maintain its investment primarily in deposits with licensed financial institutions.

## **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 Fund. Accordingly, any rebate or shared commission will be directed to the account of the Fund. The Manager may retain goods and services (soft commission) provided by any broker or dealer if the following conditions are met:

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

During the financial period under review, the Manager and Trustee did not receive any rebates from the brokers or dealers but the Manager has retained soft commission in the form of goods and services for the benefit of the fund such as financial wire services and stock quotations system incidental to investment management of the Funds and there was no churning of trades.

## **SECURITIES FINANCING TRANSACTIONS**

The Fund has not undertaken any securities lending or repurchase transactions during the financial period under review.

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

There were no significant changes in the state of affairs of the Fund during the financial period and up to the date of Manager's report, not otherwise disclosed in the financial statements.

## **CIRCUMSTANCES THAT MATERIALLY AFFECT ANY INTEREST OF UNIT HOLDERS**

There were no circumstances that had materially affected the interest of the unit holders during the financial period under review.

## **CROSS TRADE**

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

## **UNIT SPLIT**

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

**STATEMENT BY MANAGER TO THE UNIT HOLDERS OF  
PRINCIPAL DEPOSIT FUND**

I, being the Director 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 3 to 20 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 28 February 2025 and of its financial performance, changes in net assets attributable to unit holders and cash flows for the financial period then ended in accordance with the provisions of the Malaysian Financial Reporting Standards (“MFRS”) 134 - Interim Financial Reporting and International Accounting Standards (“IAS”) 34 - Interim Financial Reporting.

For and on behalf of the Manager

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

**Munirah Khairuddin**

Chief Executive Officer Principal Asset Management Berhad (Group of Companies),  
and Managing Director Strategic Distribution & Institutional Client Relations  
(Southeast Asia & Global Shariah)  
Non-Independent Executive Director

Kuala Lumpur  
16 April 2025

**TRUSTEE'S REPORT**

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

We have acted as Trustee of the Fund for the financial period ended 28 February 2025 and we hereby confirm to the best of our knowledge, after having made all reasonable enquires, Principal Asset Management Berhad has operated and managed the Fund during the period covered by these financial statements in accordance with the following:

1. Limitations imposed on the investment powers of the Management Company under the Deeds, securities laws and the Guidelines on the 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 distributions of income by the Fund are appropriate and reflects the investment objective of the Fund.

For HSBC (Malaysia) Trustee Berhad

Lee Cincee  
Senior Manager, Trustee and Fiduciary Services

Kuala Lumpur  
16 April 2025

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2025**

		01.09.2024 to 28.02.2025	01.09.2023 to 29.02.2024
	Note	RM	RM
<b>INCOME</b>			
Interest income from deposits with licensed financial institutions and current account		41,552,445	30,169,716
<b>EXPENSES</b>			
Management fee	4	3,200,807	1,589,850
Trustee fee	5	160,040	855,559
Audit fee		3,033	3,567
Tax agent's fee		2,485	2,923
Other expenses		177,233	6,450
		3,543,598	2,458,349
<b>PROFIT BEFORE DISTRIBUTION AND TAXATION</b>		<b>38,008,847</b>	<b>27,711,367</b>
Distributions:			
- Class AI		439,034	9,787
- Class AR		150,701	693
	6	589,735	10,480
<b>PROFIT BEFORE TAXATION</b>		<b>37,419,112</b>	<b>27,700,887</b>
Taxation	7	-	-
<b>PROFIT AFTER TAXATION, REPRESENTING TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD</b>		<b>37,419,112</b>	<b>27,700,887</b>
Profit after taxation is made up as follows:			
Realised amount		37,419,112	27,700,887

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

**UNAUDITED STATEMENT OF FINANCIAL POSITION  
AS AT 28 FEBRUARY 2025**

		28.02.2025	31.08.2024 Audited
	Note	RM	RM
<b>ASSETS</b>			
Cash and cash equivalents	9	32,143,171	30,653,010
Financial assets at fair value through profit or loss	8	2,338,847,422	2,080,434,924
Amount due from Manager		10,221,310	1,703,730
<b>TOTAL ASSETS</b>		<u>2,381,211,903</u>	<u>2,112,791,664</u>
<b>LIABILITIES</b>			
Amount due to Manager		730,137	1,633,300
Accrued management fee		523,322	492,541
Amount due to Trustee		26,166	24,627
Distribution payable		39	39
Other payables and accruals		21,620	24,300
<b>TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS)</b>		<u>1,301,284</u>	<u>2,174,807</u>
<b>NET ASSET VALUE OF THE FUND</b>		<u>2,379,910,619</u>	<u>2,110,616,857</u>
<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS</b>		<u>2,379,910,619</u>	<u>2,110,616,857</u>
<b>REPRESENTED BY:</b>			
<b>FAIR VALUE OF OUTSTANDING UNITS</b>			
- Class AI		2,117,440,989	1,908,789,756
- Class AR		262,469,630	201,827,101
		<u>2,379,910,619</u>	<u>2,110,616,857</u>
<b>NUMBER OF UNITS IN CIRCULATION (UNITS)</b>			
- Class AI		1,919,119,846	1,760,304,820
- Class AR		237,892,186	186,131,982
	10	<u>2,157,012,032</u>	<u>1,946,436,802</u>
<b>NET ASSET VALUE PER UNIT (RM) (EX-DISTRIBUTION)</b>			
- Class AI		1.1033	1.0843
- Class AR		<u>1.1033</u>	<u>1.0843</u>

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



**UNAUDITED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS  
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2025**

	<b>01.09.2024 to 28.02.2025</b>	<b>01.09.2023 to 29.02.2024</b>
	<b>RM</b>	<b>RM</b>
<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE BEGINNING OF THE FINANCIAL PERIOD</b>	<u>2,110,616,857</u>	<u>1,765,436,965</u>
Movement in unit holders' contributions:		
Creation of units from applications		
- Class AI	1,842,585,205	1,742,561,118
- Class AR	<u>263,404,906</u>	<u>185,302,972</u>
	<u>2,105,990,111</u>	<u>1,927,864,090</u>
Creation of units from distributions		
- Class AI	506,903	9,787
- Class AR	<u>82,788</u>	<u>693</u>
	<u>589,691</u>	<u>10,480</u>
Cancellation of units		
- Class AI	(1,667,819,703)	(2,015,359,150)
- Class AR	<u>(206,885,449)</u>	<u>(55,868,880)</u>
	<u>(1,874,705,152)</u>	<u>(2,071,228,030)</u>
Total comprehensive income for the financial period	37,419,112	20,328,904
<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE END OF THE FINANCIAL PERIOD</b>	<u><u>2,379,910,619</u></u>	<u><u>1,649,784,392</u></u>

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

**UNAUDITED STATEMENT OF CASH FLOWS  
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 28 FEBRUARY 2025**

	Note	01.09.2024 to 28.02.2025 RM	01.09.2023 to 29.02.2024 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Proceeds from maturity of deposits with licensed financial institutions		3,783,475,000	11,554,137,000
Placement of deposits with licensed financial institutions		(4,253,554,000)	(11,509,831,000)
Proceeds from redemption of deposits with licensed financial institutions		211,000,000	15,000,000
Interest income received from deposits with licensed financial institutions and current account		42,218,947	28,035,498
Management fee paid		(3,170,026)	(1,599,317)
Trustee fee paid		(158,501)	(856,032)
Payments for other fees and expenses		(185,431)	(13,650)
<b>Net cash generated from/(used in) operating activities</b>		<u>(220,374,011)</u>	<u>84,872,499</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Cash proceeds from units created		2,097,472,531	1,987,820,542
Payments for cancellation of units		(1,875,608,315)	(2,067,680,709)
Distribution paid		(44)	-
<b>Net cash generated from/(used in) financing activities</b>		<u>221,864,172</u>	<u>(79,860,167)</u>
Net increase in cash and cash equivalents		1,490,161	5,012,332
Cash and cash equivalents at the beginning of the financial period		<u>30,653,010</u>	<u>12,188</u>
Cash and cash equivalents at the end of the financial period	<b>9</b>	<u><u>32,143,171</u></u>	<u><u>5,024,520</u></u>
<u>Cash and cash equivalents comprised:</u>			
Bank balance		<u>32,143,171</u>	<u>5,024,520</u>
Cash and cash equivalents at the end of financial period	<b>9</b>	<u><u>32,143,171</u></u>	<u><u>5,024,520</u></u>

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 28 FEBRUARY 2025****1. THE FUND, THE MANAGER AND ITS PRINCIPAL ACTIVITIES**

Principal Deposit Fund (the “Fund”) is governed by a Principal Master Deed dated 15 May 2008, a First Supplemental Master Deed dated 25 June 2008, a Third Supplemental Master Deed dated 14 July 2008, a Fifth Supplemental Master Deed dated 16 July 2009, a Thirteenth Supplemental Master Deed dated 26 June 2012, a Fourteenth Supplemental Master Deed dated 21 September 2012, an Eighteenth Supplemental Master deed dated 25 March 2015, a Twentieth Supplemental Master Deed dated 21 October 2019, a Twenty Second Supplemental Master Deed dated 7 May 2021, a Twenty Third Supplemental Master Deed dated 27 June 2022 and a Twenty Fourth Supplemental Master Deed dated 13 January 2023 (collectively referred to as the “Deeds”), made between Principal Asset Management Berhad (the “Manager”) and HSBC (Malaysia) Trustee Berhad (the “Trustee”).

The Fund will place at least 95% of its NAV in deposits. Up to 5% of the Fund’s NAV may be invested in money market instruments, short-term bonds and/or notes with a minimum credit rating of “BBB3” or “P2” by RAM or equivalent rating by MARC or by local rating agency(ies) of the country of issuance or “BBB-” by S&P or equivalent rating by any other international rating agencies, all of which have a remaining maturity period of less than 397 days. The investment policy and strategy is to invest in liquid and low risk short-term investments for capital preservation.

The asset allocation strategy for this Fund is as follows:

- at least 95% of the Fund’s NAV in Deposits; and
- up to 5% of the Fund’s NAV in money market instruments and short-term bonds and/or notes.

All investments are subjected to the Guidelines of 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 International Financial Reporting Standards (“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 period.

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

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

There are no other standards, amendments to standards or interpretations that are effective for financial periods beginning on 1 September 2024 that have a material effect on the financial statements of the Fund.

None of the standards, amendments to standards or interpretations that are effective for the financial period beginning on/after 1 March 2025 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 contractual cash flows of the Fund's debt securities are solely principal and interest ("SPPI"). However, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Fund's business model's objective. Consequently, all investments are measured at fair value through profit or loss.

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

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

**Recognition and measurement**

Regular purchases and sales of financial assets are recognised on the trade-date, the date on which the Fund commits to purchase or sell the asset. Investments are initially recognised at fair value.

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

Financial instruments are recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the financial instrument.

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

Deposits with licensed financial institutions are stated at fair value. Due to the short-term nature of the deposits, the cost plus accrued profit calculated based on the effective interest method over the period from the date of placement to the date of maturity of the respective deposits is a reasonable estimate of fair value.

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

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

Impairment for assets carried at amortised costs

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

Significant increase in credit risk

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

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. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)****(c) Income recognition**

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).

**(d) Functional and presentation currency**

Items included in the financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates (the “functional currency”). The financial statements are presented in Malaysian Ringgit (“MYR or RM”), which is the Fund’s functional and presentation currency.

**(e) Cash and cash equivalents**

For the purpose of statement of cash flows, cash and cash equivalents comprise bank balance which are subject to an insignificant risk of changes in value.

**(f) Taxation**

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

**(g) Distribution**

A distribution to the Fund’s unit holders is accounted for as a deduction from realised reserve. A proposed distribution is recognised as a liability in the financial period in which it is approved by the Trustee.

**(h) Unit holders’ contributions**

The unit holders’ contributions to the Fund meet the definition of puttable instruments classified as financial liability under MFRS 132 “Financial Instruments: Presentation”.

The Fund issues cancellable units, in two classes of units, known respectively as Class AI and Class AR which are cancelled at the unit holder’s option. The units are classified as financial liabilities. Cancellable units can be put back to the Fund at any time for cash equal to a proportionate share of the Fund’s NAV of respective classes. The outstanding units are carried at the redemption amount that is payable at the date of the statement of financial position if the member exercises the right to put back the units to the Fund.

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

**(i) 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 GUTF.

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

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

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

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

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

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

## 3. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund aims to generate regular income for investors through investments primarily in the money market.

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

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

### (a) Market risk

#### (i) 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)****(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 bank balance and 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 GUTF.

**(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 balance and deposits with licensed financial institutions, 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.

**(d) Capital risk management**

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

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

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



3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(e) Fair value estimation (continued)

(i) Fair value hierarchy

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

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

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement.

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

The determination of what constitutes ‘observable’ requires significant judgment 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
<b>28.02.2025</b>				
Financial assets at fair value through profit or loss:				
- Deposits with licensed financial institutions	-	2,338,847,422	-	2,338,847,422
<b>31.08.2024</b>				
<b>Audited</b>				
Financial assets at fair value through profit or loss:				
- Deposits with licensed financial institutions	-	2,080,434,924	-	2,080,434,924

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

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

(i) Fair value hierarchy (continued)

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. This includes deposits with licensed financial institutions.

As Level 2 instruments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information. The Fund's policies on valuation of these financial assets are stated in Note 2(b).

The carrying values of cash and cash equivalents, amount due from Manager, 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 3.00% per annum, calculated daily based on the NAV of the Fund.

For the six months financial period ended 28 February 2025, the management fee is recognised at a rate of 0.30% per annum (29.02.2024: 0.30% per annum).

The new rate is effective on 25 June 2021 upon the issuance of new prospectus.

<b>Class AI</b>	<b>Class AR</b>
0.30%	0.30%

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

**5. TRUSTEE FEE**

In accordance with the Deeds, the Trustee is entitled to a maximum fee of 0.02% per annum, calculated daily based on the NAV of the Fund.

For the six months financial period ended 28 February 2025, the Trustee fee is recognised at a rate of 0.015% per annum (29.02.2024: 0.015% per annum).

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

**6. DISTRIBUTION**

Breakdown of distribution were as follows:

<b>Source of distribution</b>	<b>28.02.2025</b>		<b>29.02.2024</b>	
	RM	%	RM	%
Distribution out of current period's income	589,735	100.00	10,480	100.00

6. DISTRIBUTION (CONTINUED)

Breakdown of distribution were as follows (continued):

Source of distribution	28.02.2025		29.02.2024	
	RM	%	RM	%
Distribution out of prior period's income/capital*	-	-	-	-
Total	589,735	100.00	10,480	100.00

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

Gross/Net distribution per unit (sen)	28.02.2024	29.02.2024
Distribution on 26 September 2024		
- Class AI	0.01	-
- Class AR	0.01	-
Distribution on 29 October 2024		
- Class AI	0.01	-
- Class AR	0.01	-
Distribution on 27 November 2024		
- Class AI	0.00*	-
- Class AR	0.01	-
Distribution on 27 December 2024		
- Class AI	0.01	-
- Class AR	0.01	-
Distribution on 27 January 2025		
- Class AI	0.01	-
- Class AR	0.01	-
Distribution on 26 February 2025		
- Class AI	0.01	-
- Class AR	0.01	-
Distribution on 26 September 2023		
- Class AI	-	0.00*
- Class AR	-	0.00*
Distribution on 27 October 2023		
- Class AI	-	0.00*
- Class AR	-	0.00*
Distribution on 28 November 2023		
- Class AI	-	0.00*
- Class AR	-	0.00*
Distribution on 27 December 2024		
- Class AI	-	0.00*
- Class AR	-	0.00*
Distribution on 29 January 2024		
- Class AI	-	0.00*
- Class AR	-	0.00*
Distribution on 27 February 2024		
- Class AI	-	0.00*
- Class AR	-	0.00*

\* denotes value less than RM 0.01

**6. DISTRIBUTION (CONTINUED)**

Gross distribution is derived using total income less total expenses. Net distribution above is mainly sourced from current financial period's 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.

Distribution equalisation represents the average amount of distributable income included in the creation and cancellation prices of units. It is computed as at each date of creation and cancellation of units.

For the purpose of determining amount available for distribution, distribution equalisation is included in the computation of realised gain or income available for distribution.

**7. TAXATION**

	<b>01.09.2024 to 28.02.2025 RM</b>	<b>01.09.2023 to 29.02.2024 RM</b>
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:

	<b>01.09.2024 to 28.02.2025 RM</b>	<b>01.09.2023 to 29.02.2024 RM</b>
Profit before taxation	<u>37,419,112</u>	<u>27,700,887</u>
Taxation at Malaysian statutory rate of 24% (29.02.2024: 24%)	8,980,587	6,648,213
Tax effects of:		
- Income not subject to tax	(9,972,587)	(7,240,732)
- Expenses not deductible for tax purposes	222,453	209,561
- Restriction on tax deductible expenses for Unit Trust Fund	<u>769,547</u>	<u>382,958</u>
Taxation	<u>-</u>	<u>-</u>

**8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS**

	<b>28.02.2025 RM</b>	<b>31.08.2024 Audited RM</b>
At fair value through profit or loss:		
- Deposits with licensed financial institutions*	<u>2,338,847,422</u>	<u>2,080,434,924</u>

\* Includes interest receivables of RM18,847,422 (31.08.2024: RM19,513,924)

**9. CASH AND CASH EQUIVALENTS**

	<b>28.02.2025</b>	<b>31.08.2024</b>
	<b>RM</b>	<b>Audited RM</b>
Bank balance	<u>32,143,171</u>	<u>30,653,010</u>

**10. NUMBER OF UNITS IN CIRCULATION (UNITS)**

	<b>28.02.2025</b>	<b>31.08.2024</b>
	<b>No. of units</b>	<b>Audited No. of units</b>
Class AI (i)	1,919,119,846	1,760,304,820
Class AR (ii)	<u>237,892,186</u>	<u>186,131,982</u>
	<u>2,157,012,032</u>	<u>1,946,436,802</u>

(i) Class AI

At the beginning of the financial period/year	1,760,304,820	1,659,536,583
Add : Creation of units from applications	1,681,402,676	3,177,773,587
Add : Creation of units from distribution	462,877	337,274
Less : Cancellation of units	<u>(1,523,050,527)</u>	<u>(3,077,342,624)</u>
At the end of the financial period/year	<u>1,919,119,846</u>	<u>1,760,304,820</u>

(ii) Class AR

At the beginning of the financial period/year	186,131,982	27,031,805
Add : Creation of units from applications	240,745,364	383,553,186
Add : Creation of units from distribution	75,569	50,886
Less : Cancellation of units	<u>(189,060,729)</u>	<u>(224,503,895)</u>
At the end of the financial period/year	<u>237,892,186</u>	<u>186,131,982</u>

**11. TOTAL EXPENSE RATIO (“TER”)**

	<b>01.09.2024 to 28.02.2025</b>	<b>01.09.2023 to 29.02.2024</b>
	<b>%</b>	<b>%</b>
TER	<u>0.16</u>	<u>0.16</u>

TER is derived from the following calculation:

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

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

The average NAV of the Fund for the financial period calculated on a daily basis is RM2,156,515,557 (29.02.2024: RM1,557,803,927).

12. PORTFOLIO TURNOVER RATIO (“PTR”)

	01.09.2024 to 28.02.2025	01.09.2023 to 29.02.2024
PTR (times)	1.92	7.42

PTR is derived from the following calculation:

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

where:

total placement for the financial period = RM4,253,554,000 (29.02.2024: RM11,509,831,000)  
total maturity for the financial period = RM4,035,838,626 (29.02.2024: RM11,597,169,990)

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

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

Related parties	Relationship
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 Manager
CIMB Islamic Bank Bhd	Fellow related party to the Manager
CIMB Bank Bhd	Fellow related party to the Manager

Units held by the Manager and parties related to the Manager:

Manager	28.02.2025		31.08.2024 Audited	
	No. of units	RM	No. of units	RM
Principal Asset Management Berhad				
- Class AI	5,672	6,258	9,318	10,104
- Class AR	395	436	184	200
	5,067	6,694	9,502	10,304

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

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.

	<b>01.09.2024 to 28.02.2025</b>	<b>01.09.2023 to 29.02.2024</b>
	<b>RM</b>	<b>RM</b>
<u>Significant related party transactions</u>		
Interest income from deposits with licensed financial institutions:		
- CIMB Bank Bhd	10,356,946	3,478,000
- CIMB Islamic Bank Bhd	4,324,370	4,607,674
	<b>28.02.2025</b>	<b>31.08.2024</b>
	<b>RM</b>	<b>Audited RM</b>
<u>Significant related party balances</u>		
Deposits with licensed financial institutions:		
- CIMB Bank Bhd	457,727,808	272,185,137
- CIMB Islamic Bank Bhd	232,414,112	30,505,479

**14. TRANSACTIONS WITH FINANCIAL INSTITUTIONS**

Details of transactions with the top 10 financial institutions for the six months financial period ended 28 February 2025 are as follows:

<b>Financial Institutions</b>	<b>Value of placements</b>	<b>Percentage of total placements</b>
	<b>RM</b>	<b>%</b>
CIMB Bank Bhd #	592,119,000	13.92
Public Bank Bhd	546,000,000	12.84
Malayan Banking Bhd	539,043,000	12.67
Public Islamic Bank Bhd	490,000,000	11.52
AmBank Bhd	435,000,000	10.23
Hong Leong Investment Bank Bhd	333,567,000	7.84
CIMB Islamic Bank Bhd #	320,000,000	7.52
Affin Hwang Investment Bank Bhd	300,000,000	7.05
Kenanga Investment Bank Bhd	220,000,000	5.17
Hong Leong Bank Bhd	212,825,000	5.00
Others	265,000,000	6.23
	<b>4,253,554,000</b>	<b>100.00</b>

14. TRANSACTIONS WITH FINANCIAL INSTITUTIONS (CONTINUED)

Details of transactions with the top 10 financial institutions for the six months financial period ended 29 February 2024 are as follows:

Financial Institutions	Value of placements RM	Percentage of total placements %
Malayan Banking Bhd	2,888,207,000	25.09
Hong Leong Investment Bank Bhd	2,505,344,000	21.77
Hong Leong Bank Bhd	1,856,749,000	16.13
Public Bank Bhd	1,303,895,000	11.33
CIMB Bank Bhd #	605,000,000	5.26
Affin Hwang Investment Bank Bhd	380,000,000	3.30
AmBank Bhd	350,000,000	3.04
CIMB Islamic Bank Bhd #	323,000,000	2.81
Public Islamic Bank Bhd	240,000,000	2.09
Bank Islam Malaysia Bhd	215,000,000	1.87
Others	842,636,000	7.31
	<u>11,509,831,000</u>	<u>100.00</u>

# Included in the transactions are trades conducted with CIMB Bank Bhd and CIMB Islamic Bank Bhd, related parties to the Manager amounting to RM592,119,000 (29.02.2024: RM605,000,000) and RM320,000,000 (29.02.2024: RM323,000,000) 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.



## DIRECTORY

### Head Office of the PRS Provider

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

### Website

[www.principal.com.my](http://www.principal.com.my)

### E-mail address

[myservice@principal.com](mailto:myservice@principal.com)

### Customer Care Centre

(03) 7723 7260

### Chat with us via WhatsApp

(6016) 299 9792

### Trustee for the Principal Deposit Fund

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

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

Enquiries:

Customer Care Centre  
(603)7723 7260

Chat with us via WhatsApp  
(6016)299 9792

Email  
[myservice@principal.com](mailto:myservice@principal.com)

Website  
[www.principal.com.my](http://www.principal.com.my)