

**PRINCIPAL GLOBAL DYNAMIC INNOVATION FUND (FORMERLY KNOWN AS PRINCIPAL  
GLOBAL MILLENNIAL EQUITY FUND)**

**UNAUDITED SEMI-ANNUAL REPORT**

**FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2024**

**PRINCIPAL GLOBAL DYNAMIC INNOVATION FUND  
(FORMERLY KNOWN AS PRINCIPAL GLOBAL MILLENNIAL EQUITY FUND)**

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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 Unaudited Semi-Annual Fund Report of the Principal Global Dynamic Innovation Fund (formerly known as Principal Global Millennial Equity Fund) for the financial period ended 31 December 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 Fund aims to achieve capital appreciation over the medium to long term through investments primarily in a portfolio of global equities.

#### **Has the Fund achieved its objective?**

The fund has underperformed its benchmark during the financial period under review. However, we are taking the necessary action to ensure that the fund is in line to achieve its long-term objective of capital appreciation over the medium to long term as stated under the Fund investment policy.

#### **What are the Fund investment policy and its strategy?**

The Fund seeks to achieve its objective by investing in global equity of companies that are impacted by the spending and lifestyle activities of the Millennial generation, which refers to people born from 1980 to the mid-2000s. The investment universe includes listed securities as well as Initial Public Offering ("IPO"). The universe is broadly defined as global all-country and all-cap, across the full market capitalization spectrum (small, medium and large). The Fund is expected to have a growth bias overall, including both growth and value oriented companies over time. Market segments with the greatest Millennial exposure are likely to include, without limitation, consumer goods (including fashion and apparel), social media and e-commerce, and digital media and technology.

Under normal circumstances, the Fund invests a maximum of 98% of its Net Asset Value ("NAV") in equities. The Fund may opt to access into equities via the investment in units of other collective investment scheme. The Fund currently does not intend to invest in warrants. The Fund may also invest in derivative instruments for hedging purpose, subject to the prevailing Guidelines on Unit Trust Funds ("GUTF") issued by Securities Commission Malaysia ("SC").

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 equities; and
- at least 2% of the Fund's NAV in liquid assets.

#### **Base Currency**

US Dollar ("USD")

#### **Fund category/type**

Equity / Growth

#### **When was the Fund launched?**

Name of Class	Launch Date
Class MYR	31 May 2018
Class MYR-Hedged ("MYR-H")	31 May 2018
Class SGD-Hedged ("SGD-H")	31 May 2018
Class USD	31 May 2018

#### **What was the size of the Fund as at 31 December 2024?**

USD21.21 million (129.01 million units)

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

MSCI ACWI Index.

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

**PRINCIPAL GLOBAL DYNAMIC INNOVATION FUND  
(FORMERLY KNOWN AS PRINCIPAL GLOBAL MILLENNIAL EQUITY FUND)**

**FUND OBJECTIVE AND POLICY (CONTINUED)**

**What is the Fund distribution policy?**

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 31 December 2024?**

There was no distribution made for the six months financial period ended 31 December 2024.

**PERFORMANCE DATA**

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

	<b>31.12.2024</b>	<b>31.12.2023</b>	<b>31.12.2022</b>
	%	%	%
Quoted securities			
- Construction	1.48	-	-
- Consumer Discretionary	-	30.18	39.91
- Consumer Staples	-	5.15	6.34
- Electronics	18.54	-	-
- Financials	-	1.42	-
- Health Care	19.11	14.04	19.32
- Industrials	10.81	-	-
- Information Technology	33.55	31.60	22.38
- Telecommunication Services	11.42	13.7	7.72
Cash and net assets	5.93	4.71	4.77
Liabilities	(0.84)	(0.80)	(0.44)
	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>

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

	<b>31.12.2024</b>	<b>31.12.2023</b>	<b>31.12.2022</b>
NAV (USD Million)			
- Class MYR	11.91	15.05	12.67
- Class MYR-H	8.04	9.24	8.52
- Class SGD-H	0.36	0.18	0.08
- Class USD	0.90	0.79	0.66
Units in circulation (Million)			
- Class MYR	67.13	88.08	96.54
- Class MYR-H	59.83	70.76	78.53
- Class SGD-H	0.82	0.40	0.23
- Class USD	1.23	1.12	1.22
NAV per unit (USD)			
- Class MYR	0.1774	0.1708	0.1312
- Class MYR-H	0.1343	0.1306	0.1086
- Class SGD-H	0.4449	0.4562	0.3513
- Class USD	0.7298	0.7027	0.5398

**PRINCIPAL GLOBAL DYNAMIC INNOVATION FUND  
(FORMERLY KNOWN AS PRINCIPAL GLOBAL MILLENNIAL EQUITY FUND)**

**PERFORMANCE DATA (CONTINUED)**

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

	<b>01.07.2024 to 31.12.2024</b>	<b>01.07.2023 to 31.12.2023</b>	<b>01.07.2022 to 31.12.2022</b>
Highest NAV per unit (USD)			
- Class MYR	0.1983	0.1714	0.1493
- Class MYR-H	0.1556	0.1306	0.1236
- Class SGD-H	0.5121	0.4582	0.3927
- Class USD	0.8157	0.7050	0.6140
Lowest NAV per unit (USD)			
- Class MYR	0.1738	0.1397	0.1206
- Class MYR-H	0.1335	0.1031	0.0933
- Class SGD-H	0.4449	0.3605	0.3042
- Class USD	0.7154	0.5747	0.4962
Total return (%)			
- Class MYR	(13.77)	8.08	0.19
- Class MYR-H	(10.72)	7.71	(1.20)
- Class SGD-H	(10.22)	8.73	(0.72)
- Class USD	(9.06)	9.85	0.33
Capital growth (%)			
- Class MYR	(13.77)	8.08	0.19
- Class MYR-H	(10.72)	7.71	(1.20)
- Class SGD-H	(10.22)	8.73	(0.72)
- Class USD	(9.06)	9.85	0.33
Income distribution (%)			
- Class MYR	-	-	-
- Class MYR-H	-	-	-
- Class SGD-H	-	-	-
- Class USD	-	-	-
Total Expense Ratio ("TER") (%) ^	1.07	0.96	0.96
Portfolio Turnover Ratio ("PTR") (times) #	0.85	0.22	0.15

^ The Fund's TER increased from 1.07% to 0.96% due to increase in total expenses during the financial period under review.

# For the financial period under review, the Fund's PTR increase from 0.22 times to 0.85 times, as there were more trading activities.

	<b>31.12.2024</b>	<b>31.12.2023</b>	<b>31.12.2022</b>	<b>31.12.2021</b>	<b>31.12.2020</b>
	%	%	%	%	%
Annual total return					
- Class MYR	1.15	35.82	(30.80)	17.62	27.24
- Class MYR-H	0.20	25.46	(35.72)	13.38	27.68
- Class SGD-H	1.06	27.70	(35.67)	12.44	28.39
- Class USD	3.84	30.20	(34.51)	13.50	29.42

(Launch date: 31 May 2018)

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

**PRINCIPAL GLOBAL DYNAMIC INNOVATION FUND  
(FORMERLY KNOWN AS PRINCIPAL GLOBAL MILLENNIAL EQUITY FUND)**

**MARKET REVIEW (1 JULY 2024 TO 31 DECEMBER 2024)**

The July 2024 US Consumer Price Index (“CPI”) reading was one of the initial catalysts to the equity market recovery, and all but assured the start of the Federal Reserve’s (the “Fed”) cutting cycle in September 2024. Annual headline CPI came in below 3% for the first time since March 2021, while core CPI inflation is also sitting at its slowest pace since early 2021. Following these events, investors became fixated on Jerome H.Powell’s speech at Jackson Hole and the Chairman didn’t disappoint. He opened the symposium by signaling that the long-awaited start to the Fed’s cutting cycle will begin in September 2024.

The Fed’s aggressive 50 basis point rate cut, while unconventional, reflect the proactive approach to stave off potential economic weakness. Despite associations of such large rate cuts with crises, today’s economic backdrop remains resilient. The larger rate cut is not driven by a weakening economy, but rather a combination of growing confidence around the inflation outlook, a desire to prevent job layoffs from materializing, and a signal of the Fed’s “commitment to not fall behind the curve”. In other words, the fall in inflation has permitted the Fed to shift from being data dependent and reactive to now pre-emptive and forward-looking.

The month of October 2024 saw the previous month’s euphoria from announced Chinese stimulus measures as well as synchronized global central bank rate cuts begin to wane. Equity markets outside of the US took a breather as all eyes shifted to the highly anticipated Presidential election within the US. Following the announced stimulus measures out of China and the sharp rally in equities, investors are now fixated on further details and the potential long-term impact of the announced stimulus. Chinese policymaker’s have yet to divulge further granularity on how the fiscal measures will spur domestic growth and are likely waiting to see who takes the oval office in the US For now, investors have pulled back on some of the excitement leading to weakness in relative returns.

The final period of 2024 concluded with equity markets taking a breather following a strong year in most markets led by the US. Markets had become comfortable with what they deemed to be an expected policy path in the year ahead, but latest economic data and central bank meetings led by the Fed brought more uncertainty and potentially different monetary policies moving forward. This laid the foundation for broad-based profit-taking as investors took a more cautious approach into the new year. At its December 2024 meeting, the Federal Open Market Committee decided to lower the benchmark policy rate by 25 basis points to 4.25% to 4.50%, its third consecutive reduction in rates. However, in recognition of both solid economic data and sticky inflation data (plus a nod to increased inflation uncertainty from the incoming administration’s policy proposals), Fed Chair Jerome Powell signaled that the Fed is very likely to slow the pace of easing from here.

**FUND PERFORMANCE**

	<b>6 months to 31.12.2024</b>	<b>1 year to 31.12.2024</b>	<b>3 years to 31.12.2024</b>	<b>5 years to 31.12.2024</b>	<b>Since Inception to 31.12.2024</b>
	%	%	%	%	%
Income Distribution					
- MYR	-	-	3.30	12.22	12.22
- MYR-H	-	-	3.34	12.47	12.47
- SGD-H	-	-	3.32	12.37	12.37
- USD	-	-	3.31	12.24	12.24
Capital Growth					
- MYR	(13.77)	1.15	(4.94)	26.78	34.84
- MYR-H	(10.72)	0.20	(19.19)	4.02	6.76
- SGD-H	(10.22)	1.06	(16.98)	6.65	8.09
- USD	(9.06)	3.84	(11.46)	15.88	24.07
Total Return					
- MYR	(13.77)	1.15	(4.94)	42.27	51.32
- MYR-H	(10.72)	0.20	(19.19)	16.99	20.06
- SGD-H	(10.22)	1.06	(16.98)	19.84	21.46
- USD	(9.06)	3.84	(11.46)	30.07	39.25

**PRINCIPAL GLOBAL DYNAMIC INNOVATION FUND  
(FORMERLY KNOWN AS PRINCIPAL GLOBAL MILLENNIAL EQUITY FUND)**

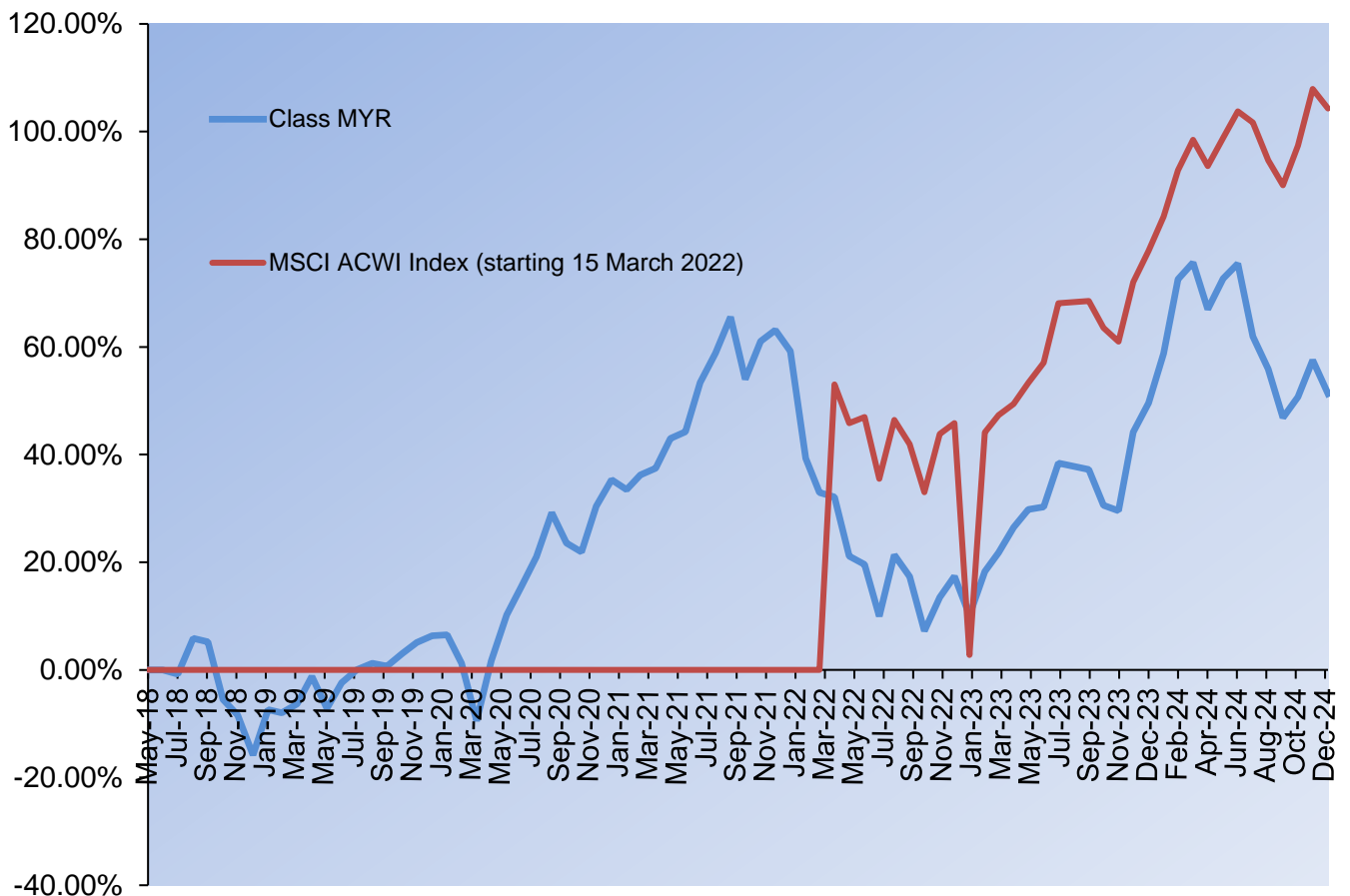
**FUND PERFORMANCE (CONTINUED)**

	<b>6 months to 31.12.2024 %</b>	<b>1 year to 31.12.2024 %</b>	<b>3 years to 31.12.2024 %</b>	<b>5 years to 31.12.2024 %</b>	<b>Since Inception to 31.12.2024 %</b>
<b>Benchmark</b>					
- MYR	0.25	14.84	14.70	71.81	104.26
- MYR-H	5.77	18.02	6.87	57.17	81.81
- SGD-H	5.77	18.02	6.87	57.17	81.81
- USD	5.77	18.02	6.87	57.17	81.81
<b>Average Total Return</b>					
- MYR	(25.47)	1.15	(1.67)	7.30	6.49
- MYR-H	(20.14)	0.20	(6.85)	3.18	2.81
- SGD-H	(19.25)	1.06	(6.01)	3.68	2.99
- USD	(17.17)	3.84	(3.97)	5.39	5.15

For the 6-month financial period under review, Class MYR, Class MYR-H, Class SGD-H, and Class USD decreased by 13.77%, 10.72%, 10.22% and 9.06% respectively, underperforming their benchmark that recorded a positive return of 0.25%, 5.77%, 5.77% and 5.77% respectively.

**Since Inception**

**CLASS MYR**



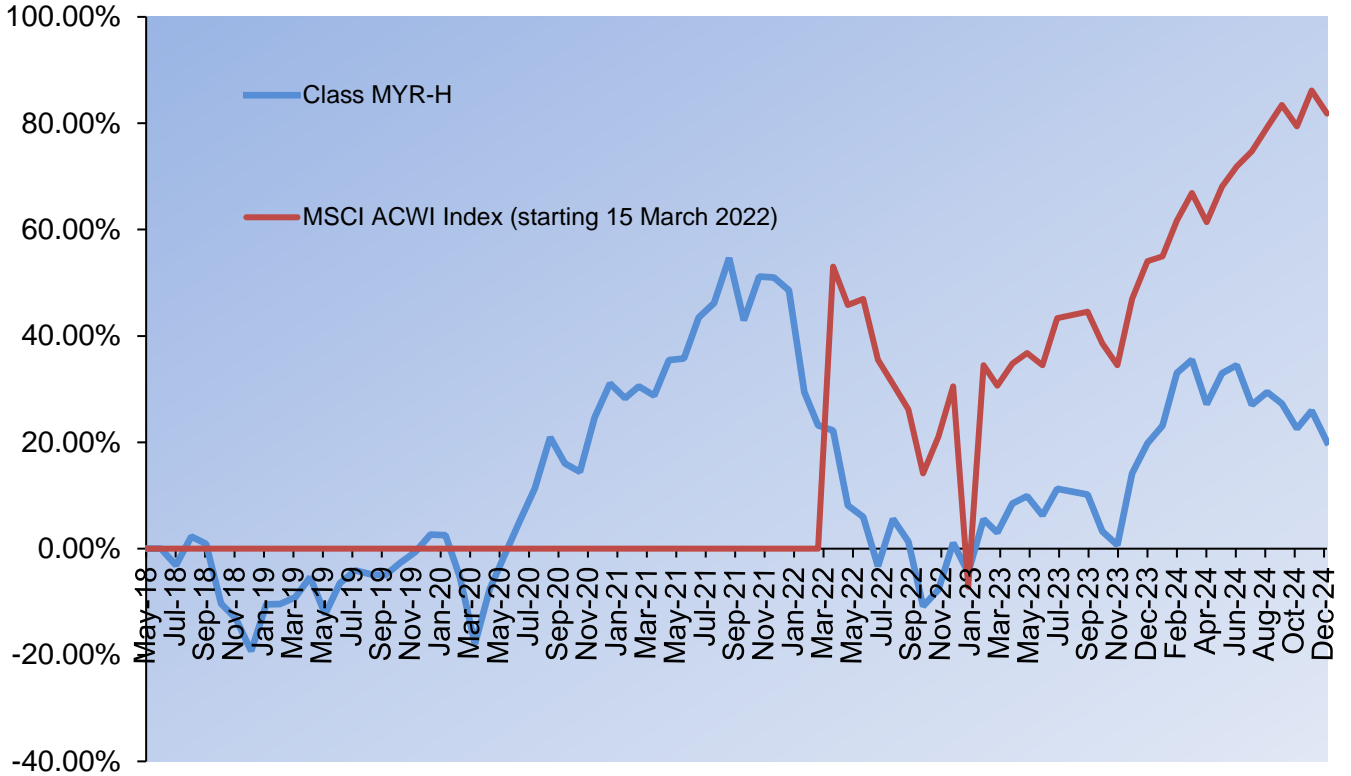


**PRINCIPAL GLOBAL DYNAMIC INNOVATION FUND  
(FORMERLY KNOWN AS PRINCIPAL GLOBAL MILLENNIAL EQUITY FUND)**

**FUND PERFORMANCE (CONTINUED)**

Since Inception

**CLASS MYR-H**



**CLASS SGD-H**

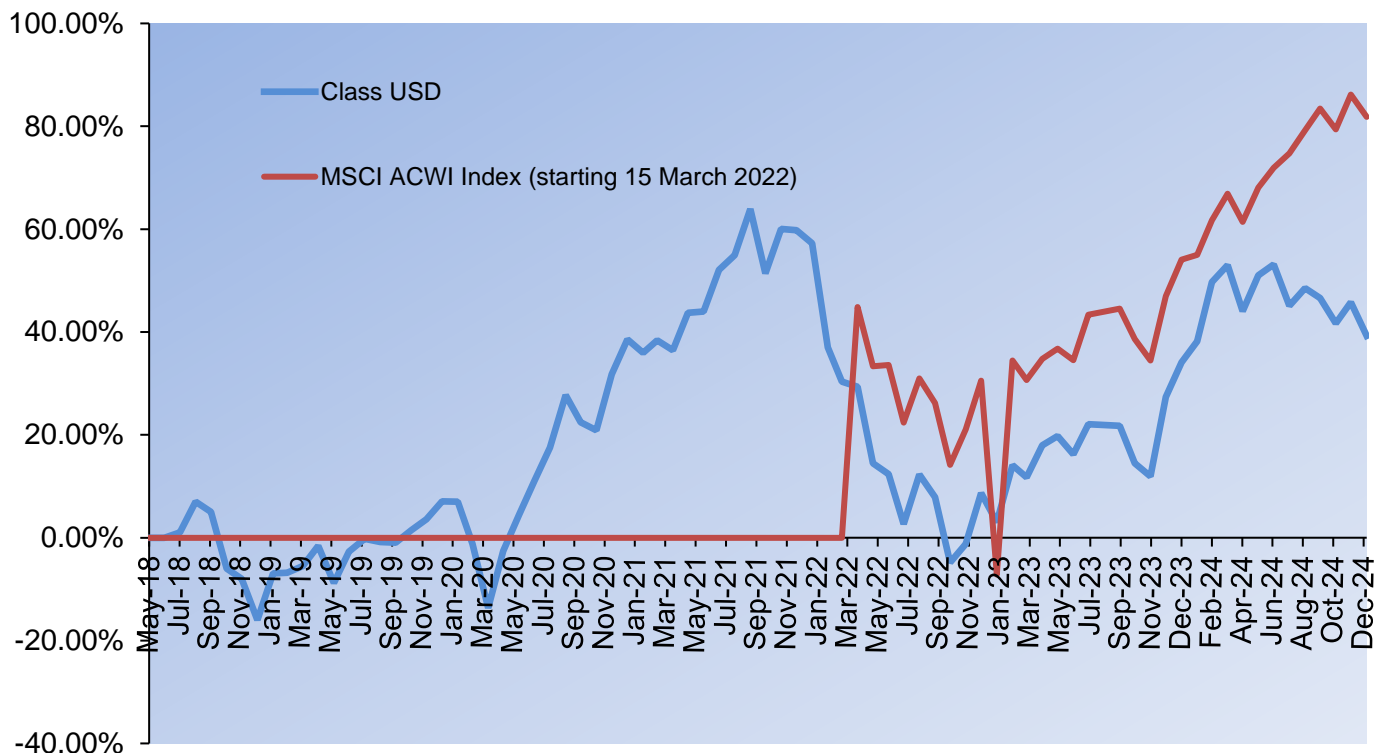


**PRINCIPAL GLOBAL DYNAMIC INNOVATION FUND  
(FORMERLY KNOWN AS PRINCIPAL GLOBAL MILLENNIAL EQUITY FUND)**

**FUND PERFORMANCE (CONTINUED)**

Since Inception

**CLASS USD**



**Changes in NAV**

	<b>31.12.2024</b>	<b>30.06.2024 Audited</b>	<b>Changes %</b>
<b>Class MYR</b>			
NAV (USD Million)	11.91	15.83	(24.76)
NAV/Unit (USD)	0.1774	0.1955	(9.26)
<b>Class MYR-H</b>			
NAV (USD Million)	8.04	10.90	(26.24)
NAV/Unit (USD)	0.1343	0.1429	(6.02)
<b>Class SGD-H</b>			
NAV (USD Million)	0.36	0.34	5.88
NAV/Unit (USD)	0.4449	0.5007	(11.14)
<b>Class USD</b>			
NAV (USD Million)	0.90	1.02	(11.76)
NAV/Unit (USD)	0.7298	0.8040	(9.23)

During the financial period under review, the Fund recorded net outflow due to redemptions for Class MYR, Class MYR-H and Class USD by 24.76%, 26.24%, and 11.76% respectively. Meanwhile, Class SGD-H recorded net inflow from unit creations by 5.88% during the same period under review.

In addition, the NAV per unit for Class MYR, MYR-H, Class SGD-H, and Class USD decreased by 9.26%, 6.02%, 11.14%, and 9.23% respectively. The decrease in NAV/unit for all classes were due to the negative investment performance during the financial period under review.

**PRINCIPAL GLOBAL DYNAMIC INNOVATION FUND  
(FORMERLY KNOWN AS PRINCIPAL GLOBAL MILLENNIAL EQUITY FUND)**

## Changes in NAV (Continued)

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

## PORTFOLIO STRUCTURE

### Asset allocation

(% of NAV)	31.12.2024	30.06.2024 Audited
Quoted securities	94.91	95.64
Cash and other assets	5.93	5.71
Liabilities	(0.84)	(1.35)
<b>TOTAL</b>	<b>100.00</b>	<b>100.00</b>

During the financial period under review, the Fund continued to be fully invested with minimal level of liquid assets maintained primarily for redemption purposes.

### MARKET OUTLOOK\*

Improving economic conditions, growing corporate earnings, solid balance sheets and favorable credit conditions provide a constructive backdrop for global equities. Liquidity is a critical factor to note as ample liquidity was a key driver of asset strength in 2024. Monetary and fiscal-driven liquidity helped drive equity returns as evidenced by multiple expansion and tightened credit spreads. Entering 2025, the world's three largest economies (the US, China, and European, collectively representing nearly 60% of global Gross Domestic Product ("GDP")) are all signaling stimulative policy actions. Unless derailed by inflation or geopolitics, the easy liquidity backdrop should support market returns.

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

### INVESTMENT STRATEGY

The Fund will continue to remain fully invested in the Target Fund with minimal cash kept for liquidity purposes.

### SOFT COMMISSIONS AND REBATES

Principal Malaysia (the "Manager"), the Sub-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

**SOFT COMMISSIONS AND REBATES (CONTINUED)**

(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**

We have issued the First Supplemental Prospectus is dated 25 September 2024 for the change of Fund name to Principal Global Dynamic Innovation Fund (formerly known as Principal Global Millennial Equity Fund). Effective 18 November 2024, the Fund has changed Trustee to HSBC (Malaysia) Trustee Berhad following the issuance of the Second Supplemental Prospectus is dated 18 November 2024.

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

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

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

**CROSS TRADE**

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

**UNIT SPLIT**

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

**PRINCIPAL GLOBAL DYNAMIC INNOVATION FUND  
(FORMERLY KNOWN AS PRINCIPAL GLOBAL MILLENNIAL EQUITY FUND)**

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**STATEMENT BY MANAGER TO THE UNIT HOLDERS OF  
PRINCIPAL GLOBAL DYNAMIC INNOVATION FUND (FORMERLY KNOWN AS PRINCIPAL  
GLOBAL MILLENNIAL EQUITY 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 30 are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial position of the Fund as at 31 December 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 provisions of the Malaysian Financial Reporting Standards (“MFRS”) 134 - Interim Financial Reporting and International Accounting Standards (“IAS”) 34 - Interim Financial Reporting.

For and on behalf of the Manager

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

**MUNIRAH KHAIRUDDIN**

Chief Executive Officer  
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  
14 February 2025

**PRINCIPAL GLOBAL DYNAMIC INNOVATION FUND  
(FORMERLY KNOWN AS PRINCIPAL GLOBAL MILLENNIAL EQUITY FUND)**

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**TRUSTEE'S REPORT**

**TO THE UNIT HOLDERS OF PRINCIPAL GLOBAL DYNAMIC INNOVATION FUND (FORMERLY KNOWN AS PRINCIPAL GLOBAL MILLENNIAL EQUITY FUND) ("Fund")**

We have acted as Trustee of the Fund for financial period from 1 July 2024 to 17 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 deed, the securities laws and the Guidelines on Unit Trust Funds;
2. Valuation and pricing is carried out in accordance with the deed; and
3. Any creation and cancellation of units are carried out in accordance with the deed and any regulatory requirement.

For Deutsche Trustees Malaysia Berhad

**Ng Hon Leong**  
Head, Fund Operations

**Sylvia Beh**  
Chief Executive Officer

Kuala Lumpur  
14 February 2025

**TRUSTEE'S REPORT**

**TO THE UNIT HOLDERS OF  
PRINCIPAL GLOBAL DYNAMIC INNOVATION FUND (FORMERLY KNOWN AS PRINCIPAL  
GLOBAL MILLENNIAL EQUITY FUND) ("Fund")**

We have acted as Trustee of the Fund for the financial period from 18 November 2024 to 31 December 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  
14 February 2025

**PRINCIPAL GLOBAL DYNAMIC INNOVATION FUND  
(FORMERLY KNOWN AS PRINCIPAL GLOBAL MILLENNIAL EQUITY FUND)**

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2024**

	<b>Note</b>	<b>01.07.2024 to 31.12.2024 USD</b>	<b>01.07.2023 to 31.12.2023 USD</b>
<b>INCOME/(LOSS)</b>			
Dividend income		76,659	84,015
Interest income from cash equivalents		1,783	2
Net (loss)/gain on financial assets at fair value through profit or loss	7	(1,333,085)	2,445,272
Net loss on derivative assets at fair value through profit or loss	10	(409,452)	(22,041)
Net foreign exchange gain/(loss)		3,179	(13,092)
		(1,660,916)	2,494,156
<b>EXPENSES</b>			
Management fee	4	216,333	212,881
Trustee and custodian fees	5	11,475	9,726
Audit fee		1,247	1,319
Tax agent's fee		584	605
Transaction costs		23,545	8,624
Other expenses		26,100	24,582
		279,284	257,737
<b>(LOSS)/PROFIT BEFORE TAXATION</b>		(1,940,200)	2,236,419
Taxation	6	(63,040)	(20,415)
<b>(LOSS)/PROFIT AFTER TAXATION, REPRESENTING TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE FINANCIAL PERIOD</b>		(2,003,240)	2,216,004
 (Loss)/Profit after taxation are made up as follows:			
Realised amount		4,309,558	(1,392,387)
Unrealised amount		(6,312,798)	3,608,391
		(2,003,240)	2,216,004

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



**PRINCIPAL GLOBAL DYNAMIC INNOVATION FUND  
(FORMERLY KNOWN AS PRINCIPAL GLOBAL MILLENNIAL EQUITY FUND)**

**UNAUDITED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2024**

	Note	31.12.2024 USD	30.06.2024 Audited USD
<b>ASSETS</b>			
Cash and cash equivalents	8	1,188,062	491,109
Financial assets at fair value through profit or loss	7	20,130,784	26,866,259
Amount due from dealer		5,865	-
Amount due from Manager		51,344	1,041,563
Dividends receivable		11,171	21,297
Tax recoverable		-	49,990
<b>TOTAL ASSETS</b>		<u>21,387,226</u>	<u>28,470,218</u>
<b>LIABILITIES</b>			
Derivative liabilities at fair value through profit or loss	10	8,435	16,655
Amount due to dealer		5,871	-
Amount due to Manager		120,131	312,608
Accrued management fee		33,697	41,284
Amount due to Trustee		867	1,261
Tax payable		4,033	-
Other payables and accruals		4,600	7,147
<b>TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS)</b>		<u>177,634</u>	<u>378,955</u>
<b>NET ASSET VALUE OF THE FUND</b>		<u>21,209,592</u>	<u>28,091,263</u>
<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS</b>		<u>21,209,592</u>	<u>28,091,263</u>
<b>REPRESENTED BY:</b>			
<b>FAIR VALUE OF OUTSTANDING UNITS (USD)</b>			
- Class MYR		11,910,494	15,833,043
- Class MYR-H		8,038,123	10,895,079
- Class SGD-H		364,874	342,386
- Class USD		896,101	1,020,755
		<u>21,209,592</u>	<u>28,091,263</u>
<b>NUMBER OF UNITS IN CIRCULATION (UNITS)</b>			
- Class MYR		67,127,001	81,003,372
- Class MYR-H		59,833,890	76,236,923
- Class SGD-H		820,090	683,832
- Class USD		1,227,768	1,269,616
	9	<u>129,008,749</u>	<u>159,193,743</u>

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

**PRINCIPAL GLOBAL DYNAMIC INNOVATION FUND  
(FORMERLY KNOWN AS PRINCIPAL GLOBAL MILLENNIAL EQUITY FUND)**

**UNAUDITED STATEMENT OF FINANCIAL POSITION (CONTINUED)  
AS AT 31 DECEMBER 2024**

	31.12.2024	30.06.2024
Note	USD	Audited USD
<b>REPRESENTED BY:</b>		
<b>NET ASSET VALUE PER UNIT (USD)</b>		
- Class MYR	0.1774	0.1955
- Class MYR-H	0.1343	0.1429
- Class SGD-H	0.4449	0.5007
- Class USD	<u>0.7298</u>	<u>0.8040</u>
<b>NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES</b>		
- Class MYR	RM0.7931	RM0.9218
- Class MYR-H	RM0.6004	RM0.6740
- Class SGD-H	SGD0.6080	SGD0.6786
- Class USD	<u>USD0.7298</u>	<u>USD0.8040</u>

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

**PRINCIPAL GLOBAL DYNAMIC INNOVATION FUND  
(FORMERLY KNOWN AS PRINCIPAL GLOBAL MILLENNIAL EQUITY FUND)**

**UNAUDITED STATEMENT OF CHANGES IN NET ASSET ATTRIBUTABLE TO UNIT HOLDERS  
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2024**

	<b>01.07.2024 to 31.12.2024 USD</b>	<b>01.07.2023 to 31.12.2023 USD</b>
<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE BEGINNING OF THE FINANCIAL PERIOD</b>	<u>28,091,263</u>	<u>23,381,442</u>
Movement due to units created and cancelled during the financial period:		
Creation of units from applications		
- Class MYR	941,956	1,888,319
- Class MYR-H	830,643	1,664,996
- Class SGD-H	70,935	73,590
- Class USD	13,993	21,079
	<u>1,857,527</u>	<u>3,647,984</u>
Cancellation of units		
- Class MYR	(3,571,907)	(2,118,683)
- Class MYR	(3,116,273)	(1,796,563)
- Class MYR-H	(2,445)	-
- Class USD	(45,333)	(73,929)
	<u>(6,735,958)</u>	<u>(3,989,175)</u>
Total comprehensive (loss)/income for the financial period	<u>(2,003,240)</u>	<u>2,216,004</u>
<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE END OF THE FINANCIAL PERIOD</b>	<u><u>21,209,592</u></u>	<u><u>25,256,255</u></u>

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

**PRINCIPAL GLOBAL DYNAMIC INNOVATION FUND  
(FORMERLY KNOWN AS PRINCIPAL GLOBAL MILLENNIAL EQUITY FUND)**

**UNAUDITED STATEMENT OF CASH FLOWS  
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2024**

	<b>01.07.2024 to 31.12.2024 USD</b>	<b>01.07.2023 to 31.12.2023 USD</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Proceeds from disposal of quoted securities	23,448,453	5,185,955
Purchase of quoted securities	(18,046,063)	(5,105,344)
Dividend income received	86,784	67,791
Interest received	1,783	2
Management fee paid	(223,920)	(209,358)
Trustee and custodian fees paid	(11,869)	(9,618)
Tax paid	(9,017)	(25,354)
Payments for other fees and expenses	(54,023)	(16,436)
Payment for other foreign exchange loss	(9,544)	(14,286)
Net realised loss on forward foreign currency contracts	(409,451)	(257,958)
<b>Net cash generated from/(used in) operating activities</b>	<b>4,773,133</b>	<b>(384,606)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Cash proceeds from units created	2,847,746	3,554,916
Payments for cancellation of units	(6,928,435)	(3,902,220)
<b>Net cash used in financing activities</b>	<b>(4,080,689)</b>	<b>(347,304)</b>
Net increase/(decrease) in cash and cash equivalents	692,444	(731,910)
Effects of foreign exchange differences	491,109	-
Cash and cash equivalents at the beginning of the financial period	4,509	1,019,611
Cash and cash equivalents at the end of the financial period	1,188,062	287,701
<u>Cash and cash equivalents comprised of:</u>		
Bank balances	1,188,062	287,701
Cash and cash equivalents at the end of the financial period	1,188,062	287,701

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

**PRINCIPAL GLOBAL DYNAMIC INNOVATION FUND  
(FORMERLY KNOWN AS PRINCIPAL GLOBAL MILLENNIAL EQUITY FUND)**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2024**

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

Principal Global Dynamic Innovation Fund (formerly known as Principal Global Millennial Equity Fund) (the “Fund”) was constituted pursuant to the execution of a Deed dated 10 May 2018, a First Supplement Deed dated 7 November 2019, a Second Supplemental Deed dated 17 November 2022, made between Principal Asset Management Berhad (the “Manager”) and Deutsche Trustees Malaysia Berhad (the “Previous Trustee”) and a Third Supplemental Deed dated 24 July 2024 (collectively known as the “Deeds”), made between Principal Asset Management Berhad (the “Manager”) and HSBC (Malaysia) Trustee Berhad (the “Trustee”).

The Fund seeks to achieve its objective by investing in global equity of companies that are impacted by the spending and lifestyle activities of the Millennial generation, which refers to people born from 1980 to the mid-2000s. The investment universe includes listed securities as well as IPO. The universe is broadly defined as global all-country and all-cap, across the full market capitalization spectrum (small, medium and large). The Fund is expected to have a growth bias overall, including both growth and value oriented companies over time. Market segments with the greatest Millennial exposure are likely to include, without limitation, consumer goods (including fashion and apparel), social media and e-commerce, and digital media and technology.

Under normal circumstances, the Fund invests a maximum of 98% of its NAV in equities. The Fund may opt to access into equities via the investment in units of other collective investment scheme. The Fund currently does not intend to invest in warrants. The Fund may also invest in derivative instruments for hedging purpose, subject to the prevailing GUTF.

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 equities; and
- at least 2% of the Fund’s NAV in liquid assets.

The Manager has appointed Principal Global Investors (“PGI”), a company incorporated in the United States, as the Sub-Manager of the Fund. PGI will be responsible for the investment management function of the fund in accordance with the investment objective and within the investment parameters, restrictions and limits of this Fund.

The Fund had issued the First Supplemental Prospectus is dated 25 September 2024 for the change of Fund name to Principal Global Dynamic Innovation Fund (formerly known as Principal Global Millennial Equity Fund) and the Second Supplemental Prospectus is dated 18 November 2024.

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:

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

**(a) Basis of preparation (continued)**

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 judgement 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(l).

There are no other standards, amendments to standards or interpretations that are effective for financial periods beginning on 1 July 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 January 2025 are applicable to the Fund.

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

Classification

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

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

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

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

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

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

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

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

Recognition and measurement

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

Foreign quoted securities are valued at the last traded market price quoted on the respective foreign stock exchanges at the close of the business day of the respective foreign stock exchanges.

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

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

Impairment for assets carried at amortised costs

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

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

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

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.

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

**(d) Foreign currency**

Functional and presentation currency

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

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

- i) Significant portion of the Fund's expenses are denominated in USD.
- ii) Significant portion of the cash is denominated in USD for the purpose of making settlement of foreign trades.
- iii) Significant portion of the Fund's investments are denominated in USD.

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



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

**(d) Foreign currency (continued)**

Transactions and balances (continued)

transactions and from the translation at financial period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

**(e) Cash and cash equivalents**

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

**(f) Taxation**

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

Tax on dividend income from foreign quoted securities are based on the tax regime of the respective countries that the Fund invests in.

**(g) Transaction costs**

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

**(h) Unit holders' contribution**

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 four classes of units, known respectively as Class MYR, Class MYR-H, Class SGD-H and Class USD, which are cancelled at the unit holder's option, do not have identical features subject to restrictions as stipulated in the Prospectus and GUTF. The units are classified as financial liabilities. Cancellable units can be put back to the Fund at any time for cash equal to a proportionate share of the Fund's NAV of respective classes. The outstanding units are carried at the redemption amount that is payable at the date of the statement of financial position if the member exercises the right to put back the units to the Fund.

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

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

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

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

**(j) Derivative financial instruments**

A derivative financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

A financial asset is any asset that is cash, a contractual right to receive cash or another financial asset from another enterprise, a contractual right to exchange financial instruments with another enterprise under conditions that are potentially favourable, or an equity instrument of another enterprise.

A financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another enterprise, or to exchange financial instruments with another enterprise under conditions that are potentially unfavorable.

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

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

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

**(k) Realised and unrealised portions of increase/decrease in net asset attributable to unit holders**

The analysis of realised and unrealised portions of increase/decrease in net assets attributable to unit holders as presented on the statement of comprehensive income is prepared in accordance with GUTF.

**(l) Critical accounting estimates and judgments 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 these accounting policy, no significant judgement was required.

### **3. RISK MANAGEMENT OBJECTIVES AND POLICIES**

The Fund aims to achieve capital appreciation over the medium to long term through investments primarily in a portfolio of global equities.

The Fund is exposed to a variety of risks which include market risk (inclusive of price 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 GUTF.

#### **(a) Market risk**

##### **(i) Price risk**

Price risk is the risk that the fair value of an investment in quoted securities will fluctuate because of changes in market prices (other than those arising from interest rate risk and currency risk). The value of 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 quoted securities and other financial instruments within specified limits according to the Deeds.

##### **(ii) 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 USD 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 counterparty will default on its contractual obligation resulting in financial loss to the Fund.

The credit risk arising from bank balances 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 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 quoted securities are settled/paid upon delivery using approved stockbrokers.

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

**(c) Liquidity risk**

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

The Manager manages this risk by maintaining sufficient level of liquid assets to meet anticipated payments and cancellations of the units by unit holders. Liquid assets comprise bank balances and 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 holder. The amount of capital can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unit holders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns to unit holders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

**(e) Fair value estimation**

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

The fair value of financial assets traded in active markets (such as trading securities) are based on quoted market prices at the close of trading on the financial 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)

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

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

**(i) Fair value hierarchy (continued)**

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

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

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

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

	<b>Level 1 USD</b>	<b>Level 2 USD</b>	<b>Level 3 USD</b>	<b>Total USD</b>
<b>31.12.2024</b>				
Financial assets at fair value through profit or loss:				
- Quoted securities	<u>20,130,784</u>	<u>-</u>	<u>-</u>	<u>20,130,784</u>
Derivative liability at fair value through profit or loss:				
- Forward foreign currency contracts	<u>-</u>	<u>(8,435)</u>	<u>-</u>	<u>(8,435)</u>
<b>30.06.2024</b>				
<b>Audited</b>				
Financial assets at fair value through profit or loss:				
- Quoted securities	<u>26,866,259</u>	<u>-</u>	<u>-</u>	<u>26,866,259</u>
Derivative liability at fair value through profit or loss:				
- Forward foreign currency contracts	<u>-</u>	<u>(16,655)</u>	<u>-</u>	<u>(16,655)</u>

**PRINCIPAL GLOBAL DYNAMIC INNOVATION FUND  
(FORMERLY KNOWN AS PRINCIPAL GLOBAL MILLENNIAL EQUITY FUND)**

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

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

(i) Fair value hierarchy (continued)

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 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 for each unit class, calculated daily based on the NAV of the Fund.

For the six months financial period ended 31 December 2024 and 31 December 2023, the management fee for the respective classes is recognised at the following rates:

<b>Class MYR</b>	<b>Class MYR-H</b>	<b>Class SGD-H</b>	<b>Class USD</b>
1.80%	1.80%	1.80%	1.80%

There is 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 maximum fee of 0.06% per annum, (including local custodian fee but excluding foreign sub-custodian fee and charges) on the NAV of the Fund. The foreign sub-custodian fee and charges is dependent on the country invested and is charged monthly in arrears.

For the six months financial period ended 31 December 2024, the foreign sub-custodian fee amounted to USD11,475 (31.12.2023: USD9,726)

For the financial period from 1 July 2024 to 17 November 2024, the Trustee fee was recognised at a rate of 0.055% per annum. Effective 18 November 2024, the Trustee fee was recognised at a rate of 0.045% (31.12.2023: 0.055% per annum).

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

**6. TAXATION**

	<b>01.07.2024 to 31.12.2024 USD</b>	<b>01.07.2023 to 31.12.2023 USD</b>
Tax charged for the financial period:		
- Tax on foreign source income	63,040	20,415

**PRINCIPAL GLOBAL DYNAMIC INNOVATION FUND  
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**6. TAXATION (CONTINUED)**

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

	<b>01.07.2024 to 31.12.2024 USD</b>	<b>01.07.2023 to 31.12.2023 USD</b>
(Loss)/Profit before taxation	<u>(1,940,200)</u>	<u>2,236,419</u>
Taxation at Malaysian statutory rate of 24% (2023 :24%)	(465,648)	536,741
Tax effects of:		
- Income not subject to tax	398,620	(598,597)
- Expenses not deductible for tax purposes	14,809	10,449
- Restriction on tax deductible expenses for Unit Trust Funds	52,219	51,407
-Tax on foreign source income	<u>63,040</u>	<u>20,415</u>
Taxation	<u>63,040</u>	<u>20,415</u>

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

	<b>31.12.2024 USD</b>	<b>30.06.2024 Audited USD</b>
At fair value through profit or loss:		
- Quoted securities	<u>20,130,784</u>	<u>26,866,259</u>
	<b>01.07.2024 to 31.12.2024 USD</b>	<b>01.07.2023 to 31.12.2023 USD</b>
Net (loss)/gain on financial assets at fair value through profit or loss:		
- Realised gain/(loss) on disposals	5,008,257	(926,008)
- Unrealised fair value (loss)/gain	<u>(6,341,342)</u>	<u>3,371,280</u>
	<u>(1,333,085)</u>	<u>2,445,272</u>

	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
<b>31.12.2024</b>				
<b>QUOTED SECURITIES</b>				
<b>CANADA</b>				
<b>Construction</b>				
Stantec Inc.	<u>4,000</u>	<u>327,033</u>	<u>313,452</u>	<u>1.48</u>
<b>TOTAL CANADA</b>	<u><b>4,000</b></u>	<u><b>327,033</b></u>	<u><b>313,452</b></u>	<u><b>1.48</b></u>
<b>DENMARK</b>				
<b>Health Care</b>				
Novo Nordisk A/S	<u>5,106</u>	<u>207,849</u>	<u>442,342</u>	<u>2.08</u>
<b>TOTAL DENMARK</b>	<u><b>5,106</b></u>	<u><b>207,849</b></u>	<u><b>442,342</b></u>	<u><b>2.08</b></u>

**PRINCIPAL GLOBAL DYNAMIC INNOVATION FUND  
(FORMERLY KNOWN AS PRINCIPAL GLOBAL MILLENNIAL EQUITY FUND)**

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

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
<b>31.12.2024 (CONTINUED) QUOTED SECURITIES (CONTINUED)</b>				
<b>FRANCE</b>				
<b>Electronics</b>				
Schneider Electric	2,521	644,037	628,504	2.96
<b>Health Care</b>				
Sanofi Aventis	2,768	319,776	268,528	1.27
<b>TOTAL FRANCE</b>	<b>5,289</b>	<b>963,813</b>	<b>897,032</b>	<b>4.23</b>
<b>JAPAN</b>				
<b>Electronics</b>				
Keyence Corporation	1,200	577,220	492,920	2.32
<b>Industrials</b>				
THK Company Limited	17,900	329,915	418,660	1.97
<b>Information Technology</b>				
Renesas Electronics Corporation	44,100	749,383	573,603	2.70
<b>Telecommunication Services</b>				
Socio Next Inc.	34,800	736,761	559,689	2.64
<b>TOTAL JAPAN</b>	<b>98,000</b>	<b>2,393,279</b>	<b>2,044,872</b>	<b>9.63</b>
<b>NETHERLANDS</b>				
<b>Information Technology</b>				
ASML Holding N.V.	1,143	873,043	802,828	3.78
<b>TOTAL NETHERLANDS</b>	<b>1,143</b>	<b>873,043</b>	<b>802,828</b>	<b>3.78</b>



**PRINCIPAL GLOBAL DYNAMIC INNOVATION FUND  
(FORMERLY KNOWN AS PRINCIPAL GLOBAL MILLENNIAL EQUITY FUND)**

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

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
<b>31.12.2024 (CONTINUED) QUOTED SECURITIES (CONTINUED)</b>				
<b>SPAIN</b>				
<b>Electronics</b>				
Iberdrola S.A.	42,788	610,171	588,941	2.78
<b>TOTAL SPAIN</b>	<b>42,788</b>	<b>610,171</b>	<b>588,941</b>	<b>2.78</b>
<b>UNITED KINGDOM</b>				
<b>Electronics</b>				
SSE Plc	24,305	606,461	487,900	2.30
<b>Health Care</b>				
Astrazeneca Plc	4,530	792,963	593,462	2.80
<b>TOTAL UNITED KINGDOM</b>	<b>28,835</b>	<b>1,399,424</b>	<b>1,081,362</b>	<b>5.10</b>
<b>UNITED STATES</b>				
<b>Electronics</b>				
Nextera Energy Inc.	7,541	609,162	540,614	2.55
Rockwell Automation Inc.	1,714	461,923	489,844	2.31
Watsco Inc.	1,486	710,479	704,201	3.32
	10,741	1,781,564	1,734,659	8.18
<b>Health Care</b>				
Boston Scientific Corporation	9,138	746,666	816,206	3.85
Eli Lilly and Company	1,175	679,632	907,100	4.28
Thermo Fisher Scientific Inc.	802	431,562	417,224	1.97
United Health Group Inc.	1,199	710,443	606,526	2.86
	12,314	2,568,303	2,747,056	12.96
<b>Industrials</b>				
Deere and Company	998	384,100	422,853	1.99
Roper Technologies Inc.	1,291	714,310	671,126	3.16
Trane Technologies Plc	2,117	779,167	781,914	3.69
	4,406	1,877,577	1,875,893	8.84

**PRINCIPAL GLOBAL DYNAMIC INNOVATION FUND  
(FORMERLY KNOWN AS PRINCIPAL GLOBAL MILLENNIAL EQUITY FUND)**

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

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
<b>31.12.2024 (CONTINUED)</b>				
<b>QUOTED SECURITIES (CONTINUED)</b>				
<b>UNITED STATES (CONTINUED)</b>				
<b>Information Technology</b>				
Adobe Inc.	599	345,210	266,363	1.26
Analog Devices Inc.	1,400	302,628	297,444	1.40
Intuit Inc.	979	619,364	615,302	2.90
Microsoft Corporation	3,779	1,252,576	1,592,849	7.51
Nvidia Corporation	10,943	541,106	1,469,535	6.93
Synopsys, Inc.	1,411	715,543	684,843	3.23
Taiwan Semiconductor Manufacturing Ltd.	4,128	693,545	815,239	3.84
	<u>23,239</u>	<u>4,469,972</u>	<u>5,741,575</u>	<u>27.07</u>
<b>Telecommunication Services</b>				
Alphabet Inc.	7,123	885,372	1,356,504	6.40
Manhattan Associates Inc.	1,866	493,008	504,268	2.38
	<u>8,989</u>	<u>1,378,380</u>	<u>1,860,772</u>	<u>8.78</u>
<b>TOTAL UNITED STATES</b>	<b><u>59,689</u></b>	<b><u>12,075,796</u></b>	<b><u>13,959,955</u></b>	<b><u>65.83</u></b>
<b>TOTAL QUOTED SECURITIES</b>	<b><u>244,850</u></b>	<b><u>18,850,408</u></b>	<b><u>20,130,784</u></b>	<b><u>94.91</u></b>
<b>ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b><u>1,280,376</u></b>		
<b>TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b><u>20,130,784</u></b>		

**PRINCIPAL GLOBAL DYNAMIC INNOVATION FUND  
(FORMERLY KNOWN AS PRINCIPAL GLOBAL MILLENNIAL EQUITY FUND)**

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

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
<b>30.06.2024</b>				
<b>Audited</b>				
<b>QUOTED SECURITIES</b>				
<b>CANADA</b>				
<b>Consumer Discretionary</b>				
Dollarama Inc.	7,000	513,159	639,113	2.28
<b>TOTAL CANADA</b>	<b>7,000</b>	<b>513,159</b>	<b>639,113</b>	<b>2.28</b>
<b>DENMARK</b>				
<b>Health Care</b>				
Novo Nordisk A/S	9,240	376,131	1,335,596	4.75
<b>TOTAL DENMARK</b>	<b>9,240</b>	<b>376,131</b>	<b>1,335,596</b>	<b>4.75</b>
<b>FRANCE</b>				
<b>Consumer Staples</b>				
L'Oreal SA	1,915	887,032	841,469	3.00
<b>TOTAL FRANCE</b>	<b>1,915</b>	<b>887,032</b>	<b>841,469</b>	<b>3.00</b>
<b>HONG KONG, CHINA</b>				
<b>Consumer Discretionary</b>				
Samsonite International S.A.	186,300	655,379	555,963	1.98
<b>TOTAL HONG KONG, CHINA</b>	<b>186,300</b>	<b>655,379</b>	<b>555,963</b>	<b>1.98</b>
<b>JAPAN</b>				
<b>Information Technology</b>				
Advantest Corporation	12,300	396,555	491,373	1.75
<b>Telecommunication Services</b>				
Nintendo Co., Ltd.	13,400	600,977	712,867	2.54
<b>TOTAL JAPAN</b>	<b>25,700</b>	<b>997,532</b>	<b>1,204,240</b>	<b>4.29</b>

**PRINCIPAL GLOBAL DYNAMIC INNOVATION FUND  
(FORMERLY KNOWN AS PRINCIPAL GLOBAL MILLENNIAL EQUITY FUND)**

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

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
<b>30.06.2024 (CONTINUED)</b>				
<b>Audited (CONTINUED)</b>				
<b>QUOTED SECURITIES</b>				
<b>(CONTINUED)</b>				
<b>NETHERLANDS</b>				
<b>Information Technology</b>				
ASML Holding N.V.	944	670,371	975,375	3.47
<b>Telecommunication Services</b>				
Universal Music Group N.V.	24,900	717,387	741,249	2.64
<b>TOTAL NETHERLANDS</b>	<b>25,844</b>	<b>1,387,758</b>	<b>1,716,624</b>	<b>6.11</b>
<b>SPAIN</b>				
<b>Consumer Discretionary</b>				
Industria De Diseno Textil, S.A.	17,355	662,755	862,186	3.07
<b>TOTAL SPAIN</b>	<b>17,355</b>	<b>662,755</b>	<b>862,186</b>	<b>3.07</b>
<b>UNITED KINGDOM</b>				
<b>Consumer Discretionary</b>				
JD Sports Fashion Plc	384,331	730,913	580,570	2.07
<b>TOTAL UNITED KINGDOM</b>	<b>384,331</b>	<b>730,913</b>	<b>580,570</b>	<b>2.07</b>
<b>UNITED STATES</b>				
<b>Consumer Discretionary</b>				
Chipotle Mexican Grill, Inc.	10,800	329,430	676,620	2.40
Deckers Outdoor Corporation	856	280,480	828,565	2.95
DICK'S Sporting Goods, Inc.	3,348	306,521	719,318	2.56
DraftKings Inc.	12,800	506,897	488,576	1.74
Lululemon Athletica Inc.	1,203	420,191	359,336	1.28
Nike, Inc.	3,900	474,498	293,943	1.05
PDD Holdings Inc.	5,173	442,425	687,750	2.45
Planet Fitness, Inc.	6,648	405,356	489,226	1.74
Royal Caribbean Cruises Ltd.	4,160	628,837	663,229	2.36
	48,888	3,794,635	5,206,563	18.53
<b>Consumer Staples</b>				
Bellring Brands, Inc.	10,950	663,773	625,683	2.23
Celsius Holdings, Inc.	9,700	560,101	553,773	1.97
	20,650	1,223,874	1,179,456	4.20
<b>Financials</b>				
Mastercard Incorporated.	1,130	432,663	498,511	1.77

**PRINCIPAL GLOBAL DYNAMIC INNOVATION FUND  
(FORMERLY KNOWN AS PRINCIPAL GLOBAL MILLENNIAL EQUITY FUND)**

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

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
<b>30.06.2024 (CONTINUED)</b>				
<b>Audited (CONTINUED)</b>				
<b>QUOTED SECURITIES (CONTINUED)</b>				
<b>UNITED STATES (CONTINUED)</b>				
<b>Health Care</b>				
Abbott Laboratories	3,400	353,204	353,294	1.26
DexCom, Inc.	3,300	418,509	374,154	1.33
Eli Lilly and Company	1,165	584,622	1,054,768	3.75
Progyny, Inc.	11,300	409,271	323,293	1.15
Thermo Fisher Scientific Inc.	1,030	554,251	569,590	2.03
	<u>20,195</u>	<u>2,319,857</u>	<u>2,675,099</u>	<u>9.52</u>
<b>Information Technology</b>				
Advanced Micro Devices, Inc.	5,769	492,481	935,789	3.33
Apple Inc.	4,110	562,315	865,648	3.08
Cadence Design Systems, Inc.	2,190	507,923	673,973	2.40
Microsoft Corporation	2,882	693,611	1,288,110	4.59
Nvidia Corporation	10,550	157,426	1,303,347	4.64
ServiceNow, Inc.	1,011	578,929	795,323	2.83
Synopsys, Inc.	1,125	565,925	669,444	2.38
	<u>27,637</u>	<u>3,558,610</u>	<u>6,531,634</u>	<u>23.25</u>
<b>Telecommunication Services</b>				
Alphabet Inc.	6,890	757,615	1,263,764	4.50
Meta Platforms, Inc.	2,597	518,279	1,309,459	4.66
Verizon Communications Inc.	11,300	428,349	466,012	1.66
	<u>20,787</u>	<u>1,704,243</u>	<u>3,039,235</u>	<u>10.82</u>
<b>TOTAL UNITED STATES</b>	<b><u>139,287</u></b>	<b><u>13,033,882</u></b>	<b><u>19,130,498</u></b>	<b><u>68.09</u></b>
<b>TOTAL QUOTED SECURITIES</b>	<b><u>796,972</u></b>	<b><u>19,244,541</u></b>	<b><u>26,866,259</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>7,621,718</u></b>		
<b>TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b><u>26,866,259</u></b>		

**PRINCIPAL GLOBAL DYNAMIC INNOVATION FUND  
(FORMERLY KNOWN AS PRINCIPAL GLOBAL MILLENNIAL EQUITY FUND)**

**8. CASH AND CASH EQUIVALENTS**

	<b>31.12.2024</b>	<b>30.06.2024</b>
	<b>USD</b>	<b>Audited USD</b>
Bank balances	<u>1,188,062</u>	<u>491,109</u>

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

	<b>01.07.2024 to 31.12.2024</b>	<b>01.07.2023 to 30.06.2024</b>
	<b>No. of units</b>	<b>Audited No. of units</b>
Class MYR (i)	67,127,001	81,003,372
Class MYR-H (ii)	59,833,890	76,236,923
Class SGD-H (iii)	820,090	683,832
Class USD (iv)	<u>1,227,768</u>	<u>1,269,616</u>
	<u>129,008,749</u>	<u>159,193,743</u>

(i) Class MYR

At the beginning of the financial period/year	81,003,372	89,647,013
Add: Creation of units from applications	1,575,450	54,080,494
Less: Cancellation of units	<u>(15,451,821)</u>	<u>(62,724,135)</u>
At the end of the financial period/year	<u>67,127,001</u>	<u>81,003,372</u>

(ii) Class MYR-H

At the beginning of the financial period/year	76,236,923	71,910,991
Add: Creation of units from applications	3,930,663	40,704,067
Less: Cancellation of units	<u>(20,333,696)</u>	<u>(36,378,135)</u>
At the end of the financial period/year	<u>59,833,890</u>	<u>76,236,923</u>

(iii) Class SGD-H

At the beginning of the financial period/year	683,832	226,486
Add: Creation of units from applications	141,179	690,755
Less: Cancellation of units	<u>(4,921)</u>	<u>(233,409)</u>
At the end of the financial period/year	<u>820,090</u>	<u>683,832</u>

(iv) Class USD

At the beginning of the financial period/year	1,269,616	1,201,606
Add: Creation of units from applications	16,877	429,622
Less: Cancellation of units	<u>(58,725)</u>	<u>(361,612)</u>
At the end of the financial period/year	<u>1,227,768</u>	<u>1,269,616</u>

**PRINCIPAL GLOBAL DYNAMIC INNOVATION FUND  
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**10. DERIVATIVE ASSETS/(LIABILITIES) AT FAIR VALUE THROUGH PROFIT OR LOSS**

	<b>31.12.2024</b>	<b>30.06.2024</b>
	<b>USD</b>	<b>Audited USD</b>
Forward foreign currency contract	8,435	(16,655)
	<b>01.07.2024 to 31.12.2024</b>	<b>01.07.2023 to 31.12.2023</b>
	<b>USD</b>	<b>USD</b>
Net loss on derivative assets at fair value through profit or loss:		
- Net realised loss on forward foreign currency contracts	(401,017)	(257,958)
- Net unrealised (loss)/gain on forward foreign currency contracts	(8,435)	235,917
	(409,452)	(22,041)

As at 31 December 2024, there are 4 outstanding (31.12.2023: 5 outstanding) USD/MYR forward foreign currency contract and three outstanding USD/SGD forward foreign currency contracts amounting to USD9,031,738 (31.12.2023: USD9,931,764).

The USD/MYR forward foreign currency contract is entered into during the financial period to minimise the risk of foreign exchange exposure between the USD and the MYR for the Fund.

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

**11. TOTAL EXPENSE RATIO (“TER”)**

	<b>01.07.2024 to 31.12.2024</b>	<b>01.07.2023 to 31.12.2023</b>
	<b>%</b>	<b>%</b>
TER	1.07	0.96

TER is derived based on the following calculation:

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

A	=	Management fee
B	=	Trustee and custodian fees
C	=	Audit fee
D	=	Tax agent's fee
E	=	Other expenses (exclude 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 USD23,870,362 (31.12.2023 USD23,522,595)

**PRINCIPAL GLOBAL DYNAMIC INNOVATION FUND  
(FORMERLY KNOWN AS PRINCIPAL GLOBAL MILLENNIAL EQUITY FUND)**

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

	<b>01.07.2024 to 31.12.2024</b>	<b>01.07.2023 to 31.12.2023</b>
PTR (times)	0.85	0.22

PTR is 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 = USD18,046,119 (31.12.2023: USD4,631,530)  
total disposal for the financial period = USD22,657,536 (31.12.2023: USD5,567,705)

**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 shareholder of the Manager
CIMB Investment Bank Bhd	Fellow related party to the Manager

Units held by the Manager and parties related to the Manager

	<b>31.12.2024</b>		<b>30.06.2024 Audited</b>	
	<b>No. of units</b>	<b>USD</b>	<b>No. of units</b>	<b>USD</b>
<b>Manager</b>				
Principal Asset Management Berhad				
- Class MYR	2,903	515	4,385	857
- Class MYR-H	2,554	343	2,737	391
- Class SGD-H	2	1	2	1
- Class USD	9	7	9	7

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



**PRINCIPAL GLOBAL DYNAMIC INNOVATION FUND  
(FORMERLY KNOWN AS PRINCIPAL GLOBAL MILLENNIAL EQUITY FUND)**

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

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

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

**14. TRANSACTIONS WITH BROKERS**

Details of transactions with the top 10 brokers for the six months financial period ended 31 December 2024 are as follows:

<b>Brokers</b>	<b>Value of trades USD</b>	<b>Percentage of total trades %</b>	<b>Brokerage fees USD</b>	<b>Percentage of brokerage fees %</b>
Raymond James & Associates, Inc.	10,939,484	26.88	537	7.31
Wall Street Access/GLP	10,323,361	25.37	999	13.58
Macquarie Capital (Europe) Ltd	4,684,872	11.51	1,405	19.11
State Street Global Market LLC	3,157,373	7.76	170	2.32
Nomura Securities International Inc.	2,755,628	6.77	1,653	22.49
HSBC BANK PLC	1,234,474	3.03	617	8.39
DRESDNER /AKV GLOBAL CERTF A/C	1,093,277	2.69	42	0.57
Daiwa Capital Markets America Inc	1,070,529	2.63	642	8.74
Depository Trust Company	1,017,938	2.50	183	2.49
National Bank Financial Inc.	964,676	2.37	153	2.09
Others	3,452,609	8.49	952	12.91
	<u>40,694,221</u>	<u>100.00</u>	<u>7,353</u>	<u>100.00</u>

**PRINCIPAL GLOBAL DYNAMIC INNOVATION FUND  
(FORMERLY KNOWN AS PRINCIPAL GLOBAL MILLENNIAL EQUITY FUND)**

**14. TRANSACTIONS WITH BROKERS (CONTINUED)**

Details of transactions with the top 10 brokers for the six months financial period ended 31 December 2023 are as follows:

<b>Brokers</b>	<b>Value of trades USD</b>	<b>Percentage of total trades %</b>	<b>Brokerage fees USD</b>	<b>Percentage of brokerage fees %</b>
State Street Global Market Llc	4,984,916	48.88	472	8.46
Citigroup Global Markets Inc.	1,173,664	11.51	318	5.69
Barclays Capital Inc	807,844	7.92	1,434	25.69
Jefferies Llc.	751,602	7.37	226	4.04
Goldman Sachs & Co Morgan Stanley And Co., Llc, New York Branch	476,251	4.67	167	2.99
Instinet Clearing Services Jersey City	441,074	4.33	1,052	18.85
National Bank Financial Inc.	321,690	3.15	33	0.60
Jonestrading Institutional Services Llc	248,017	2.43	120	2.15
UBS Ag London Brance	231,717	2.27	111	2.00
Others	181,881	1.78	690	12.37
	<u>578,616</u>	<u>5.69</u>	<u>957</u>	<u>17.16</u>
	<u>10,197,272</u>	<u>100.00</u>	<u>5,580</u>	<u>100.00</u>

## **DIRECTORY**

### **Head Office of the Manager**

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

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### **Customer Care Centre**

(03) 7723 7260

### **Chat with us via WhatsApp**

(6016) 299 9792

### **Previous Trustee for the Principal Global Dynamic Innovation Fund (formerly known as Principal Global Millennial Equity Fund)**

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50250 Kuala Lumpur, MALAYSIA.  
Tel: (03) 2053 7522

### **Trustee for the Principal Global Dynamic Innovation Fund (formerly known as Principal Global Millennial Equity Fund)**

HSBC (Malaysia) Trustee Berhad (Company No.: 193701000084 (1281-T))  
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