

# Principal Islamic Enhanced Opportunities Fund

Annual Report

For The Financial Year Ended 31 December 2023

**PRINCIPAL ISLAMIC ENHANCED OPPORTUNITIES FUND**  
**ANNUAL REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

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## INVESTORS' LETTER

Dear Valued Investor,

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

We are pleased to bring you a copy of the Annual Fund Report of the Principal Islamic Enhanced Opportunities Fund for the financial year ended 31 December 2023. You may also download this report from our website at [www.principal.com.my](http://www.principal.com.my).

We are happy to share that Principal Malaysia won two honours at the Asia Asset Management 2024 Best of the Best Awards. The awards were for Best of the Best Performance Awards: China A-Share Equity (3 years) for the Principal China Direct Opportunities Fund (Class MYR) and Best of the Best Country Awards: Best Institutional House – Malaysia. We also won another two awards at the 2024 Global Banking & Finance Awards® for Asset Management CEO of the Year Malaysia 2024 - Munirah Khairuddin and Asset Management Company of the Year Malaysia 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 ([www.principal.com.my](http://www.principal.com.my)), like our Facebook page (@PrincipalAssetMY), follow us on our Instagram account (@principalassetmanagement\_my), and LinkedIn page (Principal Asset Management Berhad) for the latest updates, market insights and investment articles.

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

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

**Munirah Khairuddin**  
Country Head and Chief Executive Officer, Malaysia  
Non-Independent Executive Director

**MANAGER’S REPORT**

**FUND OBJECTIVE AND POLICY**

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

To earn reasonable returns for investors by investing in approved equities\* listed on Bursa Malaysia as well as unlisted securities and other non-interest bearing assets acceptable under Shariah principles.

\* This refers to equities classified as Shariah compliant by the Shariah Advisory Council (“SAC”) of The Securities Commission Malaysia (“SC”).

**Has the Fund achieved its objective?**

The Fund has achieved its objective of providing reasonable returns for investors.

**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 the Fund’s Net Asset value (“NAV”) in local Shariah-compliant equities. The Fund may also invest up to 28% of its NAV in other permissible Shariah-compliant investments. As an aggressive Fund, the Fund will be managed with higher beta and tracking error. The investment policy and strategy of the Fund will be to invest in Shariah-compliant stocks which are selected based on their future growth prospects. 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 Guideline on Unit Trust Funds (“GUTF”) issued by the SC. In addition, Islamic liquid assets may also be strategically used if we feel that the market downside risk is high in the short-term.

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 Fund’s NAV in Islamic liquid assets.

**Fund category/ type**

Equity (Shariah-compliant)/ Growth

**When was the Fund launched?**

Name of Class	Launch Date
Class MYR	15 June 1995
Class D	9 October 2023

**What was the size of the Fund as at 31 December 2023?**

RM126.45 million (184.72 million units)

**What is the Fund’s benchmark?**

FTSE Bursa Malaysia (“FBM”) EMAS Shariah (“FBMS”) Index

**What is the Fund distribution policy?**

Distribution (if any) is expected to be distributed every January at the Manager’s discretion.

**What was the net income distribution for the financial year ended 31 December 2023?**

The Fund distributed a total net income of RM0.60 million to unit holders for the financial year ended 31 December 2023.

Date	NAV per unit (Before distribution)	NAV per unit (After distribution)
Distribution on 18 January 2023	0.6439	0.6407

**FUND OBJECTIVE AND POLICY (CONTINUED)**

Breakdown of distribution were as follows:

	<b>2023</b>		<b>2022</b>	
	<b>RM</b>	<b>%</b>	<b>RM</b>	<b>%</b>
<b>Source of distribution</b>				
Distribution out of current year's income	(2,919,008)	(490.40)	(499,170)	(14.58)
Distribution out of prior year's income/capital	3,514,237	590.40	3,923,172	114.58
<b>Total</b>	<b>595,229</b>	<b>100.00</b>	<b>3,424,002</b>	<b>100.00</b>

**PERFORMANCE DATA**

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

	<b>2023</b>	<b>2022</b>	<b>2021</b>
	<b>%</b>	<b>%</b>	<b>%</b>
Shariah-compliant quoted securities			
- Construction	6.05	3.71	2.77
- Consumer Products & Services	6.97	9.94	3.05
- Energy	5.00	3.22	7.28
- Financial Services	-	2.11	2.28
- Health Care	13.36	4.16	11.08
- Industrials Products & Services	16.26	9.67	23.29
- Plantation	5.74	8.89	6.05
- Property	4.51	0.95	1.97
- Real Estate Investment Trust ("REITs")	-	3.09	3.04
- Technology	15.12	21.60	20.50
- Telecommunications & Media	5.92	8.35	8.96
- Transportation & Logistics	-	5.78	1.85
- Utilities	9.38	3.37	1.54
Cash and other assets	12.07	17.02	7.18
Liabilities	(0.38)	(1.86)	(0.84)
	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

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

	<b>31.12.2023</b>	<b>31.12.2022</b>	<b>31.12.2021</b>
	<b>%</b>	<b>%</b>	<b>%</b>
NAV (RM Million)			
- Class MYR	126.30	117.85	119.75
- Class D	0.15	-	-
Units In circulation (Million)			
- Class MYR	184.58	186.69	159.71
- Class D	0.14	-	-
NAV per Unit (RM)			
- Class MYR	0.6842	0.6312	0.8243
- Class D	1.0403	-	-
Highest NAV per unit (RM)			
- Class MYR	0.6863	0.7498	0.8244
- Class D	1.0434	-	-
Lowest NAV per unit (RM)			
- Class MYR	0.6224	0.5841	0.7275
- Class D	0.9809	-	-

**PERFORMANCE DATA (CONTINUED)**

	31.12.2023 %	31.12.2022 %	31.12.2021 %
Total return (%)			
- Class MYR	8.94	(13.10)	5.15
- Class D	-	-	-
Capital growth (%)			
- Class MYR	8.40	(15.81)	2.04
- Class D	-	-	-
Income distribution (%)			
- Class MYR	0.50	3.22	3.05
- Class D	-	-	-
Total Expense Ratio (“TER”) (%)	1.61	1.61	1.63
Portfolio Turnover Ratio (“PTR”) (times) #	0.60	0.47	0.67

# The Fund’s PTR increased from 0.47 times to 0.60 times during the financial year under review due to higher trading activities amid positive sentiment.

	31.12.2023	31.12.2022	31.12.2021
<b>Gross/Net distribution per unit (sen)</b>			
Distribution on 18 January 2023			
- Class MYR	0.32	-	-
Distribution on 19 January 2022	-	2.20	-
Distribution on 21 January 2021	-	-	2.18

**Class MYR**

	31.12.2023 %	31.12.2022 %	31.12.2021 %	31.12.2020 %	31.12.2019 %
Annual total return	8.94	(13.10)	5.15	6.44	14.26

(Launch date: 15 June 1995)

**Class D**

	Since inception to 31.12.2023 %
Annual total return	4.03

(Launch date: 15 June 1995)

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

**MARKET REVIEW (1 JANUARY 2023 TO 31 DECEMBER 2023)**

The FBMS Index rose 0.5% in Malaysian Ringgit (“MYR”) terms during the financial year under review.

The FBMS Index rose by 137.7 points (“pts”) or 1.3%, ending January 2023 at 11,183 pts. The index underperformed the region, with North Asia especially China dominating Emerging Market (“EM”) fund flows. Globally, growth stocks outperformed, with technology stocks leading the pack as US inflation cooled further as well as optimism from China’s reopening. Technology (+7%) and Building Materials (+6%) were among the biggest winners for the month, while Gloves (-7%), Plantations (-5%) and Healthcare (-4%) languished.

**MARKET REVIEW (1 JANUARY 2023 TO 31 DECEMBER 2023) (CONTINUED)**

The FBMS Index fell 278 pts or 2.5%, ending the month of February 2023 at 10,798 pts. Investors remained cautious leading up to Budget 2023 while renewed concerns over The Federal Reserve (the “Fed’s”) staying hawkish given persistent inflation coupled with encouraging consumption and employment data in the US recently further weighed on sentiment. The rebound in the US Dollar (“USD”) also took flows out of EM. Only Construction and Property sub-sectors posted modest gains during the month while Industrial (-7%; mainly PM), Technology (-6%) and Energy (-5%; D) were heavily beaten down.

The FBMS Index fell 81 pts or -0.8%, ending the month of March 2023 at 10,716 pts. Weakness was in line with the sell-off in regional markets as investors aggressively risked off following the collapse of several high-profile banks in the US and Europe, potentially triggering a global liquidity squeeze, and mounting worries that The Fed aggressive tightening may have finally taken a toll on the US economy.

Market however rebounded towards the later part of the month following the Fed’s decision to go ahead with a 25 basis points (“bps”) hike, downplaying fears of a banking contagion and shifting attention back to inflation which has started to ease, albeit very gradually. Commodities were sold down in favor of defensive sectors such as Healthcare and Utilities during the month.

The FBMS Index rose marginally, up 20 pts or +0.2%, ending the month of April 2023 at 10,737 pts. Utilities, Commodities, Telecommunications did well during the month. Recent economic data out of the US were mixed. We have a lower first quarter of 2023 (“1Q2023”) US Gross Domestic Product (“GDP”) print of a mere 1%, down from 2.6% in fourth quarter of 2022 (“4Q2022”), but that was mainly due to large inventory drawdowns. US consumer spending remains strong, up 3.7% over the same period (vs 1% in 4Q2022) on the back of low unemployment and solid wage gains. Consumer Price Index (“CPI”) cooled to 5% in March 2023, a lower-end of forecast, but core Personal Consumption Expenditure (“PCE”) picked up from 3.5% in February 2023 to 3.6% in March 2023 no thanks to higher rents. All said, the Fed’s will likely go ahead with the 25 bps hike in the upcoming Federal Open Market Committee (“FOMC”) meeting, and together with tighter credit conditions following recent collapse of several high profile US banks, recession risk runs high

The FBMS Index fell 130 pts or -1.2%, ending the month of May 2023 at 10,607 pts. The sell-off was relatively broad-based, with select stocks within defensive sectors showing green, and we believe it was largely triggered by the recent weakness of the Malaysian Ringgit (“MYR/RM”) on the back of poor Chinese data and consequently the depreciation of the Yuan. Further aggravating the situation was the stronger USD due to concerns surrounding the US debt ceiling, and recent US data – encouraging payroll and wage, sticky inflation, and more recently a rebound in job openings - stoking bets on further rates hikes in the next FOMC meeting.

The FBMS Index slumped 191 pts or -1.8%, ending the month of June 2023 at 10,415 pts. Investors remain weary of the sustained weakness of the Ringgit, a rather uninspiring 1Q2023 corporate results although they were broadly in line, and domestic political uncertainties caused by the upcoming State elections. Expectations of a US recession have now been pushed back to 2024 given the still buoyant data points coming out of the US and consequently stoking bets of further rate hikes by the Fed’s in second half of 2023 (“2H23”).

The FBMS Index staged a strong comeback in July 2023, gaining 538 pts to 10,953 pts or 5.16%, fully reversing the loss sustained for the entire year. Sentiment was sharply lifted by the slump in the USD, benefiting the Ringgit, and waning expectations of a US recession following recent favorable economic data points – cooling inflation and still resilient jobs market. Gainers were broad-based, with mainly large-caps forging ahead.

The FBMS Index lost 32 pts to 10,920.54 pts or 0.3% in August 2023, dragged by Telecommunications despite huge interest in Property, Construction and Transportations. Sentiment was dampened by rebound in the USD and rising US treasury yields on expectations of further interest rate hikes in the US as economic data points remain strong.



**MARKET REVIEW (1 JANUARY 2023 TO 31 DECEMBER 2023) (CONTINUED)**

The FBMS Index lost 46 pts to 10,875 pts or 0.4% in September 2023. The sell-off, which largely concentrated towards the last week of the month, was rather broad-based, led by Commodities. While there could be volatility caused by quarter-end rebalancing, investors were spooked by US treasury yields at a 16-year high and persistent USD strength affecting EM markets, in addition to the Fed's hawkish messaging on interest rates. Domestically, there also seems to be a lack of fresh leads and some political noises surrounding cabinet reshuffling.

The FBMS Index lost 33 pts to 10,842 pts or 0.3% in October 2023, which improved the year to date ("YTD") decline to 3.6%. There were bargain hunting in Financials and Commodities following the steep sell-off in the previous month, while Telecommunications (mainly mobile operators) were laggards. Within the broader market, Construction performed while Technology, Energy and Property languished. Overall sentiment remains clouded by the surge in US treasury yields which topped 5% last month and persistent USD strength affecting EM markets, coupled with tensions in the Middle East.

The FBMS Index gained 88 pts to 10,929 pts or 0.8% in November 2023. Overall sentiment was lifted by expectations that the Fed's may be done with rate hikes given the cooling inflation and recent economic data out of the US. The pullback in US treasury yields and the weaker dollar lifted interest in EM markets.

The FBMS Index gained 59 pts to 10,989 pts or 0.5% in December 2023. Investors rejoiced at Fed's decision to hold rates and signaling the end of hikes given the cooling inflation data and recent economic data out of the US, coupled with the weaker USD and falling treasury yields. Utilities, Healthcare and select Telcos saw gains, while select commodities and Consumer-related names were sold off. Within the broader market, Technology and Gloves did well, the latter spurred by recent surge in Coronavirus Disease 2019 ("COVID-19") cases.

**FUND PERFORMANCE**

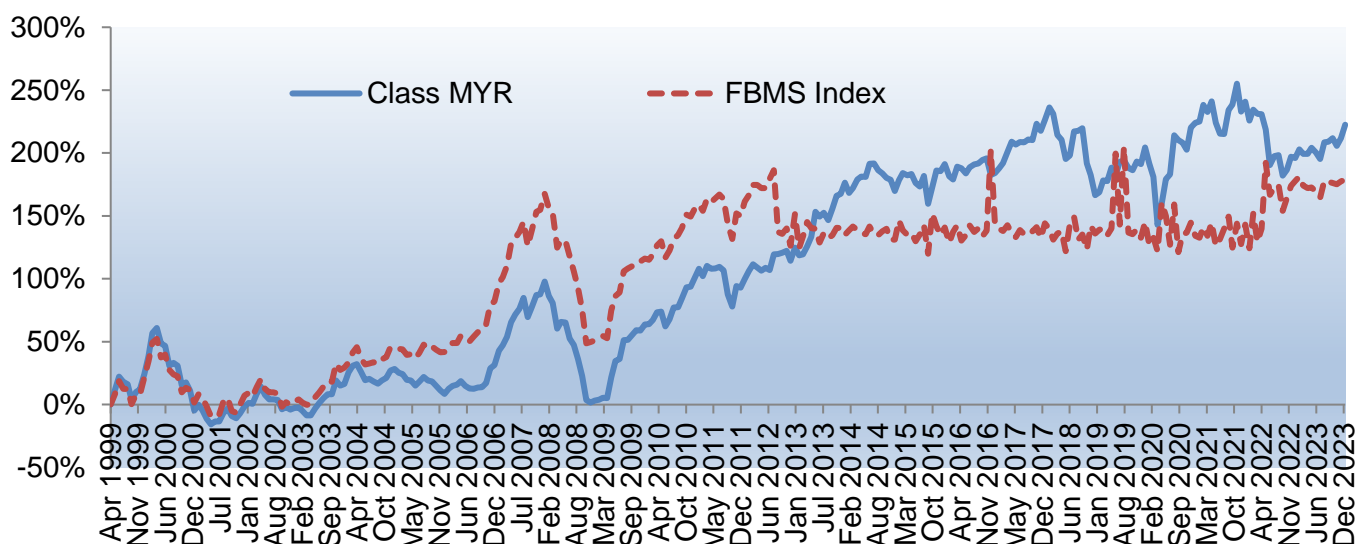
	<b>1 year to 31.12.2023</b>	<b>3 years to 31.12.2023</b>	<b>5 years to 31.12.2023</b>	<b>Since inception 31.12.2023</b>
	%	%	%	%
Income Distribution				
- Class MYR	0.50	6.89	11.87	167.21
- Class D	-	-	-	-
Capital Growth				
- Class MYR	8.40	(6.87)	8.23	(27.98)
- Class D	-	-	-	4.03
Total Return				
- Class MYR	8.94	(0.45)	21.07	92.45
- Class D	-	-	-	4.03
Benchmark				
- Class MYR	0.46	(16.49)	(4.48)	179.00
- Class D	-	-	-	1.83
Average Total Return				
- Class MYR	8.94	(0.15)	3.90	4.19
- Class D	-	-	-	18.73

For the financial year under review, the Fund gained 8.94%, while the benchmark gained 0.46%. As such, the Fund outperformed the benchmark by 848 bps.

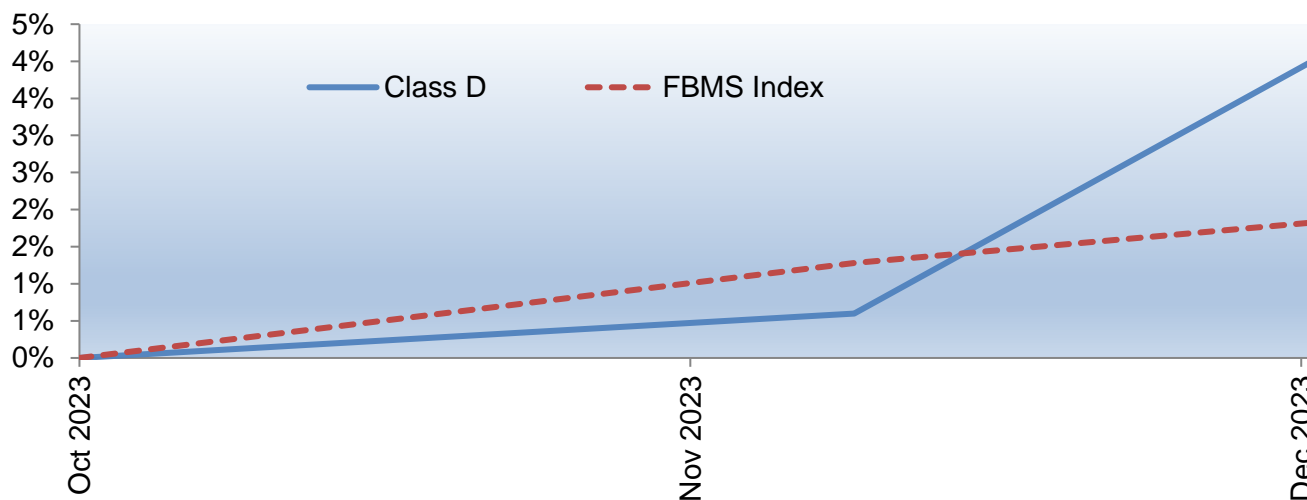
FUND PERFORMANCE (CONTINUED)

Since Inception

Class MYR



Class D



Changes in NAV

	31.12.2023	31.12.2022	Changes %
<b>CLASS MYR</b>			
NAV (RM million)	126.30	117.85	7.17
NAV/Unit (RM)	0.6842	0.6312	8.40
<b>CLASS D</b>			
NAV (RM million)	0.15	-	-
NAV/Unit (RM)	1.0403	-	-

The NAV increased slightly by 0.07%. The NAV per unit increased by 8.40% 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 year have been extracted from Lipper.

**PORTFOLIO STRUCTURE**

**Asset allocation**

<b>(% of NAV)</b>	<b>31.12.2023</b>	<b>31.12.2022</b>
Shariah-compliant quoted securities	88.31	84.84
Cash and other assets	12.07	17.02
Liabilities	(0.38)	(1.86)
<b>TOTAL</b>	<b>100.00</b>	<b>100.00</b>

Asset allocation into Shariah-compliant quoted securities increased to 88.31% as at 31 December 2023 compared to 84.84% as at 31 December 2022. This reflects our positive view on equities.

**MARKET OUTLOOK \***

Malaysia’s Purchasing Manager Index (“PMI”) was unchanged at 47.9 pts in December 2023. According to Standard & Poor’s (“S&P”) Global, Malaysian manufacturers continue to endure weak demand conditions, albeit the moderation of new orders was the softest since August 2023. Also, firms hired for the first time in eight months while input prices eased. Manufacturers remain optimistic of demand conditions over the course of the next 12 months. The latest PMI suggests that GDP growth is running at similar level to that seen in second quarter of 2023 (“2Q2023”) and third quarter of 2023 (“3Q2023”) of 2.9% and 3.3% year-on-year (“yoy”) respectively. To recap, Bank Negara Malaysia (“BNM”) projects GDP to grow between 4% to 5% in 2024.

BNM maintained Overnight Policy Rate (“OPR”) at 3.00% in November’s Monetary Policy Committee (“MPC”). We expect no rate hikes for 2024 given muted inflation and modest economic growth. Inflation eased further to 1.5% in November, significantly undershooting BNM’s revised target of 2.5% to 3.0% for 2023. Given the low base, there appears to be sufficient headroom to central bank’s 2.1% to 3.6% CPI forecast for 2024 with the impending cut back in subsidies.

\*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 positive on the market. We remain constructive on sectors that stand to gain from the National Energy Transition Roadmap (“NETR”), including Utilities, Construction, and Property. Additionally, we remain optimistic on selective Technology due to the ongoing structural growth trends in the sector.

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

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

**SECURITIES FINANCING TRANSACTIONS**

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

**STATE OF AFFAIR OF THE FUND**

Effective 9 October 2023, the Fund has changed Trustee to HSBC (Malaysia) Trustee Berhad following the issuance of the First Supplemental Master Prospectus (Islamic Funds) dated 5 September 2023.

We are of view that the changes above do not affect the existing unit holder to stay invested in the Fund and it is not a significant change. Unit holders may refer to Appendix 1 for the detailed list of changes.

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

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

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

**CROSS TRADE**

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

**UNIT SPLIT**

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

**STATEMENT BY MANAGER TO THE UNIT HOLDERS OF  
PRINCIPAL ISLAMIC ENHANCED 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 audited financial statements set out on pages 9 to 35 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 2023 and of its financial performance, changes in net assets attributable to unit holders and cash flows for the financial year then ended in accordance with the provisions of the Malaysian Financial Reporting Standards (“MFRS”) and International Financial Reporting Standards (“IFRS”).

For and on behalf of the Manager

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

**MUNIRAH KHAIRUDDIN**

Country Head and Chief Executive Officer, Malaysia  
Non-Independent Executive Director

**UDAY JAYARAM**

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

Kuala Lumpur  
16 February 2024

**TRUSTEE'S REPORT**

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

We have acted as Trustee of the Fund for the financial period from 1 January 2023 to 8 October 2023 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, Principal Asset Management Berhad has operated and managed 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, 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.

We are of the opinion that the distribution of income by the Fund is appropriate and reflects the investment objective of the Fund.

Yours faithfully  
**Amanahraya Trustees Berhad,**

**ZAINUDIN BIN SUHAIMI**  
Chief Executive Officer

Kuala Lumpur, Malaysia

16 February 2024

**TRUSTEE'S REPORT**

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

We have acted as Trustee of the Fund for the financial period from 9 October 2023 to 31 December 2023 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 the Unit Trust Funds;
2. Valuation and pricing is carried out in accordance with the Deeds; and
3. Any creation and cancellation of units are carried out in accordance with the Deeds and any regulatory requirement.

We are of the opinion that the distribution of income by the Fund is appropriate and reflects the investment objective of the Fund.

For HSBC (Malaysia) Trustee Berhad

Yap Lay Guat  
Manager, Investment Compliance Monitoring

Kuala Lumpur  
16 February 2024

**SHARIAH ADVISER'S REPORT**

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

**For the Financial Year ended 31 December 2023**

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 year 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 assets of the Fund comprise instruments that have been classified as Shariah-compliant.

**For Amanie Advisors Sdn Bhd**

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

Kuala Lumpur  
16 February 2024



**INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF  
PRINCIPAL ISLAMIC ENHANCED OPPORTUNITIES FUND**

**Report on the audit of the financial statements**

*Opinion*

We have audited the financial statements of Principal Islamic Enhanced Opportunities Fund (the "Fund"), which comprise the statement of financial position of the Fund as at 31 December 2023 and statement of comprehensive income, statement of changes in net assets attributable to unit holders and statement of cash flows of the Fund for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 9 to 35.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 December 2023, and of its financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

*Basis for opinion*

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

*Independence and other ethical responsibilities*

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

*Information other than the financial statements and auditors' report thereon*

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

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

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

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

**INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF  
PRINCIPAL ISLAMIC ENHANCED OPPORTUNITIES FUND (cont'd.)**

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

*Responsibilities of the Manager and the Trustee for the financial statements*

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

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

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

*Auditors' responsibilities for the audit of the financial statements*

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

**INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF  
PRINCIPAL ISLAMIC ENHANCED OPPORTUNITIES FUND (cont'd.)**

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

*Auditors' responsibilities for the audit of the financial statements (cont'd.)*

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

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

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

**INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF  
PRINCIPAL ISLAMIC ENHANCED OPPORTUNITIES FUND (cont'd.)**

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

**Other matters**

This report is made solely to the unit holders of the Fund, as a body, in accordance with the Guidelines on Unit Trust Fund issued by the Securities Commission Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

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

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

Kuala Lumpur, Malaysia  
16 February 2024

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

	Note	2023 RM	2022 RM
<b>INCOME/(LOSS)</b>			
Dividend income		2,249,109	2,960,218
Profit income from Shariah-compliant deposits with licensed Islamic financial institutions and hibah earned		375,898	298,053
Net gain/(loss) on financial assets at fair value through profit or loss	8	<u>10,145,869</u>	<u>(15,819,487)</u>
		<u>12,770,876</u>	<u>(12,561,216)</u>
<b>EXPENSES</b>			
Management fee	4	1,790,665	1,636,433
Trustee fee	5	94,772	98,186
Audit fee		9,400	9,400
Tax agent fee		5,273	5,000
Transaction costs		464,327	368,713
Other expenses		<u>31,682</u>	<u>27,838</u>
		<u>2,396,119</u>	<u>2,145,570</u>
<b>PROFIT/(LOSS) BEFORE DISTRIBUTION AND TAXATION</b>		10,374,757	(14,706,786)
Distribution:			
- Class MYR	6	<u>595,229</u>	<u>-</u>
<b>PROFIT/(LOSS) BEFORE TAXATION</b>		9,779,528	(14,706,786)
Taxation	7	<u>-</u>	<u>-</u>
<b>PROFIT/(LOSS) AFTER TAXATION, REPRESENTING TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE FINANCIAL YEAR</b>		<u>9,779,528</u>	<u>(14,706,786)</u>
Profit/(Loss) after taxation is made up as follows:			
Realised amount		(820,730)	(7,810,915)
Unrealised amount		<u>10,600,258</u>	<u>(6,895,871)</u>
		<u>9,779,528</u>	<u>(14,706,786)</u>

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

STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2023

	Note	2023 RM	2022 RM
<b>ASSETS</b>			
Cash and cash equivalents	9	14,663,866	14,007,601
Financial assets at fair value through profit or loss	8	111,657,237	99,988,844
Amount due from stockbrokers		-	5,139,016
Amount due from Manager		467,023	560,351
Dividends receivable		78,097	287,796
Tax recoverable		59,660	59,660
<b>TOTAL ASSETS</b>		<u>126,925,883</u>	<u>120,043,268</u>
<b>LIABILITIES</b>			
Amount due to stockbrokers		-	1,761,136
Amount due to Manager		291,978	250,752
Accrued management fee		158,733	149,331
Amount due to Trustee		4,762	8,960
Other payables and accruals		18,800	19,399
<b>TOTAL LIABILITIES</b>		<u>474,273</u>	<u>2,189,578</u>
<b>NET ASSET VALUE OF THE FUND</b>		<u>126,451,610</u>	<u>117,853,690</u>
<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS</b>	10	<u>126,451,610</u>	<u>117,853,690</u>
<b>REPRESENTED BY:</b>			
<b>FAIR VALUE OF OUTSTANDING UNITS</b>			
- Class MYR		126,304,533	117,853,690
- Class D		147,077	-
		<u>126,451,610</u>	<u>117,853,690</u>
<b>NUMBER OF UNITS IN CIRCULATION (UNITS)</b>			
- Class MYR		184,574,931	186,694,450
- Class D		141,373	-
	11	<u>184,716,304</u>	<u>186,694,450</u>
<b>NET ASSET VALUE PER UNIT (RM)</b>			
- Class MYR		0.6842	0.6312
- Class D		1.0403	-
		<u>1.0403</u>	<u>-</u>

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

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

	<b>Note</b>	<b>2023 RM</b>	<b>2022 RM</b>
<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE BEGINNING OF THE FINANCIAL YEAR</b>		<u>117,853,690</u>	<u>119,750,960</u>
Movement due to units created and cancelled during the financial year:			
Creation of units from applications			
- Class MYR		19,892,324	28,419,822
- Class D		<u>159,026</u>	<u>-</u>
		<u>20,051,350</u>	<u>28,419,822</u>
Creation of units from distributions			
- Class MYR		<u>579,056</u>	<u>3,314,373</u>
Cancellation of units			
- Class MYR		(21,797,706)	(15,500,677)
- Class D		<u>(14,308)</u>	<u>-</u>
		<u>(21,812,014)</u>	<u>(15,500,677)</u>
Total comprehensive income/(loss) for the financial year		9,779,528	(14,706,786)
Distribution			
- Class MYR	<b>6</b>	<u>-</u>	<u>(3,424,002)</u>
<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE END OF THE FINANCIAL YEAR</b>	<b>10</b>	<u><u>126,451,610</u></u>	<u><u>117,853,690</u></u>

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

**STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

	Note	2023 RM	2022 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Proceeds from disposal of Shariah-compliant quoted securities		75,627,404	45,350,970
Purchases of Shariah-compliant quoted securities		(74,236,375)	(52,802,020)
Dividend income received		2,458,808	2,838,120
Profit income received from Shariah-compliant deposits with licensed Islamic financial institutions and hibah earned		375,898	298,053
Management fee paid		(1,781,263)	(1,634,186)
Trustee fee paid		(98,970)	(98,051)
Payments for other fees and expenses		(46,954)	(37,239)
<b>Net cash generated from/(used in) operating activities</b>		<b>2,298,548</b>	<b>(6,084,353)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Cash proceeds from units created		20,144,678	27,969,711
Payments for cancellation of units		(21,770,788)	(15,301,173)
Distribution paid		(16,173)	(109,629)
<b>Net cash (used in)/generated from financing activities</b>		<b>(1,642,283)</b>	<b>12,558,909</b>
Net increase in cash and cash equivalents		656,265	6,474,556
Cash and cash equivalents at the beginning of the financial year		14,007,601	7,533,045
Cash and cash equivalents at the end of the financial year	<b>9</b>	14,663,866	14,007,601
<u>Cash and cash equivalents comprised:</u>			
Shariah-compliant deposits with licensed Islamic financial institutions		14,592,597	13,987,222
Bank balance		71,269	20,379
Cash and cash equivalents at the end of the financial year	<b>9</b>	14,663,866	14,007,601

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



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

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

Principal Islamic Enhanced Opportunities Fund (the “Fund”) is governed by a Principal Master Deed dated 15 May 2008, a First Supplemental Deed dated 26 May 2008, a Third 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 Twelfth Supplemental Master Deed dated 14 June 2010, a Fourteenth Supplemental Master Deed dated 26 June 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 a Twentyfourth Supplemental Master Deed dated 20 September 2022 (collectively referred to as the “Deeds”), made between Principal Asset Management Berhad (the “Manager”) and AmanahRaya Trustees Berhad (the “Previous Trustee”) and A Twenty Fifth 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 the Fund’s NAV in local Shariah-compliant equities. The Fund may also invest up to 28% of its NAV in other permissible Shariah-compliant investments. As an aggressive Fund, the Fund will be managed with higher beta and tracking error. The investment policy and strategy of the Fund will be to invest in Shariah-compliant stocks which are selected based on their future growth prospects. 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 GUTF. In addition, Islamic liquid assets may also be strategically used if we feel that the market downside risk is high in the short-term.

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 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 Fund has issued the First Supplemental Master Prospectus for Islamic funds dated 5 September 2023.

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

**2. MATERIAL ACCOUNTING POLICIES**

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

**(a) Basis of preparation**

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

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

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

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

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

The areas involving a higher degree of judgement or complexity, or areas where 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 effective for financial year beginning on 1 January 2023 that have a material effect on the financial statements of the Fund.

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

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

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

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

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

The contractual cash flows of the Fund's debt securities are solely principal and interest<sup>1</sup> ("SPPI"). However, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Fund's business model's objective. Consequently, all investments are measured at fair value through profit or loss.

The Fund classifies cash and cash equivalents, 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.

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

<sup>1</sup> For the purposes of this Fund, interest refers to profits earned from Shariah-compliant investments.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(b) Financial assets and financial liabilities (continued)

Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade-date, the date on which the Fund commits to purchase or sell the asset. 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 year which they arise.

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

Shariah-compliant quoted securities in Malaysia are valued at the last done market price quoted on Bursa Malaysia Securities Berhad ("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 basis 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 asset 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 consider both historical analysis and forward-looking information in determining any ECL.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(b) Financial assets and financial liabilities (continued)

Impairment for assets carried at amortised costs (continued)

The Manager consider the probability of default to be close to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month ECL as any such impairment would be wholly insignificant to the Fund.

Significant increase in credit risk

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

Definition of default and credit-impaired financial assets

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

Write-off

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

(c) Income recognition

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

For Shariah-compliant quoted securities, realised gains and losses on sale of investments are accounted for as the difference between the net disposal proceeds and the carrying amount of investments, determined on a weighted average cost basis.

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

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

Realised gain or loss on disposal of Shariah-compliant quoted securities is 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.

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

**(d) Functional and presentation currency**

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

**(e) Unit holders’ contributions**

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

The Fund issues cancellable units, in two classes of units, known respectively as the Class MYR and Class D which are cancelled at the unit holders' option and 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 unit to the Fund.

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

In the previous financial years prior to issuance of different classes of units, 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 year 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 and 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.

**(f) Cash and cash equivalents**

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

**(g) Taxation**

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

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

**(g) Taxation (continued)**

Withholding taxes on investment income from investment is based on tax regime of the respective countries that the Fund invests in. They are presented within other expenses line in the statement of comprehensive income.

**(h) 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, advisers, brokers and dealers. Transaction costs, when incurred, are immediately recognised in the statement of comprehensive income as expenses.

**(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) Distribution**

A distribution to the Fund's unit holders is accounted for as distributions in the statement of comprehensive income as the unit holders' contributions are classified as financial liability as per Note 2(e). In the previous financial years, a distribution to the Fund's unit holders is accounted for as a deduction from realised reserve before issuance of difference classes of units. A proposed distribution is recognised as a liability in the financial year in which it is approved by the Trustee.

**(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.

Estimates and judgements 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 Shariah-compliant 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. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES**

Financial instruments of the Fund are as follows:

	<b>Financial assets at fair value through profit or loss RM</b>	<b>Financial assets at amortised cost RM</b>	<b>Total RM</b>
<b>2023</b>			
Cash and cash equivalents (Note 9)	-	14,663,866	14,663,866
Shariah-compliant quoted securities (Note 8)	111,657,237	-	111,657,237
Amount due from Manager	-	467,023	467,023
Dividends receivable	-	78,097	78,097
	<u>111,657,237</u>	<u>15,208,986</u>	<u>126,866,223</u>
<b>2022</b>			
Cash and cash equivalents (Note 9)	-	14,007,601	14,007,601
Shariah-compliant quoted securities (Note 8)	99,988,844	-	99,988,844
Amount due from stockbrokers	-	5,139,016	5,139,016
Amount due from Manager	-	560,351	560,351
Dividends receivable	-	287,796	287,796
	<u>99,988,844</u>	<u>19,994,764</u>	<u>119,983,608</u>

All liabilities are financial liabilities which are carried at amortised cost.

The Fund aims to earn reasonable returns for investors by investing in approved equities listed on Bursa Malaysia as well as unlisted securities and other non-interest-bearing assets acceptable under 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 GUTF.

**(a) Market risk**

**(i) Price risk**

This is the risk that the fair value of an 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.

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

(a) Market risk (continued)

(i) Price risk (continued)

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

	2023 RM	2022 RM
Financial assets at fair value through profit or loss:		
- Shariah-compliant quoted securities	<u>111,657,237</u>	<u>99,988,844</u>

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

% Change in price of Shariah-compliant quoted securities	Market value RM	Impact on profit or loss /NAV RM
<b>2023</b>		
-5%	106,074,375	(5,582,862)
0%	111,657,237	-
+5%	<u>117,240,099</u>	<u>5,582,862</u>
<b>2022</b>		
-5%	94,989,402	(4,999,442)
0%	99,988,844	-
+5%	<u>104,988,286</u>	<u>4,999,442</u>

(ii) Interest rate risk

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.

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

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

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



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

(a) Market risk (continued)

(ii) Interest rate risk (continued)

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

The weighted average effective profit rate per annum is as follows:

	2023 %	2022 %
Shariah-compliant deposits with licensed Islamic financial institutions	3.00	2.90

(b) Credit risk

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

The credit risk arising from placements of 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 stockbrokers, the settlement terms of the proceeds from the creation of units' receivable from the Manager are governed by the GUTF.

For amount due from Manager, 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.

The following table sets out the credit risk concentration of the Fund:

	Cash and cash equivalents RM	Amount due from stockbrokers RM	Amount due from Manager RM	Dividends receivable RM	Total RM
<b>2023</b>					
AAA	14,663,866	-	-	-	14,663,866
NR	-	-	467,023	78,097	545,120
Total	14,663,866	-	467,023	78,097	15,208,986
<b>2022</b>					
AAA	14,007,601	-	-	-	14,007,601
NR	-	5,139,016	560,351	287,796	5,987,163
Total	14,007,601	5,139,016	560,351	287,796	19,994,764

Shariah-compliant deposits with licensed Islamic financial institutions of the Fund have an average remaining maturity of 2 days (2022: 3 days).

3. FINANCIAL INSTRUMENTS AND 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 balance and Shariah-compliant deposits with licensed Islamic financial institutions, which are capable of being converted into cash within 7 business days. This is expected to reduce the risks for the entire portfolio without limiting the Fund's growth potentials.

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

	Less than 1 month RM	Between 1 month to 1 year RM	Total RM
<b>2023</b>			
Amount due to Manager	291,978	-	291,978
Accrued management fee	158,733	-	158,733
Amount due to Trustee	4,762	-	4,762
Other payables and accruals	-	18,800	18,800
Net assets attributable to unit holders	126,451,610	-	126,451,610
<b>Contractual undiscounted cash flow</b>	<b>126,907,083</b>	<b>18,800</b>	<b>126,925,883</b>
<b>2022</b>			
Amount due to stockbrokers	1,761,136	-	1,761,136
Amount due to Manager	250,752	-	250,752
Accrued management fee	149,331	-	149,331
Amount due to Trustee	8,960	-	8,960
Other payables and accruals	-	19,399	19,399
<b>Contractual undiscounted cash flow</b>	<b>2,170,179</b>	<b>19,399</b>	<b>2,189,578</b>

(d) Capital risk management

The capital of the Fund is represented by equity consisting of unit holders' contributions of RM126,451,610 (2022: RM117,853,690). 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. FINANCIAL INSTRUMENTS AND 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) is based on quoted market prices at the close of trading on the financial year end date. The Fund utilises the last traded market price for financial assets where the last traded market price falls within the bid-ask spread. In circumstances where the last traded market 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. FINANCIAL INSTRUMENTS AND 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>2023</b>				
Financial assets at fair value through profit or loss:				
- Shariah-compliant quoted securities	111,657,237	-	-	111,657,237
<b>2022</b>				
Financial assets at fair value through profit or loss:				
- Shariah-compliant quoted securities	99,988,844	-	-	99,988,844

Shariah-compliant investments which 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 1.50% per annum calculated daily based on the NAV of the Fund.

For the financial year ended 31 December 2023, the Manager's fee is recognised at a rate of 1.50% per annum (2022: 1.50% per annum).

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

5. TRUSTEE FEE

In accordance with Deeds, the Trustee is entitled to a maximum fee of 0.09% per annum calculated daily based on the NAV of the Fund. The Trustee's fee includes the local custodian fee but excludes the foreign sub-custodian fee (if any).

For the financial period 1 January 2023 to 8 October 2023, the Trustee fee is recognised at a rate of 0.09% per annum. Effective 9 October 2023, the Trustee fee is recognised at a rate of 0.045% per annum (2022: 0.07% per annum).

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

**6. DISTRIBUTION**

Breakdown of distribution were as follows:

<b>Source of distribution</b>	<b>2023</b>		<b>2022</b>	
	<b>RM</b>	<b>%</b>	<b>RM</b>	<b>%</b>
Distribution out of current year's income	(2,919,008)	(490.40)	(499,170)	(14.58)
Distribution out of prior year's income/capital *	3,514,237	590.40	3,923,172	114.58
<b>Total</b>	<b>595,229</b>	<b>100.00</b>	<b>3,424,002</b>	<b>100.00</b>

Distribution to unit holders were derived from the following sources (assessed up to distribution declaration date) :

	<b>2023</b>	<b>2022</b>
	<b>RM</b>	<b>RM</b>
Dividend income	1,127,545	181,267
Profit income	120,839	17,051
Net realised gain on disposal of investment	(3,271,908)	347,042
Prior financial year's realised gain	3,514,237	3,923,172
	<u>1,490,713</u>	<u>4,468,532</u>
Less:		
Expenses	(895,484)	(1,044,530)
<b>Net distribution amount</b>	<b>595,229</b>	<b>3,424,002</b>

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

Distribution on 18 January 2023		
- Class MYR	0.32	-
Distribution on 19 January 2022	<u>-</u>	<u>2.20</u>

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

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

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

During the financial year ended 31 December 2023, the Fund incurred no unrealised loss. (2022: RM 6,895,871).

**7. TAXATION**

	<b>2023</b>	<b>2022</b>
	<b>RM</b>	<b>RM</b>
Tax charged for the financial year:		
- Current taxation	<u>-</u>	<u>-</u>

**7. TAXATION (CONTINUED)**

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

	<b>2023 RM</b>	<b>2022 RM</b>
Profit/(Loss) before taxation	<u>9,779,528</u>	<u>(14,706,786)</u>
Taxation at Malaysian statutory rate of 24% (2022: 24%)	2,347,087	(3,529,629)
Tax effects of:		
- (Investment income not subject to tax)/Investment loss not deductible for tax purposes	(3,065,010)	3,014,692
- Expenses not deductible for tax purposes	283,405	118,553
- Restriction on tax deductible expenses for Unit Trust Funds	<u>434,518</u>	<u>396,384</u>
Taxation	<u>-</u>	<u>-</u>

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

	<b>2023 RM</b>	<b>2022 RM</b>
At fair value through profit or loss:		
- Shariah-compliant quoted securities	<u>111,657,237</u>	<u>99,988,844</u>
Net gain/(loss) on financial assets at fair value through profit or loss:		
- Realised loss on disposals	(454,389)	(8,923,618)
- Unrealised fair value gain/(loss)	<u>10,600,258</u>	<u>(6,895,869)</u>
	<u>10,145,869</u>	<u>(15,819,487)</u>

<b>Name of counter</b>	<b>Quantity Units</b>	<b>Aggregate cost RM</b>	<b>Market value RM</b>	<b>Percentage of NAV %</b>
<b>2023</b>				
<b>SHARIAH-COMPLIANT QUOTED SECURITIES</b>				
<b>Construction</b>				
Econpile Holdings Bhd	4,515,700	1,130,312	1,377,289	1.09
Gamuda Bhd	396,979	1,537,113	1,822,133	1.44
IJM Corporation Bhd	1,113,000	1,817,301	2,092,440	1.65
Southern Score Builders Bhd	<u>11,000,000</u>	<u>2,200,000</u>	<u>2,365,000</u>	<u>1.87</u>
	<u>17,025,679</u>	<u>6,684,726</u>	<u>7,656,862</u>	<u>6.05</u>
<b>Consumer Products &amp; Services</b>				
Farm Fresh Bhd	755,300	1,177,554	996,996	0.79
Karex Berhad	1,489,300	1,079,104	1,087,189	0.86
Mr D.I.Y. Group (Malaysia) Bhd	442,450	998,496	641,552	0.51
QL Resources Bhd	851,800	4,504,597	4,863,778	3.85
Sime Darby Bhd	514,000	1,217,975	1,207,900	0.96
	<u>4,052,850</u>	<u>8,977,726</u>	<u>8,797,415</u>	<u>6.97</u>

8. 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>2023 (CONTINUED)</b>				
<b>SHARIAH-COMPLIANT QUOTED SECURITIES (CONTINUED)</b>				
<b>Energy</b>				
Dayang Enterprise Holding Bhd	2,205,900	2,816,567	3,529,440	2.80
Dialog Group Bhd	576,900	1,805,390	1,194,183	0.95
Hibiscus Petroleum Bhd	619,840	1,556,223	1,574,394	1.25
	<u>3,402,640</u>	<u>6,178,180</u>	<u>6,298,017</u>	<u>5.00</u>
<b>Health Care</b>				
Hartalega Holdings Bhd	3,051,000	5,090,275	8,237,700	6.51
KPJ Healthcare Bhd	1,900,900	2,083,657	2,737,296	2.16
Kossan Rubber Industries Bhd	1,731,900	2,322,530	3,204,015	2.53
Top Glove Corporation Bhd	3,040,300	2,771,327	2,736,270	2.16
	<u>9,724,100</u>	<u>12,267,789</u>	<u>16,915,281</u>	<u>13.36</u>
<b>Industrial Products &amp; Services</b>				
HSS Engineers Bhd	1,222,000	928,798	1,185,340	0.94
Kelington Group Bhd	768,500	591,223	1,667,645	1.32
Nationgate Holdings Bhd	5,305,000	6,130,756	8,010,550	6.33
Press Metal Aluminium Holding Bhd	1,141,500	5,547,422	5,490,615	4.34
Sunway Bhd	1,250,600	2,179,721	2,576,236	2.04
V.S. Industry	1,996,656	817,901	1,627,275	1.29
	<u>11,684,256</u>	<u>16,195,821</u>	<u>20,557,661</u>	<u>16.26</u>
<b>Plantation</b>				
IOI Corporation Bhd	605,500	2,659,095	2,379,615	1.88
Kuala Lumpur Kepong Bhd	111,851	2,653,542	2,440,589	1.93
Sime Darby Plantation Bhd	546,067	2,136,357	2,435,459	1.93
	<u>1,263,418</u>	<u>7,448,994</u>	<u>7,255,663</u>	<u>5.74</u>
<b>Property</b>				
Eastern and Oriental Bhd	1,750,500	1,088,570	1,006,538	0.80
Iskandar Waterfront City Bhd	1,539,800	1,141,832	1,124,054	0.89
Sime Darby Property Bhd	1,662,700	1,233,225	1,039,188	0.82
SP Setia Bhd	2,659,500	2,134,250	2,127,600	1.68
Skyworld Development Bhd	734,900	587,920	404,194	0.32
	<u>8,347,400</u>	<u>6,185,797</u>	<u>5,701,574</u>	<u>4.51</u>

8. 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>2023 (CONTINUED)</b>				
<b>SHARIAH-COMPLIANT QUOTED SECURITIES (CONTINUED)</b>				
<b>Technology</b>				
ECA Integrated Solution Bhd	2,937,600	2,641,878	1,483,488	1.17
Genetec Technology Bhd	2,117,300	3,876,942	4,996,828	3.95
Inari Amertron Bhd	1,233,100	3,721,199	3,711,631	2.94
Infomina Bhd	430,100	601,860	718,267	0.57
ITMAX System Bhd	1,398,800	1,986,960	2,503,852	1.98
LGMS Bhd	2,388,500	3,012,050	2,197,420	1.74
My E.G Services Bhd	4,305,011	3,914,400	3,508,584	2.77
	<u>14,810,411</u>	<u>19,755,289</u>	<u>19,120,070</u>	<u>15.12</u>
<b>Telecommunications &amp; Media</b>				
Maxis Bhd	454,500	1,572,570	1,749,824	1.38
Telekom Malaysia Bhd	1,033,800	5,187,404	5,737,590	4.54
	<u>1,488,300</u>	<u>6,759,974</u>	<u>7,487,414</u>	<u>5.92</u>
<b>Utilities</b>				
Tenaga Nasional Bhd	1,182,000	10,835,771	11,867,280	9.38
	<u>1,182,000</u>	<u>10,835,771</u>	<u>11,867,280</u>	<u>9.38</u>
<b>TOTAL SHARIAH- COMPLIANT QUOTED SECURITIES</b>	<b><u>72,981,054</u></b>	<b><u>101,290,067</u></b>	<b><u>111,657,237</u></b>	<b><u>88.31</u></b>
<b>ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b><u>10,367,170</u></b>		
<b>TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b><u>111,657,237</u></b>		
<b>2022</b>				
<b>SHARIAH-COMPLIANT QUOTED SECURITIES</b>				
<b>Construction</b>				
Gamuda Bhd	364,100	1,351,446	1,365,375	1.16
IJM Corporation Bhd	577,300	920,564	923,680	0.78
Southern Score Builders Bhd	11,000,000	2,200,000	2,090,000	1.77
	<u>11,941,400</u>	<u>4,472,010</u>	<u>4,379,055</u>	<u>3.71</u>



8. 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>2022 (CONTINUED)</b>				
<b>SHARIAH-COMPLIANT QUOTED SECURITIES (CONTINUED)</b>				
<b>Consumer Products &amp; Services</b>				
Farm Fresh Bhd	1,114,400	1,737,411	1,794,184	1.52
Karex Berhad	494,900	345,418	361,277	0.31
Mr D.I.Y. Group (M) Bhd	442,450	998,496	884,900	0.75
PPB Group Bhd	12,800	221,440	223,232	0.19
QL Resources Bhd	1,037,900	5,488,755	5,718,829	4.85
Sime Darby Bhd	1,190,200	2,871,018	2,737,460	2.32
	<u>4,292,650</u>	<u>11,662,538</u>	<u>11,719,882</u>	<u>9.94</u>
<b>Energy</b>				
Dayang Enterprise Holdings Bhd	186,500	266,936	244,315	0.21
Dialog Group Bhd	576,900	1,805,391	1,413,405	1.20
Hibiscus Petroleum Bhd	1,993,200	2,001,719	2,132,724	1.81
	<u>2,756,600</u>	<u>4,074,046</u>	<u>3,790,444</u>	<u>3.22</u>
<b>Financial Services</b>				
Bank Islam Malaysia Bhd	911,800	2,868,476	2,489,214	2.11
<b>Health Care</b>				
IHH Healthcare Bhd	404,600	2,500,796	2,516,612	2.14
KPJ Healthcare Bhd	1,667,000	1,747,847	1,683,670	1.43
Top Glove Corporation Bhd	765,200	649,566	692,506	0.59
	<u>2,836,800</u>	<u>4,898,209</u>	<u>4,892,788</u>	<u>4.16</u>
<b>Industrial Products &amp; Services</b>				
HSS Engineers Berhad	1,222,000	928,798	525,460	0.45
Kelington Group Bhd	1,381,500	1,062,817	1,892,655	1.61
Petronas Chemicals Group Bhd	256,900	1,978,159	2,209,340	1.87
Press Metal Aluminium Holdings Bhd	605,000	2,723,721	2,952,400	2.51
Sunway Bhd	999,000	1,695,394	1,618,380	1.37
V.S. Industry Bhd	2,496,556	1,022,677	2,196,970	1.86
	<u>6,960,956</u>	<u>9,411,566</u>	<u>11,395,205</u>	<u>9.67</u>
<b>Plantation</b>				
IOI Corporation Bhd	783,800	3,442,111	3,174,390	2.69
Kuala Lumpur Kepong Bhd	138,551	3,286,970	3,098,000	2.63
Sime Darby Plantation Bhd	905,967	3,544,381	4,212,747	3.57
	<u>1,828,318</u>	<u>10,273,462</u>	<u>10,485,137</u>	<u>8.89</u>

8. 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>2022 (CONTINUED)</b>				
<b>SHARIAH-COMPLIANT QUOTED SECURITIES (CONTINUED)</b>				
<b>Property</b>				
Sime Darby Property Bhd	1,662,700	1,233,225	748,215	0.63
SP Setia Bhd	632,600	369,377	379,560	0.32
	<u>2,295,300</u>	<u>1,602,602</u>	<u>1,127,775</u>	<u>0.95</u>
<b>REITs</b>				
Axis REIT	1,047,180	2,146,610	1,874,452	1.60
KLCCP Stapled Group	261,800	2,103,653	1,756,678	1.49
	<u>1,308,980</u>	<u>4,250,263</u>	<u>3,631,130</u>	<u>3.09</u>
<b>Technology</b>				
CTOS Digital Bhd	660,500	1,035,049	937,910	0.80
Frontken Corporation Bhd	792,600	2,874,858	2,441,208	2.07
Genetec Technology Bhd	3,155,100	5,777,235	7,540,689	6.40
Inari Amertron Bhd	899,000	2,625,800	2,346,390	1.99
Infomina Bhd	706,500	951,718	1,017,360	0.86
ITMAX System Bhd	1,659,900	2,156,357	2,357,058	2.00
LGMS Bhd	3,720,300	4,754,380	4,203,939	3.57
My E.G Services Bhd	5,296,700	5,368,730	4,608,129	3.91
	<u>16,890,600</u>	<u>25,544,127</u>	<u>25,452,683</u>	<u>21.60</u>
<b>Telecommunications &amp; Media</b>				
Axiata Group Bhd	1,415,646	5,567,425	4,374,346	3.72
Maxis Bhd	961,200	3,325,752	3,691,008	3.13
Telekom Malaysia Bhd	327,100	1,677,437	1,766,340	1.50
	<u>2,703,946</u>	<u>10,570,614</u>	<u>9,831,694</u>	<u>8.35</u>
<b>Transportation &amp; Logistics</b>				
Malaysia Airports Holdings Bhd	366,800	2,335,638	2,406,208	2.04
MISC Bhd	588,200	4,486,967	4,411,500	3.74
	<u>955,000</u>	<u>6,822,605</u>	<u>6,817,708</u>	<u>5.78</u>
<b>Utilities</b>				
Taliworks Corporation Bhd	2,125,166	1,854,471	1,838,269	1.56
Tenaga Nasional Bhd	222,000	1,916,941	2,137,860	1.81
	<u>2,347,166</u>	<u>3,771,412</u>	<u>3,976,129</u>	<u>3.37</u>
<b>TOTAL SHARIAH- COMPLIANT QUOTED SECURITIES</b>	<b><u>58,029,516</u></b>	<b><u>100,221,930</u></b>	<b><u>99,988,844</u></b>	<b><u>84.84</u></b>

8. 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>2022 (CONTINUED)</b>				
<b>SHARIAH-COMPLIANT QUOTED SECURITIES (CONTINUED)</b>				
<b>ACCUMULATED UNREALISED LOSS ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b>(233,086)</b>		
<b>TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b>99,988,844</b>		

9. CASH AND CASH EQUIVALENTS

	2023 RM	2022 RM
Shariah-compliant deposits with licensed Islamic financial institutions	14,592,597	13,987,222
Bank balance	71,269	20,379
	<u>14,663,866</u>	<u>14,007,601</u>

10. NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS

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

	2022 RM
Unit holders' contributions	118,299,772
Retained earnings/(Accumulated loss)	(446,082)
	<u>117,853,690</u>

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

	Unit holders' contributions RM	Retained earnings/ (Accumulated loss) RM	Total RM
<b>Balance as at 1 January 2022</b>	102,066,254	17,684,706	119,750,960
Movements in unit holders contributions:			
- Creation of units from applications	28,419,822	-	28,419,822
- Creation of units from distributions	3,314,373	-	3,314,373
- Cancellation of units	(15,500,677)	-	(15,500,677)
Total comprehensive loss for the financial year	-	(14,706,786)	(14,706,786)
Distributions	-	(3,424,002)	(3,424,002)
<b>Balance at 31 December 2022</b>	<u>118,299,772</u>	<u>(446,082)</u>	<u>117,853,690</u>

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

Disclosure of net assets attributable to unit holders is not required for financial year ended 31 December 2023 as the Fund issued multiple classes of units during the financial year.

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

	<b>2023</b>	<b>2022</b>
	<b>No of units</b>	<b>No of units</b>
Class MYR (i)	184,574,931	186,694,450
Class D (ii)	141,373	-
	<u>184,716,304</u>	<u>186,694,450</u>
 (i) Class MYR		
At the beginning of the financial year	186,694,450	159,710,887
Add : Creation of units from applications	30,595,252	45,047,857
Add : Creation of units from distribution	903,786	4,848,411
Less : Cancellation of units	(33,618,557)	(22,912,705)
At the end of the financial year	<u>184,574,931</u>	<u>186,694,450</u>
 (ii) Class D		
Add : Creation of units from applications	155,368	-
Less : Cancellation of units	(13,995)	-
At the end of the financial year	<u>141,373</u>	<u>-</u>

**12. TOTAL EXPENSE RATIO (“TER”)**

	<b>2023</b>	<b>2022</b>
	<b>%</b>	<b>%</b>
TER	<u>1.61</u>	<u>1.61</u>

TER is derived from the following calculation:

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

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

The average NAV of the Fund for the financial year calculated on a daily basis is RM119,380,892 (2022: RM109,289,361).

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

	<b>2023</b>	<b>2022</b>
PTR (times)	<u>0.60</u>	<u>0.47</u>

PTR is derived based on the following calculation:

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

**13. PORTFOLIO TURNOVER RATIO (“PTR”) (CONTINUED)**

PTR is derived based on the following calculation (continued):

where:

total acquisition for the financial year = RM72,244,704 (2022: RM53,593,144)  
 total disposal for the financial year = RM70,722,179 (2022: RM49,943,476)

**14. 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 Berhad, 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
CIMB Islamic Bank Bhd	Fellow related party to Manager
CGS-CIMB Securities Sdn Bhd	Fellow related party to Manager
CIMB Investment Bank Bhd	Fellow related party to Manager
Subsidiaries and associates of CIMB Group Holdings Berhad, other than above, as disclosed in its financial statements	Fellow subsidiary and associated companies of the ultimate holding company of shareholder of the Manager

Units held by the Manager and parties related to the Manager

	<u>2023</u>	<u>2022</u>
	<u>No. of units</u>	<u>RM</u>
	<u>RM</u>	<u>No. of units</u>
	<u>RM</u>	<u>RM</u>
<b>Manager</b>		
Principal Asset Management Berhad		
- Class MYR	2,682	12,668
	1,835	20,070

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

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

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

In addition to the 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.

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

	<b>2023</b>	<b>2022</b>
	<b>RM</b>	<b>RM</b>
<u>Significant related party transactions</u>		
Profit income from Shariah-compliant deposits with licensed Islamic financial institution:		
- CIMB Islamic Bank Bhd	<u>59,273</u>	<u>11,955</u>
<u>Significant related party balances</u>		
Bank balance:		
- CIMB Islamic Bank Bhd	<u>-</u>	<u>20,379</u>

**15. TRANSACTIONS WITH BROKERS**

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

<b>Brokers</b>	<b>Value of trades</b>	<b>Percentage of total trades</b>	<b>Brokerage fees</b>	<b>Percentage of total brokerage fees</b>
	<b>RM</b>	<b>%</b>	<b>RM</b>	<b>%</b>
Macquarie Capital Securities (Malaysia) Sdn Bhd	23,366,943	16.36	51,314	17.33
CGS-CIMB Securities Sdn Bhd #	19,390,199	13.57	40,248	13.59
RHB Investment Bank Bhd	18,631,526	13.04	39,839	13.45
J.P. Morgan Securities (Malaysia) Sdn Bhd	16,503,273	11.55	26,872	9.07
Maybank Investment Bank Bhd	12,494,850	8.75	27,645	9.33
CLSA Securities (Malaysia) Sdn Bhd	12,139,396	8.50	26,789	9.04
UBS Securities Malaysia Sdn Bhd	9,626,914	6.74	19,797	6.68
Nomura Securities Malaysia Sdn Bhd	8,814,397	6.17	19,015	6.42
KAF Equities Sdn Bhd	7,609,531	5.33	14,558	4.92
UOB Kay Hian Securities Malaysia Sdn Bhd	4,943,101	3.46	11,122	3.76
Others	9,319,248	6.53	18,974	6.41
	<u>142,839,378</u>	<u>100.00</u>	<u>296,173</u>	<u>100.00</u>

15. TRANSACTIONS WITH BROKERS (CONTINUED)

Details of transactions with the top 10 brokers for the financial year ended 31 December 2022 are as follows (continued):

Brokers	Value of trades RM	Percentage of total trades %	Brokerage fees RM	Percentage of total brokerage fees %
CGS-CIMB Securities Sdn Bhd #	16,507,207	15.94	41,201	18.14
J.P. Morgan Securities (Malaysia) Sdn Bhd	14,089,090	13.61	29,521	13.00
Maybank Investment Bank Bhd	13,752,464	13.28	29,789	13.12
Credit Suisse Securities (Malaysia) Sdn Bhd	12,201,236	11.78	27,472	12.10
Macquarie Capital Securities (Malaysia) Sdn Bhd	11,421,964	11.03	25,699	11.32
RHB Investment Bank Bhd	11,002,428	10.63	24,854	10.95
KAF Equities Sdn Bhd	10,483,568	10.13	23,588	10.39
CLSA Securities (Malaysia) Sdn Bhd	6,514,972	6.29	14,484	6.38
Affin Hwang Investment Bank Bhd	2,392,706	2.31	5,413	2.38
Kenanga Investment Bank Bhd	2,272,822	2.20	164	0.07
Others	2,898,163	2.80	4,893	2.15
	<u>103,536,620</u>	<u>100.00</u>	<u>227,078</u>	<u>100.00</u>

# Included in transactions are trades conducted with CGS-CIMB Securities Sdn Bhd, fellow related parties to the Manager amounting to RM19,390,199 (2022: RM16,507,207). 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.

16. APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved for issue by the Manager on 16 February 2024.

## DIRECTORY

### Head Office of the Manager

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

### Website

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

### E-mail address

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

### Customer Care Centre

(03) 7723 7260

### Chat with us via WhatsApp:

(6016) 299 9792

### Previous Trustee for the Principal Islamic Enhanced Opportunities Fund

AmanahRaya Trustees Berhad (Company No.: 200701008892 (766894-T))  
Tingkat 2, Wisma AmanahRaya II,  
No. 21, Jalan Melaka,  
50100 Kuala Lumpur,  
MALAYSIA.  
Tel: (03) 2036 5000/5129  
Fax: (03) 2072 0322

### Trustee for the Principal Islamic Enhanced Opportunities Fund

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

### Shariah Adviser of the Principal Islamic Enhanced Opportunities Fund

Amanie Advisors Sdn. Bhd. (Company No.: 200501007003 (684050-H))  
Level 13A-2, Menara Tokio Marine Life,  
No 189, Jalan Tun Razak,  
50400 Kuala Lumpur, MALAYSIA.  
Tel: (03) 2161 0260  
Fax: (03) 2161 0262

### Auditors of the Fund and Manager

Ernst & Young PLT 202006000003 (LLP0022760-LCA) & AF 0039  
Level 23A, Menara Millennium  
Jalan Damanlela  
Pusat Bandar Damansara  
50490 Kuala Lumpur  
Tel: +603 7495 8000  
Fax: +603 2095 5332



List of Amendment  
**First Supplemental Master Prospectus for Islamic funds (“Fund”)**

**APPENDIX 1**

Master Prospectus for Islamic funds dated 28 April 2023 (“Prospectus 1”)		First Supplemental Master Prospectus for Islamic funds dated 5 September 2023 (“Prospectus 2”)
Section / Page	Description	Description
Front cover	As disclosed in the Prospectus 1.	All references to “Maybank Trustees Berhad”, “MTrustee Berhad”, “Amanahraya Trustees Berhad” and “Universal Trustee (Malaysia) Berhad” wherever it appears in Prospectus 1 shall be replaced with “HSBC (Malaysia) Trustee Berhad” .
Definitions/ii to iv	<p>Nil</p> <p>Trustee - MTrustee, ART, HSBCT, MTB and/or UTMB.</p>	<p>HSBC Group - HSBC Holdings plc, its subsidiaries, related bodies corporate, associated entities and undertakings and any of their branches.</p> <p>Trustee - HSBC (Malaysia) Trustee Berhad.</p>
Corporate Directory/v	<p><b>The Trustee</b>  Trustee for iOP-MO, DALI4, iOP-EO &amp; iLI-S AmanahRaya Trustees Berhad</p> <p>Business address  Tingkat 14, Wisma AmanahRaya  No. 2, Jalan Ampang  50508 Kuala Lumpur MALAYSIA  Tel : (03) 2036 5129  Fax : (03) 2072 0322  Email : art@arb.com.my  Website : www.artrustees.my</p> <p>Registered address  Tingkat 11, Wisma AmanahRaya  No. 2, Jalan Ampang  50508 Kuala Lumpur MALAYSIA  Tel : (03) 2055 7388</p> <p>Trustee for DALI  MTrustee Berhad</p> <p>Business address  15th Floor, Menara AmFirst  No. 1, Jalan 19/3  46300 Petaling Jaya Selangor MALAYSIA  Tel : (03) 7954 6862  Fax : (03) 7954 3712  Email : Mtrustee-Legal@mtrustee.com  Website : http://mtrustee.com/</p>	<p><b>The Trustee</b>  HSBC (Malaysia) Trustee Berhad</p> <p>Business/Registered address  Level 19, Menara IQ, Lingkaran TRX,  55188 Tun Razak Exchange,  Kuala Lumpur, MALAYSIA.  Tel : (03) 2075 7800  Fax : (03) 8894 2611  Email : fs.client.services.myh@hsbc.com.my</p> <p><i>Note: You may refer to our website for an updated information on our details.</i></p>

List of Amendment  
**First Supplemental Master Prospectus for Islamic funds (“Fund”)**

Master Prospectus for Islamic funds dated 28 April 2023 (“Prospectus 1”)		First Supplemental Master Prospectus for Islamic funds dated 5 September 2023 (“Prospectus 2”)
Section / Page	Description	Description
	<p>Registered address                      B-2-9, (2nd Floor), Pusat Perdagangan Kuchai                      No. 2, Jalan 1/127, Off Jalan Kuchai Lama                      50200 Kuala Lumpur MALAYSIA</p> <p>Trustee for DALI2, IOP-SCO and iLI-B                      Universal Trustee (Malaysia) Berhad</p> <p>Business address                      No.1, Jalan Ampang (3rd Floor)                      50450 Kuala Lumpur MALAYSIA                      Tel : (03) 2070 8050                      Fax : (03) 2031 8715 / 2032 3194                      Email : info@utmb.com.my                      Website : www.universaltrustee.com.my</p> <p>Registered address                      Suite 11.1A, Level 11, Menara Weld                      76, Jalan Raja Chulan, 50200 Kuala Lumpur</p> <p>Trustee for the iLI-BG                      Maybank Trustees Berhad</p> <p>Business/Registered address                      8th Floor, Menara Maybank                      100, Jalan Tun Perak                      50050 Kuala Lumpur MALAYSIA                      Tel : (03) 2070 8833/ 2078 8363                      Fax : (03) 2070 9387                      Website : <a href="http://www.maybank2u.com.my">www.maybank2u.com.my</a></p>	
1.1.5/ 9	<p><u>PRINCIPAL ISLAMIC ENHANCED OPPORTUNITIES FUND</u></p> <p>Distribution Policy : Distribution (if any) is expected to be distributed every January at our discretion.</p>	<p><u>PRINCIPAL ISLAMIC ENHANCED OPPORTUNITIES FUND</u></p> <p>Distribution Policy : For Class MYR and Class D                      Distribution (if any) is expected to be distributed every January at our discretion.</p>

List of Amendment  
**First Supplemental Master Prospectus for Islamic funds (“Fund”)**

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1.1.8/ 15	<u>PRINCIPAL ISLAMIC LIFETIME BALANCED FUND</u>  Distribution Policy : We have the discretion to distribute a part or all of the Class’s distributable income. The distribution (if any) may vary from period to period depending on the investment objective and the performance of the Class.				<u>PRINCIPAL ISLAMIC LIFETIME BALANCED FUND</u>  Distribution Policy : For Class MYR and Class D We have the discretion to distribute a part or all of the Class’s distributable income. The distribution (if any) may vary from period to period depending on the investment objective and the performance of the Class.																																																						
1.1.9/17	PRINCIPAL ISLAMIC LIFETIME BALANCED GROWTH FUND  Distribution Policy : Distribution (if any) is expected to be distributed every January at our discretion.				PRINCIPAL ISLAMIC LIFETIME BALANCED GROWTH FUND  Distribution Policy : For Class MYR and Class D Distribution (if any) is expected to be distributed every January at our discretion.																																																						
1.1.11./21	PRINCIPAL ISLAMIC LIFETIME SUKUK FUND  Distribution Policy : Distribution (if any) is expected to be distributed annually, depending on the performance of the Class and at our discretion.				PRINCIPAL ISLAMIC LIFETIME SUKUK FUND  Distribution Policy : For Class MYR and Class D Distribution (if any) is expected to be distributed annually, depending on the performance of the Class and at our discretion.																																																						
1.2.2/ 23	1.2.2. Launch date, Initial Offer Period & Initial Offer Price per Unit  Currently, the Classes below are available for sale. <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #0070C0; color: white;"> <th style="width: 30%;">Funds</th> <th style="width: 15%;">Name of Class</th> <th style="width: 15%;">Launch date</th> <th style="width: 10%;">Initial offer period</th> <th style="width: 10%;">Initial offer price per unit</th> </tr> </thead> <tbody> <tr> <td colspan="5">Equity Funds</td> </tr> <tr> <td>Principal DALI Equity Growth Fund</td> <td>Class MYR</td> <td>7 May 1998</td> <td>N/A</td> <td>N/A</td> </tr> <tr> <td>Principal DALI Equity Fund</td> <td>Class MYR</td> <td>30 April 2003</td> <td>N/A</td> <td>N/A</td> </tr> <tr> <td>Principal Islamic Malaysia Opportunities Fund</td> <td>Class MYR</td> <td>1 August 2012</td> <td>N/A</td> <td>N/A</td> </tr> </tbody> </table>				Funds	Name of Class	Launch date	Initial offer period	Initial offer price per unit	Equity Funds					Principal DALI Equity Growth Fund	Class MYR	7 May 1998	N/A	N/A	Principal DALI Equity Fund	Class MYR	30 April 2003	N/A	N/A	Principal Islamic Malaysia Opportunities Fund	Class MYR	1 August 2012	N/A	N/A	1.2.2. Launch date, Initial Offer Period & Initial Offer Price per Unit  Currently, the Classes below are available for sale. <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #0070C0; color: white;"> <th style="width: 30%;">Funds</th> <th style="width: 15%;">Name of Class</th> <th style="width: 15%;">Launch date</th> <th style="width: 10%;">Initial offer period</th> <th style="width: 10%;">Initial offer price per unit</th> </tr> </thead> <tbody> <tr> <td colspan="5">Equity Funds</td> </tr> <tr> <td>Principal DALI Equity Growth Fund</td> <td>Class MYR</td> <td>7 May 1998</td> <td>N/A</td> <td>N/A</td> </tr> <tr> <td>Principal DALI Equity Fund</td> <td>Class MYR</td> <td>30 April 2003</td> <td>N/A</td> <td>N/A</td> </tr> <tr> <td>Principal Islamic Malaysia Opportunities Fund</td> <td>Class MYR</td> <td>1 August 2012</td> <td>N/A</td> <td>N/A</td> </tr> </tbody> </table>					Funds	Name of Class	Launch date	Initial offer period	Initial offer price per unit	Equity Funds					Principal DALI Equity Growth Fund	Class MYR	7 May 1998	N/A	N/A	Principal DALI Equity Fund	Class MYR	30 April 2003	N/A	N/A	Principal Islamic Malaysia Opportunities Fund	Class MYR	1 August 2012	N/A	N/A
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List of Amendment  
**First Supplemental Master Prospectus for Islamic funds (“Fund”)**

Master Prospectus for Islamic funds dated 28 April 2023 (“Prospectus 1”)						First Supplemental Master Prospectus for Islamic funds dated 5 September 2023 (“Prospectus 2”)					
Section / Page	Description					Description					
	Principal DALI Asia Pacific Equity Growth Fund	Class MYR	8 October 2004	N/A	N/A	Principal DALI Asia Pacific Equity Growth Fund	Class MYR	8 October 2004	N/A	N/A	
	Principal Islamic Enhanced Opportunities Fund	Class MYR	15 June 1995	N/A	N/A	Principal Islamic Enhanced Opportunities Fund	Class MYR	15 June 1995	N/A	N/A	
	Principal Islamic Small Cap Opportunities Fund	Class MYR	30 April 2003	N/A	N/A		Class D	9 October 2023 <sup>Note 1</sup>	1 day which is on the launch date	MYR1.0000	
	Principal Islamic Asia Pacific Dynamic Equity Fund	Class MYR	2 June 2006	N/A	N/A	Principal Islamic Small Cap Opportunities Fund	Class MYR	30 April 2003	N/A	N/A	
		Class D	28 April 2023 <sup>Note 1</sup>	1 day which is on the launch date	MYR1.0000	Principal Islamic Asia Pacific Dynamic Equity Fund	Class MYR	2 June 2006	N/A	N/A	
	Mixed Asset Funds										
	Principal Islamic Lifetime Balanced Fund	Class MYR	8 March 2001	N/A	N/A	Principal Islamic Asia Pacific Dynamic Equity Fund	Class D	28 April 2023 <sup>Note 1</sup>	1 day which is on the launch date	MYR1.0000	
	Principal Islamic Lifetime Balanced Growth Fund	Class MYR	26 May 2003	N/A	N/A		Mixed Asset Funds				
	Sukuk Funds										
	Principal Islamic Lifetime Enhanced Sukuk Fund	Class MYR	23 February 2005	N/A	N/A	Principal Islamic Lifetime Balanced Fund	Class MYR	8 March 2001	N/A	N/A	
		Class D	28 April 2023 <sup>Note 1</sup>	1 day which is on the launch date	MYR1.0000		Class D	2 November 2023 <sup>Note 1</sup>	1 day which is on the launch date	MYR1.0000	
	Principal Islamic Lifetime Sukuk Fund	Class MYR	8 October 2004	N/A	N/A	Principal Islamic Lifetime Balanced Growth Fund	Class MYR	26 May 2003	N/A	N/A	
	<i>Note 1 The launch date shall be the date disclosed above or such other date as may be determined by us at our discretion. Any change to the launch date will be published on the website at <a href="http://www.principal.com.my">www.principal.com.my</a> prior to the launch date and thereafter, a supplemental prospectus will be issued to inform investors of the revised launch date.</i>						Class D	3 October 2023 <sup>Note 1</sup>	1 day which is on the	MYR1.0000	

List of Amendment  
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				Principal Islamic Lifetime Enhanced Sukuk Fund	Class MYR	23 February 2005	N/A	N/A																														
					Class D	28 April 2023	1 day which is on the launch date	MYR1.0000																														
				Principal Islamic Lifetime Sukuk Fund	Class MYR	8 October 2004	N/A	N/A																														
Class D	9 October 2023 <sup>Note 1</sup>	1 day which is on the launch date	MYR1.0000																																			
<p><i>Note 1 The launch date shall be the date disclosed above or such other date as may be determined by us at our discretion. Any change to the launch date will be published on the website at <a href="http://www.principal.com.my">www.principal.com.my</a> prior to the launch date and thereafter, a supplemental prospectus will be issued to inform investors of the revised launch date.</i></p>																																						
2.1.1/ 35	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2" style="background-color: #0070c0; color: white;">Class</th> <th colspan="3" style="background-color: #0070c0; color: white;">Maximum Application Fee (% of the NAV per unit)</th> </tr> <tr> <th style="background-color: #0070c0; color: white;">Principal Distributors</th> <th style="background-color: #0070c0; color: white;">IUTAs</th> <th style="background-color: #0070c0; color: white;">Class D</th> </tr> </thead> <tbody> <tr> <td colspan="4" style="background-color: #e1f5fe;">Equity Funds</td> </tr> <tr> <td style="background-color: #e1f5fe;">Principal DALI Equity Growth Fund</td> <td style="background-color: #e1f5fe;">6.50</td> <td style="background-color: #e1f5fe;">6.50</td> <td style="background-color: #e1f5fe;">N/A</td> </tr> </tbody> </table>			Class	Maximum Application Fee (% of the NAV per unit)			Principal Distributors	IUTAs	Class D	Equity Funds				Principal DALI Equity Growth Fund	6.50	6.50	N/A	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2" style="background-color: #0070c0; color: white;">Class</th> <th colspan="3" style="background-color: #0070c0; color: white;">Maximum Application Fee (% of the NAV per unit)</th> </tr> <tr> <th style="background-color: #0070c0; color: white;">Principal Distributors</th> <th style="background-color: #0070c0; color: white;">IUTAs</th> <th style="background-color: #0070c0; color: white;">Class D</th> </tr> </thead> <tbody> <tr> <td colspan="4" style="background-color: #e1f5fe;">Equity Funds</td> </tr> <tr> <td style="background-color: #e1f5fe;">Principal DALI Equity Growth Fund</td> <td style="background-color: #e1f5fe;">6.50</td> <td style="background-color: #e1f5fe;">6.50</td> <td style="background-color: #e1f5fe;">N/A</td> </tr> </tbody> </table>					Class	Maximum Application Fee (% of the NAV per unit)			Principal Distributors	IUTAs	Class D	Equity Funds				Principal DALI Equity Growth Fund	6.50	6.50	N/A
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Master Prospectus for Islamic funds dated 28 April 2023 (“Prospectus 1”)					First Supplemental Master Prospectus for Islamic funds dated 5 September 2023 (“Prospectus 2”)				
Section / Page	Description				Description				
	Principal DALI Equity Fund	6.50	6.50	N/A	Principal DALI Equity Fund	6.50	6.50	N/A	
	Principal Islamic Malaysia Opportunities Fund	6.50	5.50	N/A	Principal Islamic Malaysia Opportunities Fund	6.50	5.50	N/A	
	Principal DALI Asia Pacific Equity Growth Fund	6.50	6.50	N/A	Principal DALI Asia Pacific Equity Growth Fund	6.50	6.50	N/A	
	Principal Islamic Enhanced Opportunities Fund	5.00	5.00	N/A	Principal Islamic Enhanced Opportunities Fund	5.00	5.00	5.00	
	Principal Islamic Small Cap Opportunities Fund	6.50	6.50	N/A	Principal Islamic Small Cap Opportunities Fund	6.50	6.50	N/A	
	Principal Islamic Asia Pacific Dynamic Equity Fund	5.00	5.00	5.00	Principal Islamic Asia Pacific Dynamic Equity Fund	5.00	5.00	5.00	
	Mixed Asset Funds				Mixed Asset Funds				
	Principal Islamic Lifetime Balanced Fund	6.50	6.50	N/A	Principal Islamic Lifetime Balanced Fund	6.50	6.50	6.50	
	Principal Islamic Lifetime Balanced Growth Fund	6.00	5.00	N/A	Principal Islamic Lifetime Balanced Growth Fund	6.00	5.00	5.00	
	Sukuk Funds				Sukuk Funds				
	Principal Islamic Lifetime Enhanced Sukuk Fund	2.00	2.00	2.00	Principal Islamic Lifetime Enhanced Sukuk Fund	2.00	2.00	2.00	
	Principal Islamic Lifetime Sukuk Fund	2.00	2.00	N/A	Principal Islamic Lifetime Sukuk Fund	2.00	2.00	2.00	
	2.1.3/ 36	<p>Switching is treated as a withdrawal from a Class and an investment into another Class or Principal Malaysia’s fund (or its classes). You may be charged a Switching Fee equal to the difference (if any) between the Application Fees of the Class and and the Application Fee of the other Class or Principal Malaysia’s fund (or its classes). Switching Fee will not be charged if the Class or Principal Malaysia’s fund (or its classes) to be switched into has a lower Application Fee. In addition to the Switching Fee, you may be charged MYR100 as the administrative fee for every switch. You may negotiate to lower the Switching Fee and/or administrative fees. We also have the discretion to waive the Switching Fee and/or administrative fee.</p> <p>Switching from Islamic fund to conventional fund is discouraged for Muslim investors. The term 'discouraged' is not a Shariah ruling imposed by the Shariah Adviser of the Funds to the investor, rather a suggestion for the Muslim investor to continue practicing the Islamic conducts, ie: Shariah investing.</p>				<p>When available, switching is treated as a withdrawal from a Class/Fund and an investment into another Class or Principal Malaysia’s fund (or its classes). As such, you may be charged a Switching Fee equal to the difference (if any) between the Application Fees of the Class/Fund and the Application Fee of the other Class or Principal Malaysia’s fund (or its classes). You will not be charged a Switching Fee, if the Class or Principal Malaysia’s fund (or its classes) to be switched into has a lower Application Fee than the Application Fee of the Class. In addition to the Switching Fee, you may be charged MYR100 as the administrative fee for every switch. You may negotiate to lower the Switching Fee and/or administrative fee. We also have the discretion to waive the Switching Fee and/or administrative fee.</p> <p>Switching from Islamic fund to conventional fund is discouraged for Muslim investors. The term “discouraged” is not a Shariah ruling imposed by the Shariah Adviser of the Funds to the investor, rather a suggestion for the Muslim investor to continue practicing the Islamic conducts, i.e. Shariah investing.</p>			
	2.1.4/ 36	You may be charged Transfer Fee of not more than MYR50.00 for each transfer.				When available, you may be charged Transfer Fee of not more than MYR50.00 for each transfer.			
2.2.2/ 37									

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Section / Page	Description			Description		
	Funds	Trustee	Maximum Trustee Fee (% p.a. of the NAV of the Fund)	Funds	Maximum Trustee Fee (% p.a. of the NAV of the Fund)	With effect from the Effective Date, the maximum Trustee Fee will be revised to the below (% p.a. of the NAV of the Fund)
	Equity Funds			Equity Funds		
	Principal DALI Equity Growth Fund	MTrustee	0.06	Principal DALI Equity Growth Fund	0.06	0.045
	Principal DALI Equity Fund	UTMB	0.06	Principal DALI Equity Fund	0.06	0.045
	Principal Islamic Malaysia Opportunities Fund	ART	0.05	Principal Islamic Malaysia Opportunities Fund	0.05	0.045
	Principal DALI Asia Pacific Equity Growth Fund	ART	0.06	Principal DALI Asia Pacific Equity Growth Fund	0.06	0.045
	Principal Islamic Enhanced Opportunities Fund	ART	0.09	Principal Islamic Enhanced Opportunities Fund	0.09	0.045
	Principal Islamic Small Cap Opportunities Fund	UTMB	0.06	Principal Islamic Small Cap Opportunities Fund	0.06	0.045
	Principal Islamic Asia Pacific Dynamic Equity Fund	HSBCT	0.07	Principal Islamic Asia Pacific Dynamic Equity Fund	0.07	0.045
	Mixed Asset Funds			Mixed Asset Funds		
	Principal Islamic Lifetime Balanced Fund	UTMB	0.10	Principal Islamic Lifetime Balanced Fund	0.10	0.045
	Principal Islamic Lifetime Balanced Growth Fund	MTB	0.07	Principal Islamic Lifetime Balanced Growth Fund	0.07	0.045
	Sukuk Funds			Sukuk Funds		
	Principal Islamic Lifetime Enhanced Sukuk Fund	HSBCT	0.07	Principal Islamic Lifetime Enhanced Sukuk Fund	0.07	0.03
	Principal Islamic Lifetime Sukuk Fund	ART	0.06	Principal Islamic Lifetime Sukuk Fund	0.06	0.03
	<p><i>Note: The Trustee Fee includes local custodian fee but excludes foreign sub-custodian fee (if any). Foreign sub-custodian fee is dependant on the country invested and is charged monthly in arrears.</i></p> <p><i>Below is an illustration on how the Trustee Fee is calculated:</i></p> <p>Trustee Fee for the day = NAV of the Fund x annual Trustee Fee rate for the Fund (%) / 365 days</p> <p>If the NAV of the Fund is MYR500 million, then</p> <p>Trustee Fee for the day = MYR500 million x 0.06% per annum / 365 days</p> <p style="padding-left: 20px;">= MYR821.92</p> <p><i>Note: In the event of a leap year, the computation will be based on 366 calendar days.</i></p>			<p><i>Note: The Trustee Fee includes local custodian fee but excludes foreign sub-custodian fee (if any). Foreign sub-custodian fee is dependent on the country invested and is charged monthly in arrears.</i></p> <p><i>Below is an illustration on how the Trustee Fee is calculated:</i></p>		

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3.4.2/ 43	<p>First bullet point</p> <p>You may make a payment:</p> <ul style="list-style-type: none"> <li>▪ by crossed cheque, <del>banker’s draft, or cashier’s order</del> (made payable as advised by us or our Distributors as the case may be). You will have to bear the applicable bank fees and charges, if any; or</li> </ul>	<p>First bullet point</p> <p>You may make a payment:</p> <ul style="list-style-type: none"> <li>▪ by crossed cheque (made payable as advised by us or our Distributors as the case may be). You will have to bear the applicable bank fees and charges, if any; or</li> </ul>																																																																																																					
3.5/ 44-45	<p>The minimum initial and additional investment for each Class is stipulated in the table below.</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr style="background-color: #0070c0; color: white;"> <th rowspan="2">Funds</th> <th rowspan="2">Class</th> <th rowspan="2">Minimum initial investment* (MYR)</th> <th rowspan="2">Minimum additional investment* (MYR)</th> <th colspan="2">Regular Savings Plan (RSP)</th> </tr> <tr style="background-color: #0070c0; color: white;"> <th>Minimum initial investment* (MYR)</th> <th>Minimum additional investment* (MYR)</th> </tr> </thead> <tbody> <tr style="background-color: #e6f2ff;"> <td colspan="6"><b>Equity Funds</b></td> </tr> <tr> <td>Principal DALI Equity Growth Fund</td> <td>MYR</td> <td>500</td> <td>200</td> <td>500</td> <td>200</td> </tr> <tr> <td>Principal DALI Equity Fund</td> <td>MYR</td> <td>500</td> <td>200</td> <td>500</td> <td>200</td> </tr> <tr> <td>Principal Islamic Malaysia Opportunities Fund</td> <td>MYR</td> <td>500</td> <td>200</td> <td>500</td> <td>200</td> </tr> <tr> <td>Principal DALI Asia Pacific Equity Growth Fund</td> <td>MYR</td> <td>500</td> <td>200</td> <td>500</td> <td>200</td> </tr> <tr> <td>Principal Islamic Enhanced Opportunities Fund</td> <td>MYR</td> <td>500</td> <td>200</td> <td>500</td> <td>200</td> </tr> <tr> <td>Principal Islamic Small Cap Opportunities Fund</td> <td>MYR</td> <td>500</td> <td>200</td> <td>500</td> <td>200</td> </tr> <tr> <td>Principal Islamic Asia Pacific Dynamic Equity Fund</td> <td>MYR</td> <td>500</td> <td>200</td> <td>500</td> <td>200</td> </tr> <tr> <td></td> <td>D</td> <td>10</td> <td>10</td> <td>10</td> <td>10</td> </tr> <tr style="background-color: #e6f2ff;"> <td colspan="6"><b>Mixed Asset Funds</b></td> </tr> <tr> <td>Principal Islamic Lifetime Balanced Fund</td> <td>MYR</td> <td>500</td> <td>200</td> <td>500</td> <td>200</td> </tr> </tbody> </table>	Funds	Class	Minimum initial investment* (MYR)	Minimum additional investment* (MYR)	Regular Savings Plan (RSP)		Minimum initial investment* (MYR)	Minimum additional investment* (MYR)	<b>Equity Funds</b>						Principal DALI Equity Growth Fund	MYR	500	200	500	200	Principal DALI Equity Fund	MYR	500	200	500	200	Principal Islamic Malaysia Opportunities Fund	MYR	500	200	500	200	Principal DALI Asia Pacific Equity Growth Fund	MYR	500	200	500	200	Principal Islamic Enhanced Opportunities Fund	MYR	500	200	500	200	Principal Islamic Small Cap Opportunities Fund	MYR	500	200	500	200	Principal Islamic Asia Pacific Dynamic Equity Fund	MYR	500	200	500	200		D	10	10	10	10	<b>Mixed Asset Funds</b>						Principal Islamic Lifetime Balanced Fund	MYR	500	200	500	200	<p>The minimum initial and additional investment for each Class is stipulated in the table below.</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr style="background-color: #0070c0; color: white;"> <th rowspan="2">Funds</th> <th rowspan="2">Class</th> <th rowspan="2">Minimum initial investment# (MYR)</th> <th rowspan="2">Minimum additional investment# (MYR)</th> <th colspan="2">Regular Savings Plan (RSP)</th> </tr> <tr style="background-color: #0070c0; color: white;"> <th>Minimum initial investment# (MYR)</th> <th>Minimum additional investment# (MYR)</th> </tr> </thead> <tbody> <tr> <td colspan="6" style="text-align: center; vertical-align: middle;"> <p>Note: The currency denomination of the investment will be based on the respective Class of the Funds.</p> </td> </tr> <tr style="background-color: #e6f2ff;"> <td colspan="6"><b>Equity Funds</b></td> </tr> <tr> <td>Principal DALI Equity Growth Fund</td> <td>MYR</td> <td>500</td> <td>200</td> <td>500</td> <td>200</td> </tr> </tbody> </table>		Funds	Class	Minimum initial investment# (MYR)	Minimum additional investment# (MYR)	Regular Savings Plan (RSP)		Minimum initial investment# (MYR)	Minimum additional investment# (MYR)	<p>Note: The currency denomination of the investment will be based on the respective Class of the Funds.</p>						<b>Equity Funds</b>						Principal DALI Equity Growth Fund	MYR	500	200	500	200
Funds	Class					Minimum initial investment* (MYR)	Minimum additional investment* (MYR)	Regular Savings Plan (RSP)																																																																																															
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	Principal Islamic Lifetime Balanced Growth Fund	MYR	500	200	500	200	Principal DALI Equity Fund	MYR	500	200	500	200
	<b>Sukuk Funds</b>						Principal Islamic Malaysia Opportunities Fund	MYR	500	200	500	200
	Principal Islamic Lifetime Enhanced Sukuk Fund	MYR	2,000	500	2,000	500	Principal DALI Asia Pacific Equity Growth Fund	MYR	500	200	500	200
		D	10	10	10	10	Principal Islamic Enhanced Opportunities Fund	MYR	500	200	500	200
	Principal Islamic Lifetime Sukuk Fund	MYR	2,000	500	2,000	500		D	10	10	500	500
	* The amount includes any applicable fees and charges, such as application fee (if any), which are subject to any applicable taxes.						Principal Islamic Small Cap Opportunities Fund	MYR	500	200	500	200
							Principal Islamic Asia Pacific Dynamic Equity Fund	MYR	500	200	500	200
								D	10	10	500	500
							Mixed Asset Funds					
							Principal Islamic Lifetime Balanced Fund	MYR	500	200	500	200
								D	10	10	500	500
							Principal Islamic Lifetime Balanced Growth Fund	MYR	500	200	500	200
								D	10	10	500	500
							Sukuk Funds					
							Principal Islamic Lifetime Enhanced Sukuk Fund	MYR	2,000	500	2,000	500
							D	10	10	500	500	
						Principal Islamic Lifetime Sukuk Fund	MYR	2,000	500	2,000	500	
							D	10	10	500	500	
						# The amount includes any applicable fees and charges, such as application fee (if any), which are subject to any applicable taxes.						
						Note: We reserve our sole and absolute discretion without providing any reason whatsoever and at any time to accept, reject, amend, vary, waive and/or reduce (as the case maybe): (i) your request for a lower amount or number of units when purchasing units (or additional units) or						

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		<p><i>withdrawing units; and/or (ii) the minimum balance. For increase in the number of units for minimum withdrawal and minimum balance, we will require concurrence from the Trustee and you will be notified of such changes.</i></p> <p><i>We may for any reason and at any time, waive or reduce: (a) any fees (except for the Trustee Fee); (b) other charges payable by you to the Funds; and/or (c) transactional values including but not limited to the units or amount, for any Unit holder and/or investments made via any distribution channels or platform.</i></p> <p><i>The minimum initial investment for EPF-MIS shall be MYR1,000 or such other amount as determined by EPF or as per the amount stated above, whichever is higher. Please note that there may be changes to the status of the eligibility of the Fund under the EPF-MIS from time to time. Please refer to our website at <a href="http://www.principal.com.my">www.principal.com.my</a> or <a href="http://www.kwsp.gov.my">www.kwsp.gov.my</a> for updated information.</i></p>																																																																														
3.6./45-46	<p>The minimum withdrawals and minimum balance for the each Class are stipulated in the table below, unless you are withdrawing your entire investment. You may withdraw by completing a withdrawal application and submit to the relevant Distributor, Principal Malaysia’s office, e-Wallet App or such other channel (where available). There is no restriction on the frequency of withdrawals. We will transfer the withdrawal proceeds to the bank account number provided by you or through e-wallet with the e-Wallet Provider (where available). Please note that for EPF-MIS, your withdrawal proceeds will be paid to EPF.</p> <table border="1"> <thead> <tr> <th>Funds</th> <th>Class</th> <th>Minimum withdrawal</th> <th>Minimum balance (units)</th> </tr> </thead> <tbody> <tr> <td colspan="4">Equity Funds</td> </tr> <tr> <td>Principal DALI Equity Growth Fund</td> <td>MYR</td> <td>200 units</td> <td>250</td> </tr> <tr> <td>Principal DALI Equity Fund</td> <td>MYR</td> <td>200 units</td> <td>250</td> </tr> <tr> <td>Principal Islamic Malaysia Opportunities Fund</td> <td>MYR</td> <td>800 units</td> <td>1,000</td> </tr> <tr> <td>Principal DALI Asia Pacific Equity Growth Fund</td> <td>MYR</td> <td>400 units</td> <td>500</td> </tr> <tr> <td>Principal Islamic Enhanced Opportunities Fund</td> <td>MYR</td> <td>200 units</td> <td>250</td> </tr> <tr> <td>Principal Islamic Small Cap Opportunities Fund</td> <td>MYR</td> <td>400 units</td> <td>500</td> </tr> <tr> <td rowspan="2">Principal Islamic Asia Pacific Dynamic Equity Fund</td> <td>MYR</td> <td>400 units</td> <td>500</td> </tr> <tr> <td>D</td> <td>MYR 10</td> <td>10</td> </tr> </tbody> </table>	Funds	Class	Minimum withdrawal	Minimum balance (units)	Equity Funds				Principal DALI Equity Growth Fund	MYR	200 units	250	Principal DALI Equity Fund	MYR	200 units	250	Principal Islamic Malaysia Opportunities Fund	MYR	800 units	1,000	Principal DALI Asia Pacific Equity Growth Fund	MYR	400 units	500	Principal Islamic Enhanced Opportunities Fund	MYR	200 units	250	Principal Islamic Small Cap Opportunities Fund	MYR	400 units	500	Principal Islamic Asia Pacific Dynamic Equity Fund	MYR	400 units	500	D	MYR 10	10	<p>The minimum withdrawals and minimum balance for each Class are stipulated in the table below, unless you are withdrawing your entire investment. You may withdraw by completing a withdrawal application and submit to the relevant Distributor, Principal Malaysia’s office, e-Wallet App or such other channel (where available). There is no restriction on the frequency of withdrawals. We will transfer the withdrawal proceeds to the bank account number provided by you or through e-wallet with the e-Wallet Provider (where available). Please note that for EPF-MIS, your withdrawal proceeds will be paid to EPF.</p> <table border="1"> <thead> <tr> <th>Funds</th> <th>Class</th> <th>Minimum withdrawal</th> <th>Minimum balance</th> </tr> </thead> <tbody> <tr> <td colspan="4">Equity Funds</td> </tr> <tr> <td>Principal DALI Equity Growth Fund</td> <td>MYR</td> <td>200 units</td> <td>250 units</td> </tr> <tr> <td>Principal DALI Equity Fund</td> <td>MYR</td> <td>200 units</td> <td>250 units</td> </tr> <tr> <td>Principal Islamic Malaysia Opportunities Fund</td> <td>MYR</td> <td>800 units</td> <td>1,000 units</td> </tr> <tr> <td>Principal DALI Asia Pacific Equity Growth Fund</td> <td>MYR</td> <td>400 units</td> <td>500 units</td> </tr> <tr> <td rowspan="2">Principal Islamic Enhanced Opportunities Fund</td> <td>MYR</td> <td>200 units</td> <td>250 units</td> </tr> <tr> <td>D</td> <td>MYR10</td> <td>10 units</td> </tr> <tr> <td>Principal Islamic Small Cap Opportunities Fund</td> <td>MYR</td> <td>400 units</td> <td>500 units</td> </tr> <tr> <td>Principal Islamic Asia Pacific Dynamic Equity Fund</td> <td>MYR</td> <td>400 units</td> <td>500 units</td> </tr> </tbody> </table>	Funds	Class	Minimum withdrawal	Minimum balance	Equity Funds				Principal DALI Equity Growth Fund	MYR	200 units	250 units	Principal DALI Equity Fund	MYR	200 units	250 units	Principal Islamic Malaysia Opportunities Fund	MYR	800 units	1,000 units	Principal DALI Asia Pacific Equity Growth Fund	MYR	400 units	500 units	Principal Islamic Enhanced Opportunities Fund	MYR	200 units	250 units	D	MYR10	10 units	Principal Islamic Small Cap Opportunities Fund	MYR	400 units	500 units	Principal Islamic Asia Pacific Dynamic Equity Fund	MYR	400 units	500 units
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Principal Islamic Enhanced Opportunities Fund	MYR	200 units	250																																																																													
Principal Islamic Small Cap Opportunities Fund	MYR	400 units	500																																																																													
Principal Islamic Asia Pacific Dynamic Equity Fund	MYR	400 units	500																																																																													
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Master Prospectus for Islamic funds dated 28 April 2023 (“Prospectus 1”)					First Supplemental Master Prospectus for Islamic funds dated 5 September 2023 (“Prospectus 2”)																																							
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	<p><i>Note:</i></p> <ul style="list-style-type: none"> <li>There is no exit and re-entry option.</li> <li>Withdrawal is subject to the minimum balance being maintained.</li> <li>We reserve our sole and absolute discretion without providing any reason whatsoever and at any time to accept, reject, amend, vary, waive and/or reduce (as the case maybe): (i) your request for a lower amount or number of units when purchasing units (or additional units) or withdrawing units; and/or (ii) the minimum balance. For increase in the number of units for minimum withdrawal and minimum balance, we will require concurrence from the Trustee and you will be notified of such changes.</li> <li>We may for any reason and at any time, waive or reduce: (a) any fees (except for the Trustee Fee); (b) other charges payable by you to the Funds; and/or (c) transactional values including but not limited to the units or amount, for any Unit holder and/or investments made via any distribution channels or platform.</li> </ul>																																											
	<p><i>Notes:</i></p> <ul style="list-style-type: none"> <li>There is no exit and re-entry option.</li> <li>Withdrawal is subject to the minimum balance being maintained.</li> <li>If the balance (i.e. number of units) of your investment drops below the minimum balance stipulated above, further investment will be required until the balance of the investment is restored to at least the stipulated minimum balance. Otherwise, we can withdraw your entire investment and forward the proceeds to you.</li> <li>We reserve our sole and absolute discretion without providing any reason whatsoever and at any time to accept, reject, amend, vary, waive and/or reduce (as the case maybe): (i) your request for a lower amount or number of units when purchasing units (or additional units) or withdrawing units; and/or (ii) the minimum balance. For increase in the number of units for minimum withdrawal and minimum balance, we will require concurrence from the Trustee and you will be notified of such changes.</li> <li>We may for any reason and at any time, waive or reduce: (a) any fees (except for the Trustee Fee); (b) other charges payable by you to the Funds; and/or (c) transactional values including but not limited to the units or amount, for any Unit holder and/or investments made via any distribution channels or platform.</li> </ul>																																											
4.3./50	Last bullet point Nil								• Twentyfifth Supplemental Master Deed dated 26 May 2023																																			
8/ 56 to 59	THE TRUSTEES								THE TRUSTEE																																			
	8.1. ROLES, DUTIES AND RESPONSIBILITIES OF THE TRUSTEES.																																											

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**First Supplemental Master Prospectus for Islamic funds (“Fund”)**

Master Prospectus for Islamic funds dated 28 April 2023 (“Prospectus 1”)		First Supplemental Master Prospectus for Islamic funds dated 5 September 2023 (“Prospectus 2”)
Section / Page	Description	Description
	<p>The Trustees’ main functions are to act as trustee and custodian of the assets of the Funds and to safeguard the interests of the Unit holders of the Fund. They shall:</p> <ul style="list-style-type: none"> <li>act in accordance with the provisions of the Deeds, the CMSA, the GUTF and securities laws;</li> <li>take into its custody the investments of the Funds and hold the investments in trust for the Unit holders;</li> <li>ensure that the Manager operates and administers the Funds in accordance with the provisions of the Deeds, the CMSA, the GUTF and acceptable business practice within the unit trust industry;</li> <li>ensure that it is fully informed of the investment policies of the Funds and of any changes made thereto, and if it is of the opinion that the policies are not in the interests of the Unit holders, it shall instruct the Manager to take appropriate action as the Trustees deem fit and/or summon a Unit holders’ meeting for the purpose of giving such instructions to the Manager as the meeting thinks proper;</li> </ul> <p>as soon as practicable notify the SC of any irregularity or an actual or anticipated material breach of the provisions of the Deeds, the GUTF and any other matters which in the Trustees’ opinion may indicate that the interests of Unit holders are not being served;</p> <ul style="list-style-type: none"> <li>exercise due care, skill, diligence and vigilance in carrying out its functions and duties, in actively monitoring the administration of the Funds by the Manager and in safeguarding the interests of Unit holders;</li> <li>maintain, or cause the Manager to maintain, proper accounting and other records in relation to those rights and interests, and of all transactions effected by the Manager on account of the Funds; and</li> <li>cause those accounts to be audited at least annually by the auditor of the Fund and send or cause those accounts to be sent to Unit holders within two (2) months of the relevant accounting period.</li> </ul> <p><b>8.2. TRUSTEES’ STATEMENT OF RESPONSIBILITY</b></p> <p>The respective Trustees have agreed to assume the position of Trustee of the respective Funds and all the obligations in accordance with the respective Deeds, all relevant laws and rules of law. The respective Trustees shall be entitled to be indemnified out of the respective Funds against all losses, damages or expenses incurred by the Trustees in performing any of its duties or exercising any of its powers under this Deed in relation to</p>	<p>HSBC (Malaysia) Trustee Berhad is a company incorporated in Malaysia since 1937 and registered as a trust company under the Trust Companies Act 1949, with its registered address at Level 19, Menara IQ, Lingkaran TRX, 55188 Tun Razak Exchange, Kuala Lumpur.</p> <p>Since 1993, the Trustee has acquired experience in the administration of unit trusts and has been appointed as trustee for unit trust funds, exchange traded funds, wholesale funds and funds under private retirement scheme.</p> <p style="text-align: center;">Duties and Responsibilities of the Trustee</p> <p><b>The Trustee’s main functions are to act as trustee and custodian of the assets of the Fund and to safeguard the interests of Unit holders of the Fund.</b> In performing these functions, the Trustee has to exercise all due care, diligence and vigilance and is required to act in accordance with the provisions of the Deed, the CMSA and the GUTF. Apart from being the legal owner of the Fund’s assets, the Trustee is also responsible for ensuring that the Manager performs its duties and obligations in accordance with the provisions of the Deed, the CMSA and the GUTF. In respect of monies paid by an investor for the application of units, the Trustee’s responsibility arises when the monies are received in the relevant account of the Trustee for the Fund and in respect of redemption, the Trustee’s responsibility is discharged once it has paid the redemption amount to the Manager.</p> <p>The Trustee has in place anti-money laundering and anti-terrorism financing policies and procedures across the HSBC Group, which may exceed local regulations. Subject to any local regulations, the Trustee shall not be liable for any loss resulting from compliance of such policies, except in the case of negligence, wilful default or fraud of the Trustee.</p> <p>The Trustee is not liable for doing or failing to do any act for the purpose of complying with law, regulation or court orders.</p> <p>The Trustee shall be entitled to process, transfer, release and disclose from time to time any information relating to the Fund, Manager and Unit holders (including personal data of the Unit holders, where applicable) for the purposes of performing its duties and obligations in accordance to the Deed, the CMSA, the GUTF and any other legal and/or regulatory obligations such as <b>conducting financial crime risk management, to the Trustee’s parent company, subsidiaries, associate companies, affiliates, delegates, service providers, agents and any governing or regulatory authority, whether within or outside Malaysia (who may also subsequently process, transfer, release and disclose such information for any of the above mentioned purposes) on the basis that the recipients shall continue to maintain the confidentiality of information disclosed, as required by law, regulation or directive, or in relation to any legal action, or to any court, regulatory agency, government body or authority.</b></p>

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**First Supplemental Master Prospectus for Islamic funds (“Fund”)**

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	<p>the Funds. The right to indemnity shall not extend to loss occasioned by breach of trust, wilful default, negligence, fraud or failure to show the degree of care and diligence required of the Trustees having regard to the provisions of the respective Deeds.</p> <p>8.3. EXEMPTIONS OR VARIATIONS</p> <p>There have been no exemptions or variations from any relevant securities laws or the GUTF granted to the Trustees by the SC.</p> <p>8.4. ABOUT AMANAHRAYA TRUSTEES BERHAD</p> <p>ART is the trustee of the iOP-MO, DALI4, iOP-EO and iLI-S. ART was incorporated under the laws of Malaysia on 23 March 2007 and registered as a trust company under the Trust Companies Act 1949.</p> <p>ART is a subsidiary of Amanah Raya Berhad (ARB) which is wholly owned by the Government of Malaysia. ART took over the corporate trusteeship functions of ARB and acquired ARB’s experience of more than 50 years in trustee business. ART has been registered and approved by the SC to act as trustee to unit trust funds.</p> <p>8.4.1. ART’s delegate</p> <p>ART has delegated its custodian function for the foreign investments of the DALI4 to Citibank N.A, Singapore Branch. Citibank N.A. in Singapore began providing Securities and Funds Services in the mid-1970’s and a fully operational global custody product was launched in the early 1990’s. To-date, their securities services business claims a global client base of premier banks, fund managers, broker dealers and insurance companies.</p> <p>The roles and duties of Citibank N.A, Singapore as the trustee’s delegate are as follows:</p> <ul style="list-style-type: none"> <li>To act as sub-custodian for the selected cross-border investment of the fund(s) including the opening of cash and custody accounts and to hold in safekeeping the assets of the fund(s).</li> <li>To act as paying agent for selected cross-border investments which include trade settlement and fund transfer services.</li> <li>To provide corporate action information or entitlements arising from the above underlying assets and to provide regular reporting on the activities of the invested portfolios.</li> </ul>	<p style="text-align: center;"><b>Trustee’s Delegate</b></p> <p>The Trustee has appointed The Hongkong and Shanghai Banking Corporation Ltd as custodian of both the local and foreign assets of the Fund. For quoted and unquoted local investments of the Fund, the assets are held through HSBC Bank Malaysia Berhad and/or HSBC Nominees (Tempatan) Sdn Bhd. The Hongkong and Shanghai Banking Corporation Ltd is a wholly owned subsidiary of HSBC Holdings Plc, the holding company of the HSBC Group. <b>The custodian’s comprehensive custody and clearing services cover traditional settlement processing and safekeeping as well as corporate related services including cash and security reporting, income collection and corporate events processing.</b> All investments are registered in the name of the Trustee or to the order of the Trustee. The custodian acts only in accordance with instructions from the Trustee.</p> <p>The Trustee shall be responsible for the acts and omissions of its delegate as though they were its own acts and omissions.</p> <p>However, the Trustee is not liable for the acts, omissions or failure of third party depository such as central securities depositories, or clearing and/or settlement systems and/or authorised depository institutions, where the law or regulation of the relevant jurisdiction requires the Trustee to deal or hold any asset of the Fund through such third parties.</p> <p><b>Trustee’s Disclosure of Material Litigation</b></p> <p>The Trustee is not engaged in any material litigation and arbitration, including those pending or threatened, and is not aware of any facts likely to give rise to any proceedings which might materially affect the business/financial position of the Trustee.</p> <p><b>Trustee’s Statement of Responsibility</b></p> <p>The Trustee has given its willingness to assume the position as trustee of the Fund and all the obligations in accordance with the Deed, all relevant laws and rules of law. The Trustee shall be entitled to be indemnified out of the Fund against all losses, damages or expenses incurred by the Trustee in performing any of its duties or exercising any of its powers under the Deed. The right to indemnity shall not extend to loss occasioned by breach of trust, wilful default, negligence, fraud or failure to show the degree of care and diligence required of the Trustee having regard to the provisions of the Deed.</p>

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**First Supplemental Master Prospectus for Islamic funds (“Fund”)**

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	<p>8.4.2. Material Litigation and Arbitration</p> <p>As at LPD, neither ART nor its delegates are engaged in any material litigation and arbitration, either as plaintiff or defendant, and the Trustee and its delegate are not aware of any proceedings, pending or threatened or of any facts likely to give rise to any proceedings which might materially and adversely affect their financial position or business.</p> <p>8.5. ABOUT MTRUSTEE BERHAD</p> <p>MTrustee is the trustee for DALI with its registered office at B-2-9, (2nd Floor), Jalan 1/127, Off Jalan Kuchai Lama, 58200 Kuala Lumpur. MTrustee was incorporated on 28 July 1987 and registered as a Trust Company under the Trust Companies Act 1949 on 8 February 1989.</p> <p>MTrustee has commenced its operations in March 1992 and has been involved in the unit trust industry as a trustee since 1997.</p> <p>8.5.1. Delegation of MTrustee custodial functions (for DALI)</p> <p>MTrustee has delegated its custodian of quoted and unquoted local investments of the Funds to Malayan Banking Berhad (“MBB”). The assets of the local Funds are held through MBB’s nominee company, and it was set up to act as custodian for investment advisers, managers of large portfolios, lending banks and international custodians.</p> <p>MTrustee retains control of the assets of the Fund at all times.</p> <p>8.5.2. Material Litigation and Arbitration</p> <p>Legal proceedings have been initiated against the Trustee by one Ling Ngong Hiang, suing in his own capacity and as representative of other investors in the Golden Palm Growers Scheme (“Scheme”), in Kuala Lumpur High Court Civil Suit No. WA-22NCvC-156-03/2022.</p> <p>The allegations against the Trustee broadly cover failing to protect the interests of the Scheme’s investors, breach of statutory and fiduciary duties as trustee of the Scheme, and acting in concert with the manager of the Scheme against the interests of the investors.</p>	

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	<p>The Trustee’s solicitors are of the view that, based on a review of the Prospectuses for the Scheme, the Trust Deed and other related documents, the legal proceedings are misconceived as the allegations go beyond the defined and stated roles of the Trustee.</p> <p>The Trustee’s solicitors are also of the view that the Trustee’s chances of successfully defending the claim are more than even.</p> <p>8.6. ABOUT HSBC (MALAYSIA) TRUSTEE BERHAD</p> <p>HSBCT is the trustee for iLI-ES and iDY-APDE. HSBCT is a company incorporated in Malaysia since 1937 and registered as a trust company under the Trust Companies Act 1949, with its registered address at Level 19, Menara IQ, Lingkaran TRX, 55188 Tun Razak Exchange, Kuala Lumpur. Since 1993, the Trustee has acquired experience in the administration of unit trusts and has been appointed as trustee for unit trust funds, exchange traded funds, wholesale funds and funds under private retirement scheme.</p> <p>Roles, Duties and Responsibilities of the Trustee  <b>HSBCT’s main function is to act as trustee and custodian of the assets of the Funds and to safeguard the interests of Unit holders of the Funds. In respect of moneys paid by an investor for the application of units, HSBCT’s responsibility arises when the moneys are received in the relevant account of HSBCT for the Funds and in respect of withdrawal, HSBCT’s responsibility is discharged once it has paid the withdrawal amount to the Manager.</b></p> <p>HSBCT has in place anti-money laundering and anti-terrorism financing policies and procedures across the HSBC Group, which may exceed local regulations. Subject to any local regulations, HSBCT shall not be liable for any loss resulting from compliance of such policies, except in the case of negligence, wilful default or fraud of HSBCT.</p> <p>HSBCT is not liable for doing or failing to do any act for the purpose of complying with law, regulation or court orders.</p> <p>HSBCT shall be entitled to process, transfer, release and disclose from time to time any information relating to the Funds, the Manager and/or investors/Unit holders for purposes of performing its duties and obligations in accordance to the Deed, Capital</p>	

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	<p>Markets and Services Act 2007, the GUTF and any other legal and/or regulatory obligations such as conducting financial crime risk management to HSBCT’s parent company, subsidiaries, associate companies, affiliates, delegates, service providers and/or agents and any governing or regulatory authority, whether within or outside Malaysia (who may also subsequently process, transfer, release and disclose such information for any purpose) on the basis that the recipients shall continue to maintain the confidentiality of information disclosed; as required by law, regulation or directive, or in relation to any legal action; or to any court, regulatory agency, government body or authority.</p> <p>8.6.1. HSBCT’s delegate</p> <p>HSBCT has appointed the Hongkong and Shanghai Banking Corporation Ltd as the custodian of both the local and foreign assets of the Fund. For quoted and unquoted local investments of the Fund, the assets are held through HSBC Bank Malaysia Berhad and/or HSBC Nominees (Tempatan) Sdn Bhd. The Hongkong and Shanghai Banking Corporation Ltd is a wholly owned subsidiary of HSBC Holdings Plc, the holding company of the HSBC Group. The custodian’s comprehensive custody and clearing services cover traditional settlement processing and safekeeping as well as corporate related services including cash and security reporting, income collection and corporate events processing. All investments are registered in the name of the Trustee or to the order of HSBCT. The custodian acts only in accordance with instructions from HSBCT.</p> <p>HSBCT shall be responsible for the acts and omissions of its delegate as though they were its own acts and omissions.</p> <p>However, HSBCT is not liable for the acts, omissions or failure of any third party depository such as central securities depositories, or clearing and/or settlement systems and/or authorised depository institutions, where the law or regulation of the relevant jurisdiction requires the Trustee to deal or hold any asset of the Fund through such third parties.</p> <p>8.6.2. Material Litigation and Arbitration</p> <p>As at LPD, HSBCT is not engaged in any material litigation and arbitration, including those pending or threatened, and is not aware of any facts likely to give any proceedings which might materially affect the business/financial position of HSBCT.</p>	



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	<p>8.7. ABOUT MAYBANK TRUSTEES BERHAD</p> <p>MTB is the Trustee of the iLI-BG with its registered office at 8th Floor, Menara Maybank, 100 Jalan Tun Perak, 50050 Kuala Lumpur.</p> <p>MTB was incorporated on 12 April 1963 and registered as a Trust Company under the Trust Companies Act 1949 on 11 November 1963. It was one of the first local trust companies to provide trustee services with the objective of meeting the financial needs of both individual and corporate clients.</p> <p>MTB has acquired experience in the administration of unit trust funds/ schemes since 1991.</p> <p>8.7.1. MTB’s Delegate</p> <p>MTB has delegated its custodian function to Malayan Banking Berhad. The custodian function is run under Maybank Securities Services (“MSS”), a unit within Malayan Banking Berhad. Maybank Securities Services provides a comprehensive end to end clearing and custody services for global and domestic equities and fixed income securities. MSS provides a complete suite of corporate outsourcing solutions with a proven track record in servicing international institutional clients: Sub Custodian for major Foreign Banks and Global Custodians. MSS also provides Global custody services in more than 100 different markets via a special arrangement with their reputable partners. They have also consistently been awarded in the Global Custodian Awards for Excellence as well as other major publications.</p> <p>The roles and duties of the trustee’s delegate, MSS, are as follows:</p> <ul style="list-style-type: none"> <li>• Safekeep, reconcile and maintain assets holdings records of funds against trustee’s instructions;</li> <li>• Act as settlement agent for shares and monies to counterparties against trustee’s instructions;</li> <li>• Act as agents for money market placement where applicable against trustee’s instructions;</li> <li>• Disseminate listed companies’ announcements to and follow through for corporate actions instructions from trustee;</li> <li>• Compile, prepare and submit holdings report to trustee and beneficial owners where relevant; and</li> <li>• Other ad-hoc payments for work done for the funds against trustee’s instructions, etc.</li> </ul>	

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	<p>The custodian acts only in accordance with instructions from the Trustee.</p> <p>8.7.2. Material Litigation and Arbitration</p> <p>As at 30 September 2019, save for the suit mentioned herein below, the Trustee is not engaged in any material litigation as plaintiff or defendant and the Trustee is not aware of any proceedings, pending or threatened or of any facts likely to give rise to any proceedings which might materially and adversely affect its financial position or business.</p> <p>Several holders of the bonds (“Bondholders”) issued by Aldwich Berhad [In Receivership] (“Aldwich”) had sued Aldwich for its failure to settle its indebtedness to the Bondholders following the default of the said bonds in 2010 and named the Trustee as one of 6 co-defendants under Kuala Lumpur High Court Civil Suit No. D-22NCC-1622-11/2012 (“Aldwich Bondholders’ Suit”). The claim against the Trustee is for the sum of MYR177,248,747.31 or any other sum that the Court deems fit and proper. The other co-defendants are the holding company of Aldwich (“Holding Company”), the Chief Executive Officer of the holding company of Aldwich (“CEO”), the Security Agent and the Reporting Accountant. The Trustee denied all allegations and claimed trial.</p> <p>The High Court had on 24 July 2017 delivered its judgement on the Aldwich Bondholders’ Suit (“Judgement”) that (a) all the defendants [i.e. Aldwich, Holding Company, CEO, Security Agent, Trustee and Reporting Accountant] are liable to the Bondholders for the sum of MYR177,248,747.31 (“Judgement Sum”); (b) Aldwich, Holding Company and CEO are 100% liable for the Judgement Sum; and (c) among Security Agent, Trustee and Reporting Accountant, liability is apportioned in the proportion of 50%, 30% and 20% of the Judgement Sum respectively.</p> <p>The High Court had on 5 October 2017 decided in respect of the outstanding matters arising from the Judgement that (a) the quantum of the Judgement Sum is maintained, and (b) interest is payable based on the reduced sum of MYR148,653,953.20 at the rate of 5% per annum from 1 November 2011 to the date of payment.</p> <p>The Trustee had filed an appeal against the Judgement (“Appeal”) at the Court of Appeal.</p>	

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	<p>On 18 September 2019, the Court of Appeal dismissed the Appeals and affirmed the decision of the High Court and awarded further costs of MYR100,000.00 against the Trustee. On 16 October 2019, the Trustee had filed its Leave Motion to the Federal Court. The Leave Motion was partially heard on 21 January 2021, 3 September 2021, and 16 February 2022. The Leave Motion was unanimously dismissed by the Federal Court.</p> <p>The Aldwich Bondholders’ Suit will not materially affect the business or financial position of the Trustee.</p> <p>8.8. ABOUT UNIVERSAL TRUSTEE (MALAYSIA) BERHAD</p> <p>UTMB as the trustee of the DALI2, iOP-SCO and iLI-B was incorporated in 1974 in Malaysia and is registered as a trust company under the Trust Companies Act 1949. UTMB is qualified to act as a trustee for collective investment schemes approved pursuant to the CMSA and has more than 30 years of experience in handling unit trust matters.</p> <p>8.8.1. UTMB’s delegate</p> <p>UTMB has appointed Citibank Berhad as their delegate for local custody services. Citibank Berhad in Malaysia was established on 26 August 1959 as the First National City Bank. It became the first American bank to be locally incorporated on 1 July 1994. It has 11 branches across West Malaysia and an offshore banking unit in Labuan. Citibank Berhad has been an active player in the securities clearing and sub-custody industry in Malaysia since 1985. It is one of the largest institutional trades clearing bank in the securities market. The custody operations unit is also ISO certified.</p> <p>UTMB has appointed Citibank, N.A., Singapore Branch as their delegate for global custody services. Citibank, N.A., Singapore Branch was set up in 1902 and is today the largest foreign bank operating in the territory. With a staff force of about 8,500, Citibank, N.A., Singapore Branch provides a wide array of banking and financial services to</p>	

List of Amendment  
**First Supplemental Master Prospectus for Islamic funds (“Fund”)**

Master Prospectus for Islamic funds dated 28 April 2023 (“Prospectus 1”)		First Supplemental Master Prospectus for Islamic funds dated 5 September 2023 (“Prospectus 2”)
Section / Page	Description	Description
	<p>institutions, consumers and professional markets in the community. Citibank, N.A. in Singapore began providing Securities &amp; Fund Services in the mid-1970’s and a fully operational global custody product was launched in the early 1990’s. To date, Citibank, N.A., Singapore’s Securities &amp; Fund Services business claims a global client base of premier banks, fund managers, broker dealers and insurance companies.</p> <p>8.8.2. Material Litigation and Arbitration</p> <p>As at LPD, neither UTMB nor its delegates are engaged in any material litigation and arbitration, either as plaintiff or defendant, and the Trustee and its delegate are not aware of any proceedings, pending or threatened or of any facts likely to give rise to any proceedings which might materially and adversely affect their financial position or business.</p>	

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