

Principal Global Multi Asset Income Fund

Annual Report

For The Financial Year Ended 31 July 2024

PRINCIPAL GLOBAL MULTI ASSET INCOME FUND
ANNUAL REPORT
FOR THE FINANCIAL YEAR ENDED 31 JULY 2024

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INVESTORS' LETTER

Dear Valued Investor,

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

We are pleased to bring you a copy of the Annual Fund Report of the Principal Global Multi Asset Income Fund for the financial year ended 31 July 2024. You may also download this report from our website at www.principal.com.my.

We are proud to announce that Principal Malaysia has earned numerous accolades in 2024. At the Asia Asset Management 2024 Best of the Best Awards, we were honored with the Best of the Best Performance Award for China A-Share Equity (3 years) and recognized as the Best Institutional House – Malaysia. At the 2024 Global Banking & Finance Awards, our CEO, Munirah Khairuddin, was named Asset Management CEO of the Year Malaysia, and our company was recognized as Asset Management Company of the Year Malaysia. Additionally, we received the Best International Equity Fund Manager for MSCI EM Latin America 2023 at the EPF External Fund Managers Awards 2023.

At the Alpha Southeast Asia Fund Management Awards 2024, we won three awards: Best Absolute Return Strategy, Best Online & Mobile Platform (Asset Manager), and Best Asset Manager (Income-Oriented, Money Market & Alternative Investment Funds). The International Finance Awards honored us with 'Best Asset Management Company – Malaysia 2024' and 'Best Asset Management CEO – Munirah Khairuddin – Malaysia 2024'. At the Triple A Sustainable Investing Awards 2024, we secured the Asset Management Company of the Year (Malaysia) award. The World Business Outlook magazine recognized us with the titles of Best Investment Management and Solutions Provider Malaysia, Best Institutional House Malaysia, and Asset Management CEO (Munirah Khairuddin) of the Year Malaysia. Additionally, we received three awards at the iFast Awards 2024, seven at the LSEG Lipper Fund Awards 2024, and ten at the FSMOne Recommended Funds 2023/2024.

Digital innovation is central to our strategy, as we use data and technology to develop the right solutions for you. We will continue to advance our digital capabilities to provide easy access to your investment portfolio and enable you to carry out transactions seamlessly. Please continue to check out our website, like our Facebook page (@PrincipalAssetMY), follow us on our Instagram account (@principalassetmanagement_my), and LinkedIn page (Principal Asset Management Berhad) for the latest updates, market insights and investment articles.

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

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

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

MANAGER’S REPORT

FUND OBJECTIVE AND POLICY

What is the investment objective of the Fund?

The Fund aims to provide income and potential capital growth to investors through investments in one collective investment scheme, which invests in a diversified portfolio of global assets.

Has the Fund achieved its objective?

For the financial year under review, the Fund is in line to achieve its objective to provide income and potential capital growth as stated under the Fund’s investment objective section.

What are the fund investment policy and principal investment strategy?

In order to achieve its objective, the Fund will invest at least 95% of its Net Asset Value (“NAV”) in JPMorgan Investment Funds – Global Income Fund (the “Target Fund”); a portfolio established on 11 December 2008 under JPMorgan Investment Funds. The Fund will invest in Class C (div) – USD (hedged) of the Target Fund, which is a share class denominated in USD with quarterly income distribution and hedged against the Target Fund’s base currency of Euro Dollar (“EUR”). The Fund will also maintain up to 5% of its NAV in liquid assets.

Information on the Target Fund

Company : JPMorgan Investment Funds
 Management Company : JPMorgan Asset Management (Europe) S.à.r.l.
 Investment Manager : J.P. Morgan Investment Management Inc., JPMorgan Asset Management UK Limited
 Regulatory authority : Commission de Surveillance du Secteur Financier

Asset Allocation

- At least 95% of the Fund’s NAV will be invested in the Target Fund; and
- Up to 5% of the Fund’s NAV will be invested in liquid assets for liquidity purposes.

Fund category/ type

Wholesale Fund (Feeder Fund)/ Income and capital growth

When was the Fund launched?

Name of Class	Launch Date
Class AUD-Hedged (“AUD-H”)	4 December 2019
Class GBP-Hedged (“GBP-H”)	4 December 2019
Class MYR	20 March 2014
Class MYR-Hedged (“MYR-H”)	4 December 2019
Class SGD-Hedged (“SGD-H”)	4 December 2019
Class USD	4 December 2019

Base Currency

United States Dollar (“USD”)

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

USD8.28 million (33.16 million units)

What is the Fund’s benchmark?

The Fund adheres to the benchmark of the Target Fund for performance comparison purpose. Currently, the benchmark of the Target Fund is 40% Bloomberg Barclays US High Yield 2% Issuer Cap Index (Total Return Gross) Hedged to USD + 35% Morgan Stanley Capital International (“MSCI”) World Index (Total Return Net) Hedged to USD + 25% Bloomberg Barclays Global Credit Index (Total Return Gross) Hedged to USD.

FUND OBJECTIVE AND POLICY (CONTINUED)

What is the Fund distribution policy?

Depending on the level of income (if any) that the Fund generates, the Class will distribute on a quarterly basis. If the distribution available is too small or insignificant, any distribution may not be of benefit to the Unit holders as the total cost to be incurred in any such distribution may be higher than the amount for distribution. The Manager has the discretion to decide on the amount to be distributed to the Unit holders.

What was the net income distribution for the financial year ended 31 July 2024?

The Fund distributed a total net income of USD0.20 million to unit holders for the financial year ended 31 July 2024.

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

Date	NAV per unit (before distribution) USD	NAV per unit (after distribution) USD
Distribution on 07 September 2023		
- Class AUD-H	0.5399	0.5373
- Class GBP-H	1.0508	1.0459
- Class MYR	0.2120	0.2110
- Class MYR-H	0.1883	0.1874
- Class SGD-H	0.6312	0.6283
- Class USD	0.8873	0.8833
Distribution on 07 December 2023		
- Class AUD-H	0.5592	0.5560
- Class GBP-H	1.0675	1.0615
- Class MYR	0.2140	0.2128
- Class MYR-H	0.1890	0.1879
- Class SGD-H	0.6462	0.6425
- Class USD	0.8959	0.8916
Distribution on 07 March 2024		
- Class AUD-H	0.5796	0.5768
- Class GBP-H	1.1211	1.1156
- Class MYR	0.2215	0.2204
- Class MYR-H	0.1928	0.1919
- Class SGD-H	0.6681	0.6649
- Class USD	0.9281	0.9235
Distribution on 07 June 2024		
- Class AUD-H	0.5858	0.5815
- Class GBP-H	1.1308	1.1225
- Class MYR	0.2246	0.2229
- Class MYR-H	0.1946	0.1932
- Class SGD-H	0.6661	0.6612
- Class USD	0.9409	0.9340

Breakdown of distribution were as follows:

Source of distribution	31.07.2024		31.07.2023	
	USD	%	USD	%
Distribution out of current year's income	198,039	100.00	509,407	100.00
Distribution out of prior year's income/capital	-	-	-	-
Total	198,039	100.00	509,407	100.00

PERFORMANCE DATA

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

	31.07.2024	31.07.2023	31.07.2022
	%	%	%
Collective investment scheme	98.21	98.23	98.59
Cash and other assets	3.33	5.01	2.12
Liabilities	(1.54)	(3.24)	(0.71)
	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>

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

	31.07.2024	31.07.2023	31.07.2022
NAV (USD Million)			
- Class AUD-H	0.26	0.39	0.64
- Class GBP-H	0.31	0.51	1.19
- Class MYR	6.15	7.11	8.65
- Class MYR-H	0.96	1.19	1.33
- Class SGD-H	0.47	0.48	0.54
- Class USD	0.13	0.16	0.33
Units in circulation (Million)			
- Class AUD-H	0.45	0.67	0.99
- Class GBP-H	0.27	0.46	1.06
- Class MYR	26.87	32.97	38.07
- Class MYR-H	4.75	5.99	6.09
- Class SGD-H	0.69	0.73	0.80
- Class USD	0.13	0.17	0.35
NAV per unit (USD)			
- Class AUD-H	0.5882	0.5801	0.6483
- Class GBP-H	1.1622	1.0994	1.1167
- Class MYR	0.2289	0.2155	0.2273
- Class MYR-H	0.2016	0.1986	0.2173
- Class SGD-H	0.6832	0.6592	0.6758
- Class USD	0.9592	0.9020	0.9512
Highest NAV per unit (USD)			
- Class AUD-H	0.6068	0.6684	0.7910
- Class GBP-H	1.1733	1.1348	1.4471
- Class MYR	0.2289	0.2307	0.2571
- Class MYR-H	0.2016	0.2224	0.2616
- Class SGD-H	0.6832	0.6995	0.7885
- Class USD	0.9592	0.9654	1.0760
Lowest NAV per unit (USD)			
- Class AUD-H	0.5067	0.5185	0.6006
- Class GBP-H	0.9696	0.8922	1.0417
- Class MYR	0.2009	0.2036	0.2175
- Class MYR-H	0.1741	0.1840	0.2081
- Class SGD-H	0.5955	0.5823	0.6375
- Class USD	0.8411	0.8522	0.9102
Total return (%)			
- Class AUD-H	6.07	(2.43)	(8.37)
- Class GBP-H	7.41	(2.48)	(8.03)
- Class MYR	9.78	0.46	(2.81)
- Class MYR-H	4.91	(3.19)	(6.98)
- Class SGD-H	5.80	(1.56)	(8.05)
- Class USD	7.75	(0.75)	(7.85)

PERFORMANCE DATA (CONTINUED)

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

	31.07.2024	31.07.2023	31.07.2022
Capital growth (%)			
- Class AUD-H	3.70	(6.80)	(11.12)
- Class GBP-H	5.04	(6.83)	(10.83)
- Class MYR	7.29	(4.01)	(5.77)
- Class MYR-H	2.57	(7.51)	(9.81)
- Class SGD-H	3.45	(5.96)	(10.82)
- Class USD	5.44	(5.17)	(10.64)
Income distribution (%)			
- Class AUD-H	2.28	4.69	3.10
- Class GBP-H	2.26	4.67	3.15
- Class MYR	2.32	4.66	3.13
- Class MYR-H	2.28	4.66	3.13
- Class SGD-H	2.28	4.68	3.11
- Class USD	2.19	4.67	3.12
Total Expense Ratio ("TER") (%) ^	1.30	1.29	1.30
Portfolio Turnover Ratio ("PTR") (times) #	0.36	0.23	0.29

^ The Fund's TER increased from 1.29% to 1.30% due to decrease in average NAV for the financial year under review.

For the financial year under review, the Fund's PTR increased from 0.23 times to 0.36 times. As a feeder fund, the turnover reflects the investments and withdrawals in the target fund.

Gross/Net distribution per unit (sen)	31.07.2024	31.07.2023	31.07.2022
Distribution on 07 September 2023		-	-
- Class AUD-H	0.25	-	-
- Class GBP-H	0.48	-	-
- Class MYR	0.10	-	-
- Class MYR-H	0.09	-	-
- Class SGD-H	0.29	-	-
- Class USD	0.40		
Distribution on 07 December 2023		-	-
- Class AUD-H	0.32	-	-
- Class GBP-H	0.60	-	-
- Class MYR	0.12	-	-
- Class MYR-H	0.11	-	-
- Class SGD-H	0.37	-	-
- Class USD	0.43		
Distribution on 07 March 2024		-	-
- Class AUD-H	0.28	-	-
- Class GBP-H	0.54	-	-
- Class MYR	0.11	-	-
- Class MYR-H	0.09	-	-
- Class SGD-H	0.32	-	-
- Class USD	0.46		

PERFORMANCE DATA (CONTINUED)

Gross/ Net distribution per unit (sen)	31.07.2024	31.07.2023	31.07.2022
Distribution on 07 June 2024			
- Class AUD-H	0.43	-	-
- Class GBP-H	0.82	-	-
- Class MYR	0.17	-	-
- Class MYR-H	0.14	-	-
- Class SGD-H	0.49	-	-
- Class USD	0.69	-	-
Distribution on 02 September 2022			
- Class AUD-H	-	0.75	-
- Class GBP-H	-	1.28	-
- Class MYR	-	0.26	-
- Class MYR-H	-	0.25	-
- Class SGD-H	-	0.78	-
- Class USD	-	1.10	-
Distribution on 02 December 2022			
- Class AUD-H	-	0.59	-
- Class GBP-H	-	1.03	-
- Class MYR	-	0.22	-
- Class MYR-H	-	0.20	-
- Class SGD-H	-	0.65	-
- Class USD	-	0.93	-
Distribution on 03 March 2023			
- Class AUD-H	-	0.72	-
- Class GBP-H	-	1.24	-
- Class MYR	-	0.26	-
- Class MYR-H	-	0.25	-
- Class SGD-H	-	0.80	-
- Class USD	-	1.08	-
Distribution on 08 June 2023			
- Class AUD-H	-	0.67	-
- Class GBP-H	-	1.24	-
- Class MYR	-	0.25	-
- Class MYR-H	-	0.23	-
- Class SGD-H	-	0.76	-
- Class USD	-	1.04	-
Distribution on 03 September 2021			
- Class AUD-H	-	-	0.54
- Class GBP-H	-	-	1.01
- Class MYR	-	-	0.18
- Class MYR-H	-	-	0.18
- Class SGD-H	-	-	0.54
- Class USD	-	-	0.75
Distribution on 07 December 2021			
- Class AUD-H	-	-	0.60
- Class GBP-H	-	-	1.09
- Class MYR	-	-	0.20
- Class MYR-H	-	-	0.20
- Class SGD-H	-	-	0.60
- Class USD	-	-	0.81

PERFORMANCE DATA (CONTINUED)

Gross/ Net distribution per unit (sen)	31.07.2024	31.07.2023	31.07.2022	31.07.2021	31.07.2020
Distribution on 03 March 2022					
- Class AUD-H	-	-	-	-	0.56
- Class GBP-H	-	-	-	-	1.05
- Class MYR	-	-	-	-	0.19
- Class MYR-H	-	-	-	-	0.19
- Class SGD-H	-	-	-	-	0.58
- Class USD	-	-	-	-	0.80
Distribution on 02 June 2022					
- Class AUD-H	-	-	-	-	0.55
- Class GBP-H	-	-	-	-	0.95
- Class MYR	-	-	-	-	0.19
- Class MYR-H	-	-	-	-	0.19
- Class SGD-H	-	-	-	-	0.56
- Class USD	-	-	-	-	0.80
	31.07.2024	31.07.2023	31.07.2022	31.07.2021	31.07.2020
	%	%	%	%	%
Annual total return					
- Class MYR	9.78	0.46	(2.81)	13.78	1.10

(Launch date: 20 March 2014)

	31.07.2024	31.07.2023	31.07.2022	31.07.2021	Since inception to 31.07.2020
	%	%	%	%	%
Annual total return					
- Class AUD-H	6.07	(2.43)	(8.37)	12.58	(3.59)
- Class GBP-H	7.41	(2.48)	(8.03)	11.79	(5.10)
- Class MYR-H	4.91	(3.19)	(6.98)	15.27	(3.36)
- Class SGD-H	5.80	(1.56)	(8.05)	13.40	(4.12)
- Class USD	7.75	(0.75)	(7.85)	14.28	(3.15)

(Launch date: 4 December 2019)

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

MARKET REVIEW (1 AUGUST 2023 TO 31 JULY 2024)

The financial markets began the year with varied performance after a robust end to 2023. January 2024 saw equity markets deliver flat returns, while core government bonds experienced negative returns. This was followed by a significant boost in the following month, driven by resilient economic data and strong earnings reports, which uplifted equities. In contrast, government bonds continued to struggle as investors anticipated that rate cuts would be delayed further into the year. By the end of quarter one 2024, positive trend continues for equities, bolstered by a downward trajectory in inflation and encouraging macroeconomic data from around the globe. This optimism further supported the possibility of a soft economic landing, resulting in continued gains for equity markets.

However, the start of quarter two 2024 brought challenges for both equities and fixed income assets, marked by market corrections and consolidations. Unexpectedly high inflation data and weak first-quarter of 2024 Gross Domestic Product (“GDP”), which nevertheless showed strong private demand, heightened fears that central banks might not ease monetary policy as quickly as hoped.

MARKET REVIEW (1 AUGUST 2023 TO 31 JULY 2024) (CONTINUED)

This led to declines in both asset classes. In contrast, there was a rebound in the following month, as investor optimism returned, supported by economic data that alleviated concerns about overheating in the US economy and indicated a rebalancing of economic momentum and maintained its positive momentum, with equities extending their recovery and bond markets also showing improvement, although still at a more modest level.

FUND PERFORMANCE

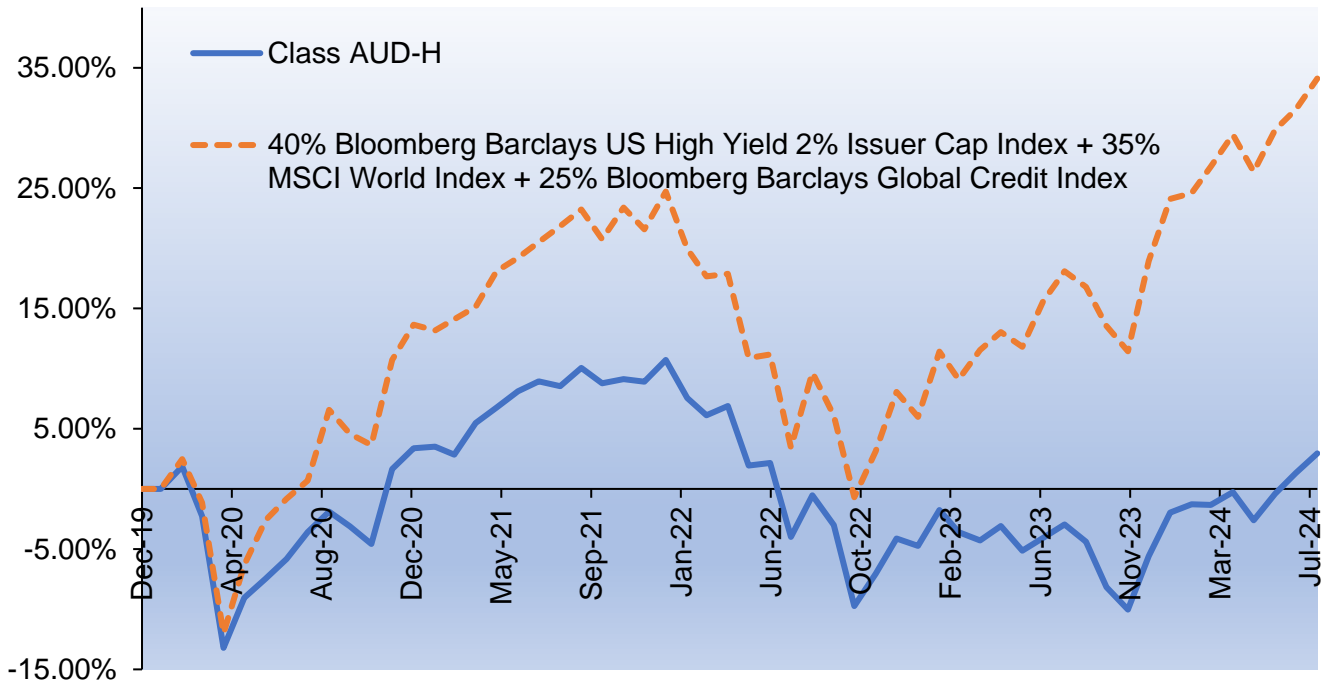
	1 year to 31.07.2024 %	3 years to 31.07.2024 %	5 years to 31.07.2024 %	Since inception to 31.07.2024 %
Income Distribution				
- Class AUD-H	2.28	10.40	-	14.65
- Class GBP-H	2.26	10.40	-	13.80
- Class MYR	2.32	10.44	17.55	42.03
- Class MYR-H	2.28	10.40	-	14.66
- Class SGD-H	2.28	10.39	-	14.82
- Class USD	2.19	10.29	-	14.69
Capital Growth				
- Class AUD-H	3.70	(14.10)	-	(10.22)
- Class GBP-H	5.04	(12.74)	-	(10.19)
- Class MYR	7.29	(2.95)	4.88	4.16
- Class MYR-H	2.57	(14.43)	-	(8.23)
- Class SGD-H	3.45	(13.25)	-	(9.32)
- Class USD	5.44	(10.64)	-	(4.89)
Total Return				
- Class AUD-H	6.07	(5.17)	-	2.94
- Class GBP-H	7.41	(3.66)	-	2.21
- Class MYR	9.78	7.18	23.29	47.94
- Class MYR-H	4.91	(5.54)	-	5.23
- Class SGD-H	5.80	(4.23)	-	4.12
- Class USD	7.75	(1.45)	-	9.08
Benchmark				
- Class AUD-H	13.58	10.08	-	34.11
- Class GBP-H	13.58	10.08	-	34.11
- Class MYR	16.30	21.43	57.50	164.73
- Class MYR-H	13.58	10.08	-	34.11
- Class SGD-H	13.58	10.08	-	34.11
- Class USD	13.58	10.08	-	34.11
Average Total Return				
- Class AUD-H	6.07	(1.75)	-	0.62
- Class GBP-H	7.41	(1.23)	-	0.47
- Class MYR	9.78	2.34	4.27	3.85
- Class MYR-H	4.91	(1.88)	-	1.10
- Class SGD-H	5.80	(1.43)	-	0.87
- Class USD	7.75	(0.48)	-	1.88

For the financial year under review, Class AUD-H, Class GBP-H, Class MYR, Class MYR-H, Class SGD-H and Class USD increased by 6.07%, 7.41%, 9.78%, 4.91%, 5.80%, and 7.75% underperforming their respective benchmarks.

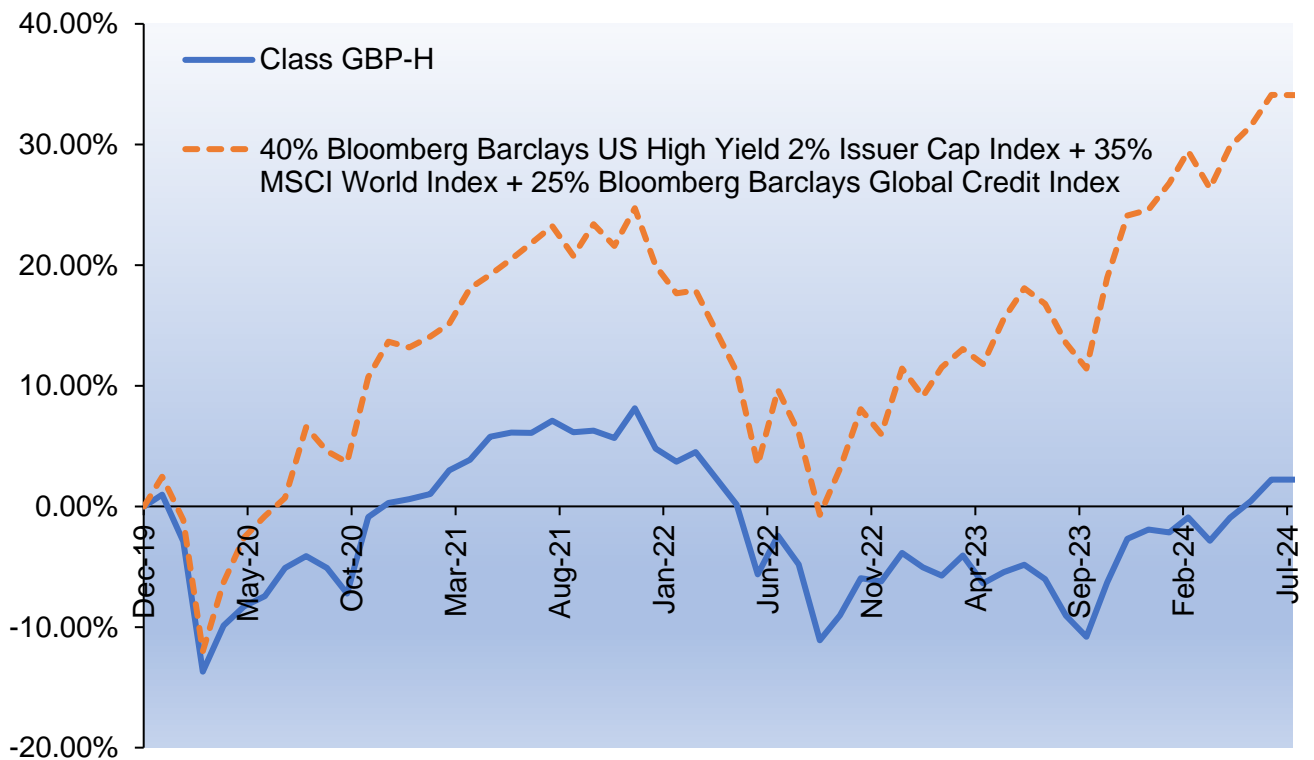
FUND PERFORMANCE (CONTINUED)

Since Inception

Class AUD-H



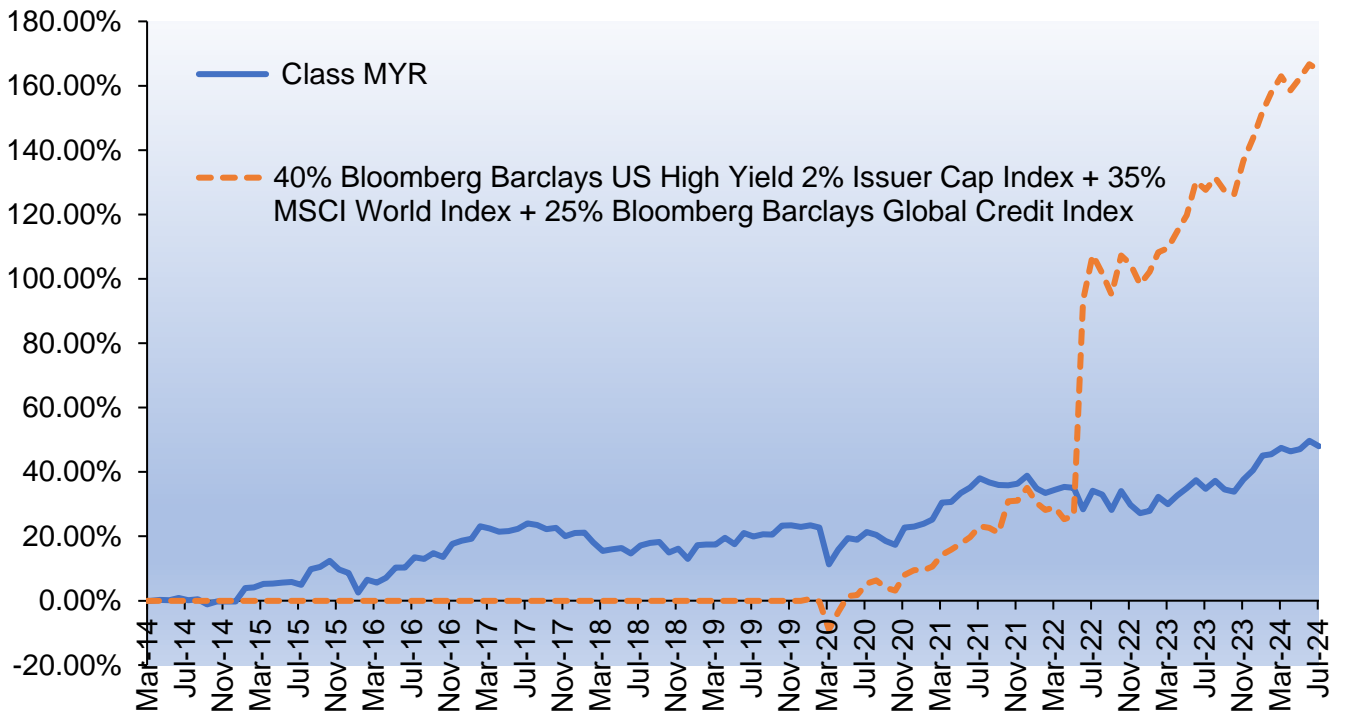
Class GBP-H



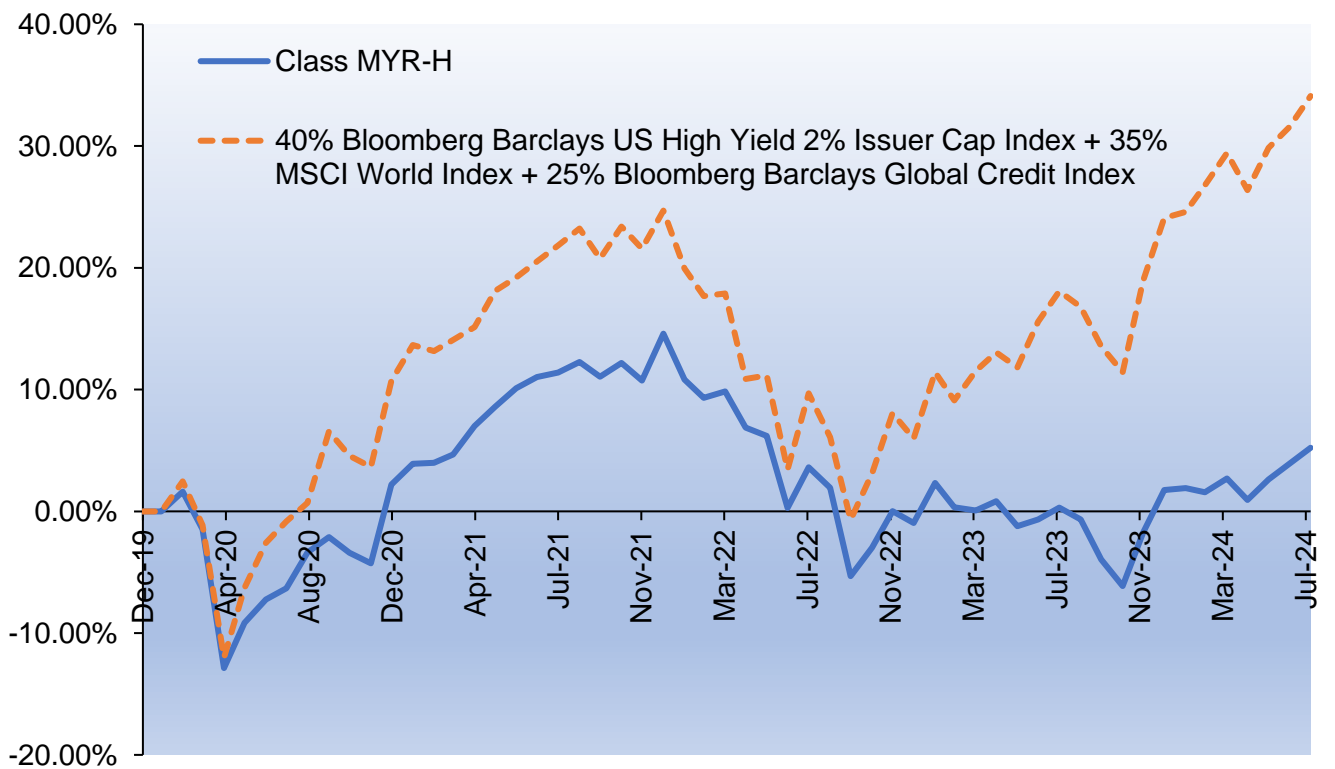
FUND PERFORMANCE (CONTINUED)

Since Inception

Class MYR



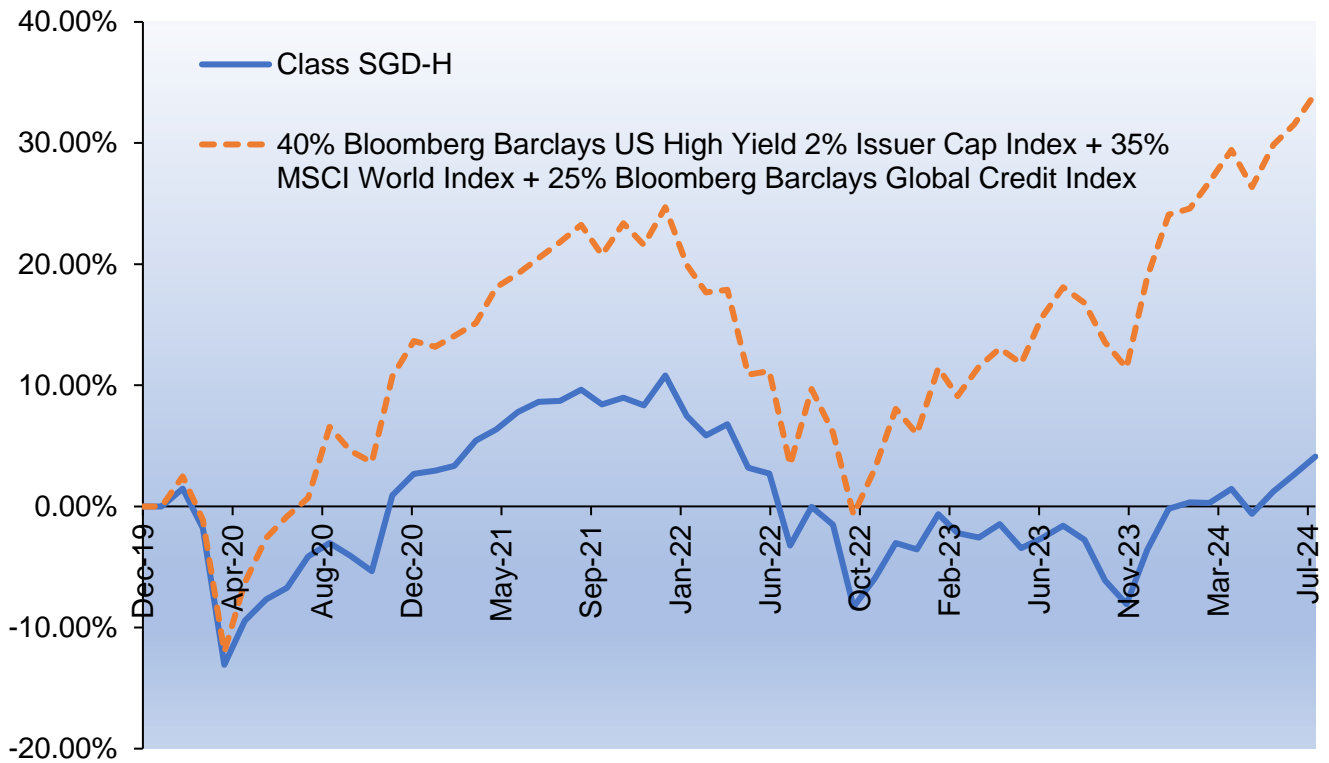
Class MYR-H



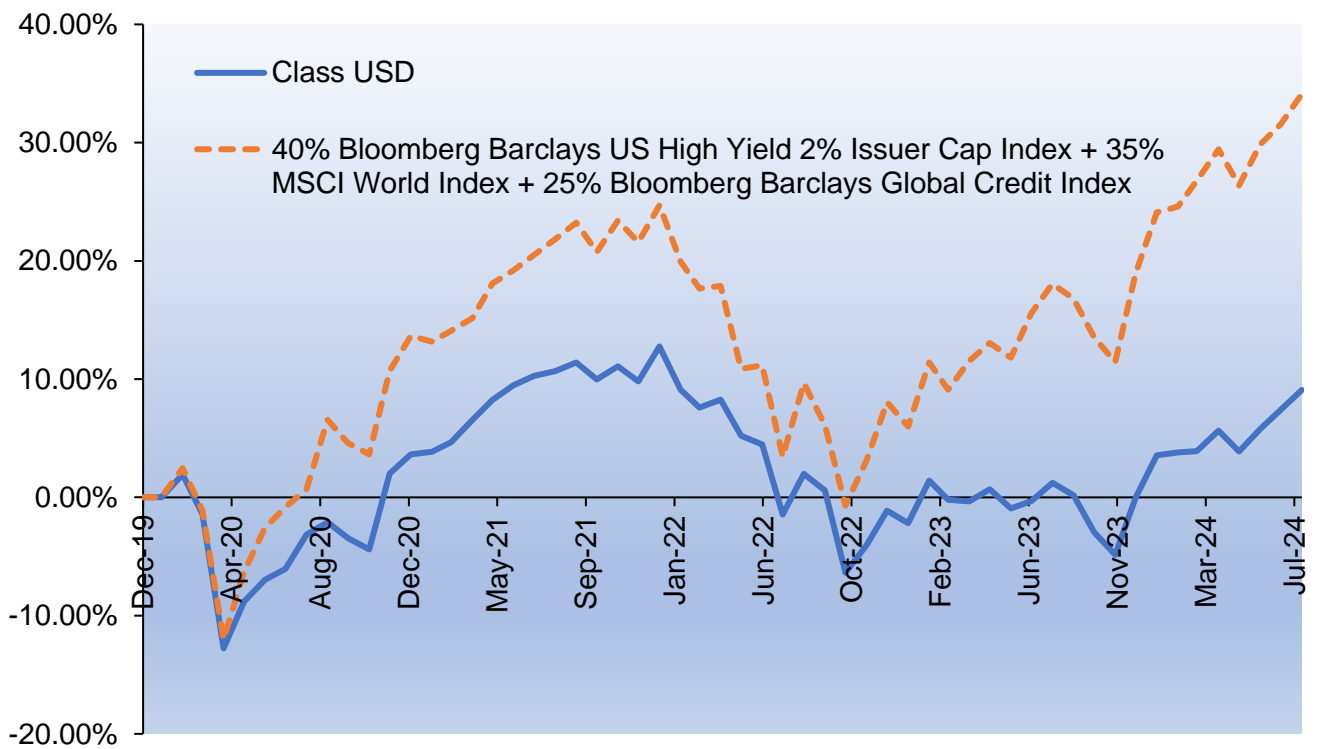
FUND PERFORMANCE (CONTINUED)

Since Inception

Class SGD-H



Class USD



FUND PERFORMANCE (CONTINUED)

Changes in NAV

	31.07.2024	31.07.2023	Changes %
Class AUD-H			
NAV (USD Million)	0.26	0.39	(33.33)
NAV/Unit (USD)	0.5882	0.5801	1.40
Class GBP-H			
NAV (USD Million)	0.31	0.51	(39.22)
NAV/Unit (USD)	1.1622	1.0994	5.71
Class MYR			
NAV (USD Million)	6.15	7.11	(13.50)
NAV/Unit (USD)	0.2289	0.2155	6.22
Class MYR-H			
NAV (USD Million)	0.96	1.19	(19.33)
NAV/Unit (USD)	0.2016	0.1986	1.51
Class SGD-H			
NAV (USD Million)	0.47	0.48	(2.08)
NAV/Unit (USD)	0.6832	0.6592	3.64
Class USD			
NAV (USD Million)	0.13	0.16	(18.75)
NAV/Unit (USD)	0.9592	0.9020	6.34

For the financial year under review, the Fund's NAV for Class AUD-H, Class GBP-H, Class MYR, Class MYR-H, SGD-H and Class USD decreased by 33.33%, 39.22%, 13.50%, 19.33%, 2.08%, and 18.75% respectively.

In addition, the fund's NAV per unit for all classes namely Class AUD-H, Class GBP-H, Class MYR, Class MYR-H, Class SGD-H and Class USD increased by 1.40%, 5.71%, 6.22%, 1.51%, 3.64%, and 6.34% respectively.

At the time of reporting, Class MYR has the highest total NAV, stood at USD 6.15 million.

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

PORTFOLIO STRUCTURE

Asset allocation

(% of NAV)	31.07.2024	31.07.2023
Collective investment scheme	98.21	98.23
Cash and other assets	3.33	5.01
Liabilities	(1.54)	(3.24)
TOTAL	100.00	100.00

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

PORTFOLIO STRUCTURE (CONTINUED)

Top 10 holdings of the Target Fund for the financial year ended:

	% of NAV
Top 10 holdings*	31.07.2024
Microsoft Corporation	1.10
Taiwan Semiconductor Manufacturing	0.80
Meta Platforms Inc	0.60
UnitedHealth Group	0.50
Vincci	0.40
Coca-Cola	0.40
Broadcom Inc	0.40
AbbVie Inc	0.40
Shin-Etsu Chemical	0.40
DISH DBS Corp 5.875	0.40

	% of NAV
Top 10 holdings*	31.07.2023
Prologis REIT	0.50
Samsung Electronics Co Ltd	0.50
Taiwan Semiconductor Manufacturing	0.50
Coca-Cola Company	0.40
AbbVie Inc	0.40
Sprint Corporation	0.40
Dish DBS Corporation	0.40
Nestle S.A.	0.30
HCA Healthcare Inc	0.30
CCO Holdings LLC	0.30

* As disclosed in the Fund Fact Sheet.

MARKET OUTLOOK*

The market outlook remains cautiously optimistic, with a pro-risk stance favoring equities. With the expectation of cooling inflation and growth moderating to trend levels, equities are seen as attractive, particularly given their positive fundamentals and medium-term technical backdrop. However, the potential for high valuations could limit further upside. The outlook for united states credit, both investment grade and high yield, is modestly positive due to attractive carry, while emerging market debt is viewed neutrally. The greatest opportunity is identified in high yield, which offers a compelling yield with a shorter maturity profile, supported by strong corporate fundamentals and low default risks.

In terms of duration, a cautious approach is warranted due to the challenges facing the base case of slowing growth, cooling inflation, and potential easing of monetary policy. US economic growth is expected to decelerate, while growth stabilizes in Japan, Europe, and China. The Federal Reserve (the "Fed") is anticipated to cut rates between one and two times starting in September, while the European Central Bank is expected to diverge from the Fed with two to three rate cuts this year. Given expectations for a shallower cutting cycle, a balanced approach to duration positioning is maintained. Overall, the outlook reflects a strategic balance between taking calculated risks in equities and maintaining caution in fixed income, particularly in light of the potential for shifts in monetary policy.

* 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 will continue to remain fully invested in the Target Fund with minimal cash kept for liquidity purposes. Our asset allocation decision will continue to be subject to market conditions.

SOFT COMMISSIONS AND REBATES

Principal Malaysia (the “Manager”) and the Trustee will not retain any form of rebate from, or otherwise share in any commission with, any broker or dealer in consideration for directing dealings in the investments of the Principal Malaysia Funds (“Funds”). Accordingly, any rebate or shared commission will be directed to the account of the Fund. The Manager may retain goods and services (soft commission) provided by any broker or dealer if the following conditions are met:

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

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

SECURITIES FINANCING TRANSACTIONS

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

STATE OF AFFAIR OF THE FUND

In relation to this Fund, the Fund had issued the First Supplemental Information Memorandum dated 26 February 2024.

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

CIRCUMSTANCES THAT MATERIALLY AFFECT ANY INTEREST OF UNIT HOLDERS

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

CROSS TRADE

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

UNIT SPLIT

No unit split exercise have been carried out during the financial year under review.

**STATEMENT BY MANAGER TO THE UNIT HOLDERS OF
PRINCIPAL GLOBAL MULTI ASSET 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 audited financial statements set out on pages 7 to 35 are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the statement of financial position of the Fund as at 31 July 2024 and of its financial performance, net assets attributable to unit holders and cash flows for the financial year then ended in accordance with the provisions of the Malaysian Financial Reporting Standards (“MFRS”) and International Financial Reporting Standards (“IFRS”).

For and on behalf of the Manager

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

MUNIRAH KHAIRUDDIN

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

UDAY JAYARAM

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

Kuala Lumpur
13 September 2024

TRUSTEE'S REPORT

**TO THE UNIT HOLDERS OF
PRINCIPAL GLOBAL MULTI ASSET INCOME FUND ("Fund")**

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

1. Limitations imposed on the investment powers of the Management Company under the Deeds, securities laws and the Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework;
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

Yap Lay Guat
Manager, Investment Compliance Monitoring

Kuala Lumpur
13 September 2024

**INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF
PRINCIPAL GLOBAL MULTI ASSET INCOME FUND**

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Principal Global Multi Asset Income Fund (the "Fund"), which comprise the statement of financial position of the Fund as at 31 July 2024, and statement of comprehensive income, statement of changes in net assets attributable to unit holders and statement of cash flows of the Fund for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 7 to 35.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 July 2024, and of its financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the financial statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence and other ethical responsibilities

We are independent of the Fund in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

**INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF
PRINCIPAL GLOBAL MULTI ASSET INCOME FUND (CONT'D.)**

Report on the audit of the financial statements (cont'd.)

Information other than the financial statements and auditors' report thereon

The Manager of the Fund (the "Manager") is responsible for the other information. The other information comprises the information included in the annual report of the Fund but does not include the financial statements of the Fund and our auditors' report thereon.

Our opinion on the financial statements of the Fund does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Fund, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Fund, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Manager and the Trustee for the financial statements

The Manager is responsible for the preparation of financial statements of the Fund that give a true and fair view in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards. The Manager is also responsible for such internal control as the Manager determines is necessary to enable the preparation of financial statements of the Fund that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Fund, the Manager is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

The Trustee is responsible for overseeing the Fund's financial reporting process. The Trustee is also responsible for ensuring that the Manager maintains proper accounting and other records as are necessary to enable true and fair presentation of these financial statements.

**INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF
PRINCIPAL GLOBAL MULTI ASSET INCOME FUND (CONT'D.)**

Report on the audit of the financial statements (cont'd.)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Fund as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Fund or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements of the Fund, including the disclosures, and whether the financial statements of the Fund represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF
PRINCIPAL GLOBAL MULTI ASSET INCOME FUND (CONT'D.)**

Report on the audit of the financial statements (cont'd.)

Other matters

This report is made solely to the unit holders of the Fund, as a body, in accordance with the Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework, the Capital Markets and Services Act 2007 issued by the Securities Commission Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Ernst & Young PLT
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants

Yeo Beng Yean
No. 03013/10/2024 J
Chartered Accountant

Kuala Lumpur, Malaysia
13 September 2024

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

	Note	2024 USD	2023 USD
INCOME/(LOSS)			
Dividend income		556,872	732,785
Interest income from current account at amortised cost		492	112
Net gain/(loss) on financial assets at fair value through profit or loss	8	340,281	(513,942)
Net loss on derivatives at fair value through profit or loss	9	(90,177)	(77,615)
Net gain on foreign exchange		1,303	10,153
		<u>808,771</u>	<u>151,493</u>
EXPENSES			
Management fee	4	157,658	200,625
Trustee fee	5	2,628	4,458
Audit fee		1,554	1,541
Tax agent's fee		1,465	1,462
Other expenses		2,352	2,302
		<u>165,657</u>	<u>210,388</u>
PROFIT/(LOSS) BEFORE DISTRIBUTION AND TAXATION		643,114	(58,895)
Distribution:			
- Class AUD-H		5,549	27,596
- Class GBP-H		8,855	39,524
- Class MYR		148,050	347,912
- Class MYR-H		22,394	55,924
- Class SGD-H		10,357	21,876
- Class USD		2,834	16,575
	6	<u>198,039</u>	<u>509,407</u>
PROFIT/(LOSS) BEFORE TAXATION		445,075	(568,302)
Taxation	7	<u>(47,834)</u>	<u>(176,983)</u>
PROFIT/(LOSS) AFTER TAXATION, REPRESENTING TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE FINANCIAL YEAR		<u>397,241</u>	<u>(745,285)</u>
Profit/(Loss) after taxation is made up as follows:			
Realised amount		(280,379)	(580,061)
Unrealised amount		677,620	(165,224)
		<u>397,241</u>	<u>(745,285)</u>

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

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

	Note	2024 USD	2023 USD
ASSETS			
Cash and cash equivalents	10	64,723	77,827
Financial assets at fair value through profit or loss	8	8,134,764	9,654,457
Derivative assets at fair value through profit or loss	9	11,100	-
Amount due from dealer		75,000	142,443
Amount due from Manager		-	165,526
Amount due from the Manager of collective investment scheme			
- Sale of collective investment scheme		-	40,000
- Management fee rebate		65,484	66,218
Tax recoverable		59,343	-
TOTAL ASSETS		<u>8,410,414</u>	<u>10,146,471</u>
LIABILITIES			
Derivative liabilities at fair value through profit or loss	9	-	193
Amount due to dealer		60,449	60,449
Amount due to Manager		48,668	3,180
Amount due to the Manager of collective investment scheme			
- Purchase of collective investment scheme		-	193,975
Accrued management fee		12,539	14,763
Amount due to Trustee		209	328
Tax payable		-	39,471
Other payables and accruals		5,816	5,940
TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS)		<u>127,681</u>	<u>318,299</u>
NET ASSET VALUE OF THE FUND		<u>8,282,733</u>	<u>9,828,172</u>
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS		<u>8,282,733</u>	<u>9,828,172</u>
REPRESENTED BY:			
FAIR VALUE OF OUTSTANDING UNITS			
- Class AUD-H		261,432	386,287
- Class GBP-H		311,702	505,420
- Class MYR		6,151,384	7,105,838
- Class MYR-H		958,638	1,189,740
- Class SGD-H		472,654	483,688
- Class USD		126,923	157,199
		<u>8,282,733</u>	<u>9,828,172</u>
NUMBER OF UNITS IN CIRCULATION (UNITS)			
- Class AUD-H		444,399	665,898
- Class GBP-H		268,181	459,705
- Class MYR		26,870,617	32,969,074
- Class MYR-H		4,753,140	5,989,653
- Class SGD-H		691,823	733,739
- Class USD		132,313	174,281
	11	<u>33,160,473</u>	<u>40,992,350</u>

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

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 JULY 2024 (CONTINUED)

	2024	2023
	USD	USD
NET ASSET VALUE PER UNIT (USD)		
- Class AUD-H	0.5882	0.5801
- Class GBP-H	1.1622	1.0994
- Class MYR	0.2289	0.2155
- Class MYR-H	0.2016	0.1986
- Class SGD-H	0.6832	0.6592
- Class USD	<u>0.9592</u>	<u>0.9020</u>
NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES		
- Class AUD-H	AUD0.8978	AUD0.8658
- Class GBP-H	GBP0.8981	GBP0.8551
- Class MYR	MYR1.0416	MYR0.9710
- Class MYR-H	MYR0.9177	MYR0.8948
- Class SGD-H	SGD0.9068	SGD0.8766
- Class USD	<u>USD0.9592</u>	<u>USD0.9020</u>

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

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

	2024 USD	2023 USD
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE BEGINNING OF THE FINANCIAL YEAR	<u>9,828,172</u>	<u>12,675,791</u>
Movement due to units created and cancelled during the financial year:		
Creation of units from applications		
- Class AUD-H	65,062	271,875
- Class GBP-H	164,820	15,046
- Class MYR	1,014,638	264,911
- Class MYR-H	353,989	261,834
- Class SGD-H	112,219	11,777
- Class USD	<u>1,962</u>	<u>156,809</u>
	<u>1,712,690</u>	<u>982,252</u>
Creation of units from distributions		
- Class AUD-H	4,034	21,286
- Class GBP-H	5,752	24,889
- Class MYR	145,562	341,767
- Class MYR-H	17,608	51,314
- Class SGD-H	9,441	20,864
- Class USD	<u>2,587</u>	<u>12,373</u>
	<u>184,984</u>	<u>472,493</u>
Cancellation of units		
- Class AUD-H	(188,913)	(446,508)
- Class GBP-H	(374,509)	(682,956)
- Class MYR	(2,482,585)	(1,711,650)
- Class MYR-H	(604,090)	(328,171)
- Class SGD-H	(149,409)	(69,970)
- Class USD	<u>(40,848)</u>	<u>(317,824)</u>
	<u>(3,840,354)</u>	<u>(3,557,079)</u>
Total comprehensive income/(loss) for the financial year	<u>397,241</u>	<u>(745,285)</u>
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE END OF THE FINANCIAL YEAR	<u><u>8,282,733</u></u>	<u><u>9,828,172</u></u>

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

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

	Note	2024 USD	2023 USD
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from disposal of collective investment scheme		4,105,000	3,695,000
Purchase of collective investment scheme		(2,450,847)	(1,278,810)
Dividend income received		556,872	732,785
Interest income received		492	112
Management fee paid		(159,882)	(204,703)
Management fee rebate received		52,579	66,639
Trustee fee paid		(2,747)	(4,549)
Tax paid		(146,648)	(141,779)
Payments for other fees and expenses		(5,495)	(5,216)
Net realised loss on forward foreign currency contracts		(34,027)	(191,641)
Receipts of other foreign exchange gain		1,612	3,413
Net cash generated from operating activities		<u>1,916,909</u>	<u>2,671,251</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from units created		1,878,216	837,176
Payments for cancellation of units		(3,794,866)	(3,554,255)
Distribution paid		(13,055)	(36,914)
Net cash used in financing activities		<u>(1,929,705)</u>	<u>(2,753,993)</u>
Net decrease in cash and cash equivalents		(12,796)	(82,742)
Effects of foreign exchange differences		(308)	6,740
Cash and cash equivalents at the beginning of the financial year		<u>77,827</u>	<u>153,829</u>
Cash and cash equivalents at the end of the financial year	10	<u><u>64,723</u></u>	<u><u>77,827</u></u>
<u>Cash and cash equivalents comprised:</u>			
Bank balances		<u>64,723</u>	<u>77,827</u>
Cash and cash equivalents at the end of the financial year	10	<u><u>64,723</u></u>	<u><u>77,827</u></u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JULY 2024**

1. THE FUND, THE MANAGER AND ITS PRINCIPAL ACTIVITIES

Principal Global Multi Asset Income Fund (the “Fund”) was constituted pursuant to the execution of a Deed dated 18 March 2014, a First Supplemental Deed dated 18 March 2015, a Second Supplemental Deed dated 15 November 2019 and a Third Supplemental Deed dated 2 February 2024 (collectively referred to as the “Deeds”) between Principal Asset Management (the “Manager”) and HSBC (Malaysia) Trustee Berhad (the “Trustee”).

In order to achieve its objective, the Fund will invest at least 95% of its NAV in JPMorgan Investment Funds – Global Income Fund (the “Target Fund”); a portfolio established on 11 December 2008 under JPMorgan Investment Funds. The Fund will invest in Class C (div) – USD (hedged) of the Target Fund, which is a share class denominated in USD with quarterly income distribution and hedged against the Target Fund’s base currency of EUR. The Fund will also maintain up to 5% of its NAV in liquid assets.

Information on the Target Fund

Company	: JPMorgan Investment Funds
Management Company	: JPMorgan Asset Management (Europe) S.à.r.l.
Investment Manager	: J.P. Morgan Investment Management Inc., JPMorgan Asset Management UK Limited
Regulatory authority	: Commission de Surveillance du Secteur Financier

Asset Allocation

- At least 95% of the Fund’s NAV will be invested in the Target Fund; and
- Up to 5% of the Fund’s NAV will be invested in liquid assets for liquidity purposes.

All investments are subjected to the Securities Commission Malaysia (“SC”) Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework, 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 had issued the First Supplemental Information Memorandum dated 26 February 2024.

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

2. MATERIAL ACCOUNTING POLICIES

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

(a) Basis of preparation

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

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

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)**(a) Basis of preparation (continued)**

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

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

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

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

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

(b) Financial assets and financial liabilitiesClassification

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

- those to be measured subsequently at fair value 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").

Investment in collective investment scheme are debt instruments with contractual cash flows that do not represent solely payment of principal and interest ("SPPI"), and therefore are classified as fair value through profit or loss.

Derivatives are financial assets/liabilities at fair value through profit or loss unless they are designated hedges (Note 2(m)).

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

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

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

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

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

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

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

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

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

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

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

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)**(b) Financial assets and financial liabilities (continued)**Write-off

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

(c) Income recognition

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

Interest income 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 scheme is accounted for as the difference between the net disposal proceeds and the carrying amount of investments, determined on a weighted average cost basis.

(d) Cash and cash equivalents

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

(e) Taxation

Current tax expense is determined according to Malaysian tax laws at the current rate based on taxable profit earned during the financial year. Tax on dividend income from foreign quoted securities is based on the tax regime of the respective countries that the Fund invests in.

Pursuant to Finance Act 2021, foreign-sourced income received in Malaysia will be taxed at prevailing tax rate(s) of the taxpayer and based on applicable tax rules. Bilateral or unilateral tax credits may be allowed if the same income has suffered foreign tax, and where relevant conditions are met. Following the announcement by the Honorable Finance Minister II, tax on foreign-sourced income will be exempted for the period from 1 January 2024 until 31 December 2026.

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

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)**(f) Amount due from/to Manager of collective investment scheme (sales/ purchase of investment)**

Amounts due to Manager of collective investment scheme represent payables for collective investment scheme purchased that have been contracted for but not yet settled or delivered on the reporting date respectively.

(g) Amount due from/to dealer

Amounts due from and amount due to dealer represents receivables for Spot foreign exchange ("FX") sold and payables for Spot FX purchased that have been contracted for but not yet settled or delivered on the reporting date respectively.

These amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Fund measure the loss allowance on amounts due from dealers 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 dealer, probability that the dealer 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 the Manager 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.

(h) Distribution

Distributions to unit holders are recognised in the statement of comprehensive income as the unit holders' contribution are classified as financial liability. Distribution is reinvested into the Fund on the ex-date. Reinvestment of units is based on the NAV per unit on the ex-date, which is also the time of creation. Proposed distributions are recognised as a liability in the financial year in which it is approved by the Trustee.

(i) Foreign currencyFunctional and presentation currencies

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 United States Dollar ("USD"), which is the Fund's functional and presentation currency.

Due to mixed factors in determining the functional currency of the Fund, the Manager has used its judgement to determine the functional currency that most faithfully represents the economic effects of the underlying transactions, events and conditions and have determined the functional currency to be in USD primarily due to the following factors:

- i) The Fund's investments are denominated in USD;
- ii) Significant portion of the Fund's expenses are denominated in USD; and
- iii) The Fund changed its base currency from RM to USD

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)**(i) Foreign currency (continued)**Transactions and balances

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

(j) Management fee rebate

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.

(k) 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 six classes of units, known respectively as the Class AUD-H, Class GBP-H, Class MYR, Class MYR-H, Class SGD-H and Class USD which are cancelled at the unit holder's option. The units are classified as financial liabilities. Cancellable units can be put back to the Fund at any time for cash equal to a proportionate share of the Fund's NAV of respective classes. The outstanding units are carried at the redemption amount that is payable at the date of the statement of financial position if the member exercises the right to put back the unit to the Fund.

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

(l) 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 Funds¹.

(m) Derivative financial instruments

A derivative financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise. A financial asset is any asset that is cash, a contractual right to receive cash or another financial asset from another enterprise, a contractual right to exchange financial instruments with another enterprise under conditions that are potentially favourable, or an equity instrument of another enterprise. A financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another enterprise, or to exchange financial instruments with another enterprise under conditions that are potentially unfavorable.

¹ The presentation of the analysis of realised and unrealised portions of increase/ decrease in net assets attributable to unit holders as presented on the statement of comprehensive income is provided as per the SC Guidelines on Unit Trust Funds. However, the Fund is not guided by the SC Guidelines on Unit Trust Funds.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(m) Derivative financial instruments (continued)

The Fund's derivative financial instruments comprise forward foreign exchange contracts. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value.

The fair value of forward foreign exchange contracts is determined using forward exchange rates at the date of statements of financial position, with the resulting value discounted back to present value.

The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and the nature of the item being hedged. Derivatives that do not qualify for hedge accounting are classified as held-for-trading and accounted for in accordance with the accounting policy set out in Note 2(b).

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

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

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

In undertaking any of the Fund's investment, the Manager will ensure that all assets of the Fund under management will be valued appropriately, that is at fair value and in compliance with the SC Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework.

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

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial instruments of the Fund are as follows:

	Financial assets at fair value through profit or loss USD	Financial assets at amortised cost USD	Total USD
2024			
Cash and cash equivalents (Note 10)	-	64,723	64,723
Collective investment scheme (Note 8)	8,134,764	-	8,134,764
Derivative assets (Note 9)	11,100	-	11,100
Amount due from dealer	-	75,000	75,000
Amount due from Manager of collective investment scheme - Management fee rebate	-	65,484	65,484
	<u>8,145,864</u>	<u>205,207</u>	<u>8,351,071</u>

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

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

	Financial assets at fair value through profit or loss USD	Financial assets at amortised cost USD	Total USD
2023			
Cash and cash equivalents (Note 10)	-	77,827	77,827
Collective investment scheme (Note 8)	9,654,457	-	9,654,457
Derivative assets/(liabilities) (Note 9)	(193)	-	(193)
Amount due from dealer	-	142,443	142,443
Amount due from Manager	-	165,526	165,526
Amount due from Manager of collective investment scheme			
- Management fee rebate	-	66,218	66,218
- Sale of collective investment scheme	-	40,000	40,000
	<u>9,654,264</u>	<u>492,014</u>	<u>10,146,278</u>

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

The Fund aims to provide income and potential capital growth to investors through investments in one collective investment scheme, which invests in a diversified portfolio of global assets.

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 Unlisted Capital Market Products under the Lodge and Launch Framework.

(a) Market risk

(i) Price risk

This is the risk that the fair value of an investment in collective investment scheme will fluctuate because of changes in market prices (other than those arising from interest rate risk and currency risk). The value of collective investment scheme may fluctuate according to the activities of individual companies, sector and overall political and economic conditions. Such fluctuation may cause the Fund's NAV and price 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 scheme and other financial instruments within specified limits according to the Deeds.

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

(a) Market risk (continued)

(i) Price risk (continued)

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

	2024 USD	2023 USD
Financial assets at fair value through profit or loss:		
- Collective investment scheme	<u>8,134,764</u>	<u>9,654,457</u>

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

% Change in price of collective investment scheme	Market value USD	Impact on profit or loss/NAV USD
2024		
-5%	7,728,026	(406,738)
0%	8,134,764	-
5%	<u>8,541,502</u>	<u>406,738</u>
2023		
-5%	9,171,734	(482,723)
0%	9,654,457	-
5%	<u>10,137,180</u>	<u>482,723</u>

(ii) Interest rate risk

Interest rate is a general economic indicator that will have an impact on the management of the Fund. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Fund's exposure to fair value interest rate risk arises from investment in money market instruments. The interest rate risk is expected to be minimal as the Fund's investments comprise mainly short-term deposits with approved licensed financial institutions. As at the end of each reporting year, the Fund is not exposed to a material level of interest rate risk. 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 reporting year, the Fund is not exposed to a material level of interest rate risk.

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

(a) Market risk (continued)

(iii) Currency risk

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

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

Financial assets	Cash and cash equivalents	Derivative assets at fair value through profit or loss	Total
	USD	USD	USD
2024			
AUD	935	(4,340)	(3,405)
GBP	1,927	(2,228)	(301)
MYR	45,289	15,283	60,572
SGD	885	2,385	3,270
	<u>49,036</u>	<u>11,100</u>	<u>60,136</u>
2023			
AUD	2,554	-	2,554
GBP	5,327	-	5,327
MYR	6,385	-	6,385
SGD	2,130	-	2,130
	<u>16,396</u>	<u>-</u>	<u>16,396</u>

Financial liabilities	Amount due to Manager	Derivative liabilities at fair value through profit or loss	Net assets attributable to unit holders	Total
	USD	USD	USD	USD
2024				
AUD	-	-	261,432	261,432
GBP	12,156	-	311,702	323,858
MYR	36,512	-	7,110,022	7,146,534
SGD	-	-	472,654	472,654
	<u>48,668</u>	<u>-</u>	<u>8,155,810</u>	<u>8,204,478</u>
2023				
AUD	-	3,514	386,287	389,801
GBP	-	1,994	505,420	507,414
MYR	3,180	(7,135)	8,295,578	8,291,623
SGD	-	1,630	483,688	485,318
	<u>3,180</u>	<u>3</u>	<u>9,670,973</u>	<u>9,674,156</u>

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

(a) Market risk (continued)

(iii) Currency risk (continued)

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

	Change in foreign exchange rate %	Impact on profit or loss/NAV 2024 USD	Impact on profit or loss/NAV 2023 USD
AUD	-/+5	-/+13,242	-/+19,362
GBP	-/+5	-/+16,208	-/+25,104
MYR	-/+5	-/+354,298	-/+414,262
USD	-/+5	-/+23,469	-/+24,159
		<u>-/+407,217</u>	<u>-/+482,887</u>

(b) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligation resulting in financial loss to the Fund. For amount due from Manager, the settlement terms of the proceeds from the creation of units' receivable from the Manager are governed by the SC Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework.

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

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

The following table sets out the credit risk concentration of the Fund at the end of each reporting year:

	Cash and cash equivalents USD	Derivative assets at fair value through profit or loss USD	Amount due from dealer USD	Amount due from Manager of collective investment scheme - Management fee rebate USD	Total USD
2024					
- AAA	64,723	-	-	-	64,723
- Not Rated	-	11,100	75,000	65,484	151,584
	<u>64,723</u>	<u>11,100</u>	<u>75,000</u>	<u>65,484</u>	<u>216,307</u>

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

(b) Credit risk (continued)

	Cash and cash equivalents USD	Amount due from dealer USD	Amount due from Manager USD	Amount due from Manager of collective investment scheme - Management fee rebate USD	Amount due from Manager of collective investment scheme - Sale of collective investment scheme USD	Total USD
2023						
- AAA	77,827	-	-	-	-	77,827
- Not Rated	-	142,443	165,526	66,218	40,000	414,187
	<u>77,827</u>	<u>142,443</u>	<u>165,526</u>	<u>66,218</u>	<u>40,000</u>	<u>492,014</u>

(c) Liquidity risk

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

The Manager manages this risk by maintaining sufficient level of liquid assets to meet anticipated payments and cancellations of the units by unit holders. Liquid assets comprise bank balances and deposits with licensed financial institutions, which are capable of being converted into cash within 7 business days. The Fund's investments in collective investment scheme are realisable which are capable of being converted into cash within 10 business days. This is expected to reduce the risks for the entire portfolio without limiting the Fund's growth potentials.

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

	Less than 1 month USD	Between 1 month to 1 year USD	Total USD
2024			
Amount due to dealer	60,449	-	60,449
Amount due to Manager	48,668	-	48,668
Accrued management fee	12,539	-	12,539
Amount due to Trustee	209	-	209
Other payables and accruals	-	5,816	5,816
Net assets attributable to unit holders*	<u>8,282,733</u>	<u>-</u>	<u>8,282,733</u>
Contractual undiscounted cash flows	<u>8,404,598</u>	<u>5,816</u>	<u>8,410,414</u>

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

(c) Liquidity risk (continued)

	Less than 1 month USD	Between 1 month to 1 year USD	Total USD
2023			
Derivative liabilities at fair value through profit or loss	193		193
Amount due to dealer	60,449	-	60,449
Amount due to Manager	3,180	-	3,180
Amount due to Manager of collective investment scheme			
- Purchase of collective investment scheme	193,975	-	193,975
Accrued management fee	14,763	-	14,763
Amount due to Trustee	328	-	328
Other payables and accruals	-	5,940	5,940
Net assets attributable to unit holders*	9,828,172	-	9,828,172
Contractual undiscounted cash flows	10,101,060	5,940	10,107,000

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

(d) Capital risk management

The capital of the Fund is represented by net assets attributable to unit holders of USD8,282,733 (2023: USD9,828,172). The amount of capital can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unit holders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns to unit holders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

(e) Fair value estimation

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

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

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

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

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

(e) Fair value estimation (continued)

(i) Fair value hierarchy

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

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

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

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

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
2024				
Financial assets at fair value through profit or loss:				
- Collective investment scheme	8,134,764	-	-	8,134,764
Derivative assets at fair value through profit or loss:				
- Forward foreign currency contracts	-	11,100	-	11,100

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

(e) Fair value estimation (continued)

(i) Fair value hierarchy (continued)

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
2023				
Financial assets at fair value through profit or loss:				
- Collective investment scheme	9,654,457	-	-	9,654,457
Derivative liabilities at fair value through profit or loss:				
- Forward foreign currency contracts	-	193	-	193

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

- (ii) The carrying values of cash and cash equivalents, amount due from dealer, amount due from Manager, amount due from Manager of collective investment scheme - Management fee rebate, amount due from Manager of collective investment scheme - Sale of collective investment scheme 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 up to 1.80% per annum, calculated daily based on the NAV of the Class.

For the financial year ended 31 July 2024, the management fee is recognised at a rate of 1.80% per annum (2023: 1.80% per annum).

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 0.04% per annum, calculated daily based on the NAV of the Fund. The Trustee's fee includes local custodian fee and charges but exclude foreign sub-custodian fee and charges.

For the financial year ended 31 July 2024, the Trustee's fee is recognised at a rate of 0.03% per annum (2023: 0.04% 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:

	2024		2023	
	USD	%	USD	%
Source of distribution				
Distribution out of current year's income	198,039	100.00	509,407	100.00
Distribution out of prior year's income/capital	-	-	-	-
Total	198,039	100.00	509,407	100.00

Gross/ Net distribution per unit (sen)	2024 USD	2023 USD
Distribution on 07 September 2023		
- Class AUD-H	0.25	-
- Class GBP-H	0.48	-
- Class MYR	0.10	-
- Class MYR-H	0.09	-
- Class SGD-H	0.29	-
- Class USD	0.40	-
Distribution on 07 December 2023		
- Class AUD-H	0.32	-
- Class GBP-H	0.60	-
- Class MYR	0.12	-
- Class MYR-H	0.11	-
- Class SGD-H	0.37	-
- Class USD	0.43	-
Distribution on 07 March 2024		
- Class AUD-H	0.28	-
- Class GBP-H	0.54	-
- Class MYR	0.11	-
- Class MYR-H	0.09	-
- Class SGD-H	0.32	-
- Class USD	0.46	-
Distribution on 07 June 2024		
- Class AUD-H	0.43	-
- Class GBP-H	0.82	-
- Class MYR	0.17	-
- Class MYR-H	0.14	-
- Class SGD-H	0.49	-
- Class USD	0.69	-
Distribution on 02 September 2022		
- Class AUD-H	-	0.75
- Class GBP-H	-	1.28
- Class MYR	-	0.26
- Class MYR-H	-	0.25
- Class SGD-H	-	0.78
- Class USD	-	1.10

6. DISTRIBUTION (CONTINUED)

Gross/ Net distribution per unit (sen) (continued)	2024 USD	2023 USD
Distribution on 02 December 2022		
- Class AUD-H	-	0.59
- Class GBP-H	-	1.03
- Class MYR	-	0.22
- Class MYR-H	-	0.20
- Class SGD-H	-	0.65
- Class USD	-	0.93
Distribution on 03 March 2023		
- Class AUD-H	-	0.72
- Class GBP-H	-	1.24
- Class MYR	-	0.26
- Class MYR-H	-	0.25
- Class SGD-H	-	0.80
- Class USD	-	1.08
Distribution on 08 June 2023		
- Class AUD-H	-	0.67
- Class GBP-H	-	1.24
- Class MYR	-	0.25
- Class MYR-H	-	0.23
- Class SGD-H	-	0.76
- Class USD	-	1.04

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

Gross distribution per unit is derived from gross realised income less expenses, divided by the number of units in circulation. Net distribution per unit is derived from gross realised income less expenses and taxation, divided by the number of units in circulation.

As at 31 July 2024, the Fund incurred no unrealised losses for the financial year (2023: USD165,224).

7. TAXATION

	2024 USD	2023 USD
Tax charged for the financial year:		
- Tax on foreign source income	71,700	176,983
- Over provision of tax in prior year	(23,866)	-
	<u>47,834</u>	<u>176,983</u>

7. TAXATION (CONTINUED)

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

	2024 USD	2023 USD
Profit/(Loss) before taxation	445,075	(568,302)
Taxation at Malaysian statutory rate of 24% (2023: 24%)	106,818	(136,392)
Tax effects of:		
- Investment income not subject to tax	(194,106)	(36,359)
- Expenses not deductible for tax purposes	49,077	124,231
- Restriction on tax deductible expenses for Wholesale Funds	38,211	48,520
Tax from foreign source income	71,700	176,983
Over provision of tax in prior year	(23,866)	-
	47,834	176,983

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2024 USD	2023 USD
At fair value through profit or loss:		
- Collective investment scheme	8,134,764	9,654,457

	2024 USD	2023 USD
Net gain/(loss) on financial assets at fair value through profit or loss:		
- Realised loss on disposals	(378,199)	(436,791)
- Unrealised fair value gain/(loss)	666,635	(143,547)
- Management fee rebate #	51,845	66,396
	340,281	(513,942)

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

For the financial year ended 31 July 2024, management fee rebate is recognised at a rate of 0.60% per annum calculated daily based on the NAV of the JP Morgan Global Income Fund.

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

Name of Counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
2024				
COLLECTIVE INVESTMENT SCHEME				
JP Morgan Global Income Fund	<u>59,995</u>	<u>8,408,888</u>	<u>8,134,764</u>	<u>98.21</u>
TOTAL COLLECTIVE INVESTMENT SCHEME	<u>59,995</u>	<u>8,408,888</u>	<u>8,134,764</u>	<u>98.21</u>
ACCUMULATED UNREALISED LOSS ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
		<u>(274,124)</u>		
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
		<u>8,134,764</u>		
2023				
COLLECTIVE INVESTMENT SCHEME				
JP Morgan Global Income Fund	<u>73,913</u>	<u>10,595,216</u>	<u>9,654,457</u>	<u>98.23</u>
TOTAL COLLECTIVE INVESTMENT SCHEME	<u>73,913</u>	<u>10,595,216</u>	<u>9,654,457</u>	<u>98.23</u>
ACCUMULATED UNREALISED LOSS ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
		<u>(940,759)</u>		
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
		<u>9,654,457</u>		

9. DERIVATIVE ASSETS/(LIABILITIES) AT FAIR VALUE THROUGH PROFIT OR LOSS

	2024 USD	2023 USD
Forward foreign currency contracts	<u>11,100</u>	<u>(193)</u>

9. DERIVATIVE ASSETS/(LIABILITIES) AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

	2024	2023
	USD	USD
Net loss on derivatives at fair value through profit or loss:		
- Realised loss on forward foreign currency contracts	(101,470)	(49,198)
- Unrealised fair value gain/(loss) on forward foreign currency contracts	11,293	(28,417)
	(90,177)	(77,615)

As at 31 July 2024, there were 5 outstanding (2023: 5 outstanding) USD/Australian Dollar ("AUD"), USD/Malaysian Ringgit ("MYR"), USD/British Pound ("GBP") and USD/Singapore Dollar ("SGD") forward foreign currency contracts respectively. The notional principal amount of the outstanding forward foreign currency contracts amounted to USD1,999,861 (2023: USD2,586,242).

The USD/AUD, USD/MYR, USD/GBP and USD/SGD forward foreign currency contracts were entered into during the financial year to minimise the risk of foreign exchange exposure between the USD and the foreign currencies exposure of the Fund.

As the Fund has not adopted hedge accounting during the financial year, any changes in the fair value of the forward foreign currency contract is recognised immediately in the statement of comprehensive income during the financial year.

10. CASH AND CASH EQUIVALENTS

	2024	2023
	USD	USD
Bank balances	64,723	77,827

11. NUMBER OF UNITS IN CIRCULATION (UNITS)

	2024	2023
	No. of units	No. of units
Class AUD-H (i)	444,399	665,898
Class GBP-H (ii)	268,181	459,705
Class MYR (iii)	26,870,617	32,969,074
Class MYR-H (iv)	4,753,140	5,989,653
Class SGD-H (v)	691,823	733,739
Class USD (vi)	132,313	174,281
	33,160,473	40,992,350

(i) Class AUD-H		
At the beginning of the financial year	665,898	989,927
Add : Creation of units from applications	113,528	429,899
Add : Creation of units from distribution	7,145	35,864
Less : Cancellation of units	(342,172)	(789,792)
At the end of the financial year	444,399	665,898

11. NUMBER OF UNITS IN CIRCULATION (UNITS) (CONTINUED)

	2024	2023
	No of units	No of units
(ii) Class GBP-H		
At the beginning of the financial year	459,705	1,062,742
Add : Creation of units from applications	150,269	14,401
Add : Creation of units from distribution	5,267	23,926
Less : Cancellation of units	(347,060)	(641,364)
At the end of the financial year	<u>268,181</u>	<u>459,705</u>
(iii) Class MYR		
At the beginning of the financial year	32,969,074	38,069,036
Add : Creation of units from applications	4,711,351	1,237,935
Add : Creation of units from distributions	670,791	1,580,544
Less : Cancellation of units	(11,480,599)	(7,918,441)
At the end of the financial year	<u>26,870,617</u>	<u>32,969,074</u>
(iv) Class MYR-H		
At the beginning of the financial year	5,989,653	6,086,457
Add : Creation of units from applications	1,825,207	1,305,133
Add : Creation of units from distributions	92,650	252,649
Less : Cancellation of units	(3,154,370)	(1,654,586)
At the end of the financial year	<u>4,753,140</u>	<u>5,989,653</u>
(v) Class SGD-H		
At the beginning of the financial year	733,739	801,108
Add : Creation of units from applications	169,856	18,115
Add : Creation of units from distributions	14,534	32,128
Less : Cancellation of units	(226,306)	(117,612)
At the end of the financial year	<u>691,823</u>	<u>733,739</u>
(vi) Class USD		
At the beginning of the financial year	174,281	348,482
Add : Creation of units from applications	2,154	162,871
Add : Creation of units from distributions	2,840	13,672
Less : Cancellation of units	(46,962)	(350,744)
At the end of the financial year	<u>132,313</u>	<u>174,281</u>

12. TOTAL EXPENSE RATIO ("TER")

	2024	2023
	%	%
TER	<u>1.30</u>	<u>1.29</u>

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

TER is derived based on the following calculation:

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

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

The average NAV of the Fund for the financial year calculated on a daily basis is USD8,738,868 (2023: USD11,149,849).

13. PORTFOLIO TURNOVER RATIO ("PTR")

	2024	2023
PTR (times)	<u>0.36</u>	<u>0.23</u>

PTR is derived from the following calculation:

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

where:

- total acquisition for the financial year = USD2,256,872 (2023: USD1,472,785)
- total disposal for the financial year = USD4,065,000 (2023: USD3,735,000)

14. UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER, AND SIGNIFICANT RELATED PARTIES 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

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

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

<u>Related parties</u>	<u>Relationship</u>
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

Units held by the Manager and parties related to the Manager

	<u>2024</u>		<u>2023</u>
	<u>No. of units</u>	<u>USD</u>	<u>No. of units</u>
			<u>USD</u>
Manager			
Principal Asset Management Berhad			
- Class AUD-H	112	66	109
- Class GBP-H	6	7	6
- Class MYR	249	57	199
- Class MYR-H	98	20	5
- Class SGD-H	113	77	111
- Class USD	6	6	6

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

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

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

15. TRANSACTIONS WITH BROKER/DEALER

Details of transactions with the broker/ dealer for the financial year ended 31 July 2024 were as follows:

Broker/ Dealer	Value of trades USD	Percentage of total trades %	Brokerage fees USD	Percentage of total brokerage fees %
JPMorgan Asset Management (Europe)	<u>6,321,872</u>	<u>100.00</u>	<u>-</u>	<u>-</u>

15. TRANSACTIONS WITH BROKER/DEALER (CONTINUED)

Details of transactions with the broker/dealer for the financial year ended 31 July 2023 were as follows:

Broker/ Dealer	Value of trades USD	Percentage of total trades %	Brokerage fees USD	Percentage of total brokerage fees %
JPMorgan Asset Management (Europe)	<u>5,207,785</u>	<u>100.00</u>	<u>-</u>	<u>-</u>

16. APPROVAL OF FINANCIAL STATEMENTS

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

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