

**PRINCIPAL ISLAMIC SMALL CAP OPPORTUNITIES FUND**  
**UNAUDITED SEMI-ANNUAL REPORT**  
**FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 30 NOVEMBER 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 Semi-Annual Fund Report of the Principal Islamic Small Cap Opportunities Fund for the financial period ended 30 November 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, ten at the FSMOne Recommended Funds 2023/2024, and two at the Edge Awards 2024.

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

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

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

### MUNIRAH KHAIRUDDIN

Chief Executive Officer,  
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 objective of the Fund is to seek medium to long-term growth in capital by investing principally in emerging companies listed on Bursa Securities and this must be in accordance with the Shariah principles.

#### Has the Fund achieved its objective?

The Fund has achieved its objective of providing long-term capital growth. Since inception, the Fund has gained 279.45%.

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

The Fund may invest a minimum of 70% and up to a maximum of 98% of its Net Asset Value ("NAV") in Shariah-compliant stocks of emerging companies\*. The investment policy and strategy of the Fund will therefore focus on investments in Shariah-compliant instruments of such emerging companies\* with potential growth and hands-on management policies but may be lacking in track records. The Fund may also invest up to 28% of its NAV in other permissible Shariah-compliant investments such as Islamic fixed income securities for the purpose of cash management. The Fund may also opt to seek investment exposure via Islamic collective investment scheme that is in line with the Fund's objective, subject to the requirements of the Securities Commission's Guidelines on the Unit Trust Funds ("GUTF"). In addition, Islamic liquid assets may be strategically used if we feel that the market downside risk is high in the short-term. With effect from 28 April 2023, the Fund may invest up to 25% of its NAV in emerging companies\* that are listed in any Eligible Markets globally with some operations or businesses in Malaysia to capture growth opportunities.

With effect from 28 April 2023,

*\*Emerging companies in this context referring to the following:*

- (a) companies with market capitalization of up to five (5) billion MYR at the point of purchase; or*
- (b) stocks of companies which form the bottom 15% of the cumulative market capitalisation of the market which the Shariah-compliant stock is listed on at the point of purchase.*

The asset allocation strategy for this Fund is as follows:

- between 70% to 98% (both inclusive) of the Fund's NAV will be invested in Shariah-compliant equities;
- up to 28% of the Fund's NAV in other permissible Shariah-compliant investments; and
- at least 2% of the Fund's NAV in Islamic liquid assets.

#### Fund category/type

Equity (small cap) (Shariah-compliant)/Growth

#### When was the Fund launched?

30 April 2003

#### What was the size of the Fund as at 30 November 2024?

RM329.94 million (362.17 million units)

#### What is the Fund's benchmark?

FTSE Bursa Malaysia ("FBM") Small Cap Shariah ("FBMSCSM") Index

Note: The Fund's benchmark is for performance comparison purpose only. Investors are cautioned that the risk profile of the Fund is higher than the benchmark.

#### What is the Fund distribution policy?

The Manager has the discretion to distribute part or all of the Fund's distributable income. The distribution (if any) may vary from period to period depending on the investment objective and the performance of the Fund.

## FUND OBJECTIVE AND POLICY (CONTINUED)

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

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

## PERFORMANCE DATA

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

	30.11.2024	30.11.2023	30.11.2022
	%	%	%
Shariah-compliant collective investment scheme	-	0.52	-
Shariah-compliant quoted securities			
- Consumer Discretionary	-	3.59	-
- Construction	15.19	-	4.96
- Consumer Staples	-	4.94	-
- Consumer Products & Services	8.90	-	17.20
- Energy	5.93	4.26	2.49
- Financial Services	-	-	1.35
- Health Care	8.19	12.41	4.10
- Information Technology	-	34.37	-
- Industrial Products & Services	20.99	19.28	13.01
- Materials	-	1.25	-
- Plantation	2.74	-	2.28
- Property	6.09	-	2.15
- Real Estate	-	12.88	-
- Real Estate Investment Trusts ("REITs")	3.11	-	5.55
- Technology	17.45	-	24.34
- Telecommunications & Media	-	-	4.66
- Transportation/Logistics	1.94	-	2.00
- Utilities	1.28	2.43	4.50
Cash and other assets	9.05	4.85	15.01
Liabilities	(0.86)	(0.78)	(3.60)
	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>

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

	30.11.2024	30.11.2023	30.11.2022
NAV (RM Million)	329.94	229.25	264.88
Units in circulation (Million)	362.17	346.24	424.48
NAV per unit (RM)	0.9110	0.6621	0.6240
	01.06.2024 to 30.11.2024	01.06.2023 to 30.11.2023	01.06.2022 to 30.11.2022
Highest NAV per unit (RM)	1.0131	0.6789	0.6298
Lowest NAV per unit (RM)	0.8295	0.6370	0.5568
Total return (%)	1.02	2.54	(0.24)
Capital growth (%)	1.02	2.54	(0.24)
Income distribution (%)	-	-	-

**PERFORMANCE DATA (CONTINUED)**

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

	<b>01.06.2024 to 30.11.2024</b>	<b>01.06.2023 to 30.11.2023</b>	<b>01.06.2022 to 30.11.2022</b>
Total Expense Ratio ("TER") ^	0.95	0.96	0.97
Portfolio Turnover Ratio ("PTR") #	0.37	0.24	0.41

^ The Fund's TER is decreased from 0.95% to 0.96% mainly due to in average NAV during the financial period six months under review.

# The Fund's PTR increased from 0.24 times to 0.37 times due to higher trading activities.

	<b>30.11.2024</b>	<b>30.11.2023</b>	<b>30.11.2022</b>	<b>30.11.2021</b>	<b>30.11.2020</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Annual total return	37.61	6.09	(12.91)	6.38	18.19

(Launch date: 30 April 2003)

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

**MARKET REVIEW (1 JUNE 2024 TO 30 NOVEMBER 2024)**

For the six months financial period under review, the FTSE Bursa Malaysia ("FBM Small") Cap Shariah Index ("FBMSCSM") decreased by 7.2% from 17,321.4 points to 16,074.9 points.

FBMSCSM rose by 630.2 points ("pts") or 3.6% to 17,951.5pts in June 2024. Investors remained relatively upbeat considering the recent weakness in US economic data and inflation moderating. Utilities and Healthcare rose while Consumer eased. Within the broader market, Construction and Technology posted strong gains, while other sectors were mixed.

FBMSCSM fell slightly by 17.4pts or 0.1% to 17,934.1pts in July 2024. The month saw increased odds of a Federal open market committee ("FOMC") fed cut bets considering the continued weakness in United States ("US") economic data and inflation moderating. Gainers were led by Utilities, Telcos, and Consumer, while Materials languished. Within the broader market, Construction and Property posted strong gains, while Technology and Healthcare yielded.

FBMSCSM fell 1,759.3pts or 9.8% to 16,174.8pts in August 2024. The sharp sell-off at the start of the month was due to the massive unwinding of the Yen carry trade. Sentiment was helped by waning US recession fears given the more 'upbeat' economic data, and greater conviction on Fed cuts, coupled with the 5% appreciation in the Ringgit ("MYR/RM") during the month. Morgan Stanley Capital International ("MSCI") rebalancing also helped. Gains were largely concentrated on Plantations.

FBMSCSM fell 158.0pts or 1.0% to 16,016.8pts in September 2024. This was in stark contrast to the stronger US market which recorded new highs following Federal Reserve (the "Fed's") 50 basis points ("bps") cut during the month and greater confidence of a soft-landing scenario for the US economy. Most sectors were down except for Construction, Property and Healthcare, with Energy and Technology sold off the most.

FBMSCSM fell 380.3pts or 2.4% to 15,636.6pts in October 2024. This was likely a risk-off move ahead of the US elections, despite the Fed very likely to cut another 25bps in the November 2024 FOMC meeting given the recent inflation print and weak jobs data. Utilities and Telcos were sold off the most, while Construction, REITs and Healthcare posted modest gains.

## MARKET REVIEW (1 JUNE 2024 TO 30 NOVEMBER 2024) (CONTINUED)

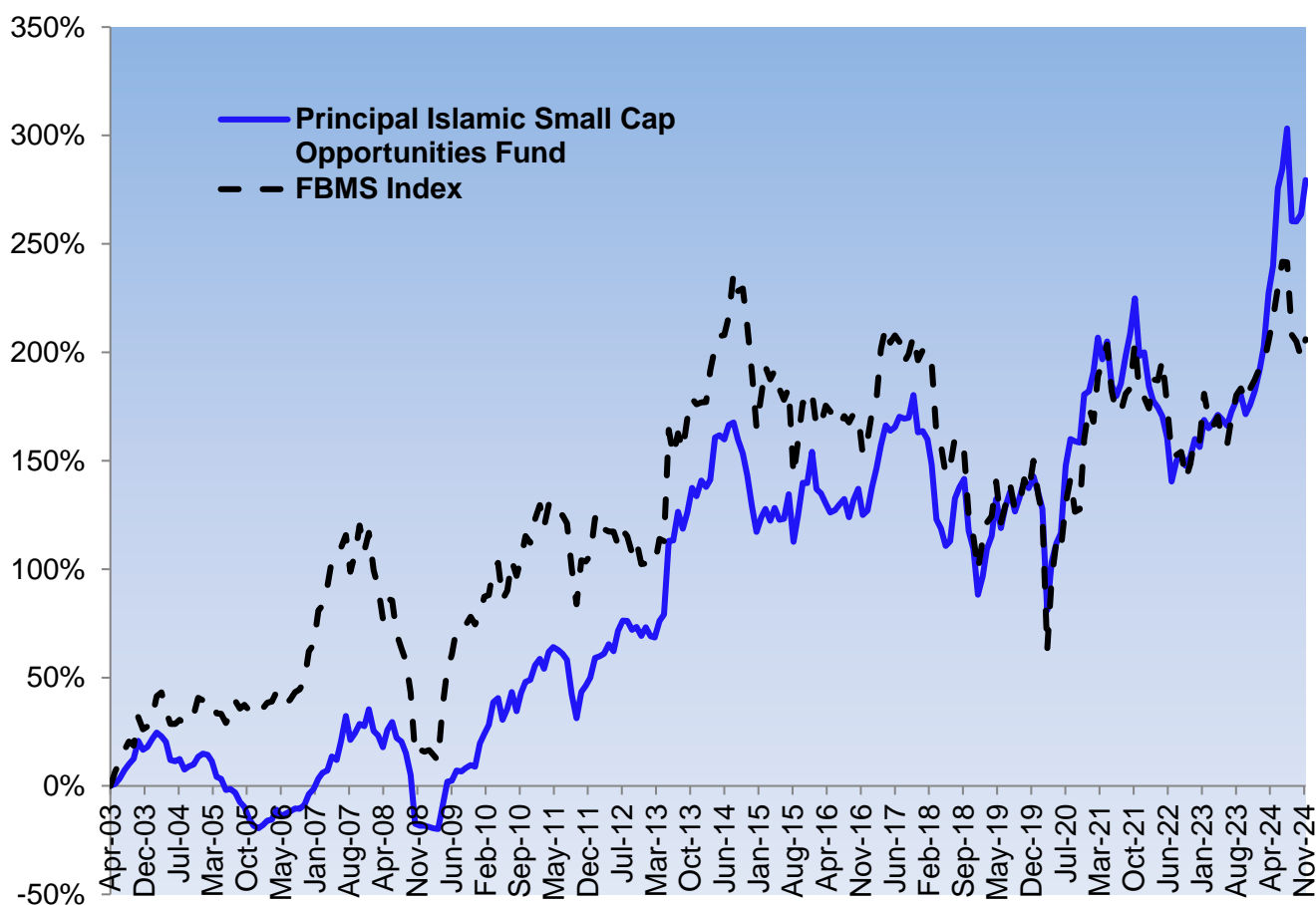
FBMSCSM rose 438.4pts or 2.8% to 16,074.9pts in November 2024. This bucked the trend against other major indices after months of underperformance. Utilities, Commodities, and Consumer were sold off the most, while Healthcare, Property, Construction and Plantation posted modest gains.

## FUND PERFORMANCE

	6 months to 30.11.2024 %	1 year to 30.11.2024 %	3 years to 30.11.2024 %	5 years to 30.11.2024 %	Since inception to 30.11.2024 %
Income Distribution	-	-	-	-	-
Capital Growth	1.02	37.61	27.15	59.86	279.45
Total Return	1.02	37.61	27.15	59.86	279.45
Benchmark Average Total Return	2.05	37.61	8.33	9.83	6.37

For the six months financial period under review, the fund gained 1.02% while the benchmark lost 7.20%. As such, the Fund outperformed the benchmark by 8.22 ppts.

## Since inception



## Changes in NAV

	30.11.2024	31.05.2024 Audited	Changes %
NAV (RM Million)	329.94	281.59	17.17
NAV/Unit (RM)	0.9110	0.9018	1.02

The NAV per unit increased by 1.02%, while the NAV increased an even larger 17.17% due to positive investment performance.

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

## PORTFOLIO STRUCTURE

### Asset allocation

(% of NAV)	30.11.2024	31.05.2024 Audited
Shariah-compliant quoted securities	91.81	90.92
Cash and other assets	9.05	11.03
Liabilities	(0.86)	(1.95)
<b>TOTAL</b>	<b>100.00</b>	<b>100.00</b>

Asset allocation for shariah-compliant quoted securities decreased from 90.92% to 91.81% as at 30 Nov 2024.

## MARKET OUTLOOK\*

Malaysia's manufacturing sector moderated in November 2024, with a Purchasing Managers' Index ("PMI") reading of 49.2 pts vs 49.5 pts in the previous month, as demand conditions remain muted. Standard & Poor's ("S&P") Global noted a slowdown in new orders, output and stocks, while employment was broadly stagnant. However, firms surveyed saw stronger overseas demand conditions which resulted in further increase in new export orders. The rate of input cost inflation eased further while firms look to lower prices in an attempt to stimulate sales. Optimism of a recovery in new orders over the coming 12 months remains solid, unchanged from October 2024. The latest PMI data suggests fourth quarter of 2024 ("4Q24") Gross Domestic Product ("GDP") growth momentum could sustain at a similar pace as the preceding quarter, which was at 5.9%, albeit at a slower rate of increase. To recap, Bank Negara Malaysia ("BNM") now projects GDP to grow 4.8% to 5.3% in 2024, revised up from 4% to 5% previously, and the economy to expand by 4.5% to 5.5% in 2025.

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



## **INVESTMENT STRATEGY**

We remain constructive on sectors that stand to gain from the National Energy Transition Roadmap (“NETR”), including Utilities, Construction, and Property. We are also optimistic about Consumer names given the strong investment momentum in Malaysia, as well as Oil & Gas services. We also like sectors that benefit from the stronger MYR/RM. Additionally, we remain highly selective on Technology favoring those with strong bargaining power. Key risks are the derailment of Malaysia’s macroeconomic recovery and corporate earnings growth due to the larger-than-expected impact of rising inflation, slower global economic growth, and heightened geopolitical risks.

## **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.

## **UNIT SPLIT**

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

**STATEMENT BY MANAGER TO THE UNIT HOLDERS OF  
PRINCIPAL ISLAMIC SMALL CAP OPPORTUNITIES 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 4 to 26 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 November 2024 and of its financial performance, statement of 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  
16 January 2025

**TRUSTEE'S REPORT**

**TO THE UNIT HOLDERS OF  
PRINCIPAL ISLAMIC SMALL CAP OPPORTUNITIES FUND ("Fund")**

We have acted as Trustee of the Fund for the financial period ended 30 November 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 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

Lee Cincee  
Senior Manager, Trustee and Fiduciary Services

Kuala Lumpur  
16 January 2025

**SHARIAH ADVISER'S REPORT**

**To the Unit Holders of Principal Islamic Small Cap Opportunities Fund ("Fund")**

**For the Six Months Financial Period ended 30 November 2024**

We hereby confirm the following:

1. To the best of our knowledge, after having made all reasonable enquiries, Principal Asset Management Berhad has operated and managed the Fund during the period covered by these financial statements in accordance with the Shariah principles and complied with the applicable guidelines, rulings or decisions issued by the Securities Commission Malaysia ("SC") pertaining to Shariah matters; and
2. The asset of the Fund comprises of instruments that have been classified as Shariah compliant.

**For Amanie Advisors Sdn Bhd**

**Tan Sri Dr Mohd Daud Bakar**  
Executive Chairman

Kuala Lumpur  
16 January 2025

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

		<b>01.06.2024 to 30.11.2024</b>	<b>01.06.2023 to 30.11.2023</b>
	<b>Note</b>	<b>RM</b>	<b>RM</b>
<b>INCOME/(LOSS)</b>			
Dividend income		2,940,789	2,542,285
Profit income from Shariah-compliant deposits with licensed Islamic financial institutions at amortised cost and Hibah earned		414,343	346,721
Net (loss)/gain financial assets at fair value through profit or loss	<b>7</b>	(794,737)	6,037,990
Net foreign exchange (loss)/gain		(178,664)	6,060
		<u>2,381,731</u>	<u>8,933,056</u>
<b>EXPENSES</b>			
Management fee	<b>4</b>	2,997,196	2,251,382
Trustee fee	<b>5</b>	72,918	67,544
Audit fee		4,700	4,713
Tax agent's fee		2,050	2,055
Transaction costs		777,805	354,425
Other expenses		45,818	32,294
		<u>3,900,487</u>	<u>2,712,413</u>
<b>(LOSS)/PROFIT BEFORE TAXATION</b>		(1,518,756)	6,220,643
Taxation	<b>6</b>	-	-
<b>(LOSS)/PROFIT AFTER TAXATION, REPRESENTING TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE FINANCIAL PERIOD</b>		<u>(1,518,756)</u>	<u>6,220,643</u>
(Loss)/profit after taxation is made up as follows:			
Realised amount		18,183,597	61,633,716
Unrealised amount		(19,702,353)	(55,413,073)
		<u>(1,518,756)</u>	<u>6,220,643</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 NOVEMBER 2024**

		<b>30.11.2024</b>	<b>31.05.2024</b>
	<b>Note</b>	<b>RM</b>	<b>Audited RM</b>
<b>ASSETS</b>			
Cash and cash equivalents	<b>8</b>	29,052,589	22,496,013
Financial assets at fair value through profit or loss (Shariah-compliant)	<b>7</b>	302,834,374	256,014,569
Amount due from stockbrokers		-	2,074,045
Amount due from Manager		646,653	6,400,989
Amount due from Manager of Shariah-compliant collective investment scheme			
- management fee rebate		7,955	8,376
Dividends receivable		168,551	94,374
<b>TOTAL ASSETS</b>		<u>332,710,122</u>	<u>287,088,366</u>
<b>LIABILITIES</b>			
Amount due to stockbrokers		1,616,812	848,091
Amount due to Manager		621,084	4,194,869
Accrued management fee		499,491	419,834
Amount due to Trustee		12,150	10,212
Other payables and accruals		19,051	21,700
<b>TOTAL LIABILITIES</b>		<u>2,768,588</u>	<u>5,494,706</u>
<b>NET ASSET VALUE OF THE FUND</b>		<u>329,941,534</u>	<u>281,593,660</u>
<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS</b>		<u>329,941,534</u>	<u>281,593,660</u>
<b>NUMBER OF UNITS IN CIRCULATION (UNITS)</b>	<b>9</b>	<u>362,174,094</u>	<u>312,249,859</u>
<b>NET ASSET VALUE PER UNIT (RM)</b>		<u>0.9110</u>	<u>0.9018</u>

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

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

		<b>01.06.2024 to 30.11.2024 RM</b>	<b>01.06.2023 to 30.11.2023 RM</b>
<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE BEGINNING OF THE FINANCIAL PERIOD</b>	<b>Note</b>	<u>281,593,660</u>	<u>255,946,735</u>
Movement due to units created and cancelled during the financial period:			
- Creation of units from applications		149,233,210	4,263,572
- Cancellation of units		<u>(99,366,580)</u>	<u>(37,181,347)</u>
		<u>49,866,630</u>	<u>(32,917,775)</u>
Total comprehensive (loss)/income for the financial period		<u>(1,518,756)</u>	<u>6,220,643</u>
<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE END OF THE FINANCIAL PERIOD</b>	<b>10</b>	<u><u>329,941,534</u></u>	<u><u>229,249,603</u></u>

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

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

	<b>01.06.2024 to 30.11.2024 RM</b>	<b>01.06.2023 to 30.11.2023 RM</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Proceeds from disposal of Shariah-compliant quoted securities	98,688,576	53,756,153
Purchases of Shariah-compliant collective investment schemes	-	(1,237,896)
Purchases of Shariah-compliant quoted securities	(144,237,734)	(61,226,045)
Profit income received from Shariah-compliant deposits with licensed Islamic financial institutions and Hibah earned	414,343	346,721
Dividend income received	2,839,423	2,380,493
Management fees paid	(2,917,539)	(2,305,415)
Trustee and custodian fees paid	(70,980)	(72,169)
Payments of other fees and expenses	(28,029)	(17,986)
Payment of other foreign exchange loss	-	(424)
<b>Net cash (used in)/generated from operating activities</b>	<b>(45,311,940)</b>	<b>(8,376,568)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Cash proceeds from units created	154,987,545	4,278,537
Payments for cancellation of units	(102,940,364)	(36,806,406)
<b>Net cash used in financing activities</b>	<b>52,047,181</b>	<b>(32,527,869)</b>
Net decrease in cash and cash equivalents	6,735,241	(40,904,437)
Effect of foreign exchange differences	(178,665)	14,404
Cash and cash equivalents at the beginning of the financial period	22,496,013	50,656,311
Cash and cash equivalents at the end of the financial period	<u>29,052,589</u>	<u>9,766,278</u>
<u>Cash and cash equivalents comprise of</u>		
Shariah-compliant deposits with licensed Islamic financial institutions	25,804,312	41,479
Bank balances	<u>3,248,277</u>	<u>9,724,799</u>
Cash and cash equivalents at the end of the financial period	<u>29,052,589</u>	<u>9,766,278</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 NOVEMBER 2024**

**1. THE FUND, THE MANAGER AND ITS PRINCIPAL ACTIVITIES**

Principal Islamic Small Cap Opportunities Fund (the “Fund”) is governed by a Principal Master Deed dated 15 May 2008, a Fourth Supplemental Master Deed dated 25 June 2008, a Sixth Supplemental Master Deed dated 14 July 2008, a Seventh Supplemental Master Deed dated 19 November 2008, a Fifteenth Supplemental Master Deed dated 21 September 2012, a Seventeenth Supplemental Master Deed dated 25 March 2015, a Nineteenth Supplemental Master Deed dated 18 June 2019, a Twentythird Supplemental Master Deed dated 27 June 2022 and Twentyfourth Supplemental Master Deed dated 20 September 2022 (collectively referred to as the “Deeds”), made between Principal Asset Management Berhad (the “Manager”) and Universal Trustee (Malaysia) Berhad (the “Previous Trustee”) and a Twentyfifth Supplemental Master Deed dated 26 May 2023 (collectively referred to as the “Deeds”) between the Manager and HSBC (Malaysia) Trustee Berhad (the “Trustee”).

The Fund may invest a minimum of 70% and up to a maximum of 98% of its Net Asset Value (“NAV”) in Shariah-compliant stocks of emerging companies\*. The investment policy and strategy of the Fund will therefore focus on investments in Shariah-compliant instruments of such emerging companies\* with potential growth and hands-on management policies but may be lacking in track records. The Fund may also invest up to 28% of its NAV in other permissible Shariah-compliant investments such as Islamic fixed income securities for the purpose of cash management. The Fund may also opt to seek investment exposure via Islamic collective investment scheme that is in line with the Fund’s objective, subject to the requirements of the Securities Commission’s GUTF. In addition, Islamic liquid assets may be strategically used if we feel that the market downside risk is high in the short-term. With effect from 28 April 2023, the Fund may invest up to 25% of its NAV in emerging companies\* that are listed in any Eligible Markets globally with some operations or businesses in Malaysia to capture growth opportunities.

With effect from 28 April 2023,

*\*Emerging companies in this context referring to the following:*

*(a) companies with market capitalization of up to five (5) billion MYR at the point of purchase; or  
(b) stocks of companies which form the bottom 15% of the cumulative market capitalisation of the market which the Shariah-compliant stock is listed on at the point of purchase.*

The asset allocation strategy for this Fund is as follows:

- between 70% to 98% (both inclusive) of the Fund’s NAV will be invested in Shariah-compliant equities;
- up to 28% of the Fund’s NAV in other permissible Shariah-compliant investments; and
- at least 2% of the Fund’s NAV in Islamic liquid assets.

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

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

## 2. MATERIAL ACCOUNTING POLICY INFORMATION

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

### (a) Basis of preparation

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

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

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(k).

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

There are no applicable standards, amendments to standards or interpretations that are effective for financial period beginning on/after 1 December 2024 to the financial statements of the Fund.

### (b) Financial assets and financial liabilities

#### Classification

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

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

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

The Fund classifies cash and cash equivalents, amount due from stockbrokers, amount due from Manager, 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.

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### (b) Financial assets and financial liabilities

#### Recognition and measurement (continued)

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

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. Shariah-compliant investments are initially recognised at fair value. Transaction costs are expensed in the statement of comprehensive income.

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

Financial assets are derecognised when the rights to receive cash flows from the Shariah-compliant 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.

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

If a valuation based on the market price does not represent the fair value of the Shariah-compliant quoted securities, for example during abnormal market conditions or when no market price is available, including in the event of a suspension in the quotation of the Shariah-compliant quoted securities for a period exceeding 14 days, or such shorter period as agreed by the Trustee, then the Shariah-compliant quoted securities are valued as determined in good faith by the Manager, based on the methods or bases approved by the Trustee after appropriate technical consultation.

Shariah-compliant deposits with licensed Islamic financial institutions are stated at cost plus accrued profit calculated on the effective profit 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 profit 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 considers both historical analysis and forward looking information in determining any ECL.

**2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)****(b) Financial assets and financial liabilities**Impairment for assets carried at amortised costs (continued)

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) Functional and presentation currency**

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

**(d) Income recognition**

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

Profit income from Shariah-compliant deposits with licensed Islamic financial institutions is recognised on a time proportionate basis using the effective profit rate method on an accrual basis.

Realised gain or loss on disposal of Shariah-compliant quoted securities are accounted for as the difference between the net disposal proceeds and the carrying amount of Shariah-compliant quoted securities, determined on a weighted average cost basis.

**(e) Cash and cash equivalents**

For the purpose of statement of cash flows, cash and cash equivalents comprise bank balances and Shariah-compliant 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.

**2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)****(f) Taxation**

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

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

**(g) Transactions costs**

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

**(h) Unit holders’ contributions**

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

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

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

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

**(i) Amount due from/to stockbrokers**

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

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

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

**(k) 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.

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### (k) Critical accounting estimates and judgements in applying accounting policies (continued)

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 these accounting policies, no significant judgement was required.

## 3. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund aims to seek medium to long-term growth in capital by investing principally in emerging companies listed on Bursa Malaysia and this must be in accordance with the Shariah principles.

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

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

### (a) Market risk

#### (i) Price risk

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

The price risk is managed through diversification and selection of Shariah-compliant quoted securities and other financial instruments within specified limits according to the Deeds.

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

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

It does not in any way suggest that this Fund will invest in conventional financial instruments. All investment carried out for the Fund including placements and deposits are in accordance with Shariah requirements.

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

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

#### (a) Market risk (continued)

##### (i) Price risk (continued)

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

#### (b) Credit risk

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

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

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

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

#### (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, Shariah-compliant deposits with licensed Islamic 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 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 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.

### 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 value of financial assets traded in active markets (such as trading securities) are based on quoted market prices at the close of trading on the financial period end date. The Fund utilises the last traded market price for financial assets where the last traded 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>30.11.2024</b>				
Financial asset at fair value through profit or loss:				
- Shariah-compliant quoted securities	<u>302,834,374</u>	<u>-</u>	<u>-</u>	<u>302,834,374</u>
<b>31.05.2024</b>				
<b>Audited</b>				
Financial asset at fair value through profit or loss:				
- Shariah-compliant quoted securities	<u>256,014,569</u>	<u>-</u>	<u>-</u>	<u>256,014,569</u>

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

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

### 4. MANAGEMENT FEE

In accordance with the Deeds, the Manager is entitled to a maximum management fee of 3.00% per annum, calculated daily based on the NAV of the Fund.

For the six months financial period ended 30 November 2024, the management fee is recognised at a rate of 1.85% per annum (30.11.2023: 1.85% per annum).

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

### 5. TRUSTEE FEE

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

For the six months financial period ended 30 November 2024, the Trustee fee is recognised at a rate of 0.045% per annum (30.11.2023: 0.045% per annum).

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

**6. TAXATION**

	<b>01.06.2024 to 30.11.2024 RM</b>	<b>01.06.2023 to 30.11.2023 RM</b>
Tax charged for the financial period:		
- Current taxation	<u>-</u>	<u>-</u>

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

	<b>01.06.2024 to 30.11.2024 RM</b>	<b>01.06.2023 to 30.11.2023 RM</b>
Profit/(Loss) before taxation	<u>(1,518,756)</u>	<u>6,220,643</u>
Taxation at Malaysian statutory rate of 24% (30.11.2023: 24%)	(364,501)	1,492,954
Tax effects of:		
- Income not subject to tax	(571,615)	(2,143,933)
- Expenses not deductible for tax purposes	213,560	108,805
- Restriction on tax deductible expenses for Unit Trust Funds	<u>722,556</u>	<u>542,174</u>
Taxation	<u>-</u>	<u>-</u>

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

	<b>30.11.2024 RM</b>	<b>31.05.2024 Audited RM</b>
At fair value through profit or loss:		
- Shariah-compliant quoted securities	<u>302,834,374</u>	<u>256,014,569</u>
	<b>01.06.2024 to 30.11.2024 RM</b>	<b>01.06.2023 to 30.11.2023 RM</b>
Net (loss)/gain on financial assets at fair value through profit or loss:		
- Realised gain on disposals	18,908,037	53,421,999
- Unrealised fair value loss	<u>(19,702,774)</u>	<u>(47,384,009)</u>
	<u>(794,737)</u>	<u>6,037,990</u>

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>30.11.2024</b>				
<b>SHARIAH-COMPLIANT QUOTED SECURITIES</b>				
<b>MALAYSIA</b>				
<b>Construction</b>				
Gamuda Bhd	2,286,712	11,096,103	20,351,737	6.17
IJM Corp Bhd	2,876,400	5,165,722	8,571,672	2.60
Kerjaya Prospek Group Bhd	2,386,200	4,470,317	5,512,122	1.67
Southern Score Builders Bhd	22,869,400	4,573,880	12,463,823	3.78
Sunway Construction Group Bhd	746,700	1,749,738	3,210,810	0.97
	<u>31,165,412</u>	<u>27,055,760</u>	<u>50,110,164</u>	<u>15.19</u>
<b>Consumer Products &amp; Services</b>				
Aeon Co. M Bhd	7,958,100	11,350,984	11,937,150	3.62
Bermaz Auto Bhd	2,283,600	4,725,238	4,635,708	1.41
Farm Fresh Bhd	6,832,900	10,447,360	12,777,523	3.87
	<u>17,074,600</u>	<u>26,523,582</u>	<u>29,350,381</u>	<u>8.90</u>
<b>Energy</b>				
Dayang Enterprise Holding Bhd	4,137,800	8,312,016	8,606,624	2.61
Keyfield International Bhd	2,940,800	7,347,733	6,263,904	1.90
Perdana Petroleum Bhd	17,638,086	6,097,869	4,674,093	1.42
	<u>24,716,686</u>	<u>21,757,618</u>	<u>19,544,621</u>	<u>5.93</u>
<b>Health Care</b>				
Hartalega Holding Bhd	2,856,100	5,288,323	10,053,472	3.05
KPJ Healthcare Bhd	4,526,600	4,945,728	11,271,234	3.42
Top Glove Corp Bhd	4,839,500	5,161,756	5,662,215	1.72
	<u>12,222,200</u>	<u>15,395,807</u>	<u>26,986,921</u>	<u>8.19</u>
<b>Industrials</b>				
Kelington Group Bhd	3,009,200	6,005,949	10,502,108	3.18
KJTS Group Bhd	9,138,500	4,597,889	6,853,875	2.08
Nationgate Holdings Bhd	8,290,200	11,522,116	17,906,832	5.43
P.I.E. Industrial Bhd	1,579,100	8,056,228	9,237,735	2.80
Solarvest Holdings	5,953,200	8,207,433	9,465,588	2.87
V.S. Industry	14,815,496	13,550,720	15,111,806	4.58
V.S. Industry - Warrants	1,079,469	-	156,523	0.05
	<u>43,865,165</u>	<u>51,940,335</u>	<u>69,234,467</u>	<u>20.99</u>
<b>Plantation</b>				
Johor Plantations Group	6,555,900	5,933,775	9,047,142	2.74

## 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>30.11.2024 (CONTINUED)</b>				
<b>SHARIAH-COMPLIANT QUOTED SECURITIES (CONTINUED)</b>				
<b>MALAYSIA (CONTINUED)</b>				
<b>Property</b>				
Eastern and Oriental Bhd	4,173,300	2,625,420	4,089,834	1.24
SP Setia Bhd	6,004,500	4,829,023	7,985,985	2.42
UEM Sunrise Bhd	8,257,700	8,737,777	8,009,969	2.43
	<u>18,435,500</u>	<u>16,192,220</u>	<u>20,085,788</u>	<u>6.09</u>
<b>Real Estate</b>				
Axis REIT	<u>5,936,428</u>	<u>11,103,118</u>	<u>10,270,020</u>	<u>3.11</u>
<b>Information Technology</b>				
Frontken Corp Bhd	2,672,200	9,093,814	10,688,800	3.24
Genetec Technology Bhd	5,198,300	12,433,441	6,237,960	1.89
Greatech Technology bhd	2,849,200	7,368,421	5,869,352	1.78
Ifca Msc Bhd	12,019,700	8,832,096	7,452,214	2.26
Infomina Bhd	3,175,900	4,964,555	4,033,393	1.22
LGMS Bhd	10,125,300	9,014,127	12,352,866	3.74
SMRT Holdings Bhd	9,786,000	8,684,795	10,960,320	3.32
	<u>45,826,600</u>	<u>60,391,249</u>	<u>57,594,905</u>	<u>17.45</u>
<b>Transportation/Logistics</b>				
MISC Bhd	<u>882,600</u>	<u>7,042,218</u>	<u>6,398,850</u>	<u>1.94</u>
<b>Utilities</b>				
Malakoff Corp Bhd	<u>5,297,000</u>	<u>5,098,029</u>	<u>4,211,115</u>	<u>1.28</u>
<b>TOTAL SHARIAH- COMPLIANT QUOTED SECURITIES</b>	<u><b>211,978,091</b></u>	<u><b>248,433,711</b></u>	<u><b>302,834,374</b></u>	<u><b>91.81</b></u>
<b>ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<u><b>54,400,663</b></u>		
<b>TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<u><b>302,834,374</b></u>		

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

31.05.2024 (Audited)

SHARIAH-COMPLIANT

QUOTED SECURITIES

**Construction**

Econpile Holdings Bhd	4,683,000	1,668,974	2,154,180	0.76
Gamuda Bhd	2,657,493	12,810,149	16,130,983	5.73
IJM Corporation Bhd	2,876,400	5,165,722	7,910,100	2.81
Southern Score Builders Bhd	23,804,600	4,760,920	15,830,059	5.62
Sunway Construction Group Bhd	2,205,500	5,168,136	6,947,325	2.47
	<u>36,226,993</u>	<u>29,573,901</u>	<u>48,972,647</u>	<u>17.39</u>

**Consumer Products & Services**

Bermaz Auto Bhd	2,289,200	3,824,103	5,562,756	1.98
Guan Chong Bhd	1,298,300	3,684,017	5,284,081	1.88
Karex Bhd	4,570,300	3,488,559	3,793,349	1.35
	<u>8,157,800</u>	<u>10,996,679</u>	<u>14,640,186</u>	<u>5.21</u>

**Energy**

Dayang Enterprise Holdings Bhd	3,714,000	6,392,616	9,804,960	3.48
Perdana Petroleum Bhd	16,150,200	5,292,680	6,460,080	2.29
Uzma Bhd	824,400	919,270	898,596	0.32
Wasco Bhd	3,291,800	3,208,124	4,937,700	1.76
	<u>23,980,400</u>	<u>15,812,690</u>	<u>22,101,336</u>	<u>7.85</u>

**Health Care**

Hartalega Holdings Bhd	3,540,900	5,877,102	11,118,426	3.95
KPJ Healthcare Bhd	5,791,700	6,327,967	11,004,230	3.91
	<u>9,332,600</u>	<u>12,205,069</u>	<u>22,122,656</u>	<u>7.86</u>

**Industrial Products & Services**

Kelington Group Bhd	2,139,400	2,318,044	6,739,110	2.40
KJTS Group Bhd	8,060,200	3,801,897	5,642,140	2.00
Nationgate Holdings Bhd	6,958,900	7,773,818	12,873,965	4.57
P.I.E. Industrial Bhd	1,348,200	6,292,133	7,981,344	2.83
Solarvest Holdings Bhd	3,886,100	4,787,609	6,256,621	2.22
V.S. Industry Bhd	9,008,596	7,009,286	9,549,112	3.39
	<u>31,401,396</u>	<u>31,982,787</u>	<u>49,042,292</u>	<u>17.41</u>

**Property**

Eastern & Oriental Bhd	4,716,800	2,967,335	4,811,136	1.71
Iskandar Waterfront City Bhd	7,453,600	5,571,341	5,590,200	1.99
Sime Darby Property Bhd	5,042,800	3,452,345	6,253,072	2.22

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>31.05.2024 (Audited) (CONTINUED) SHARIAH-COMPLIANT QUOTED SECURITIES (CONTINUED)</b>				
<b>Property (continued)</b>				
SP Setia Bhd	6,004,500	4,829,023	8,706,525	3.09
	<u>23,217,700</u>	<u>16,820,044</u>	<u>25,360,933</u>	<u>9.01</u>
<b>REIT</b>				
Axis REIT	<u>4,134,628</u>	<u>7,803,423</u>	<u>7,607,715</u>	<u>2.70</u>
<b>Technology</b>				
ECA Integrated Solution Bhd	2,619,300	2,357,370	1,047,720	0.37
Frontken Corporation Bhd	1,902,600	6,192,332	8,086,050	2.87
Genetec Technology Bhd	5,498,600	13,184,067	11,986,948	4.26
Greotech Technology Bhd	955,700	4,925,761	4,835,842	1.72
Infomina Bhd	2,963,200	4,683,167	4,207,744	1.49
ITMAX System Bhd	2,870,900	4,181,930	6,545,652	2.32
LGMS Bhd	10,972,800	9,431,699	15,471,648	5.49
Malaysian Pacific Industries	208,000	6,889,830	7,716,800	2.74
SMRT Holdings Bhd	<u>6,268,400</u>	<u>4,870,804</u>	<u>6,268,400</u>	<u>2.23</u>
	<u>34,259,500</u>	<u>56,716,960</u>	<u>66,166,804</u>	<u>23.49</u>
<b>TOTAL SHARIAH-COMPLIANT QUOTED SECURITIES</b>	<b><u>170,711,017</u></b>	<b>181,911,553</b>	<b><u>256,014,569</u></b>	<b><u>90.92</u></b>
<b>ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b>74,103,016</b>		
<b>TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b><u>256,014,569</u></b>		

**8. CASH AND CASH EQUIVALENTS**

	<b>30.11.2024</b>	<b>31.05.2024</b>
	<b>RM</b>	<b>Audited RM</b>
Shariah-compliant deposits with licensed Islamic financial institutions	25,804,312	19,186,577
Bank balances	3,248,277	3,309,436
	<u>29,052,589</u>	<u>22,496,013</u>

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

	<b>01.06.2024 to 30.11.2024</b>	<b>01.06.2023 to 31.05.2024</b>
	<b>No. of units</b>	<b>Audited No. of units</b>
At the beginning of the financial period/year	312,249,859	396,395,562
Add: Creation of units from applications	156,932,942	47,765,769
Less: Cancellation of units	(107,008,707)	(131,911,472)
At the end of the financial period/year	<u>362,174,094</u>	<u>312,249,859</u>

**10. NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS**

Net assets attributable to unit holders as at the reporting date comprises of:

	<b>30.11.2024</b>	<b>31.05.2024</b>
	<b>RM</b>	<b>Audited RM</b>
Unit holders' contributions	153,676,984	103,810,354
Retained earnings	176,264,550	177,783,306
	<u>329,941,534</u>	<u>281,593,660</u>

The movement in the components of net assets attributable to unit holders for the financial period were as follows:

	<b>Unit holders' contributions RM</b>	<b>Retained earnings RM</b>	<b>Total RM</b>
<b>Balance as at 1 June 2024</b>	103,810,354	177,783,306	281,593,660
Movements in unit holders' contributions:			
- Creation of units from applications	149,233,210	-	149,233,210
- Cancellation of units	(99,366,580)	-	(99,366,580)
Total comprehensive income for the financial period	-	(1,518,756)	(1,518,756)
<b>Balance at 30 November 2024</b>	<u>153,676,984</u>	<u>176,264,550</u>	<u>329,941,534</u>

# 10. NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS (CONTINUED)

Net assets attributable to unit holders as at the reporting date comprises of (continued):

	Unit holders' contributions RM	Retained earnings RM	Total RM
<b>Balance as at 1 June 2023</b>	160,514,808	95,431,927	255,946,735
Movements in unit holders' contributions:			
- Creation of units from applications	4,263,572	-	4,263,572
- Cancellation of units	(37,181,347)	-	(37,181,347)
Total comprehensive income for the financial period	-	6,220,643	6,220,643
<b>Balance at 30 November 2023</b>	<u>127,597,033</u>	<u>101,652,570</u>	<u>229,249,603</u>

# 11. TOTAL EXPENSE RATIO ("TER")

	01.06.2024 to 30.11.2024 %	01.06.2023 to 30.11.2023 %
TER	<u>0.95</u>	<u>0.96</u>

TER is derived from the following calculation:

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

A	=	Management fee
B	=	Trustee fee
C	=	Audit fee
D	=	Tax Agent's fee
E	=	Other expenses excluding withholding tax
F	=	Average NAV of the Fund calculated on a daily basis

The average NAV of the Fund for the financial period calculated on a daily basis is RM324,648,145 (30.11.2023: RM242,633,615).

# 12. PORTFOLIO TURNOVER RATIO ("PTR")

	01.06.2024 to 30.11.2024	01.06.2023 to 30.11.2023
PTR (times)	<u>0.37</u>	<u>0.24</u>

PTR was derived from 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	= RM144,529,274 (30.11.2023: RM61,410,023)
total disposal for the financial period	= RM96,915,154 (30.11.2023: RM54,857,148)



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

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

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

Units held by the Manager and parties related to the Manager

	<b>30.11.2024</b>		<b>31.05.2024</b>	
			<b>Audited</b>	
	<b>No. of units</b>	<b>RM</b>	<b>No. of units</b>	<b>RM</b>
<b>Manager</b>				
Principal Asset Management Berhad	2,528	2,303	3,392	3,059

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

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

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

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

	01.06.2024 to 30.11.2024 RM	01.06.2023 to 30.11.2023 RM
<u>Significant related party transactions</u>		
Profit income from Shariah-compliant deposits with licensed Islamic financial institution:		
- CIMB Islamic Bank Bhd	-	9,612

**14. TRANSACTIONS WITH BROKERS/DEALERS**

Details of transactions with the top 10 brokers/dealers for the six months financial period ended 30 November 2024 are as follows:

Brokers/Dealers	Value of trades RM	Percentage of total trades %	Brokerage fees RM	Percentage of total brokerage fees %
Affin Hwang Investment Bank Bhd	49,469,758	20.51	108,033	20.20
Maybank Investment Bank Bhd	34,966,090	14.50	98,654	18.44
RHB Investment Bank Bhd	28,929,061	11.99	62,915	11.76
CGS International Securities Malaysia Sdn Bhd	24,424,691	10.13	43,042	8.05
Macquarie Capital Securities (M) Sdn Bhd	23,773,316	9.86	52,172	9.75
CLSA Securities M Sdn Bhd	21,244,443	8.81	47,032	8.79
Nomura Securities Malaysia Sdn Bhd	19,870,125	8.24	42,943	8.03
J.P. Morgan Securities (M) Sdn Bhd	11,040,220	4.58	18,554	3.47
KAF Equities Sdn Bhd	9,995,044	4.14	21,870	4.09
UBS Securities M Sdn Bhd	8,240,136	3.42	17,886	3.34
Others	9,225,800	3.82	21,821	4.08
	<u>241,178,684</u>	<u>100.00</u>	<u>534,922</u>	<u>100.00</u>

Details of transactions with the top 10 brokers/dealers for the six months financial period ended 30 November 2023 are as follows:

Brokers/Dealers	Value of trades RM	Percentage of total trades %	Brokerage fees RM	Percentage of total brokerage fees %
UBS Securities Malaysia Sdn Bhd	17,132,300	14.70	33,495	14.46
Maybank Investment Bank Bhd	15,983,766	13.72	33,349	14.39
Macquarie Capital Securities (M) Sdn Bhd	13,474,408	11.56	29,718	12.83
Affin Hwang Investment Bank Bhd	11,946,995	10.25	26,294	11.35
Nomura Securities Malaysia Sd n Bhd	11,681,490	10.02	25,677	11.08

14. TRANSACTIONS WITH BROKERS/DEALERS (CONTINUED)

Details of transactions with the top 10 brokers/dealers for the six months financial period ended 30 November 2023 are as follows (continued):

Brokers/Dealers	Value of trades RM	Percentage of total trades %	Brokerage fees RM	Percentage of total brokerage fees %
KAF Equities Sdn Bhd	9,668,816	8.30	16,033	6.92
CLSA Securities (Malaysia) Bhd	9,478,434	8.13	20,014	8.64
JP Morgan Securities (Malaysia) Sdn Bhd	8,498,663	7.29	10,244	4.42
CGS-CIMB Securities Sdn Bhd #	7,306,926	6.27	15,175	6.55
RHB Investment Bank Bhd	6,178,936	5.30	13,922	6.00
Others	5,180,439	4.46	7,774	3.36
	<u>116,531,173</u>	<u>100.00</u>	<u>231,695</u>	<u>100.00</u>

# Included in the transactions are trades conducted CGS-CIMB Securities Sdn Bhd fellow related parties to the Manager amounting to nil (30.11.2023: RM7,306,926) respectively. The Manager is of the opinion that all transactions with the related party have been entered into in the normal course of business at agreed terms between the related party.

## DIRECTORY

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