

# Principal Global Titans Fund

Unaudited Semi-Annual Report

For The Six Months Financial Period Ended 30 September 2024

**PRINCIPAL GLOBAL TITANS FUND**  
**UNAUDITED SEMI-ANNUAL REPORT**  
**FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024**

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## INVESTOR 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 Unaudited Semi-Annual Fund Report of the Principal Global Titans Fund for the six months financial period ended 30 September 2024. You may also download this report from our website at [www.principal.com.my](http://www.principal.com.my).

We are proud to announce that Principal Malaysia has 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 grow the value of Unit holders’ investments over the medium to long term in an equity fund that invests in the global titans market of the US, Europe and Japan with an exposure to Malaysian equities market to balance any short term volatilities.

**Has the Fund achieved its objective?**

For the financial period under review, the Fund performed in line with its objective as stated under the Fund Performance section.

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

The Fund will invest at least 50% of its Net Asset Value (“NAV”) in at least three (3) collective investment schemes (“CIS”), subject to a maximum of 98% of its NAV. The Fund may invest in Malaysian securities but only up to 50% of its NAV. The Fund seeks to give investors a broad exposure to three (3) major global developed markets. This will be achieved by investing in collective investment schemes which invest into these three (3) markets (US, Europe and Japan). The Fund will at all times be invested in the CIS, each covering separate geographic regions thus providing diversification and allowing a greater spread of risk. The allocation between the CIS is done through a combination of macroeconomic data, liquidity trends and the outlook to overweight or underweight a particular CIS. This enables the Fund to exploit the investment opportunities provided by developed economies, which are not found in the emerging markets (“EM”). With effect from 28 February 2023, the Fund may also invest in companies that are listed in any Eligible Market globally with some operations or businesses in Malaysia, US, Europe, or Japan to capture growth opportunities.

The asset allocation strategy for the Fund is as follows:

- between 50% to 98% (both inclusive) of the Fund’s NAV in collective investment schemes with exposure in US, Europe and Japan; and
- investments in Malaysian securities: up to 50% of the Fund’s NAV.

The Manager has appointed Principal Asset Management (S) Pte Ltd (“Principal Singapore”), a company incorporated in Singapore, as the Sub-Manager of the Fund. The Sub-Manager will be responsible for investing and managing the Fund in accordance with the investment objective and within the investment restrictions.

**Fund category/type**

Equity/Growth

**When was the Fund launched?**

Name of Class	Launch Date
Class D	28 April 2023
Class Malaysian Ringgit (“MYR”)	18 July 2005
Class US Dollar (“USD”)	25 January 2017

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

RM767.13 million (846.50 million units)

**What is the Fund’s benchmark?**

A composite comprising 42% Standard & Poor’s 500 (“S&P 500”) + 36% Morgan Stanley Capital International (“MSCI”) Europe + 12% MSCI Japan + 10% CIMB Bank 1-Month Fixed Deposit Rate

*Note: The benchmark is customized as such to align it closer to the structure of the portfolio and the objective of the Fund. Thus, investors are cautioned that the risk profile of the Fund is higher than investing in fixed deposits.*

**FUND OBJECTIVE AND POLICY (CONTINUED)**

**What is the Fund distribution policy?**

Given the Fund's investment objective, the Fund is not expected to pay any distribution. However, the Manager has the discretion to make income distribution on an ad-hoc basis, taking into consideration the level of its realised income and/or realised gains, as well as the performance of the Fund. The Manager also has the right to make provisions for reserves in respect of distribution of the Class.

**What was the net income distribution for the six months financial period ended 30 September 2024?**

There was no distribution made for the six months financial period ended 30 September 2024.

**PERFORMANCE DATA**

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

	<b>30.09.2024</b>	<b>30.09.2023</b>	<b>30.09.2022</b>
	%	%	%
Collective investment schemes	87.86	87.54	88.50
Quoted securities:			
- Consumer Discretionary	1.04	-	-
- Consumer Staples	-	2.08	-
- Energy	-	1.39	-
- Industrial	1.46	1.77	-
- Information Technology	6.05	2.02	-
Cash and other assets	7.58	5.78	12.18
Liabilities	(3.99)	(0.58)	(0.68)
	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>

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

	<b>30.09.2024</b>	<b>30.09.2023</b>	<b>30.09.2022</b>
NAV (RM Million)			
- Class D	21.75	3.69	-
- Class MYR	759.91	635.68	593.34
- Class USD	7.22	7.79	7.01
Units in circulation (Million)			
- Class D	18.88	3.54	-
- Class MYR	845.31	765.38	840.38
- Class USD	1.19	1.39	1.47
NAV per unit (RM)			
- Class D	1.1522	1.0426	-
- Class MYR	0.8989	0.8305	0.7060
- Class USD	6.0838	5.6200	4.7775
	<b>01.04.2024</b>	<b>01.04.2023</b>	<b>01.04.2022</b>
	<b>to 30.09.2024</b>	<b>to 30.09.2023</b>	<b>to 30.09.2022</b>
Highest NAV per unit (RM)			
- Class D	1.2917	1.0831	-
- Class MYR	1.0078	0.8628	0.81552
- Class USD	6.8206	5.8384	5.51842
Lowest NAV per unit (RM)			
- Class D	1.1106	0.9917	-
- Class MYR	0.8665	0.7721	0.70252

**PERFORMANCE DATA (CONTINUED)**

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

	<b>01.04.2024 to 30.09.2024</b>	<b>01.04.2023 to 30.09.2023</b>	<b>01.04.2022 to 30.09.2022</b>
Lowest NAV per unit (RM) (continued)			
- Class USD	5.8644	5.2247	4.75376
Total return (%)			
- Class D	(7.17)*	4.26*	-
- Class MYR	(7.19)	7.11	(12.82)
- Class USD	6.36	0.71	(20.97)
Capital growth (%)			
- Class D	(7.17)	4.26*	-
- Class MYR	(7.19)	7.11	(12.82)
- Class USD	6.36	0.71	(20.97)
Income distribution (%)			
- Class D	-	-	-
- Class MYR	-	-	-
- Class USD	-	-	-
Total Expense Ratio ("TER") (%)	0.86	0.90	0.90
Portfolio Turnover Ratio ("PTR") (times) #	0.57	0.32	0.11

\* Performance since inception 28 April 2023

^ The Fund's TER decreased from 0.90% to 0.86% due to increase in average NAV during the financial year under review.

# For the financial period under review, the Fund's PTR increased from 0.32 times to 0.57 times due to higher trading activities.

	<b>30.09.2024</b>	<b>Since inception to 30.09.2023</b>
	%	%
Annual total return	10.58	4.26
- Class D		
(Launch date: 28 April 2023)		

	<b>30.09.2024</b>	<b>30.09.2023</b>	<b>30.09.2022</b>	<b>30.09.2021</b>	<b>30.09.2020</b>
	%	%	%	%	%
Annual total return	10.55	21.32	(14.61)	23.00	8.85
- Class MYR					
(Launch date: 18 July 2005)					

	<b>30.09.2024</b>	<b>30.09.2023</b>	<b>30.09.2022</b>	<b>30.09.2021</b>	<b>30.09.2020</b>
	%	%	%	%	%
Annual total return	25.91	19.84	(22.90)	22.08	9.69
- Class USD					
(Launch date: 25 January 2017)					

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

**MARKET REVIEW (1 APRIL 2024 TO 30 SEPTEMBER 2024)**

In the first half of 2024, developed market equities experienced mixed performance driven by economic data, inflation trends, and central bank actions. In April 2024, global risk-off sentiment prevailed as concerns over persistent US inflation and the US Federal Reserves (the “Fed”) stance on interest rates, along with Middle East tensions and rising oil prices, led to a correction. The US saw a moderation in Gross Domestic Product (“GDP”) growth and a slowdown in consumer spending, while inflation remained elevated, particularly in shelter and gasoline prices. In Europe, inflation moderated to 2.4%, but weak manufacturing and retail data raised concerns. Japan's economy showed mixed signals, with manufacturing Purchasing Managers' Index (“PMI”) improving slightly, but weak consumer confidence and a decline in retail sales tempered the outlook. However, markets rebounded in May 2024 and June 2024, buoyed by easing inflation concerns, signs of economic stabilization in Europe, and positive earnings from the US Technology sector. Central Banks, including the Fed and European Central Bank (“ECB”), signalled a more cautious approach to further rate hikes, which helped market sentiment. By June 2024, optimism around US Technology stocks and a more dovish stance from the ECB pushed markets higher, although Japan's yen weakened due to the large interest rate differential with the US.

The second half of 2024 saw continued volatility, particularly in July 2024 and August 2024. US inflation moderated further, easing fears of additional rate hikes, and economic data showed mixed signals, with a cooling labour market and slower consumer spending. The Fed began pricing in potential rate cuts, leading to a decline in US Treasury (“UST”) yields and a weakening of the USD. In Europe, economic growth remained sluggish, with mixed performances across major economies, while inflation continued to moderate. Japan's economy showed resilience, driven by strong wage growth and capital spending, though inflation remained above the Bank of Japan's (“BoJ”) target, supporting expectations of further tightening. September 2024 saw a significant shift, with both the Fed and ECB delivering rate cuts, signalling confidence in their ability to manage inflation. While US GDP grew at a solid 3% in second quarter of 2024, concerns lingered over manufacturing weakness and the labour market's softening. Overall, the second quarter of 2024 witnessed a transition from tightening to easing monetary policy in many regions, as Central Banks navigated the balance between inflation control and economic growth.

**FUND PERFORMANCE**

	<b>6 months</b>	<b>1 year</b>	<b>3 years</b>	<b>5 years</b>	<b>Since</b>
	<b>to 30.09.2024</b>	<b>to 30.09.2024</b>	<b>to 30.09.2024</b>	<b>to 30.09.2024</b>	<b>inception</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Income Distribution					
- Class D	-	-	-	-	-
- Class MYR	-	2.07	8.63	15.42	32.02
- Class USD	-	2.07	8.63	15.41	15.41
Capital Growth					
- Class D	(7.17)	10.58	-	-	15.29
- Class MYR	(7.19)	8.31	5.43	32.85	151.86
- Class USD	6.36	23.36	7.10	34.98	47.72
Total Return					
- Class D	(7.17)	10.58	-	-	15.29
- Class MYR	(7.19)	10.55	14.52	53.33	232.52
- Class USD	6.36	25.91	16.34	55.78	70.49
Benchmark					
- Class D	(5.38)	12.54	-	-	17.46
- Class MYR	(5.38)	12.54	23.24	63.84	293.31
- Class USD	8.60	28.15	25.12	66.36	105.36



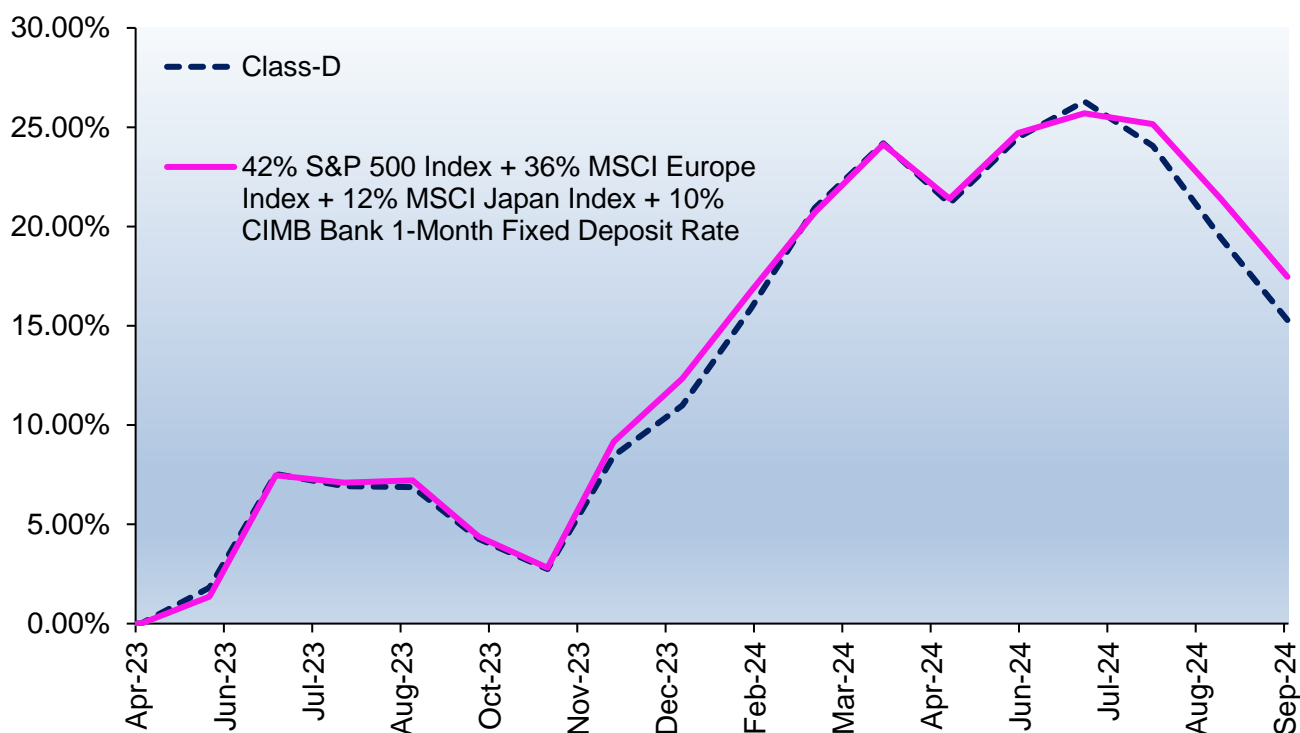
**FUND PERFORMANCE (CONTINUED)**

	6 months to 30.09.2024 %	1 year to 30.09.2024 %	3 years to 30.09.2024 %	5 years to 30.09.2024 %	Since inception to 30.09.2024 %
Average Total Return					
- Class D	(13.78)	10.58	-	-	10.48
- Class MYR	(13.83)	10.55	4.62	8.91	6.45
- Class USD	13.08	25.91	5.17	9.26	7.19

For the financial period as at 30.09.2024, the Class MYR increased by 10.55%, underperforming the benchmark which increased by 12.54%. For Class USD, the Fund increased by 25.91%, underperforming the benchmark which increased by 28.15%.

**Since Inception**

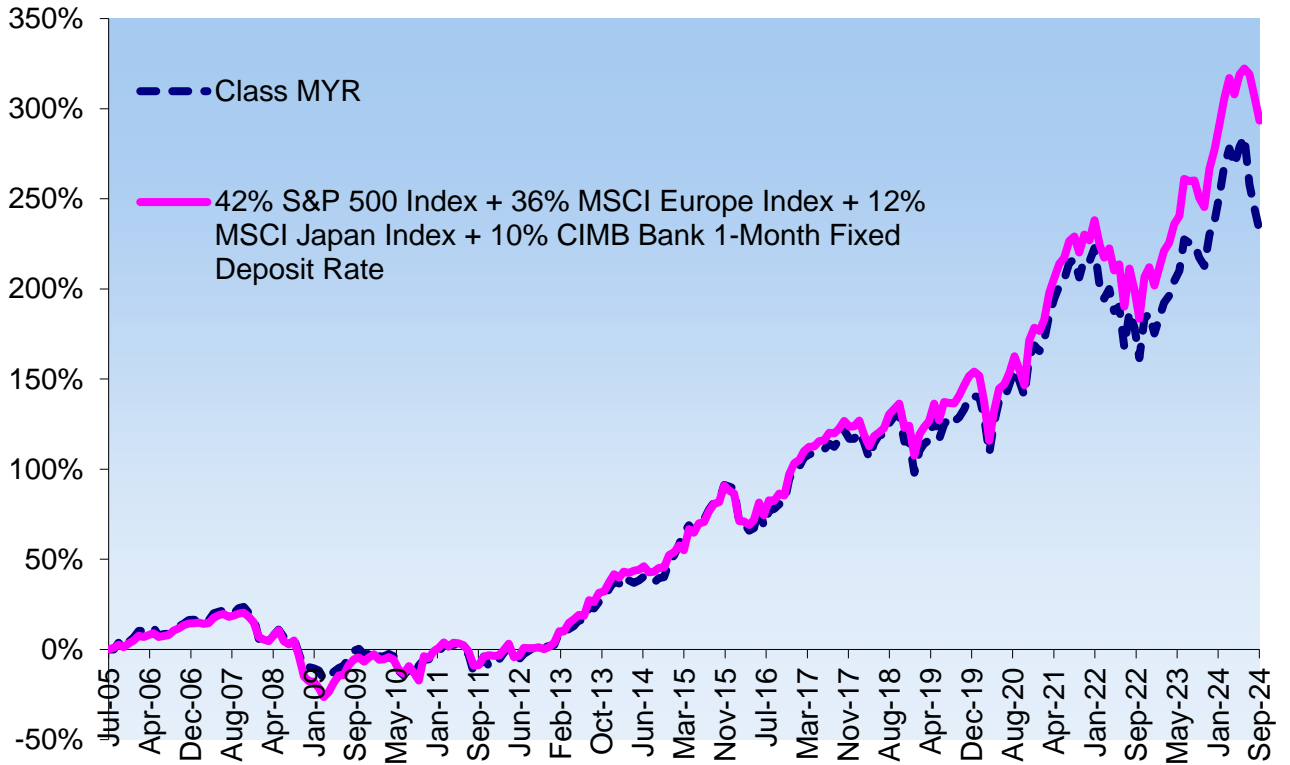
**Class-D**



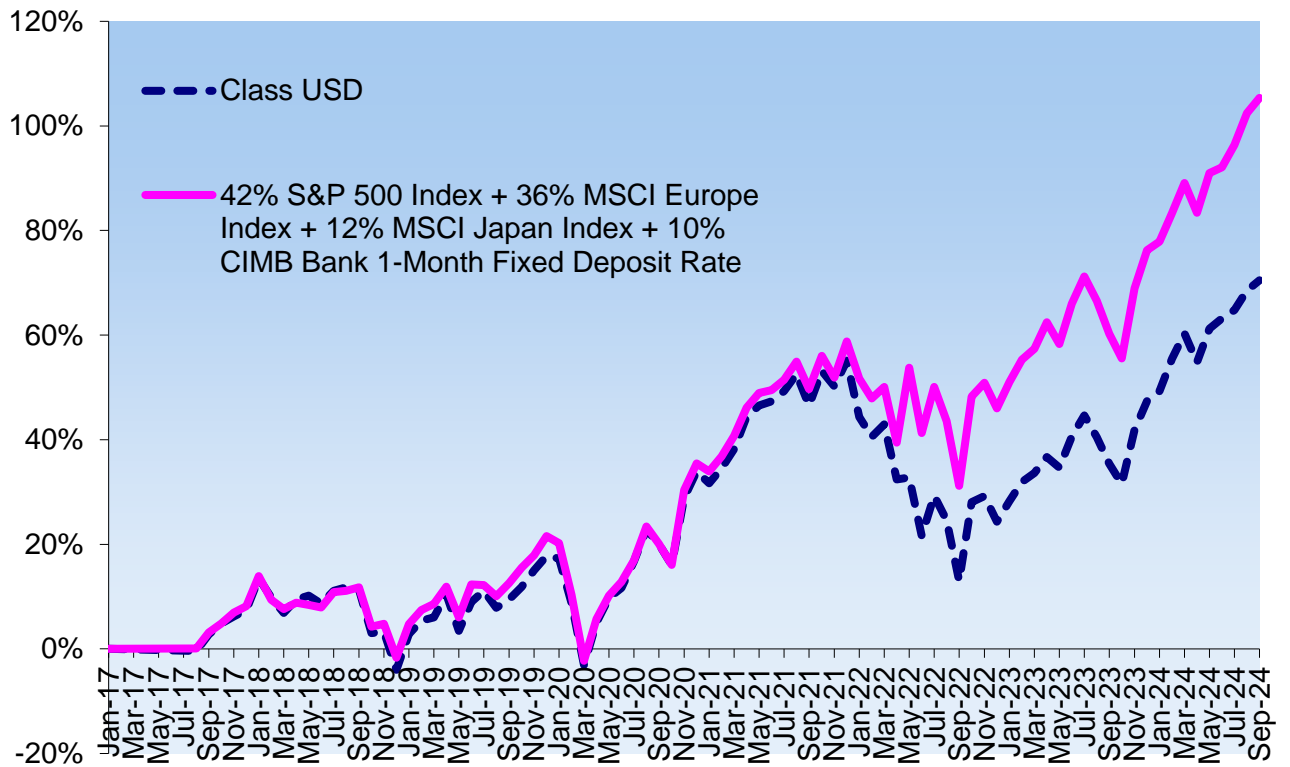
FUND PERFORMANCE (CONTINUED)

Since Inception

Class MYR



Class USD



**FUND PERFORMANCE (CONTINUED)**

**Changes in NAV**

<b>Class D</b>	<b>30.09.2024</b>	<b>31.03.2024</b>	<b>Changes</b>
		<b>Audited</b>	<b>%</b>
NAV (RM Million)	21.75	9.52	>100.00
NAV/Unit (RM)	1.1524	6.5635	(88.24)
<b>Class MYR</b>			
NAV (RM Million)	760.04	768.44	(1.09)
NAV/Unit (RM)	0.8991	0.9698	(7.29)
<b>Class USD</b>			
NAV (RM Million)	7.23	9.52	(24.05)
NAV/Unit (RM)	6.0849	6.5635	(7.29)

The decline in NAV (class MYR) was because of the currency exchange fluctuations. NAV/Unit (class MYR) has declined by 7.295%.

As at end 31 March 2024, the total NAV of Class MYR stood at RM760.04 million. The total NAV of class USD stood at RM7.23 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 period have been extracted from Lipper.

**PORTFOLIO STRUCTURE**

**Asset allocation**

<b>(% of NAV)</b>	<b>30.09.2024</b>	<b>31.03.2024</b>
		<b>Audited</b>
Collective investment schemes	87.86	95.56
Quoted securities	8.55	-
Cash and other assets	7.58	6.18
Liabilities	(3.99)	(1.74)
<b>TOTAL</b>	<b>100.00</b>	<b>100.00</b>

The allocation into collective investment schemes and quoted securities remained stable at 96.39% and 8.55% respectively, reflecting the overall overweight exposure in global equities at the end of the assessment period.

## **MARKET OUTLOOK\***

The Fed is expected to continue cutting rates, prioritizing the labour market as inflation trends downward, with around 75 basis points (“bps”) of cuts projected through 2025. However, this outlook remains fluid and could be influenced by US trade, tax, immigration, and fiscal policies, particularly regarding the potential upside risk to the USD due to stronger US economic growth and import tariffs. In Asia, restrictive US trade policies, especially under a Trump administration, could pose risks, while China's economy shows signs of improvement following policy shifts in September 2024. China's fiscal policy is expected to focus on local Government debt swaps, state-owned bank recapitalization, and welfare benefits, which could help stimulate further growth. The preference for equities over fixed income continues, with Asia Pacific ex-Japan equities offering attractive valuations and earnings growth projections. Key themes for 2025 include China's economic recovery, the US's economic trajectory and policy rates, and geopolitical risks impacting asset prices. Regardless of the US election outcome, protectionist policies and trade tensions, particularly with China, are likely to persist, alongside efforts in reshoring and supply chain diversification. Recent US GDP growth of 2.8% in third quarter of 2024, led by consumer spending, was accompanied by mixed labour market data and inflation pressures, with core Consumer Price Index (“CPI”) rising 3.3% YoY in September 2024. Major US tech companies, including Alphabet, Meta, Microsoft, and Amazon, are set to increase capital expenditure in 2025, driven by Artificial Intelligent (“AI”) infrastructure investments, signalling continued confidence in AI's transformative potential.

\* 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**

Overweight US & Japan, Underweight Europe. US growth is softening but resilient middle/high-income households and robust large business confidence are helping to offset weakness from lower-income households and small business. Overall strong household and corporate balance sheets should help prevent the economic slowdown from turning into a hard landing. The resilience of the US economy is expected to support the broadening out of risk appetite and earnings expansion across companies and sectors with more reasonable valuations. Combined with rate cuts later this year, this creates a constructive backdrop for risk assets.

Despite incremental positive economic surprises in Europe, both economic and earnings growth expectations fall short of those in the US. The US economic dominance remains intact, as Europe's recovery faces limited upside due to weak credit demand and fading economic momentum. Europe is vulnerable to risks from increased trade tariffs and geopolitical tensions with the upcoming US election. In Japan, the fundamental themes of reflation and ongoing corporate governance reforms remain intact.

We maintain the view that policy normalization in Japan will be gradual, with monetary policy remaining accommodative as real interest rates stay negative, barring a hard landing in the US economy.

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

## **SECURITIES FINANCING TRANSACTIONS**

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

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

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

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

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

## **CROSS TRADE**

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

## **UNIIT SPLIT**

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

**STATEMENT BY MANAGER TO THE UNIT HOLDERS OF  
PRINCIPAL GLOBAL TITANS FUND**

We, being the Directors of Principal Asset Management Berhad (the “Manager”), do hereby state that, in the opinion of the Manager, the accompanying unaudited financial statements set out on pages 3 to 27 are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial position of the Fund as at 30 September 2024 and of its financial performance, changes in net assets attributable to unit holders and cash flows for the financial period then ended in accordance with the Malaysian Financial Reporting Standards (“MFRS”) 134 - Interim Financial Reporting and International Accounting Standards (“IAS”) 34 - Interim Financial Reporting.

For and on behalf of the Manager

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

**MUNIRAH KHAIRUDDIN**

Chief Executive Officer,  
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  
15 November 2024

**TRUSTEE'S REPORT**

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

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

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

For HSBC (Malaysia) Trustee Berhad

Yap Lay Guat  
Manager, Investment Compliance Monitoring

Kuala Lumpur  
15 November 2024

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024**

		<b>01.04.2024 to 30.09.2024</b>	<b>01.04.2023 to 30.09.2023</b>
	<b>Note</b>	<b>RM</b>	<b>RM</b>
<b>INCOME/(LOSS)</b>			
Dividend income		5,976,173	8,061,118
Interest income from deposits with licensed financial institutions at amortised cost		281,328	808,686
Net (loss)/gain on financial assets at fair value through profit or loss	<b>7</b>	(47,791,307)	43,827,065
Net foreign exchange (loss)/gain		<u>(10,691,135)</u>	<u>2,213,266</u>
		<u>(52,224,941)</u>	<u>54,910,135</u>
<b>EXPENSES</b>			
Management fee	<b>4</b>	7,266,546	5,965,392
Trustee and custodian fees	<b>5</b>	181,664	204,417
Audit fee		4,700	4,635
Tax agent's fee		3,300	10,655
Transaction costs		460,344	205,916
Other expenses		<u>523,186</u>	<u>1,291,435</u>
		<u>8,439,740</u>	<u>7,682,450</u>
<b>(LOSS)/PROFIT BEFORE TAXATION</b>		(60,664,681)	47,227,685
Taxation	<b>6</b>	<u>(883,031)</u>	<u>(1,906,811)</u>
<b>(LOSS)/PROFIT AFTER TAXATION, REPRESENTING TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE FINANCIAL PERIOD</b>		<u>(61,547,712)</u>	<u>45,320,874</u>
(Loss)/Profit after taxation is made up as follows:			
Realised amount		32,944,844	25,750,020
Unrealised amount		<u>(94,492,556)</u>	<u>19,570,854</u>
		<u>(61,547,712)</u>	<u>45,320,874</u>

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



**UNAUDITED STATEMENT OF FINANCIAL POSITION  
AS AT 30 SEPTEMBER 2024**

		<b>30.09.2024</b>	<b>31.03.2024</b>
	<b>Note</b>	<b>RM</b>	<b>Audited RM</b>
<b>ASSETS</b>			
Cash and cash equivalents	<b>8</b>	34,205,708	21,436,671
Financial assets at fair value through profit or loss	<b>7</b>	760,511,711	752,909,607
Amount due from Manager		4,885,366	18,297,140
Amount due from the Manager of collective investment schemes			
- management fee rebate		19,408,107	85,390
- disposal of collective investment schemes		111,833	6,984,578
Dividends receivable		532,049	723,148
Tax recoverable		708,625	1,200,678
<b>TOTAL ASSETS</b>		<u>820,363,399</u>	<u>801,637,212</u>
<b>LIABILITIES</b>			
Amount due to the Manager of collective investment schemes			
- purchase of collective investment schemes		26,421,498	3,872,450
Amount due to the Manager		3,828,505	8,642,419
Accrued management fee		1,175,095	1,170,229
Amount due to Trustee		29,377	29,256
Other payables and accruals		21,106	28,600
<b>TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS)</b>		<u>31,475,581</u>	<u>13,742,954</u>
<b>NET ASSET VALUE OF THE FUND</b>		<u>788,887,818</u>	<u>787,894,258</u>
<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS</b>		<u>788,887,818</u>	<u>787,894,258</u>
<b>REPRESENTED BY:</b>			
<b>FAIR VALUE OF OUTSTANDING UNITS</b>			
- Class D		21,751,207	9,934,982
- Class MYR		759,912,139	768,440,453
- Class USD		7,224,472	9,518,823
		<u>788,887,818</u>	<u>787,894,258</u>
<b>NUMBER OF UNITS IN CIRCULATION (UNITS)</b>			
- Class D		18,877,831	7,993,809
- Class MYR		845,308,606	792,317,520
- Class USD		1,187,474	1,450,245
	<b>9</b>	<u>865,373,911</u>	<u>801,761,574</u>

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

UNAUDITED STATEMENT OF FINANCIAL POSITION (CONTINUED)  
AS AT 30 SEPTEMBER 2024 (CONTINUED)

		30.09.2024	31.03.2024
	Note	RM	Audited RM
<b>NET ASSET VALUE PER UNIT (RM)</b>			
- Class D		1.1522	-
- Class MYR		0.8989	0.7756
- Class USD		6.0838	5.2484
		<hr/>	<hr/>
<b>NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES</b>			
- Class D		MYR1.1522	-
- Class MYR		MYR0.8989	MYR0.7756
- Class USD		USD1.4763	USD1.1893
		<hr/> <hr/>	<hr/> <hr/>

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

**UNAUDITED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS  
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024**

	<b>01.04.2024 to 30.09.2024</b>	<b>01.04.2023 to 30.09.2023</b>
	<b>RM</b>	<b>RM</b>
<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE BEGINNING OF THE FINANCIAL PERIOD</b>	<u>787,894,259</u>	<u>645,798,702</u>
Movement due to units created and cancelled during the financial period:		
Creation of units from applications		
- Class D	22,821,655	4,832,814
- Class MYR	233,230,740	70,751,476
- Class USD	<u>3,773,462</u>	<u>2,975,689</u>
	<u>259,825,857</u>	<u>78,559,979</u>
Cancellation of units from applications		
- Class D	(9,212,978)	(1,063,687)
- Class MYR	(182,641,536)	(120,428,841)
- Class USD	<u>(5,430,072)</u>	<u>(1,027,539)</u>
	<u>(197,284,586)</u>	<u>(122,520,067)</u>
Total comprehensive (loss)/income for the financial period	<u>(61,547,712)</u>	<u>45,320,874</u>
<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE END OF THE FINANCIAL PERIOD</b>	<u>788,887,818</u>	<u>647,159,488</u>

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

**UNAUDITED STATEMENT OF CASH FLOWS  
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024**

	<b>01.04.2024 to 30.09.2024</b>	<b>01.04.2023 to 30.09.2023</b>
	<b>RM</b>	<b>RM</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Proceeds from disposal of collective investment schemes	409,737,031	233,475,294
Purchase of collective investment schemes	(466,379,351)	(186,165,807)
Dividend income received	5,648,479	6,694,972
Interest income received from deposits with licensed financial institutions	281,328	808,686
Management fee paid	(7,261,680)	(5,960,449)
Management fee rebate received	517,225	398,471
Trustee and custodian fees paid	(181,542)	(217,814)
Tax paid	(390,978)	(1,421,330)
Payments for other fees and expenses	(78,038)	(100,445)
Payment of other foreign exchange gain/(loss)	1,327,903	(539,554)
<b>Net cash (used in)/generated from operating activities</b>	<u>(56,779,623)</u>	<u>46,972,024</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Cash proceeds from units created	273,208,761	76,204,331
Payments for cancellation of units	(201,304,341)	(121,865,965)
<b>Net cash used in financing activities</b>	<u>71,904,420</u>	<u>(45,661,634)</u>
Net increase in cash and cash equivalents	15,124,797	1,310,390
Effects of foreign exchange differences	(2,355,760)	2,615,611
Cash and cash equivalents at the beginning of the financial period	<u>21,436,671</u>	<u>29,150,678</u>
Cash and cash equivalents at the end of the financial period	<u><u>34,205,708</u></u>	<u><u>33,076,679</u></u>
<b><u>Cash and cash equivalent comprised of:</u></b>		
Deposits with licensed financial institutions	10,034,907	7,899,341
Bank balances	<u>24,170,801</u>	<u>25,177,338</u>
Cash and cash equivalents at the end of the financial period	<u><u>34,205,708</u></u>	<u><u>33,076,679</u></u>

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024****1. THE FUND, THE MANAGER AND ITS PRINCIPAL ACTIVITIES**

Principal Global Titans Fund (the “Fund”) was constituted pursuant to a Deed dated 11 July 2005 and is now governed by a Master Deed dated 15 May 2008, a Thirteenth Supplemental Master Deed dated 26 June 2012, and a Eighteenth Supplemental Master Deed dated 25 March 2015 (collectively referred to as the “Initial Deeds”), a Principal Master Deed dated 11 May 2016, a First Supplemental Master Deed dated 14 November 2016 and a Second Supplemental Master Deed dated 4 December 2019 and a Third Supplemental Master Deed dated 23 August 2022 (collectively referred to as the “Deeds”) between Principal Asset Management Berhad (the “Manager”) and HSBC (Malaysia) Trustee Berhad (the “Trustee”).

The Fund will invest at least 50% of its NAV in at least three (3) CIS, subject to a maximum of 98% of its NAV. The Fund may invest in Malaysian securities but only up to 50% of its NAV. The Fund seeks to give investors a broad exposure to three (3) major global developed markets. This will be achieved by investing in collective investment schemes which invest into these (3) markets (US, Europe and Japan). The Fund will at all times be invested in the CIS, each covering separate geographic regions thus providing diversification and allowing a greater spread of risk. The allocation between the CIS is done through a combination of macroeconomic data, liquidity trends and the outlook to overweight or underweight a particular CIS. This enables, the Fund to exploit the investment opportunities provided by developed economies, which are not found in the EM. With effect from 28 February 2023, the Fund may also invest in companies that are listed in any Eligible Market globally with some operations or businesses in Malaysia, US, Europe, or Japan to capture growth opportunities.

The asset allocation strategy for the Fund is as follows:

- between 50% to 98% (both inclusive) of the Fund’s NAV in CIS with exposure in US, Europe and Japan; and
- investments in Malaysian securities: up to 50% of the Fund’s NAV.

The Manager has appointed Principal Singapore, a company incorporated in Singapore, as the Sub-Manager of the Fund. The Sub-Manager will be responsible for investing and managing the Fund in accordance with the investment objective and within the investment restrictions.

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

The 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 INFORMATION**

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

**(a) Basis of preparation**

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

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

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

**(a) Basis of preparation**

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

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

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

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

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

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

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

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

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

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

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

Investment in collective investment schemes are debt instrument with contractual cash flow that do not represent solely payment of principal and interest (“SPPI”) and therefore are classified as fair value through profit or loss.

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

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

All of the Fund's financial liabilities (other than net assets attributable to members) are measured at amortised cost.

Recognition and measurement

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

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 period which they arise.

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

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

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

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

**2. MATERIAL ACCOUNTING POLICIES INFORMATION (CONTINUED)****(b) Financial assets and financial liabilities (continued)**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 considers both historical analysis and forward looking information in determining any ECL. The Manager considers the probability of default to be close to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month ECL as any such impairment would be wholly insignificant to the Fund.

Significant increase in credit risk

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

Definition of default and credit-impaired financial assets

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

Write-off

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

**(c) Income recognition**

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

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

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

Realised gain or loss on disposal of collective investment schemes is accounted for as the difference between the net disposal proceeds and the carrying amount of investments, determined on a weighted average cost basis.



**2. MATERIAL ACCOUNTING POLICIES INFORMATION (CONTINUED)****(d) Foreign currency**Functional and presentation currency

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

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

- i) Majority of the units of the Fund are denominated in MYR.
- ii) All of the Fund’s expenses are denominated in MYR.

Transactions and balances

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

**(e) Cash and cash equivalents**

For the purpose of statement of cash flow, cash and cash equivalents comprise bank balances and deposits held in highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**(f) Management fee rebate**

The Fund’s entitlement to management fee rebate derived from the Manager of 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.

**(g) Taxation**

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

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, income derived by a resident person from sources outside Malaysia and received in Malaysia from 1 January 2022 will no longer be exempt from tax. Foreign-sourced income (“FSI”) received in Malaysia during the transitional period from 1 January 2022 to 30 June 2022 will be taxed at 3% of gross.

**2. MATERIAL ACCOUNTING POLICIES INFORMATION (CONTINUED)****(g) Taxation (continued)**

From July 2022 onwards, FSI 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.

**(h) Realised and unrealised portions of profit or loss after taxation**

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

**(i) 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 three classes of units, known respectively as the Class D, Class MYR 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 members of respective classes with the total number of outstanding units of respective classes.

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

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

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

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

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

### 3. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund aims to grow the value of Unit holders' investments over the medium to long-term in an equity fund that invests in the global titans market of the US, Europe and Japan with an exposure to the Malaysian equities market to balance any short term volatilities.

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 GUTF.

#### (a) Market risk

##### (i) Price risk

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

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

##### (ii) Interest rate risk

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

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

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

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

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

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

**3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)****(a) Market risk (continued)****(iii) Currency risk**

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

**(b) Credit risk**

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

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

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

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

**(c) Liquidity risk**

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

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

**(d) Capital risk management**

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

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

#### (e) Fair value estimation

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

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

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

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

#### (i) Fair value hierarchy

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

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

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

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

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.

3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(e) Fair value estimation (continued)

(i) Fair value hierarchy (continued)

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
<b>30.09.2024</b>				
Financial asset at fair value through profit or loss:				
- Collective investment schemes	693,119,935	-	-	693,119,935
- Quoted securities	<u>67,391,776</u>	<u>-</u>	<u>-</u>	<u>67,391,776</u>
	<u>760,511,711</u>	<u>-</u>	<u>-</u>	<u>760,511,711</u>
<b>31.03.2024</b>				
<b>Audited</b>				
Financial asset at fair value through profit or loss:				
- Collective investment schemes	<u>752,909,607</u>	<u>-</u>	<u>-</u>	<u>752,909,607</u>

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

- (ii) The carrying values of cash and cash equivalents, amount due from Manager, amount due from Manager of collective investment schemes - management fee rebate and disposal of collective investment schemes, dividends receivable, and all current liabilities are a reasonable approximation of their fair values due to their short-term nature.

4. MANAGEMENT FEE

In accordance with the Deeds, the Manager is entitled to a management fee of up to 1.85% per annum for each class, calculated daily based on the NAV of the Fund.

For the six months financial period ended 30 September 2024, the management fee is recognised at a rate of 1.80% per annum (30.09.2023: 1.80% per annum) for each class.

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

5. TRUSTEE AND CUSTODIAN FEES

In accordance with the Deeds, the Trustee is entitled to a fee not exceeding 0.07% per annum for each class, calculated daily based on the NAV of the Fund. The Trustee fee includes the local custodian fee but excludes the foreign sub-custodian fees and charges.

**5. TRUSTEE AND CUSTODIAN FEES (CONTINUED)**

For the financial period ended 30 September 2024 the Trustee fee is recognised at the rate of 0.045% per annum (30.09.2023: 0.045% per annum) for each class, while the foreign sub-custodian fee is recognised at RM47,064 (30.09.2023: RM80,076).

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

**6. TAXATION**

	<b>01.04.2024 to 30.09.2024 RM</b>	<b>01.04.2023 to 30.09.2023 RM</b>
Tax charged for the financial period:		
- Capital gains tax	492,053	1,906,811
- Tax on foreign source income	390,978	-
	<u>883,031</u>	<u>1,906,811</u>

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

	<b>01.04.2024 to 30.09.2024 RM</b>	<b>01.04.2023 to 30.09.2023 RM</b>
(Loss)/Profit before taxation	<u>(60,664,681)</u>	<u>47,227,685</u>
Taxation at Malaysian statutory rate of 24% (30.09.2023: 24%)	(14,559,523)	11,334,644
Tax effects of:		
- Income not subject to tax/(Loss not deductible for tax purposes)	12,533,986	(13,178,432)
- Expenses not deductible for tax purposes	278,660	409,537
- Restriction on tax deductible expenses for Unit Trust Funds	1,746,878	1,434,251
Capital gains tax	492,053	-
Tax on foreign source income	390,978	1,906,811
Taxation	<u>883,031</u>	<u>1,906,811</u>

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

	<b>30.09.2024 RM</b>	<b>31.03.2024 Audited RM</b>
At fair value through profit or loss:		
- Collective investment schemes	693,119,935	752,909,607
- Quoted securities	67,391,776	-
	<u>760,511,711</u>	<u>752,909,607</u>

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

	01.04.2024 to 30.09.2024 RM	01.04.2023 to 30.09.2023 RM
Net (loss)/gain on financial assets at fair value through profit or loss:		
- Realised gain on disposals	43,582,312	26,549,770
- Unrealised fair value (loss)/gain	(91,917,287)	16,968,912
- Management fee rebate #	543,668	308,383
	<u>(47,791,307)</u>	<u>43,827,065</u>

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

For the six months financial period ended 30 September 2024 and 30 September 2023, the management fee rebates are recognised at a rate as per table below, calculated and accrued daily based on the NAV of the collective investment schemes.

	30.09.2024 RM	31.03.2024 Audited RM
JPMorgan Europe Strategic Growth Fund	0.75	0.75
JPMorgan Japan Yen Fund	1.50	1.50
JP Morgan Funds US Growth Fd USD	0.60	0.60
FTGF ClearBridge - US Large Cap Growth Fund	0.63	0.63
Principal Global Investors ("PGI") European Equity Fund	1.00	1.00

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>30.09.2024 COLLECTIVE INVESTMENT SCHEMES</b>				
FTGF ClearBridge -US Large Cap	25,036	35,779,065	37,444,138	4.75
IShares Asia 50 ETF	25,163	7,627,276	7,495,199	0.95
IShares Core S&P Small-Cap ETF	40,685	20,879,304	19,609,851	2.49
IShares Core MSCI Europe ETF EUR Dist	702,007	94,708,458	104,989,550	13.31
IShares US Equity Factor Rotation Active ETF	191,796	39,778,200	39,100,658	4.96
JP Morgan Europe REI ESG UCITS ETF	79,065	17,233,226	58,733,503	7.44
JP Morgan US REI Equity ESG UCITS ETF	364,835	81,513,256	35,901,793	4.55
JPMorgan Europe Strategic Growth Fund	132,180	34,119,869	32,997,302	4.18



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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>30.09.2024</b>				
<b>COLLECTIVE INVESTMENT SCHEMES (CONTINUED)</b>				
JPMorgan Funds-US Growth Fd-USD	79,909	27,483,319	27,928,311	3.54
JPMorgan Japan Yen Fund AC JPY	22,550	42,382,519	41,655,040	5.28
Next Funds Topix Banks ETF	2,431,100	20,677,281	21,778,457	2.76
Next Funds Topix ETF	253,385	18,634,773	20,201,965	2.56
Next Funds Topix-17 Comm & Wholesale Trade ETF	2,283	6,454,284	5,532,297	0.70
Principal GLB - Eur Eq-Ins Acc	270,765	47,963,955	52,956,865	6.71
SPDR Gold Shares	6,508	6,169,995	6,518,740	0.83
SPDRS&P 500 ETF	76,244	117,333,394	180,276,266	22.85
<b>TOTAL COLLECTIVE INVESTMENT SCHEMES</b>	<b>4,703,511</b>	<b>693,119,935</b>	<b>693,119,935</b>	<b>87.85</b>
<b>ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b>74,381,761</b>		
<b>TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b>693,119,935</b>		
<b>QUOTED SECURITIES – FOREIGN</b>				
<b>JAPAN</b>				
<b>Industrials</b>				
Mitsubishi Heavy Industries Ltd	188,500	10,087,413	11,501,072	1.46
<b>Information Technology</b>				
Hitachi Ltd	206,500	19,604,100	22,497,293	2.85
<b>TOTAL JAPAN</b>	<b>395,000</b>	<b>29,691,513</b>	<b>33,998,365</b>	<b>4.31</b>

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>30.09.2024</b>				
<b>(CONTINUED)</b>				
<b>QUOTED SECURITIES</b>				
<b>- FOREIGN</b>				
<b>(CONTINUED)</b>				
<b>UNITED STATES</b>				
<b>Information</b>				
<b>Technology</b>				
Nvidia Corp	23,080	6,577,675	11,550,484	1.46
Taiwan Semiconductor Manufacturing - ADR	19,093	8,492,768	13,664,747	1.73
	<u>42,173</u>	<u>15,070,443</u>	<u>25,215,231</u>	<u>3.20</u>
<b>TOTAL UNITED STATES</b>	<b><u>42,173</u></b>	<b><u>15,070,443</u></b>	<b><u>25,215,231</u></b>	<b><u>3.20</u></b>
<b>TOTAL QUOTED SECURITIES</b>	<b><u>437,977</u></b>	<b><u>52,977,653</u></b>	<b><u>67,391,776</u></b>	<b><u>8.54</u></b>
<b>ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b><u>14,414,124</u></b>		
<b>TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b><u>67,391,777</u></b>		
Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>31.03.2024</b>				
<b>Audited</b>				
<b>COLLECTIVE INVESTMENT SCHEMES</b>				
Airbus SE	9,992	6,703,927	8,682,867	1.10
ASML Holding N.V.	1,421	5,821,547	6,512,506	0.83
Fast Retailing Co Ltd	8,900	10,008,205	13,098,646	1.66
FTGF ClearBridge - US Large Cap	19,872	25,222,195	31,310,595	3.98
Global X Copper Miners ETF	19,870	3,834,835	3,981,465	0.51

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>31.03.2024</b>				
<b>Audited</b>				
<b>COLLECTIVE</b>				
<b>INVESTMENT</b>				
<b>SCHEMES</b>				
iShares Core MSCI Europe UCITS ETF EUR (Dist)	815,100	102,905,989	132,788,165	16.87
ITOCHU Corporation	29,400	5,451,260	5,935,124	0.75
JP Morgan Europe REI ESG UCITS	213,218	44,672,105	45,710,162	5.81
JPMorgan Europe Strategic Growth Fund	114,274	28,776,102	30,874,841	3.92
JPMorgan Funds-US Growth Fd-USD	113,452	34,643,978	41,377,903	5.26
JPMorgan Japan Yen Fund	4,501	583,975	858,760	0.11
Linde PLC	4,388	8,253,412	9,621,792	1.22
Lonza Group AG	1,412	3,885,778	3,993,214	0.51
L'Oreal	3,714	8,026,503	8,292,517	1.05
Next Funds Topix Banks ETF	1,673,500	12,370,681	17,388,249	2.21
Next Funds Topix ETF	944,085	68,740,649	86,229,925	10.95
Nvidia Corporation	2,308	6,577,675	9,848,379	1.25
Principal GLB - EUR EQ-INS ACc Europeon	103,919	18,408,459	21,529,501	2.73
SPDR Gold Shares	4,259	4,037,801	4,137,673	0.53
SPDRS&P 500 ETF	100,995	155,423,195	249,477,655	31.69
Synopsys Inc	4,197	10,971,838	11,327,320	1.44
Taiwan Semiconductor Manufacturing ADR	15,459	6,876,326	9,932,348	1.26
<b>TOTAL COLLECTIVE INVESTMENT SCHEMES</b>	<b><u>4,208,236</u></b>	<b><u>572,196,435</u></b>	<b><u>752,909,607</u></b>	<b><u>95.64</u></b>
<b>ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b><u>180,713,172</u></b>		
<b>TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b><u>752,909,607</u></b>		

**8. CASH AND CASH EQUIVALENTS**

	<b>30.09.2024</b>	<b>31.03.2024</b>
	<b>RM</b>	<b>Audited RM</b>
Deposits with licensed financial institutions	10,034,907	8,599,261
Bank balances	24,170,801	12,837,410
	<u>34,205,708</u>	<u>21,436,671</u>

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

	<b>01.04.2024 to 30.09.2024</b>	<b>01.04.2023 to 31.03.2024</b>
	<b>No. of units</b>	<b>Audited No. of units</b>
Class D (i)	18,877,831	7,993,809
Class MYR (ii)	845,308,606	792,317,520
Class USD (iii)	1,187,474	1,450,245
	<u>865,373,911</u>	<u>801,761,574</u>

(i) Class D

At the beginning of the financial period/year	7,993,809	-
Add: Creation of units from applications	18,472,724	11,279,078
Less: Cancellation of units	<u>(7,588,702)</u>	<u>(3,285,269)</u>
At the end of the financial period/year	<u>18,877,831</u>	<u>7,993,809</u>

(ii) Class MYR

At the beginning of the financial period/year	792,317,520	825,524,339
Add: Creation of units from applications	241,595,657	314,348,385
Add: Creation of units from distribution	-	15,943,242
Less: Cancellation of units	<u>(188,604,571)</u>	<u>(363,498,446)</u>
At the end of the financial period/year	<u>845,308,606</u>	<u>792,317,520</u>

(iii) Class USD

At the beginning of the financial period/year	1,450,244	1,049,697
Add: Creation of units from applications	576,261	847,554
Add: Creation of units from distribution	-	19,320
Less: Cancellation of units	<u>(839,031)</u>	<u>(466,326)</u>
At the end of the financial period/year	<u>1,187,474</u>	<u>1,450,245</u>

**10. TOTAL EXPENSE RATIO (“TER”)**

	<b>01.04.2024 to 30.09.2024</b>	<b>01.04.2023 to 30.09.2023</b>
	%	%
TER	0.86	0.90

TER is derived based on the following calculation:

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

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

The average NAV of the Fund for the financial period calculated on a daily basis is RM807,952,395 (30.09.2023: RM660,259,804).

**11. PORTFOLIO TURNOVER RATIO (“PTR”)**

	<b>01.04.2024 to 30.09.2024</b>	<b>01.04.2023 to 30.09.2023</b>
PTR (times)	0.57	0.32

PTR is derived based on the following calculation:

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

where:

- total acquisition for the financial period = RM492,052,942 (30.09.2023: RM186,378,357)
- total disposal for the financial period = RM429,392,107 (30.09.2023: RM233,448,185)

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

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

<u>Related parties</u>	<u>Relationship</u>
Principal Asset Management Berhad	The Manager
Principal Financial Group, Inc.	Ultimate holding company of shareholder of the Manager
Principal International (Asia) Ltd	Shareholder of the Manager
Principal Global Investors Funds	Manager of collective investment schemes

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

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

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

Units held by the Manager and parties related to the Manager

	30.09.2024		31.03.2024	
	No. of units	RM	No. of units	Audited RM
<b>Manager</b>				
Principal Asset Management Berhad				
- Class MYR	34,366	39,898	23,068	22,355
- Class USD	5	30	4	27

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

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

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

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

	<b>30.09.2024</b>	<b>31.03.2024</b>
	<b>RM</b>	<b>Audited RM</b>
<u>Significant related party transactions</u>		
Management fee rebate:		
- Principal Global Investors Funds	<u>543,668</u>	<u>173,105</u>
<u>Significant related party balances</u>		
Collective investment schemes:		
- PGI European Equity Fund	<u>58,733,503</u>	<u>21,529,501</u>

**13. TRANSACTIONS WITH BROKERS**

Details of transactions with the brokers for the six months financial period ended 30 September 2024 were as follows:

<b>Brokers</b>	<b>Value of trades RM</b>	<b>Percentage of total trades %</b>	<b>Brokerage fees RM</b>	<b>Percentage of total brokerage fees %</b>
Macquarie Securities AU Ltd	435,368,597	47.25	130,610	28.50
JPMorgan Asset Management	147,070,994	15.96	-	-
Citigroup Global Markets Ltd	108,701,882	11.80	32,610	7.12
Sanford C Bernstein HK Ltd	63,135,263	6.85	94,703	20.67
Instinet Pacific Limited	58,378,785	6.34	145,947	31.85
Principal Global Investors Fund #	33,510,606	3.64	-	-
Leg Masson Global Funds	27,635,150	3.00	-	-
CGS Inter Securities (M) Sdn Bhd	13,254,596	1.44	26,509	5.79
CLSA Ltd	12,872,297	1.40	3,862	0.84
J.P. Morgan Securities LLC	11,167,711	1.21	3,350	0.73
Jefferies International Ltd	10,309,511	1.12	20,619	4.50
	<u>921,405,390</u>	<u>100.00</u>	<u>458,210</u>	<u>100.00</u>

13. TRANSACTIONS WITH BROKERS (CONTINUED)

Details of transactions with the brokers for the six months financial period ended 30 September 2023 were as follows:

Brokers	Value of trades RM	Percentage of total trades %	Brokerage fees RM	Percentage of total brokerage fees %
Macquarie Securities AU Ltd	135,115,670	32.19	40,535	31.19
JPMorgan Asset Management	121,062,905	28.84	-	-
Citigroup Global Markets Ltd	72,112,612	17.18	21,634	16.65
J.P. Morgan Securities LLC	26,527,521	6.32	7,958	6.12
Leg Mason Global Funds	24,981,169	5.95	-	-
Instinet Pacific Limited	16,943,275	4.04	42,358	32.60
Principal Global Investors Funds #	13,013,088	3.10	-	-
UBS Securities Asia Ltd	7,432,553	1.77	14,865	11.44
CGS-CIMB Securities (Singapore) Pte Ltd #	2,602,008	0.61	2,602	2.00
	<u>419,790,801</u>	<u>100.00</u>	<u>129,952</u>	<u>100.00</u>

# Included in the transactions are trades conducted with Principal Global Investors Funds and CGS-CIMB Securities (Singapore) Pte Ltd, fellow related party to the Manager amounting to RM33,510,606 (30.09.2023: RM13,013,088) and nil (30.09.2023: RM2,602,008). The Manager is of the opinion that all transactions with the related companies have been entered into in the normal course of business at agreed terms between the related parties.



## DIRECTORY

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