



# Principal Islamic Asset Management (Ireland) p.l.c.

**Annual Report and Audited Financial Statements**

For the financial year ended 31 December 2021

**PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

**ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

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## PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.

### GENERAL INFORMATION

The following information is derived from and should be read in conjunction with the full text and definitions section of the master prospectus for the Funds (the “Prospectus”).

Principal Islamic Asset Management (Ireland) p.l.c. (the “Company”) was constituted on 24 November 2011 as an open-ended umbrella investment company established as an Undertaking for Collective Investment in Transferable Securities (“UCITS”) under the laws of Ireland with variable capital and segregated liability between funds under the registered number 506452. The Company has been authorised by the Central Bank of Ireland (the “Central Bank”) pursuant to the Companies Act 2014, as amended (the “Companies Act”), the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, (as amended) (the “UCITS Regulations”) and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019, (the “CBI UCITS Regulations”).

At 31 December 2021 the Company comprised the following separate investment portfolios (each the “Fund” and collectively the “Funds”):

| <b>Fund</b>                                       | <b>Type of Share class</b>   | <b>Launch Date</b>   |
|---|--|--|
| Islamic ASEAN Equity Fund                         | A Class Accumulation USD<br>I Class Accumulation USD<br>A Class Accumulation EUR                                       | 13 April 2012<br>13 April 2012<br>22 January 2021  |
| Global Sukuk Fund                                 | A Class Accumulation USD<br>I Class Accumulation USD<br>I Class Income USD<br>A Class Income EUR<br>A Class Income USD | 7 September 2016<br>7 September 2016<br>12 June 2019<br>22 January 2021<br>22 January 2021 |
| Islamic Asia Pacific Dynamic Income & Growth Fund | I Class Accumulation USD<br>I Class Income USD   | 19 October 2020<br>26 February 2021  |
| Islamic Global Multi-Asset Fund                   | A Class Accumulation USD<br>A Class Income USD<br>I Class Accumulation USD<br>I Class Income USD                       | 23 March 2021<br>23 March 2021<br>23 March 2021<br>23 March 2021                           |

The Funds also have the possibility to issue B Class Shares and R Class Shares but as at 31 December 2021 none were in issue on any of the 4 Funds.

#### **Investment Objective of the Company**

The investment objective of the Company is to seek to provide a return through a combination of capital growth and income over the medium to long term, following Shariah investment principles.

#### **Prices**

The dealing day (“Dealing Day”) is any Business Day in Dublin and/or such other day as the Directors may determine and notify in advance to shareholders being any person, company or other institution that owns at least one share of a company's stock (the “Shareholders”) provided that there is at least one Dealing Day per fortnight.

The price at which shares of any class will be issued or redeemed on a Dealing Day, after the initial issue, is based on the Net Asset Value per Share or Net Asset Value per Share of a relevant class (where there are more than one class in issue in a Fund) on the relevant Dealing Day.

## **PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

### **GENERAL INFORMATION (continued)**

#### **Dealing**

The valuation point ("Valuation Point") is 10.00 a.m. (Irish time) on the relevant Dealing Day unless otherwise specified by the Directors and notified in advance to Shareholders. In relation to applications for subscription or redemptions of shares, notice must be given by 10.00 a.m. (Irish time) on the relevant Dealing Day or such other time, provided it is on or before the relevant Valuation Point (the "Dealing Deadline"), as the Directors may determine and notify Shareholders in advance. The Directors may agree to accept specific applications after the Dealing Deadline, but before the relevant Valuation Point, at their discretion in exceptional circumstances.

#### **Minimum Subscription**

The Minimum Initial Subscription amounts for A Class shares is 1,000 United States Dollars ("USD"), for B Class shares it is USD1,000, for I Class shares it is USD1,000,000 and for R Class shares it is USD1,000, or its equivalent in another currency. The Directors may at their discretion waive the limits for minimum holdings and/or subscriptions.

## **PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

### **INVESTMENT MANAGER'S REPORT For the financial year ended 31 December 2021**

#### **Islamic ASEAN Equity Fund**

For the 12 month period to 31 December 2021, the Islamic ASEAN Equity Fund reported a net performance of -0.86% compared to -1.05% for the benchmark, Dow Jones Islamic Market ASEAN Index.

The outperformance was attributed to the underweight exposure in Top Glove Corp Bhd in Malaysia and stock selection in the Technology sector in Thailand and Malaysia.

In 2021, the Fund's outperformance was facilitated by the barbell approach taken by the Fund which helped the Fund weather through volatile market conditions. The Fund was positioned in the recovery themes namely in the Consumer, Industrial and Energy sectors which benefited from the vaccination drive that is well underway. The Fund also benefited from its Technology exposure which performed strongly in tandem with the strong Technology sector performance globally.

Mobility restrictions were further eased in ASEAN and some governments are in the midst of preparing their countries to move from COVID-19 pandemic into endemic phase with major cities entering herd immunity. However, there are signs of new waves from Omicron, especially in countries with low vaccination rates such as the Philippines that caused the government to restrict certain activities in Metro Manila. To stem the severity of the potential infections from Omicron, respective countries are encouraging their populations to take a booster shot coupled with reminders on strict SOP. Economic activities are improving but further monetary and fiscal assistance are required.

Earnings revision has been rather mixed depending on the COVID-19 situation. However, ASEAN were seeing selective positive earnings revisions which means corporates are better ready to manage the current COVID-19 situation. Commodities-related companies will see upside in earnings projection as oil, copper and crude palm oil prices stay high.

With most ASEAN populations vaccinated and booster shots being rolled out, reopening and economic recovery is a matter of time. While Omicron fears are still pertinent and number of cases may increase in the near term, the severity of illness has seen to be far less. However persistently high inflation in the US and Fed's imminent move to raise rates and reduce their balance sheet, is the immediate headwind to the ASEAN market. Whilst, recovery and more positive headlines from China may provide the tailwind.

MSCI ASEAN is currently trading at 16.2x forward 12 months Price-to-Earnings Ratio vs. the 5 year historical average of 14.3x. Only Malaysia and Vietnam are trading near the mean valuation whilst the rest are trading at +1 standard deviation from the mean.

We remain interested in new economy stocks such as digital banks and major e-wallet providers and continue to be positioned in cyclical sectors such as financials, consumer, energy, basic materials and real estate. In addition, economy activities will continue to recover as respective countries ease on mobility restrictions due to rising vaccination rates. But we are cognizant of the issues/developments in 2022 namely Omicron, inflation and policy changes in the US and the outlook in China.

We believe ASEAN equities continue to provide investors a combination of recovery plays and long-term structural themes. Hence, we continue to adopt a barbell approach of cyclicals & growth and yielders. As ASEAN economic activities continue to improve and vaccinations progress, we are positive on cyclical sectors and stocks benefiting from reopening such as tourism-related stocks. Cyclical sectors include financials, consumer, basic materials and real estate. We also continue to like structural growth themes of ASEAN e-commerce & fintech, and technology & supply chain shift, with a focus on quality growth companies at reasonable valuations.

**PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

**INVESTMENT MANAGER'S REPORT  
For the financial year ended 31 December 2021 (continued)**

**Global Sukuk Fund**

For the 12 month period to 31 December 2021 the Global Sukuk Fund reported net performance of 1.90% compared to -2.04% for the benchmark, Dow Jones Sukuk Index.

The outperformance is despite of the softer performance in the broad fixed income market, amid expectations that major global central banks may begin to normalize interest rates. Nevertheless, overall demand for Global Sukuk remained strong, underpinned by the bright economic outlook in the GCC region and its strong fundamentals.

The Fund continued to benefit from its overweight position in GCC sukuk, which rallied significantly in tandem with rising oil prices. Main contributors include Oman sovereign, Mazoon, Majid Al Futtaim and Aldar. Detractors include Indonesian sovereign sukuk, which are more closely correlated to US Treasury movements.

After a strong performance in 2020, the US Treasury market ended 2021 on a weaker note as investors began pricing in potential US interest rate hikes. Despite this, the Fund continued to perform well in 2021 as we had shortened duration earlier, in anticipation of higher bond/sukuk yields. The Fund's performance was also driven by its overweight position in GCC sukuk, which continued to be the prime beneficiary of higher oil prices. During the year, Brent oil prices gained 50.1% from USD 51.8/bbl at end-2020 to USD 77.78/bbl at end-2021 as demand recovered following the pandemic, coupled with OPEC+'s ongoing production control measures.

Moving forward, demand for Global Sukuk assets may continue to be supported by global investors' hunt for quality credits. In 4Q21, many GCC sukuk issuers' credit rating and outlook were upgraded by rating agencies, underpinned by the region's significantly improving economic prospects due to higher oil prices, strengthening fiscal position and ongoing reform programs.

We continue to maintain a higher weighting in corporate sukuk for yield pick-up, and overweight GCC sukuk as they directly benefit from higher oil prices. Demand for oil is expected to improve further in 2022, with OPEC+ projecting global oil demand to surpass pre-pandemic levels of 100 million bpd in 3Q22. On the supply side, oil prices are expected to be supported by OPEC+'s ongoing production cuts. The positive outlook for oil bodes well for GCC sukuk, which may push prices higher. Also, GCC countries constitute about 17% of the JP Morgan Emerging Market Bond index, which may continue to sustain demand for GCC sukuk.

Nevertheless, the market may continue to fluctuate as investors price in a faster pace of US interest rate normalization, amid persistently high inflation. We have further trimmed our holdings in longer-tenured sukuk to minimize duration risk, and look to reinvest when valuations turn attractive. We continue to prefer blue-chip government-related companies, utility companies, as well as those with strong financials and robust cash buffers, to enable a swift reaction to any changes in market sentiment or direction.

**PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

**INVESTMENT MANAGER'S REPORT**

**For the financial year ended 31 December 2021 (continued)**

**Islamic Asia Pacific Dynamic Income & Growth Fund**

For the 12 month period to 31 December 2021, the Islamic Asia Pacific Dynamic Income and Growth Fund reported net performance of +3.9% compared to 1.17% for the benchmark MSCI AC Asia Pacific Ex Japan Islamic Index.

The diversified exposure to Information Technology, Industrials and Communication Services contributed positively while Consumer Discretionary was a detractor. In Information Technology, selected tech hardware names in the areas of semiconductors, high performance computing, and chip designing were positive contributors. In Consumer Discretionary, performance was impacted by Chinese companies whereby the regulatory environment and consumption slowdown due to its Covid zero policy was an overhang on some of these names.

The Fund is fully invested. We favour quality and liquid names with good earnings visibility and growth. We continue to diversify our holdings across countries and businesses to improve our portfolio's resilience.

The Fund is positioned structurally in the areas of: Innovators and market share consolidators that have the proven ability to innovate, e.g. semiconductors, internet, and electric vehicle supply chain; Consumption stocks in China and India which are positioned in growing sub-sectors, e.g. decorative paints, sportswear and jewellery; Defensives, e.g. ASEAN telecoms, suburban malls in HK SAR, and fiber broadband in Singapore.

The higher inflation print across many countries and resultant higher bond yields have reset the investment appetite for investors to the side of caution. With the US Fed's commentary sounding hawkish, the market expectations implied by the Fed Funds Futures is now pricing 5 rate hikes for 2022. The trajectory of bond yields from here-on would be a key indicator of any reversion in investor appetite.

In China, after the reduction in reserve requirement ratio and loan prime rate in December, the PBOC continued to lower its loan prime rate again in January by 10bps and also introduced targeted measures for property developers whereby debt accrued from acquiring distressed assets are excluded from compliance with the 'three red lines'. Our view is that peak regulatory risk in China has passed. We are cautiously optimistic on Asian equities.

**PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

**INVESTMENT MANAGER'S REPORT  
For the financial year ended 31 December 2021 (continued)**

**Islamic Global Multi-Asset Fund\***

Since inception of the Fund on 23 March 2021 to 31 December 2021, the Islamic Global Multi-Asset Fund reported a net performance of +8.90%.

Sector performance was generally better led by outperformance in information technology and real estate though was partially offset by weakness in health care and industrials.

Marvell Technology and Advanced Micro Devices were the top contributors overall in the IT sector. AMD has staged a remarkable turnaround under the leadership of CEO Dr. Lisa Su, which despite its multi-year success, still appears to be in the middle innings. Tangible metrics that have driven this turnaround include a capturing of process leadership from rival Intel via shifting foundry partners from Global Foundries to TSMC (yielding significant share gains / revenue growth outperformance), significant improvement in gross / operating margins as revenue has scaled, significant improvement in earnings / earnings growth, and a significant de-levering in the balance sheet. Marvell posted strong quarterly results as well as guidance being above expectations amid strong demand within the data centre, enterprise networking and auto/industrial segments.

Weakness in health care was led by holdings of Koninklijke Philips and Amedisys. Global health care equipment company Philips was pressured by announced quality defects in sound deterrent foam on PHIA's 1st generation DreamStation CPAP devices. This led to higher provisions as well as concerns surrounding their quality controls. As a result, the portfolio moved on from its position. Amedisys is a leading post-acute care provider with home health, hospice, and personal care offerings. During the period, the company lowered 2021 guidance amid COVID pressures within the hospice segment hindered by staffing issues. The lack of a recovery post the worst of COVID led the portfolio to exit its position.

While an uneven recovery remains ahead with many parts of the world in various stages of post-pandemic lows, 2022 should turn the page on many fronts. This includes putting the worst of a pandemic behind the world, reigning in ultra-loose monetary policies by many Central Banks and improving logistical and supply constraints. This sets the stage for a debate whether the United States will continue its return and/or recovery leadership or if international markets are set to take the reins. With earnings improving overseas coupled with valuation improvement opportunities, this could very well be the catalyst to outpace the US.

Moving forward, we are increasingly confident that company specific fundamentals will reassert themselves as the key driver of stock specific performance as the global turbulence of the past year finds more stable ground. With the path to recovery likely uneven across the globe, our analysts remain hyper-focused on the duration of the change they can identify. Various companies have seen an increased dislocation between consensus earnings expectations and our own forecasts. We look to capitalize on this.

\*Islamic Global Multi-Asset Fund launched on 23 March 2021.



## **PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

### **DIRECTORS' REPORT For the financial year ended 31 December 2021**

The Directors present, herewith, their report together with the audited financial statements for the financial year ended 31 December 2021.

#### **Review of developments and performance of the Company**

The Investment Manager's Report on pages 4, 5, 6, and 7 contains a review of the factors which contributed to the performance for the financial year. The Directors do not anticipate any further change in the structure or investment objectives of the Funds. The results of operations are set out in the Statement of Comprehensive Income on page 34.

The financial statements are published on the [www.principalislamic.com](http://www.principalislamic.com) website. The Directors, together with the Investment Manager are responsible for the maintenance and integrity of the financial information included on this website.

#### **Risk management objectives and policies**

Descriptions of the risks associated with the Funds are contained in note 10 of the financial statements.

#### **Dividends**

The Directors' recommended payment of a quarterly dividend on Global Sukuk fund for the financial year ended 31 December 2021 was USD36,349. Global Sukuk Fund declared and paid annual distributions amounting to USD 122,833 for the year ended 31 December 2020.

#### **The Directors and Company Secretary of the Company are as follows:**

Ms. Chooi Wan Chong\* (Malaysian)  
Mr. John O'Connell\* (Irish)  
Mr. Mushtak Parker\* (South African)  
Mr. Greg Thornton (British) (Resigned 30 September 2021)  
Ms Aleda Anderson (American) (Appointed 19 October 2021)  
Mr. David Shubotham\* (Irish) (Resigned 1 December 2021)

\* Denotes independent non-executive Director

Niamh Fox at MFD Secretaries Limited held the office of Company Secretary effective until 6 July 2021. Jessica Hartnell at Matsack Trust Limited held office of Company Secretary effective from 6 July 2021.

#### **Directors' and Company Secretary's interests in shares and contracts**

The Directors and Company Secretary who held office on 31 December 2021 and at the date of approval of the financial statements and their respective spouses and families had no interests in the shares of the Company at these dates or at any time during the financial year (31 December 2020: None). None of the Directors had a service contract with the Company at any time during the financial year (31 December 2020:None). In addition, no consideration was paid to a third party for the services of any of the Directors of the Company during the financial year ended 31 December 2021 (31 December 2020: None).

#### **Connected Persons**

CBI UCITS Regulations, Section 43(1), Restrictions on transactions with connected persons - requires that any transaction carried out with a UCITS by a distributor, manager, administrator, depositary, investment adviser, sub-adviser and/or associated or group companies of these ("connected persons") must be carried out as if negotiated at arm's length. Transactions must be in the best interests of the Shareholders of the UCITS.

Having regard to confirmations from the Company's Designated Person for Capital and Financial Management and the Depositary, the Board of Directors is satisfied that there are arrangements (evidenced by written procedures) in place to ensure that the obligations set out in Regulation 43(1) of the Central Bank UCITS Regulations are applied to all transactions with connected persons, and is satisfied that transactions with connected persons entered into during the period complied with these obligations.

## **PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

### **DIRECTORS' REPORT**

**For the financial year ended 31 December 2021 (continued)**

#### **Accounting Records**

The Directors believe that they have complied with the requirements of Sections 281 to 285 of the Companies Act, with regard to the keeping of accounting records by appointing personnel with appropriate qualifications, experience and expertise and by providing adequate resources to the financial function to maintain adequate accounting records throughout the Company. The Company's accounting records are maintained in the office of the Administrator at: BNY Mellon Fund Services (Ireland) Designated Activity Company, One Dockland Central, Guild Street, International Financial Services Centre, Dublin 1, Ireland.

#### **Corporate Governance Code**

On 6 November 2012, the Board of Directors voluntarily adopted the 'Corporate Governance Code for Collective Investment Schemes and Management Companies' as published by the Irish Funds (formerly Irish Fund Industry Association) ("IF") in December 2011 (the "IF Code"), as the Company's corporate governance code with effect from the start of the 2013 accounting period. The Board of Directors applied all corporate governance practices and procedures in the Irish Funds Code for the year ended 31 December 2021.

#### **Significant Events during the financial year**

During the financial year, COVID-19 continued to spread around the world, however the global rollout of various vaccines contributed to the reopening of many economies and restrictions being lifted. COVID-19 did not have an adverse impact on the revenue streams associated with the assets managed by the Company for the year ended 31 December 2021.

Effective 3 March 2021, a first addendum to the Prospectus dated 12 June 2020 was issued to reflect updates in relation to Sustainable Finance Disclosure Regulation and EU Taxonomy Regulation.

Islamic Global Multi Asset Fund launched on 23 March 2021.

The Investment Manager appointed Principal Global Investors (Hong Kong) Limited to act as discretionary Sub-Investment Advisers to the Islamic Global Multi-Asset Fund on 23 March 2021.

On 6 July 2021, Maples and Calder resigned as Legal Advisers to the Company and Matheson was appointed as Legal Advisers to the Company.

On 6 July 2021, MFD Secretaries resigned as Secretary to the Company, Matsack Trust Limited was appointed as Secretary to the Company and the registered office of the Company was moved to 70 Sir John Rogerson's Quay, Dublin 2, D02 R296, Ireland.

On 30 September 2021, Mr. Greg Thornton resigned from the Principal Islamic Asset Management (Ireland) Plc Board.

On 19 October 2021, Ms. Aleda Anderson was appointed as Director of the Company.

On 1 December 2021, Mr. David Shubotham resigned from the Principal Islamic Asset Management (Ireland) Plc Board.

There were no other significant events during the financial year that required disclosure in the annual report and audited financial statements.

#### **Significant Events after the financial year end**

Since the financial year end, there has been a resurgence in coronavirus infections, however, most economies remain open, and the reintroduction of restrictions have been limited. The ultimate economic effect of the pandemic and the long-term impact on the economies, markets, industries, and individual issuers, are not known. The Company continues to analyse the evolving economic, political and market landscape.

## **PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

### **DIRECTORS' REPORT**

**For the financial year ended 31 December 2021 (continued)**

#### **Significant Events after the financial year end (continued)**

The invasion of Ukraine by Russia on 24 February 2022 has created extensive uncertainty on the political and economic front. Market analysts are reworking expectations for inflation and interest rate policy as they assess the effects of the conflict. The geopolitical conflict is also challenging the western world, which will likely result in a rethinking of Europe's dependency on Russian oil and gas. The longer-term impact on economies, markets, industries and individual issuers, are not yet known. The Company continues to monitor the situation closely.

Islamic Global Responsible Equity Fund launched on 8 April 2022 as an Article 8 ESG Orientated Fund under SFDR.

Apart from the above, there have been no other significant events affecting the Company since 31 December 2021 and up to the date of approval of the financial statements.

#### **Going Concern**

The Company's business activities, together with the factors likely to affect its future development, its financial position, financial risk management objectives, details of its financial instruments and derivative activities, and its exposures to price, interest rate, depositary, currency, concentration, credit, liquidity and cyber security risk are described on pages 50-67. The Company has considerable financial resources in the form of highly liquid investments and cash balances. As a consequence, the Directors believe that the Company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

#### **Independent Auditors**

PricewaterhouseCoopers, Chartered Accountants and Registered Auditors, have expressed their willingness to remain in office and will be reappointed in accordance with Section 383(2) of the Companies Act.

#### **Audit Information Statement**

In accordance with Section 330 of the Companies Act, the Directors confirm that as at the date of this report:

- (i) so far as the Directors are aware, there is no relevant audit information of which the Company's statutory auditors are unaware; and
- (ii) the Directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's statutory auditors are aware of that information.

#### **Directors' Compliance Statement**

The Directors acknowledge that they are responsible for securing the Company's compliance with the relevant obligations as set out in Section 225 of the Companies Act.

The Directors confirm that:

- (i) a compliance policy document has been drawn up as defined in Section 225(3)(a) of the Companies Act that sets out policies, that in their opinion are appropriate to the Company, respecting compliance by the Company with its relevant obligations;
- (ii) appropriate arrangements or structures are in place that are, in their opinion, designed to secure material compliance with the company's relevant obligations; and
- (iii) during the financial year, the arrangements or structures referred to above have been reviewed.

**PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

**DIRECTORS' REPORT**  
**For the financial year ended 31 December 2021 (continued)**

In discharging their responsibilities under Section 225, the Directors relied upon, among other things, the services provided, advice and/or representations from third parties whom the Directors believe have the requisite knowledge and experience in order to secure material compliance with the Company's relevant obligations.

DocuSigned by:  
*John O'Connell*  
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**Director**

Date: 20 April 2022

DocuSigned by:  
*Aleha Andersen*  
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**Director**

## PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.

### STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with accounting standards generally accepted in Ireland including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" ("FRS 102") and in accordance with applicable law and regulations. Irish Company Law requires the Directors to prepare financial statements for each financial year that give a true and fair view of the Company's assets, liabilities and financial position as at the end of the financial year and of the profit or loss of the Company for the financial year. Under Company Law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position, of the Company for the financial year and otherwise comply with the Companies Act.

In preparing these financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and reasons for any material departure from those standards; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors confirm that they have complied with the above requirements in preparing the financial statements. The Directors are responsible for ensuring that the Company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Company, enable at any time the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' report comply with the Companies Act and enable the financial statements to be audited. To this end, they have appointed BNY Mellon Fund Services (Ireland) Designated Activity Company (the "Administrator") to provide the Company with (inter alia) fund accounting and administration services. The Directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. In fulfilment of this responsibility, they entrusted the assets of the Company to The Bank of New York Mellon SA/NV, Dublin Branch (the "Depositary") for safekeeping for the financial year ended 31 December 2021 in accordance with the Constitution of the Company.

The financial statements are published on the [www.principalislamic.com](http://www.principalislamic.com) website. The Directors, together with the Manager and Investment Manager are responsible for the maintenance and integrity of the financial information included on this website.

#### On behalf of the Board of Directors

DocuSigned by:  
*John O'Connell*  
4A54ED92F03E412...

DocuSigned by:  
*Alida Anderson*  
F5A8D78D005C48F

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**Director**

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**Director**

Date: 20 April 2022



BNY MELLON

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Dublin 2, D02 KV60, Ireland.

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## REPORT FROM THE DEPOSITARY TO THE SHAREHOLDERS DATED 20 APRIL 2022

For the period ended 31 December 2021 (the "Period")

The Bank of New York Mellon SA/NV, Dublin Branch (the "Depositary" "us", "we", or "our") has enquired into the conduct of Principal Islamic Asset Management (Ireland) p.l.c. (the "Company") for the Period, in its capacity as depositary to the Company.

This report including the opinion has been prepared for and solely for the shareholders in the Company, in accordance with our role as depositary to the Company and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown.

### Responsibilities of the Depositary

Our duties and responsibilities are outlined in Regulation 34 of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (S.I. No 352 of 2011), as amended ("the UCITS Regulations").

Our report shall state whether, in our opinion, the Company has been managed in that period in accordance with the provisions of the Company's constitutional documentation and the UCITS Regulations. It is the overall responsibility of the Company to comply with these provisions. If the Company has not been so managed, we as depositary must state in what respects it has not been so managed and the steps which we have taken in respect thereof.

### Basis of Depositary Opinion

The Depositary conducts such reviews as it, in its reasonable opinion, considers necessary in order to comply with its duties and to ensure that, in all material respects, the Company has been managed (i) in accordance with the limitations imposed on its investment and borrowing powers by the provisions of its constitutional documentation and the appropriate regulations and (ii) otherwise in accordance with the Company's constitutional documentation and the appropriate regulations.

### Opinion

In our opinion, the Company has been managed during the Period, in all material respects:

- (i) in accordance with the limitations imposed on the investment and borrowing powers of the Company by the constitutional documentation and the UCITS Regulations; and
- (ii) otherwise in accordance with the provisions of the constitutional documentation and the UCITS Regulations.

*Michelle Moroney*

For and on behalf of The Bank of New York Mellon SA/NV, Dublin Branch  
Riverside II  
Sir John Rogerson's Quay,  
Dublin 2,  
Ireland.

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# ***Independent auditors' report to the members of Principal Islamic Asset Management (Ireland) p.l.c***

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

### **Opinion**

In our opinion, Principal Islamic Asset Management (Ireland) p.l.c's financial statements:

- give a true and fair view of the Company's and Funds' assets, liabilities and financial position as at 31 December 2021 and of their results for the year then ended;
- have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland (accounting standards issued by the Financial Reporting Council of the UK, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and Irish law); and
- have been properly prepared in accordance with the requirements of the Companies Act 2014 and the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended).

We have audited the financial statements, included within the Annual Report and Audited Financial Statements, which comprise:

- the Statement of Financial Position as at 31 December 2021;
- the Statement of Comprehensive Income for the year then ended;
- the Statement of Changes in Net Assets Attributable to Redeemable Participating Shareholders for the year then ended;
- the Portfolio of Investments for each of the Funds as at 31 December 2021; and
- the notes to the financial statements for the Company and for each of its Funds, which include a description of the significant accounting policies.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)") and applicable law.

Our responsibilities under ISAs (Ireland) 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 opinion.

### **Independence**

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, which includes IAASA's Ethical Standard as applicable to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### **Our audit approach**

#### **Overview**

|  |   |
|--|---|
|  | <b>Materiality</b> <ul style="list-style-type: none"> <li>· Overall materiality: For Islamic ASEAN Equity Fund, Islamic Asia Pacific Dynamic Income &amp; Growth Fund and Islamic Multi-Asset Fund: 50 basis points of Net Asset Value ("NAV") at 31 December 2021 and for Global Sukuk Fund: 100 basis points of Net Assets Value ("NAV") at 31 December 2021.</li> </ul>  |
|  | <b>Audit scope</b> <ul style="list-style-type: none"> <li>· The Company is an open-ended investment Company with variable capital and engages Principal Islamic Asset Management Sdn Bhd (the "Investment Manager") to manage certain duties and responsibilities with regards to the day-to-day management of the Company. We tailored the scope of our audit taking into account the types of investments within the Funds, the involvement of the third parties referred to overleaf, the accounting processes and controls, and the industry in which the Company operates. We look at each of the Funds at an individual level.</li> </ul> |
|  | <b>Key audit matters</b> <ul style="list-style-type: none"> <li>· Existence and valuation of Financial Assets at Fair Value Through Profit or Loss.</li> </ul>  |



### *The scope of our audit*

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgements, for example the selection of pricing sources to value the investment portfolio. As in all of our audits, we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

### *Key audit matters*

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. This is not a complete list of all risks identified by our audit.

| <i><b>Key audit matter</b></i>  | <i><b>How our audit addressed the key audit matter</b></i>  |
|---|---|
| <p><i><b>Existence and valuation of Financial Assets at Fair Value Through Profit or Loss</b></i></p> <p>Refer to the accounting policies set out in note 2 – Financial instruments at Fair Value through Profit or Loss, Accounting for Investments, Recognition and Derecognition, Valuation of Investments, and note 10 – Financial Risk Management.</p> <p>The Company's investment objective is to seek to provide a return through a combination of capital growth and income over the medium to long term, following Shariah investment principles.</p> <p>Note 2 states "All instruments on the Portfolios of Investments are classified as held at fair value through profit or loss. Subsequent to initial recognition, all instruments classified at fair value through profit or loss are measured at fair value with changes in their fair value recognised in the Statement of Comprehensive Income. Financial assets are derecognised when the rights to receive the cash flow from the investments have expired or the Funds have transferred substantially all of the risks or rewards of ownership.". Financial assets at fair value through profit or loss amount to \$72,800,403 or 91.58% of Total Assets.</p> <p>As at 31 December 2021 the Company valued "Debt securities, listed on a recognised stock exchange or traded on any other organised market, are valued at the current mid price on the stock exchange or market which constitutes the principal market for such securities. Equities, listed on a recognised stock exchange or traded on any other organised market, are valued at the current last price on the stock exchange or market which constitutes the principal market for such securities. If for specific assets the current mid/last prices do not, in the opinion of the Directors, reflect their fair value or are not available, the price of the most recent transaction provides evidence of the current fair value as long as there has not been a significant change in economic circumstances since the time of that transaction.</p> <p>In the case of any security not listed, quoted or dealt in on a regulated market or for which no quotation or value is available which would provide a fair valuation, or in respect of which the price is unrepresentative, the fair value of such security is determined on the basis of the probable realisation value and is determined by the Directors, a stockbroker or other competent person appointed by the Directors and approved for the purpose by the Depositary, using valuation techniques."</p> | <p>We obtained independent confirmation from the Custodian, confirming the quantities of equities held by them on behalf of the Company, as at 31 December 2021. We reconciled the amounts confirmed to the accounting records maintained by BNY Mellon Fund Services (Ireland) Designated Activity Company as Administrator.</p> <p>We tested the valuation of the equities and debt securities by independently obtaining vendor prices as at 31 December 2021 and agreeing them to the price per the accounting records.</p> <p>No material issues were identified from the performance of these procedures.</p> |





|   |  |
|---|--|
| This is considered a key audit matter as it represents the principal element of the financial statements. |  |
|---|--|

### *How we tailored the audit scope*

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Company, the accounting processes and controls, and the industry in which it operates.

As at 31 December 2021 there are 4 Funds operating. The Company's Statement of Financial Position, Statement of Comprehensive Income, and Statement of Changes in Net Assets Attributable to Redeemable Participating Shareholders are an aggregation of the positions and results of the Funds.

The directors control the affairs of the Company and are responsible for the overall investment policy which is determined by them. The Company engages the Investment Manager to manage certain duties and responsibilities with regards to the day to day management of the Company. The Investment Manager has delegated certain responsibilities to BNY Mellon Fund Services (Ireland) Designated Activity Company (the 'Administrator'). The financial statements, which remain the responsibility of the directors, are prepared on their behalf by the Administrator. The Company has appointed The Bank of New York Mellon SA/NV, Dublin Branch (the "Depository") to act as Depository of the Company's assets. In establishing the overall approach to our audit we assessed the risk of material misstatement at a Fund level, taking into account the nature, likelihood and potential magnitude of any misstatement. As part of our risk assessment, we considered the Company's interaction with the Administrator, and we assessed the control environment in place at the Administrator.

### *Materiality*

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements of each of the Company's Funds as follows:

|   |  |
|---|--|
| <b>Overall materiality and how we determined it</b> | For Islamic ASEAN Equity Fund, Islamic Asia Pacific Dynamic Income & Growth Fund and Islamic Multi-Asset Fund: 50 basis points of Net Asset Value ("NAV") at 31 December 2021 and for Global Sukuk Fund 100 basis points of NAV at 31 December 2021 (2020: For Islamic ASEAN Equity Fund and Islamic Asia Pacific Dynamic Income & Growth Fund: 50 basis points of Net Asset Value ("NAV") at 31 December 2020 and for Global Sukuk Fund: 100 basis points of NAV at 31 December 2020) |
| <b>Rationale for benchmark applied</b>              | We have applied this benchmark because the main objective of the Company is to provide investors with a total return at a Fund level, taking account of the capital and income returns.  |

We agreed with the Board of Directors that we would report to them misstatements identified during our audit above 10% of overall materiality for each Fund, for NAV per share impacting differences (2020: 10% of overall materiality for each Fund, for NAV per share impacting differences) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

### **Conclusions relating to going concern**

Our evaluation of the directors' assessment of the Company's and Funds' ability to continue to adopt the going concern basis of accounting included:

- Obtaining an understanding of the key indicators that are monitored with respect to the going concern assumption and management's future plans for the Funds' over the going concern period (being 12 months from the date of approval of the financial statements);
- Reviewing available board minutes during the period under audit and those available up to the date of this report;
- Considering post year end capital activity as recorded in the underlying accounting records;
- Making enquiries of management with respect to any planned significant redemptions of which they have been informed of;
- Considering the adequacy of the disclosures in the financial statements in respect of liquidity risk management techniques which are available to the Company.



Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's and Funds' ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Company's and Funds' ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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## **Reporting on other information**

The other information comprises all of the information in the Annual Report and Audited Financial Statements other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the Companies Act 2014 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (Ireland) and the Companies Act 2014 require us to also report certain opinions and matters as described below:

- In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.
- Based on our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

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## **Responsibilities for the financial statements and the audit**

### *Responsibilities of the directors for the financial statements*

As explained more fully in the Statement of Directors' Responsibilities set out on page 12, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view.

The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's and Funds' ability to continue as going concerns, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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

Our objectives are to obtain reasonable assurance about whether the financial statements 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 ISAs (Ireland) 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.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA website at:



[https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description\\_of\\_auditors\\_responsibilities\\_for\\_audit.pdf](https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf).

This description forms part of our auditors' report.

### *Use of this report*

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with section 391 of the Companies Act 2014 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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## **Other required reporting**

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### **Companies Act 2014 opinions on other matters**

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.

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### **Companies Act 2014 exception reporting**

#### *Directors' remuneration and transactions*

Under the Companies Act 2014 we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of that Act have not been made. We have no exceptions to report arising from this responsibility.

A handwritten signature in dark ink, reading 'Liam O'Mahony'.

Liam O'Mahony  
for and on behalf of PricewaterhouseCoopers  
Chartered Accountants and Statutory Audit Firm  
Dublin  
27 April 2022

# PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.

## PORTFOLIO OF INVESTMENTS AS AT 31 DECEMBER 2021

### ISLAMIC ASEAN EQUITY FUND

| Nominal   | Security   | Value<br>USD | % Net<br>Assets |
|---|--|--------------|-----------------|
| <b>TRANSFERABLE 95.99% (31 December 2020: 95.26%)</b> |  |              |                 |
|   | <b>INDONESIA 20.95% (31 December 2020: 26.03%)</b>     |              |                 |
|   | <b>Building Production-Cement/Aggregate</b>            |              |                 |
| 200,000   | Indocement Tunggal Prakarsa Tbk PT                     | 169,795      | 1.64            |
|   | <b>Commercial Banks Non-US</b>                         |              |                 |
| 1,390,100   | Bank BTPN Syariah Tbk PT                               | 349,171      | 3.36            |
|   | <b>Food-Miscellaneous/Diversified</b>                  |              |                 |
| 200,000   | Indofood CBP Sukses Makmur Tbk PT                      | 122,084      | 1.18            |
|   | <b>Medical-Drugs</b>                                   |              |                 |
| 2,050,000   | Kalbe Farma Tbk PT                                     | 232,293      | 2.24            |
|   | <b>Medical-Hospitals</b>                               |              |                 |
| 1,100,000   | Mitra Keluarga Karyasehat Tbk PT                       | 174,425      | 1.68            |
|   | <b>Mining Services</b>                                 |              |                 |
| 100,000   | United Tractors Tbk PT                                 | 155,411      | 1.50            |
|   | <b>Non-Ferrous Metals</b>                              |              |                 |
| 250,000   | Vale Indonesia Tbk PT                                  | 82,091       | 0.79            |
|   | <b>Retail-Miscellaneous/Diversified</b>                |              |                 |
| 1,050,000   | Ace Hardware Indonesia Tbk PT                          | 94,299       | 0.91            |
|   | <b>Soap &amp; Cleaning Prepar</b>                      |              |                 |
| 250,000   | Unilever Indonesia Tbk PT                              | 72,093       | 0.69            |
|   | <b>Telecom Services</b>                                |              |                 |
| 2,550,000   | Telkom Indonesia Persero Tbk PT                        | 722,820      | 6.96            |
|   | <b>MALAYSIA 39.14% (31 December 2020: 40.46%)</b>      |              |                 |
|   | <b>Agricultural Operations</b>                         |              |                 |
| 180,000   | QL Resources Bhd                                       | 197,457      | 1.90            |
|   | <b>Commercial Banks Non-US</b>                         |              |                 |
| 450,000   | Bank Islam Malaysia Bhd                                | 324,054      | 3.12            |
|   | <b>Computer Services</b>                               |              |                 |
| 150,000   | Pentamaster Corp Bhd                                   | 199,833      | 1.93            |
|   | <b>E-Commerce/Services</b>                             |              |                 |
| 700,000   | My EG Services Bhd                                     | 179,790      | 1.73            |
|   | <b>Electronic Component-Miscellaneous</b>              |              |                 |
| 200,000   | SKP Resources Bhd                                      | 83,534       | 0.80            |
|   | <b>Engineering/Research &amp; Development Services</b> |              |                 |
| 170,000   | Frontken Corp Bhd                                      | 163,227      | 1.57            |
|   | <b>Industrial Automat/Robot</b>                        |              |                 |
| 104,600   | Greotech Technology Bhd                                | 168,978      | 1.63            |
|   | <b>Instruments-Controls</b>                            |              |                 |
| 150,400   | Mi Technovation Bhd                                    | 122,024      | 1.18            |
|   | <b>Medical-Hospitals</b>                               |              |                 |
| 200,000   | IHH Healthcare Bhd                                     | 352,378      | 3.39            |
|   | <b>Metal Processors &amp; Fabricators</b>              |              |                 |
| 54,200  | UWC BHD  | 80,793       | 0.78            |
|   | <b>Metal-Aluminium</b>                                 |              |                 |
| 200,000   | Press Metal Aluminium Holdings Bhd                     | 277,486      | 2.67            |
|   | <b>Multi-Line Insurance</b>                            |              |                 |
| 80,000  | Syarikat Takaful Malaysia Keluarga Bhd                 | 71,052       | 0.68            |
|   | <b>Non-Hazardous Waste Disposal</b>                    |              |                 |
| 700,000   | Taliworks Corp Bhd                                     | 145,344      | 1.40            |
|   | <b>Oil Company-Exploration &amp; Production</b>        |              |                 |
| 350,000   | Hibiscus Petroleum Bhd                                 | 68,471       | 0.66            |
|   | <b>Oil Refining &amp; Marketing</b>                    |              |                 |
| 20,100  | Petronas Dagangan Bhd                                  | 99,391       | 0.96            |
|   | <b>Oil-Field Services</b>                              |              |                 |
| 600,000   | Dayang Enterprise Holdings Bhd                         | 115,939      | 1.12            |
|   | <b>Petrochemicals</b>                                  |              |                 |
| 130,000   | Petronas Chemicals Group Bhd                           | 278,350      | 2.68            |
|   | <b>Reits-Diversified</b>                               |              |                 |
| 275,800   | Axis Real Estate Investment Trust (REIT)               | 128,434      | 1.24            |
|   | <b>Semiconductor Equipment</b>                         |              |                 |
| 150,000   | Inari Amertron Bhd                                     | 144,024      | 1.39            |
|   | <b>Telecom Services</b>                                |              |                 |
| 100,000   | Maxis Bhd  | 116,419      | 1.12            |

The notes on pages 40 to 70 are an integral part of these financial statements.

**PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

**PORTFOLIO OF INVESTMENTS AS AT 31 DECEMBER 2021 (continued)**

**ISLAMIC ASEAN EQUITY FUND (continued)**

| ISLAMIC ASEAN EQUITY FUND (continued)                            |  | Value<br>USD     | % Net<br>Assets |                |                           |                 |
|--|--|------------------|-----------------|----------------|---------------------------|-----------------|
| Nominal  | Security                                 |                  |                 |                |                           |                 |
| MALAYSIA 39.14% (31 December 2020: 40.46%) (continued)           |  |                  |                 |                |                           |                 |
| Telecom Services (continued)                                     |  |                  |                 |                |                           |                 |
| 300,000  | TIME dotCom Bhd                          | 331,255          | 3.19            |                |                           |                 |
|  | Warehousing and Harbor Transport Service |                  |                 |                |                           |                 |
| 223,400  | Westports Holdings Bhd                   | 217,181          | 2.09            |                |                           |                 |
| PHILIPPINES 0.98% (31 December 2020: 0.52%)                      |  |                  |                 |                |                           |                 |
| Food-Miscellaneous/Diversified                                   |  |                  |                 |                |                           |                 |
| 550,000  | D&L Industries Inc                       | 101,927          | 0.98            |                |                           |                 |
| SINGAPORE 9.86% (31 December 2020: 10.73%)                       |  |                  |                 |                |                           |                 |
| Electronic Component-Miscellaneous                               |  |                  |                 |                |                           |                 |
| 15,000   | Venture Corp Ltd                         | 203,582          | 1.96            |                |                           |                 |
|  | Telecom Services                         |                  |                 |                |                           |                 |
| 550,000  | NetLink NBN Trust                        | 407,684          | 3.93            |                |                           |                 |
| 240,000  | Singapore Telecommunications Ltd         | 412,724          | 3.97            |                |                           |                 |
| THAILAND 25.06% (31 December 2020: 17.52%)                       |  |                  |                 |                |                           |                 |
| Airport Development/Maintenance                                  |  |                  |                 |                |                           |                 |
| 350,000  | Airports of Thailand PCL                 | 639,126          | 6.16            |                |                           |                 |
|  | Cellular Telecom                         |                  |                 |                |                           |                 |
| 85,000   | Advanced Info Service PCL NVDR           | 585,242          | 5.64            |                |                           |                 |
|  | Circuit Boards                           |                  |                 |                |                           |                 |
| 95,000   | Hana Microelectronics PCL                | 251,684          | 2.42            |                |                           |                 |
| 100,000  | KCE Electronics PCL NVDR                 | 263,433          | 2.54            |                |                           |                 |
|  | Medical-Hospitals                        |                  |                 |                |                           |                 |
| 400,000  | Bangkok Dusit Medical Services PCL       | 275,408          | 2.65            |                |                           |                 |
| 25,000   | Bumrungrad Hospital PCL                  | 105,523          | 1.02            |                |                           |                 |
|  | Retail-Building Products                 |                  |                 |                |                           |                 |
| 800,000  | Home Product Center PCL                  | 347,253          | 3.35            |                |                           |                 |
| 222,727  | Siam Global House PCL                    | 133,350          | 1.28            |                |                           |                 |
| Total Value of Transferable Securities                           |  | 9,964,865        | 95.99           |                |                           |                 |
| Total Investments (Cost: USD11,062,082)                          |  | 9,964,865        | 95.99           |                |                           |                 |
| Income Receivable on Transferable Securities                     |  | 3,616            | 0.03            |                |                           |                 |
| Total Investments  |  | 9,968,481        | 96.02           |                |                           |                 |
| Open Spot Currency Contracts 0.00% (31 December 2020: 0.00%)     |  |                  |                 |                |                           |                 |
| Settlement<br>Date   | Buy                                      | Amount<br>Bought | Sell            | Amount<br>Sold | Unrealised<br>Gain/(Loss) | % Net<br>Assets |
| 03/01/2022   | SGD                                      | 105,146          | USD             | (77,785)       | 154                       | 0.00            |
| Unrealised Gain on Open Spot Currency Contracts                  |  |                  |                 |                | 154                       | 0.00            |
| Net Unrealised Gain on Open Spot Currency Contracts              |  |                  |                 |                | 154                       | 0.00            |
| Cash   |  |                  |                 | 592,666        |                           | 5.71            |
| Net Current Liabilities  |  |                  |                 | (179,950)      |                           | (1.73)          |
| Net Assets Attributable to Redeemable Participating Shareholders |  |                  |                 | 10,381,351     |                           | 100.00          |

The notes on pages 40 to 70 are an integral part of these financial statements.

**PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

**PORTFOLIO OF INVESTMENTS AS AT 31 DECEMBER 2021 (continued)**

**ISLAMIC ASEAN EQUITY FUND (continued)**

| <b>Analysis of Total Assets</b>   | <b>% of Total Assets</b> |
|---|--------------------------|
| Transferable Securities and Money Market Instruments admitted to an official stock exchange listing or traded on a regulated market | 93.26                    |
| Other Assets  | 6.74                     |
| <b>Total Assets</b>   | <b>100.00</b>            |

The notes on pages 40 to 70 are an integral part of these financial statements.

**PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

**PORTFOLIO OF INVESTMENTS AS AT 31 DECEMBER 2021 (continued)**

**GLOBAL SUKUK FUND**

| Nominal   | Security                                      | Coupon Rate | Maturity Date | Value<br>USD     | % Net<br>Assets |
|---|---|-------------|---------------|------------------|-----------------|
| <b>TRANSFERABLE 80.06% (31 December 2020: 96.89%)</b>                   |   |             |               |                  |                 |
| <b>BAHRAIN 0.00% (31 December 2020: 3.01%)</b>                          |   |             |               |                  |                 |
| <b>INDONESIA 2.87% (31 December 2020: 4.80%)</b>                        |   |             |               |                  |                 |
| <b>Government Sukuk</b>   |   |             |               |                  |                 |
| 250,000   | Perusahaan Penerbit SBSN Indonesia III 'REGS' | 3.550%      | 09/06/2051    | 254,875          | 2.87            |
| <b>KUWAIT 2.82% (31 December 2020: 4.40%)</b>                           |   |             |               |                  |                 |
| <b>Corporate Sukuk</b>  |   |             |               |                  |                 |
| 250,000   | Warba Tier 1 Sukuk 2 Ltd FRN (Perpetual)      | 4.000%      | Perpetual     | 250,938          | 2.82            |
| <b>OMAN 2.39% (31 December 2020: 3.42%)</b>                             |   |             |               |                  |                 |
| <b>Government Sukuk</b>   |   |             |               |                  |                 |
| 200,000   | Oman Sovereign Sukuk Co 'REGS'                | 4.875%      | 15/06/2030    | 212,959          | 2.39            |
| <b>QATAR 8.52% (31 December 2020: 5.98%)</b>                            |   |             |               |                  |                 |
| <b>Corporate Sukuk</b>  |   |             |               |                  |                 |
| 250,000   | Dukhan Tier 1 Sukuk Ltd FRN (Perpetual)       | 3.950%      | Perpetual     | 251,031          | 2.82            |
| 250,000   | QIB Sukuk Ltd                                 | 1.950%      | 27/10/2025    | 251,250          | 2.82            |
| 250,000   | QIIB Tier 1 Sukuk Ltd FRN (Perpetual)         | 4.875%      | Perpetual     | 255,937          | 2.88            |
| <b>SAUDI ARABIA 20.07% (31 December 2020: 15.83%)</b>                   |   |             |               |                  |                 |
| <b>Corporate Sukuk</b>  |   |             |               |                  |                 |
| 250,000   | Arab National Bank FRN                        | 3.326%      | 28/10/2030    | 255,825          | 2.88            |
| 250,000   | Arabian Centres Sukuk II Ltd 'REGS'           | 5.625%      | 07/10/2026    | 248,565          | 2.79            |
| 500,000   | NCB Tier 1 Sukuk Ltd FRN (Perpetual)          | 3.500%      | Perpetual     | 498,115          | 5.60            |
| 250,000   | Riyad Sukuk Ltd FRN                           | 3.174%      | 25/02/2030    | 255,990          | 2.88            |
| 250,000   | SA Global Sukuk Ltd 'REGS'                    | 2.694%      | 17/06/2031    | 251,581          | 2.83            |
| 250,000   | Saudi Telecom Co 'REGS'                       | 3.890%      | 13/05/2029    | 275,288          | 3.09            |
| <b>TURKEY 2.84% (31 December 2020: 0.00%)</b>                           |   |             |               |                  |                 |
| <b>Corporate Sukuk</b>  |   |             |               |                  |                 |
| 250,000   | Kt21 T2 Co Ltd FRN                            | 6.125%      | 16/12/2031    | 253,013          | 2.84            |
| <b>UNITED ARAB EMIRATES 40.55% (31 December 2020: 59.45%)</b>           |   |             |               |                  |                 |
| <b>Corporate Sukuk</b>  |   |             |               |                  |                 |
| 200,000   | Aldar Sukuk Ltd                               | 4.750%      | 29/09/2025    | 219,338          | 2.47            |
| 550,000   | DAE Sukuk Dfnc Ltd 'REGS'                     | 3.750%      | 15/02/2026    | 568,906          | 6.39            |
| 500,000   | DIB Tier 1 Sukuk 4 Ltd FRN (Perpetual)        | 4.625%      | Perpetual     | 508,997          | 5.72            |
| 250,000   | DIFC Sukuk Ltd                                | 4.325%      | 12/11/2024    | 266,875          | 3.00            |
| 500,000   | DP World Crescent Ltd 'EMTN'                  | 3.875%      | 18/07/2029    | 534,306          | 6.00            |
| 200,000   | DP World Crescent Ltd 'REGS'                  | 4.848%      | 26/09/2028    | 224,847          | 2.53            |
| 250,000   | EI Sukuk Co Ltd 'EMTN'                        | 2.082%      | 02/11/2026    | 250,481          | 2.81            |
| 200,000   | Esic Sukuk Ltd 'EMTN'                         | 3.939%      | 30/07/2024    | 206,250          | 2.32            |
| 250,000   | MAF Sukuk Ltd                                 | 4.638%      | 14/05/2029    | 277,812          | 3.12            |
| 250,000   | MAF Sukuk Ltd 'EMTN'                          | 3.933%      | 28/02/2030    | 268,269          | 3.01            |
| 250,000   | Tabreed Sukuk Spc Ltd                         | 5.500%      | 31/10/2025    | 282,813          | 3.18            |
| <b>Total Value of Transferable Securities</b>                           |   |             |               | <b>7,124,261</b> | <b>80.06</b>    |
| <b>Total Value of Investments (Cost: USD7,066,589)</b>                  |   |             |               | <b>7,124,261</b> | <b>80.06</b>    |
| Income Receivable on Transferable Securities                            |   |             |               | 62,857           | 0.71            |
| <b>Total Investments</b>  |   |             |               | <b>7,187,118</b> | <b>80.77</b>    |
| <b>Cash</b>   |   |             |               | <b>1,722,978</b> | <b>19.36</b>    |
| <b>Net Current Liabilities</b>  |   |             |               | <b>(10,920)</b>  | <b>(0.13)</b>   |
| <b>Net Assets Attributable to Redeemable Participating Shareholders</b> |   |             |               | <b>8,899,176</b> | <b>100.00</b>   |

The notes on pages 40 to 70 are an integral part of these financial statements.

**PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

**PORTFOLIO OF INVESTMENTS AS AT 31 DECEMBER 2021 (continued)**

**GLOBAL SUKUK FUND (continued)**

| <b>Analysis of Total Assets</b>   | <b>% of Total Assets</b> |
|---|--------------------------|
| Transferable Securities and Money Market Instruments admitted to an official stock exchange listing or traded on a regulated market | 92.98                    |
| Other Assets  | 7.02                     |
| <b>Total Assets</b>   | <b>100.00</b>            |

The notes on pages 40 to 70 are an integral part of these financial statements.



**PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

**PORTFOLIO OF INVESTMENTS AS AT 31 DECEMBER 2021 (continued)**

**ISLAMIC ASIA PACIFIC DYNAMIC INCOME & GROWTH FUND**

| <b>Nominal</b>  | <b>Security</b>                                  | <b>Value<br/>USD</b> | <b>% Net<br/>Assets</b> |
|---|--|----------------------|-------------------------|
| <b>TRANSFERABLE 93.15% (31 December 2020: 97.32%)</b> |  |                      |                         |
|   | <b>AUSTRALIA 6.24% (31 December 2020: 5.97%)</b> |                      |                         |
|   | <b>Medical-Biomedical/Genetics</b>               |                      |                         |
| 3,775   | CSL Ltd  | 797,820              | 1.86                    |
|   | <b>Medical-Hospitals</b>                         |                      |                         |
| 13,240  | Ramsay Health Care Ltd                           | 688,188              | 1.61                    |
|   | <b>Metal-Copper</b>                              |                      |                         |
| 42,376  | OZ Minerals Ltd                                  | 869,341              | 2.03                    |
|   | <b>Steel-Producers</b>                           |                      |                         |
| 20,844  | BlueScope Steel Ltd                              | 316,695              | 0.74                    |
|   | <b>CHINA 17.69% (31 December 2020: 35.54%)</b>   |                      |                         |
|   | <b>Auto-Cars/Light Trucks</b>                    |                      |                         |
| 12,500  | BYD Co Ltd 'H'                                   | 427,431              | 1.00                    |
| 13,152  | NIO Inc ADR                                      | 426,388              | 1.00                    |
|   | <b>E-Commerce/Products</b>                       |                      |                         |
| 51,100  | Alibaba Group Holding Ltd                        | 779,290              | 1.82                    |
|   | <b>Energy-Alternate Sources</b>                  |                      |                         |
| 63,600  | Longi Green Energy Technology Co Ltd 'A'         | 863,170              | 2.02                    |
|   | <b>Food-Dairy Products</b>                       |                      |                         |
| 113,000   | China Mengniu Dairy Co Ltd                       | 640,615              | 1.50                    |
|   | <b>Instruments-Controls</b>                      |                      |                         |
| 60,423  | Shenzhen Inovance Technology Co Ltd 'A'          | 652,617              | 1.52                    |
|   | <b>Internet Content-Information/News</b>         |                      |                         |
| 21,500  | Tencent Holdings Ltd                             | 1,259,682            | 2.94                    |
|   | <b>Miscellaneous Manufacturing</b>               |                      |                         |
| 12,557  | Airtac International Group                       | 462,940              | 1.08                    |
|   | <b>Non-Hazardous Waste Disposal</b>              |                      |                         |
| 87,000  | China Conch Venture Holdings Ltd                 | 425,148              | 0.99                    |
|   | <b>Retail-Apparel/Shoe</b>                       |                      |                         |
| 77,500  | Li Ning Co Ltd                                   | 848,401              | 1.98                    |
|   | <b>Textile-Apparel</b>                           |                      |                         |
| 41,000  | Shenzhou International Group Holdings Ltd        | 788,282              | 1.84                    |
|   | <b>HONG KONG 5.29% (31 December 2020: 3.78%)</b> |                      |                         |
|   | <b>Chemicals-Specialty</b>                       |                      |                         |
| 211,000   | Kingboard Laminates Holdings Ltd                 | 358,858              | 0.84                    |
|   | <b>Machinery Tools &amp; Related Products</b>    |                      |                         |
| 42,500  | Techtronic Industries Co Ltd                     | 846,013              | 1.97                    |
|   | <b>Reits-Shopping Centres</b>                    |                      |                         |
| 120,400   | Link REIT (Units) (REIT)                         | 1,060,140            | 2.48                    |
|   | <b>INDIA 16.35% (31 December 2020: 2.06%)</b>    |                      |                         |
|   | <b>Coatings/Paint</b>                            |                      |                         |
| 19,699  | Asian Paints Ltd                                 | 896,762              | 2.10                    |
|   | <b>Computer Services</b>                         |                      |                         |
| 19,860  | Tata Consultancy Services Ltd                    | 998,669              | 2.33                    |
|   | <b>Cosmetics &amp; Toiletries</b>                |                      |                         |
| 105,664   | Dabur India Ltd                                  | 823,727              | 1.92                    |
|   | <b>Medical-Hospitals</b>                         |                      |                         |
| 6,366   | Apollo Hospitals Enterprise Ltd                  | 430,672              | 1.01                    |
|   | <b>Oil Refining &amp; Marketing</b>              |                      |                         |
| 63,537  | Reliance Industries Ltd                          | 2,024,473            | 4.73                    |
|   | <b>Retail-Jewelry</b>                            |                      |                         |
| 29,262  | Titan Co Ltd                                     | 991,282              | 2.32                    |
|   | <b>Transport-Rail</b>                            |                      |                         |
| 100,596   | Container Corp Of India Ltd                      | 831,583              | 1.94                    |
|   | <b>INDONESIA 3.77% (31 December 2020: 4.14%)</b> |                      |                         |
|   | <b>Telecom Services</b>                          |                      |                         |
| 5,691,500   | Telkom Indonesia Persero Tbk PT                  | 1,613,307            | 3.77                    |

The notes on pages 40 to 70 are an integral part of these financial statements.

**PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

**PORTFOLIO OF INVESTMENTS AS AT 31 DECEMBER 2021 (continued)**

**ISLAMIC ASIA PACIFIC DYNAMIC INCOME & GROWTH FUND (continued)**

| ISLAMIC ASIA PACIFIC DYNAMIC INCOME & GROWTH FUND (continued)           |  |                          |             |                        | Value<br>USD                      | % Net<br>Assets         |
|---|--|--------------------------|-------------|------------------------|-----------------------------------|-------------------------|
| Nominal   | Security   |                          |             |                        |                                   |                         |
|   | <b>JAPAN 1.70% (31 December 2020: 1.61%)</b>         |                          |             |                        |                                   |                         |
|   | <b>Electronic Component-Miscellaneous</b>            |                          |             |                        |                                   |                         |
| 4,900   | Hoya Corp  |                          |             |                        | 728,306                           | 1.70                    |
|   | <b>NETHERLANDS 2.54% (31 December 2020: 3.07%)</b>   |                          |             |                        |                                   |                         |
|   | <b>Semiconductor Equipment</b>                       |                          |             |                        |                                   |                         |
| 1,360   | ASML Holding NV NY Reg Shrs                          |                          |             |                        | 1,088,299                         | 2.54                    |
|   | <b>SINGAPORE 8.96% (31 December 2020: 6.46%)</b>     |                          |             |                        |                                   |                         |
|   | <b>Electronic Component-Miscellaneous</b>            |                          |             |                        |                                   |                         |
| 27,500  | Venture Corp Ltd                                     |                          |             |                        | 373,234                           | 0.87                    |
|   | <b>Telecom Services</b>                              |                          |             |                        |                                   |                         |
| 2,763,700   | NetLink NBN Trust                                    |                          |             |                        | 2,048,572                         | 4.78                    |
| 823,000   | Singapore Telecommunications Ltd                     |                          |             |                        | 1,415,299                         | 3.31                    |
|   | <b>SOUTH KOREA 14.36% (31 December 2020: 16.16%)</b> |                          |             |                        |                                   |                         |
|   | <b>Electronic Component-Semiconductor</b>            |                          |             |                        |                                   |                         |
| 64,923  | Samsung Electronics Co Ltd - Preference              |                          |             |                        | 3,888,553                         | 9.08                    |
| 8,102   | SK Hynix Inc   |                          |             |                        | 892,839                           | 2.09                    |
|   | <b>Petrochemicals</b>                                |                          |             |                        |                                   |                         |
| 1,484   | LG Chem Ltd  |                          |             |                        | 767,748                           | 1.80                    |
|   | <b>Steel-Producers</b>                               |                          |             |                        |                                   |                         |
| 2,578   | POSCO  |                          |             |                        | 595,298                           | 1.39                    |
|   | <b>TAIWAN 9.80% (31 December 2020: 13.73%)</b>       |                          |             |                        |                                   |                         |
|   | <b>Appliances</b>                                    |                          |             |                        |                                   |                         |
| 131,000   | E Ink Holdings Inc                                   |                          |             |                        | 714,968                           | 1.67                    |
|   | <b>Electronic Component-Semiconductor</b>            |                          |             |                        |                                   |                         |
| 22,000  | MediaTek Inc   |                          |             |                        | 946,255                           | 2.21                    |
|   | <b>Semiconductor Component-Integrated Circuits</b>   |                          |             |                        |                                   |                         |
| 114,000   | Taiwan Semiconductor Manufacturing Co Ltd            |                          |             |                        | 2,534,068                         | 5.92                    |
|   | <b>THAILAND 4.23% (31 December 2020: 1.34%)</b>      |                          |             |                        |                                   |                         |
|   | <b>Airport Development/Maintenance</b>               |                          |             |                        |                                   |                         |
| 447,500   | Airports of Thailand PCL (Foreign Market)            |                          |             |                        | 817,168                           | 1.91                    |
|   | <b>Medical-Hospitals</b>                             |                          |             |                        |                                   |                         |
| 1,440,900   | Bangkok Dusit Medical Services PCL NVDR              |                          |             |                        | 992,088                           | 2.32                    |
|   | <b>UNITED STATES 2.22% (31 December 2020: 3.46%)</b> |                          |             |                        |                                   |                         |
|   | <b>Electronic Component-Semiconductor</b>            |                          |             |                        |                                   |                         |
| 3,208   | NVIDIA Corp  |                          |             |                        | 949,119                           | 2.22                    |
| <b>Total Value of Transferable Securities</b>                           |  |                          |             |                        | <b>39,873,308</b>                 | <b>93.15</b>            |
| <b>Total Investments (Cost: USD38,927,681)</b>                          |  |                          |             |                        | <b>39,873,308</b>                 | <b>93.15</b>            |
| Income Receivable on Transferable Securities                            |  |                          |             |                        | —                                 | —                       |
| <b>Total Investments</b>  |  |                          |             |                        | <b>39,873,308</b>                 | <b>93.15</b>            |
| <b>Open Spot Currency Contracts (0.00%) (31 December 2020: 0.00%)</b>   |  |                          |             |                        |                                   |                         |
| <b>Settlement<br/>Date</b>  | <b>Buy</b>   | <b>Amount<br/>Bought</b> | <b>Sell</b> | <b>Amount<br/>Sold</b> | <b>Unrealised<br/>Gain/(Loss)</b> | <b>% Net<br/>Assets</b> |
| 03/01/2022  | USD  | 24,632                   | HKD         | (192,146)              | (13)                              | (0.00)                  |
| Unrealised Loss on Open Spot Currency Contracts                         |  |                          |             |                        | (13)                              | (0.00)                  |
| <b>Net Unrealised Loss on Open Spot Currency Contracts</b>              |  |                          |             |                        | <b>(13)</b>                       | <b>(0.00)</b>           |
| <b>Cash</b>   |  |                          |             |                        | 2,792,419                         | 6.52                    |
| <b>Net Current Assets</b>   |  |                          |             |                        | 137,981                           | 0.33                    |
| <b>Net Assets Attributable to Redeemable Participating Shareholders</b> |  |                          |             |                        | <b>42,803,695</b>                 | <b>100.00</b>           |

The notes on pages 40 to 70 are an integral part of these financial statements.

**PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

**PORTFOLIO OF INVESTMENTS AS AT 31 DECEMBER 2021 (continued)**

**ISLAMIC ASIA PACIFIC DYNAMIC INCOME & GROWTH FUND (continued)**

| <b>Analysis of Total Assets</b>   | <b>% of Total Assets</b> |
|---|--------------------------|
| Transferable Securities and Money Market Instruments admitted to an official stock exchange listing or traded on a regulated market | 79.72                    |
| Other Assets  | 20.28                    |
| <b>Total Assets</b>   | <b>100.00</b>            |

The notes on pages 40 to 70 are an integral part of these financial statements.

**PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

**PORTFOLIO OF INVESTMENTS AS AT 31 DECEMBER 2021 (continued)**

**ISLAMIC GLOBAL MULTI-ASSET FUND\***

| <b>Nominal</b>             | <b>Security</b>   | <b>Value<br/>USD</b> | <b>% Net<br/>Assets</b> |
|----------------------------|---|----------------------|-------------------------|
| <b>TRANSFERABLE 58.04%</b> |   |                      |                         |
|                            | <b>AUSTRALIA 1.20%</b>                                      |                      |                         |
|                            | <b>Metal-Diversified</b>                                    |                      |                         |
| 1,594                      | Rio Tinto Plc   | 105,270              | 0.65                    |
|                            | <b>Steel-Producers</b>                                      |                      |                         |
| 5,900                      | BlueScope Steel Ltd   | 89,642               | 0.55                    |
|                            | <b>CANADA 1.94%</b>   |                      |                         |
|                            | <b>Apparel Manufacturers</b>                                |                      |                         |
| 2,400                      | Gildan Activewear Inc                                       | 101,361              | 0.62                    |
|                            | <b>Forestry</b>   |                      |                         |
| 1,100                      | West Fraser Timber Co Ltd (Units)                           | 105,212              | 0.65                    |
|                            | <b>Gold Mining</b>  |                      |                         |
| 800                        | Franco-Nevada Corp  | 109,947              | 0.67                    |
|                            | <b>CHILE 0.39%</b>  |                      |                         |
|                            | <b>Diversified Minerals</b>                                 |                      |                         |
| 8,200                      | Lundin Mining Corp  | 63,629               | 0.39                    |
|                            | <b>CHINA 0.58%</b>  |                      |                         |
|                            | <b>Semiconductor Component-Integrated Circuits</b>          |                      |                         |
| 416                        | NXP Semiconductors NV                                       | 95,098               | 0.58                    |
|                            | <b>DENMARK 1.21%</b>  |                      |                         |
|                            | <b>Building &amp; Construction Production-Miscellaneous</b> |                      |                         |
| 228                        | ROCKWOOL International A/S                                  | 99,328               | 0.61                    |
|                            | <b>Medical-Biomedical/Genetics</b>                          |                      |                         |
| 245                        | Genmab A/S  | 98,150               | 0.60                    |
|                            | <b>FINLAND 1.24%</b>  |                      |                         |
|                            | <b>Oil Refining &amp; Marketing</b>                         |                      |                         |
| 2,015                      | Neste Oyj   | 98,982               | 0.61                    |
|                            | <b>Paper &amp; Related Products</b>                         |                      |                         |
| 2,733                      | UPM-Kymmene Oyj   | 103,600              | 0.63                    |
|                            | <b>FRANCE 1.34%</b>   |                      |                         |
|                            | <b>Cosmetics &amp; Toiletries</b>                           |                      |                         |
| 240                        | L'Oreal SA  | 114,088              | 0.70                    |
|                            | <b>Medical Products</b>                                     |                      |                         |
| 188                        | Sartorius Stedim Biotech                                    | 104,533              | 0.64                    |
|                            | <b>GERMANY, FEDERAL REPUBLIC 0.64%</b>                      |                      |                         |
|                            | <b>Athletic Footwear</b>                                    |                      |                         |
| 864                        | Puma SE   | 105,225              | 0.64                    |
|                            | <b>HONG KONG 0.37%</b>                                      |                      |                         |
|                            | <b>Building Production-Doors &amp; Windows</b>              |                      |                         |
| 24,000                     | Xinyi Glass Holdings Ltd                                    | 60,026               | 0.37                    |
|                            | <b>IRELAND 0.86%</b>  |                      |                         |
|                            | <b>Medical Laboratories &amp; Testing Services</b>          |                      |                         |
| 452                        | ICON Plc  | 139,799              | 0.86                    |
|                            | <b>ITALY 0.67%</b>  |                      |                         |
|                            | <b>Auto-Cars/Light Trucks</b>                               |                      |                         |
| 421                        | Ferrari NV  | 108,506              | 0.67                    |
|                            | <b>JAPAN 1.97%</b>  |                      |                         |
|                            | <b>Advanced Materials/Production</b>                        |                      |                         |
| 2,800                      | JSR Corp  | 106,415              | 0.65                    |
|                            | <b>Machinery Tools &amp; Related Products</b>               |                      |                         |
| 7,000                      | Amada Co Ltd  | 69,261               | 0.42                    |
|                            | <b>Retail-Miscellaneous/Diversified</b>                     |                      |                         |
| 3,500                      | Ryohin Keikaku Co Ltd                                       | 53,329               | 0.33                    |

The notes on pages 40 to 70 are an integral part of these financial statements.

**PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

**PORTFOLIO OF INVESTMENTS AS AT 31 DECEMBER 2021 (continued)**

**ISLAMIC GLOBAL MULTI-ASSET FUND (continued)**

| <b>Nominal</b> | <b>Security</b>   | <b>Value<br/>USD</b> | <b>% Net<br/>Assets</b> |
|----------------|---|----------------------|-------------------------|
|                | <b>JAPAN 1.97% (continued)</b>                              |                      |                         |
|                | <b>Toys</b>   |                      |                         |
| 200            | Nintendo Co Ltd   | 93,211               | 0.57                    |
|                | <b>JORDAN 0.53%</b>   |                      |                         |
|                | <b>Medical-Drugs</b>  |                      |                         |
| 2,875          | Hikma Pharmaceuticals Plc                                   | 85,949               | 0.53                    |
|                | <b>NETHERLANDS 2.83%</b>                                    |                      |                         |
|                | <b>Coatings/Paint</b>                                       |                      |                         |
| 830            | Akzo Nobel NV   | 90,552               | 0.55                    |
|                | <b>Medical Products</b>                                     |                      |                         |
| 2,077          | Koninklijke Philips NV                                      | 77,074               | 0.47                    |
|                | <b>Semiconductor Equipment</b>                              |                      |                         |
| 338            | ASM International NV  | 150,220              | 0.92                    |
| 181            | ASML Holding NV   | 145,712              | 0.89                    |
|                | <b>SOUTH KOREA 0.49%</b>                                    |                      |                         |
|                | <b>Computer Services</b>                                    |                      |                         |
| 1,182          | LG Corp   | 80,441               | 0.49                    |
|                | <b>SWEDEN 1.75%</b>   |                      |                         |
|                | <b>Building Production-Air &amp; Heating</b>                |                      |                         |
| 12,480         | Nibe Industrier AB  | 188,606              | 1.15                    |
|                | <b>Machinery-Farm</b>                                       |                      |                         |
| 6,101          | Husqvarna AB  | 97,664               | 0.60                    |
|                | <b>SWITZERLAND 5.28%</b>                                    |                      |                         |
|                | <b>Building &amp; Construction Production-Miscellaneous</b> |                      |                         |
| 115            | Geberit AG  | 93,906               | 0.57                    |
|                | <b>Food-Miscellaneous/Diversified</b>                       |                      |                         |
| 1,202          | Nestle SA   | 167,855              | 1.03                    |
|                | <b>Medical Instruments</b>                                  |                      |                         |
| 1,600          | Alcon Inc   | 141,558              | 0.87                    |
|                | <b>Medical Laboratories &amp; Testing Services</b>          |                      |                         |
| 179            | Lonza Group AG  | 149,384              | 0.91                    |
|                | <b>Medical-Drugs</b>  |                      |                         |
| 748            | Roche Holding AG  | 310,727              | 1.90                    |
|                | <b>TAIWAN 2.51%</b>   |                      |                         |
|                | <b>Semiconductor Component-Integrated Circuits</b>          |                      |                         |
| 3,406          | Taiwan Semiconductor Manufacturing Co Ltd ADR               | 410,151              | 2.51                    |
|                | <b>UNITED KINGDOM 2.56%</b>                                 |                      |                         |
|                | <b>Building-Residential/Commercial</b>                      |                      |                         |
| 2,200          | Persimmon Plc   | 85,190               | 0.52                    |
| 41,624         | Taylor Wimpey Plc   | 98,757               | 0.60                    |
|                | <b>Electronic Measuring Instruments</b>                     |                      |                         |
| 2,969          | Halma Plc   | 128,486              | 0.79                    |
|                | <b>Retail-Apparel/Shoe</b>                                  |                      |                         |
| 35,840         | JD Sports Fashion Plc                                       | 106,231              | 0.65                    |
|                | <b>UNITED STATES 29.68%</b>                                 |                      |                         |
|                | <b>Applications Software</b>                                |                      |                         |
| 533            | Adobe Inc   | 304,092              | 1.86                    |
| 270            | Intuit Inc  | 173,707              | 1.06                    |
| 371            | Microsoft Corp  | 125,888              | 0.77                    |
|                | <b>Athletic Footwear</b>                                    |                      |                         |
| 611            | NIKE Inc  | 102,336              | 0.63                    |
|                | <b>Beverages-Non-Alcoholic</b>                              |                      |                         |
| 1,223          | Monster Beverage Corp                                       | 116,662              | 0.72                    |
|                | <b>Computer Aided Design</b>                                |                      |                         |
| 524            | Synopsys Inc  | 194,304              | 1.19                    |
|                | <b>Computer Software</b>                                    |                      |                         |
| 1,573          | Dynatrace Inc   | 95,277               | 0.58                    |

The notes on pages 40 to 70 are an integral part of these financial statements.

**PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

**PORTFOLIO OF INVESTMENTS AS AT 31 DECEMBER 2021 (continued)**

**ISLAMIC GLOBAL MULTI-ASSET FUND (continued)**

| Nominal | Security   | Coupon Rate | Maturity Date | Value<br>USD | % Net<br>Assets |
|---------|--|-------------|---------------|--------------|-----------------|
|         | <b>UNITED STATES 29.68% (continued)</b>            |             |               |              |                 |
|         | <b>Cosmetics &amp; Toiletries</b>                  |             |               |              |                 |
| 985     | Colgate-Palmolive Co                               |             |               | 83,321       | 0.51            |
| 2,008   | Procter & Gamble Co/The                            |             |               | 326,843      | 2.00            |
|         | <b>Diagnostic Equipment</b>                        |             |               |              |                 |
| 632     | Danaher Corp                                       |             |               | 207,593      | 1.27            |
| 360     | Thermo Fisher Scientific Inc                       |             |               | 239,562      | 1.47            |
|         | <b>Diversified Manufacturing Operations</b>        |             |               |              |                 |
| 572     | Trane Technologies Plc                             |             |               | 114,868      | 0.71            |
|         | <b>Electronic Component-Semiconductor</b>          |             |               |              |                 |
| 864     | Advanced Micro Devices Inc                         |             |               | 125,410      | 0.77            |
| 2,288   | Marvell Technology Inc                             |             |               | 200,063      | 1.23            |
|         | <b>Electronic Measuring Instruments</b>            |             |               |              |                 |
| 550     | Agilent Technologies Inc                           |             |               | 88,484       | 0.54            |
|         | <b>Enterprise Software/Services</b>                |             |               |              |                 |
| 1,053   | salesforce.com Inc                                 |             |               | 268,862      | 1.65            |
|         | <b>Medical Instruments</b>                         |             |               |              |                 |
| 950     | Edwards Lifesciences Corp                          |             |               | 124,146      | 0.76            |
| 1,578   | Medtronic Plc                                      |             |               | 164,854      | 1.01            |
|         | <b>Medical Products</b>                            |             |               |              |                 |
| 1,086   | Abbott Laboratories                                |             |               | 153,126      | 0.94            |
|         | <b>Medical-Drugs</b>                               |             |               |              |                 |
| 456     | Eli Lilly & Co                                     |             |               | 126,426      | 0.77            |
| 2,043   | Johnson & Johnson                                  |             |               | 352,030      | 2.15            |
|         | <b>Oil Company-Exploration &amp; Production</b>    |             |               |              |                 |
| 1,400   | EOG Resources Inc                                  |             |               | 124,852      | 0.76            |
| 675     | Pioneer Natural Resources Co                       |             |               | 122,364      | 0.75            |
|         | <b>Oil Company-Integrated</b>                      |             |               |              |                 |
| 2,204   | Chevron Corp                                       |             |               | 258,816      | 1.59            |
|         | <b>Reits-Warehouse/Industrial</b>                  |             |               |              |                 |
| 1,356   | Prologis Inc (REIT)                                |             |               | 227,767      | 1.39            |
|         | <b>Retail-Apparel/Shoe</b>                         |             |               |              |                 |
| 362     | Lululemon Athletica Inc                            |             |               | 144,326      | 0.88            |
|         | <b>Semiconductor Component-Integrated Circuits</b> |             |               |              |                 |
| 802     | Analog Devices Inc                                 |             |               | 140,174      | 0.86            |
|         | <b>Web Portals/Internet Service Provider</b>       |             |               |              |                 |
| 48      | Alphabet Inc - Class A                             |             |               | 140,352      | 0.86            |

**TRANSFERABLE 38.23%**

|         |   |        |            |         |      |
|---------|---|--------|------------|---------|------|
|         | <b>BAHRAIN 1.64%</b>                          |        |            |         |      |
|         | <b>Corporate Sukuk</b>                        |        |            |         |      |
| 250,000 | Nogaholding Sukuk Ltd 'REGS'                  | 5.250% | 08/04/2029 | 267,813 | 1.64 |
|         | <b>INDONESIA 1.56%</b>                        |        |            |         |      |
|         | <b>Government Sukuk</b>                       |        |            |         |      |
| 250,000 | Perusahaan Penerbit SBSN Indonesia III 'REGS' | 3.550% | 09/06/2051 | 254,875 | 1.56 |
|         | <b>KUWAIT 6.11%</b>                           |        |            |         |      |
|         | <b>Corporate Sukuk</b>                        |        |            |         |      |
| 250,000 | Ahli United Sukuk Ltd FRN (Perpetual)         | 3.875% | Perpetual  | 249,052 | 1.52 |
| 500,000 | KFH Tier 1 Sukuk Ltd FRN (Perpetual)          | 3.600% | Perpetual  | 498,874 | 3.05 |
| 250,000 | Warba Tier 1 Sukuk 2 Ltd FRN (Perpetual)      | 4.000% | Perpetual  | 250,938 | 1.54 |
|         | <b>OMAN 3.24%</b>                             |        |            |         |      |
|         | <b>Corporate Sukuk</b>                        |        |            |         |      |
| 250,000 | Mazoon Assets Co SAOC 'REGS'                  | 5.200% | 08/11/2027 | 263,059 | 1.61 |
|         | <b>Government Sukuk</b>                       |        |            |         |      |
| 250,000 | Oman Sovereign Sukuk Co 'REGS'                | 4.875% | 15/06/2030 | 266,199 | 1.63 |
|         | <b>SAUDI ARABIA 6.45%</b>                     |        |            |         |      |
|         | <b>Corporate Sukuk</b>                        |        |            |         |      |
| 250,000 | Arab National Bank FRN                        | 3.326% | 28/10/2030 | 255,825 | 1.57 |
| 250,000 | Riyad Sukuk Ltd FRN                           | 3.174% | 25/02/2030 | 255,990 | 1.57 |
| 250,000 | Saudi Electricity Global Sukuk Co 4           | 4.222% | 27/01/2024 | 264,747 | 1.62 |

The notes on pages 40 to 70 are an integral part of these financial statements.

# PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.

## PORTFOLIO OF INVESTMENTS AS AT 31 DECEMBER 2021 (continued)

### ISLAMIC GLOBAL MULTI-ASSET FUND (continued)

| Nominal                               | Security                                      | Coupon Rate | Maturity Date | Value<br>USD | % Net<br>Assets |
|---------------------------------------|---|-------------|---------------|--------------|-----------------|
| <b>SAUDI ARABIA 6.45% (continued)</b> |   |             |               |              |                 |
| <b>Corporate Sukuk (continued)</b>    |   |             |               |              |                 |
| 250,000                               | Saudi Telecom Co 'REGS'                       | 3.890%      | 13/05/2029    | 275,289      | 1.69            |
| <b>TURKEY 3.02%</b>                   |   |             |               |              |                 |
| <b>Corporate Sukuk</b>                |   |             |               |              |                 |
| 250,000                               | Hazine Mustesarligi Varlik Kiralama AS 'REGS' | 5.125%      | 22/06/2026    | 239,588      | 1.47            |
| 250,000                               | Kt21 T2 Co Ltd FRN                            | 6.125%      | 16/12/2031    | 253,013      | 1.55            |
| <b>UNITED ARAB EMIRATES 16.21%</b>    |   |             |               |              |                 |
| <b>Corporate Sukuk</b>                |   |             |               |              |                 |
| 200,000                               | Aldar Sukuk Ltd                               | 4.750%      | 29/09/2025    | 219,338      | 1.34            |
| 350,000                               | DAE Sukuk Dific Ltd 'REGS'                    | 3.750%      | 15/02/2026    | 362,031      | 2.22            |
| 250,000                               | DIB Sukuk Ltd 'EMTN'                          | 1.959%      | 22/06/2026    | 250,476      | 1.53            |
| 250,000                               | DIB Tier 1 Sukuk 4 Ltd FRN (Perpetual)        | 4.625%      | Perpetual     | 254,499      | 1.56            |
| 250,000                               | DP World Crescent Ltd 'REGS'                  | 3.908%      | 31/05/2023    | 258,750      | 1.58            |
| 250,000                               | DP World Salaam FRN (Perpetual)               | 6.000%      | Perpetual     | 271,126      | 1.66            |
| 250,000                               | EI Sukuk Co Ltd 'EMTN'                        | 2.082%      | 02/11/2026    | 250,481      | 1.53            |
| 500,000                               | Emaar Sukuk Ltd 'EMTN'                        | 3.700%      | 06/07/2031    | 513,124      | 3.15            |
| 250,000                               | MAF Sukuk Ltd 'EMTN'                          | 3.933%      | 28/02/2030    | 268,269      | 1.64            |

|  |                   |              |
|--|-------------------|--------------|
| <b>Total Value of Transferable Securities</b>  | <b>15,722,936</b> | <b>96.27</b> |
| <b>Total Investments (Cost: USD14,383,891)</b> | <b>15,722,936</b> | <b>96.27</b> |

|  |        |      |
|--|--------|------|
| Income Receivable on Transferable Securities | 48,560 | 0.30 |
|--|--------|------|

|                          |                   |              |
|--------------------------|-------------------|--------------|
| <b>Total Investments</b> | <b>15,771,496</b> | <b>96.57</b> |
|--------------------------|-------------------|--------------|

### Open Spot Currency Contracts (0.00%)

| Settlement<br>Date | Buy | Amount<br>Bought | Sell | Amount<br>Sold | Unrealised<br>Gain/(Loss) | % Net<br>Assets |
|--------------------|-----|------------------|------|----------------|---------------------------|-----------------|
| 03/01/2022         | USD | 215,902          | CHF  | (197,892)      | (943)                     | (0.00)          |
| 03/01/2022         | USD | 27,966           | EUR  | (24,741)       | (64)                      | (0.00)          |
| 04/01/2022         | CAD | 131,122          | USD  | (102,970)      | 116                       | 0.00            |
| 04/01/2022         | CAD | 134,589          | USD  | (105,693)      | 119                       | 0.00            |

|   |         |        |
|---|---------|--------|
| Unrealised Gain on Open Spot Currency Contracts | 235     | 0.00   |
| Unrealised Loss on Open Spot Currency Contracts | (1,007) | (0.00) |

|  |              |               |
|--|--------------|---------------|
| <b>Net Unrealised Loss on Open Spot Currency Contracts</b> | <b>(772)</b> | <b>(0.00)</b> |
|--|--------------|---------------|

|                                |           |        |
|--------------------------------|-----------|--------|
| <b>Cash</b>                    | 812,828   | 4.98   |
| <b>Net Current Liabilities</b> | (251,976) | (1.55) |

|   |                   |               |
|---|-------------------|---------------|
| <b>Net Assets Attributable to Redeemable Participating Shareholders</b> | <b>16,331,576</b> | <b>100.00</b> |
|---|-------------------|---------------|

### Analysis of Total Assets % of Total Assets

|   |       |
|---|-------|
| Transferable Securities and Money Market Instruments admitted to an official stock exchange listing or traded on a regulated market | 92.56 |
|---|-------|

|              |      |
|--------------|------|
| Other Assets | 7.44 |
|--------------|------|

|                     |               |
|---------------------|---------------|
| <b>Total Assets</b> | <b>100.00</b> |
|---------------------|---------------|

\* Islamic Global Multi-Asset Fund launched on 23 March 2021.

The notes on pages 40 to 70 are an integral part of these financial statements.

**PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

**STATEMENT OF FINANCIAL POSITION**

**As at 31 December 2021**

|   | Notes | Islamic ASEAN<br>Equity Fund<br>USD | Global<br>Sukuk Fund<br>USD | Islamic Asia<br>Pacific<br>Dynamic Income<br>& Growth Fund<br>USD | Islamic Global<br>Multi-Asset<br>Fund*<br>USD | Company Total<br>USD |
|---|-------|-------------------------------------|-----------------------------|---|---|----------------------|
| <b>Current Assets</b>   |       |                                     |                             |   |   |                      |
| Financial Assets at Fair Value Through Profit or Loss                   | 2     | 9,968,481                           | 7,187,118                   | 39,873,308  | 15,771,496                                    | 72,800,403           |
| Cash at Bank  | 2, 5  | 592,666                             | 1,722,978                   | 2,792,419   | 812,828                                       | 5,920,891            |
| Due from Shareholders   | 7     | 230                                 | 18,378                      | 100,000   | —   | 118,608              |
| Sale of Securities Receivable   | 2     | —                                   | —                           | —   | 373,710                                       | 373,710              |
| Dividends Receivable  | 2     | 19,351                              | —                           | 86,965  | 5,047   | 111,363              |
| Rebate due to Fund Capping Receivable                                   | 3     | 90,797                              | —                           | —   | —   | 90,797               |
| Unrealised Gain on Open Spot Currency Contracts                         |       | 154                                 | —                           | —   | 235   | 389                  |
| Other Assets  |       | 13,357                              | 8,609                       | 31,704  | 23,833  | 77,503               |
| <b>Total Assets</b>   |       | <b>10,685,036</b>                   | <b>8,937,083</b>            | <b>42,884,396</b>   | <b>16,987,149</b>                             | <b>79,493,664</b>    |
| <b>Current Liabilities</b>  |       |                                     |                             |   |   |                      |
| Purchase of Securities Payable  | 3     | (257,743)                           | —                           | —   | (604,987)                                     | (862,730)            |
| Payable for Shares Redeemed   | 3     | (255)                               | —                           | —   | —   | (255)                |
| Investment Management Fees Payable                                      | 3     | (10,393)                            | (5,707)                     | (35,932)  | (13,691)                                      | (65,723)             |
| Administration Fees Payable   | 3     | (891)                               | (664)                       | (3,560)   | (1,367)                                       | (6,482)              |
| Audit Fees Payable  | 3     | (12,521)                            | (12,520)                    | (12,520)  | (12,521)                                      | (50,082)             |
| Depository Fees Payable   | 3     | (330)                               | (256)                       | (1,562)   | (550)   | (2,698)              |
| Sub-Custody Fees Payable  | 3     | (5,063)                             | (1,051)                     | (6,403)   | (2,384)                                       | (14,901)             |
| Directors Fees Payable  | 3     | (2,547)                             | (2,547)                     | (2,547)   | (2,787)                                       | (10,428)             |
| Legal Fees Payable  |       | (3,581)                             | (3,581)                     | (11,383)  | (3,509)                                       | (22,054)             |
| Unrealised Loss on Open Spot Currency Contracts                         |       | —                                   | —                           | (13)  | (1,007)                                       | (1,020)              |
| Other Payables  |       | (10,361)                            | (11,581)                    | (6,781)   | (12,770)                                      | (41,493)             |
| <b>Total Liabilities</b>  |       | <b>(303,685)</b>                    | <b>(37,907)</b>             | <b>(80,701)</b>   | <b>(655,573)</b>                              | <b>(1,077,866)</b>   |
| <b>Net Assets Attributable to Redeemable Participating Shareholders</b> |       | <b>10,381,351</b>                   | <b>8,899,176</b>            | <b>42,803,695</b>   | <b>16,331,576</b>                             | <b>78,415,798</b>    |

Islamic Global Multi-Asset Fund launched on 23 March 2021.

The notes on pages 40 to 70 are an integral part of these financial statements.



**PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

**STATEMENT OF FINANCIAL POSITION**

**As at 31 December 2021 (continued)**

|  |              | Islamic ASEAN<br>Equity Fund<br>USD | Global<br>Sukuk Fund<br>USD | Islamic Asia Pacific<br>Dynamic Income<br>& Growth Fund<br>USD | Islamic Global<br>Multi-Asset Fund*<br>USD |
|--|--------------|-------------------------------------|-----------------------------|--|--|
|  | <b>Notes</b> |                                     |                             |  |  |
| <b>Number of Redeemable Participating Shares in issue A Class Accumulation</b>     | 7, 17        | 394,338                             | 242,077                     | —  | 100  |
| <b>Net Asset Value per Share A Class Accumulation</b>                              |              | USD10.75                            | USD11.64                    | —  | USD10.86                                   |
| <b>Number of Redeemable Participating Shares in issue A Class Accumulation EUR</b> | 7, 17        | 82                                  | —                           | —  | —  |
| <b>Net Asset Value per Share A Class Accumulation EUR</b>                          |              | EUR10.39                            | —                           | —  | —  |
| <b>Number of Redeemable Participating Shares in issue A Class Income</b>           | 7, 17        | —                                   | 100                         | —  | 100  |
| <b>Net Asset Value per Share A Class Income</b>                                    |              | —                                   | USD10.07                    | —  | USD10.86                                   |
| <b>Number of Redeemable Participating Shares in issue A Class Income EUR</b>       | 7, 17        | —                                   | 82                          | —  | —  |
| <b>Net Asset Value per Share A Class Income EUR</b>                                |              | —                                   | EUR10.89                    | —  | —  |
| <b>Number of Redeemable Participating Shares in issue I Class Accumulation</b>     | 7, 17        | 533,675                             | 256,296                     | 1,425,600  | 1,399,800                                  |
| <b>Net Asset Value per Share I Class Accumulation</b>                              |              | USD11.51                            | USD11.81                    | USD11.45   | USD10.89                                   |
| <b>Number of Redeemable Participating Shares in issue I Class Income</b>           | 7, 17        | —                                   | 285,869                     | 2,638,614  | 100,000                                    |
| <b>Net Asset Value per Share I Class Income</b>                                    |              | —                                   | USD10.68                    | USD10.04   | USD10.89                                   |

\* Islamic Global Multi-Asset Fund launched on 23 March 2021.

The notes on pages 40 to 70 are an integral part of these financial statements.

Signed on behalf of Principal Islamic Asset Management (Ireland) p.l.c. on 20 April 2022.

DocuSigned by  
John O'Connell  
448ED90F03E412

DocuSigned by  
Maja Andersen  
F5A078C0D05C48F

Director: \_\_\_\_\_ Director: \_\_\_\_\_

**PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

**STATEMENT OF FINANCIAL POSITION**  
**As at 31 December 2020**

|  |              | Islamic ASEAN<br>Equity Fund<br>USD | Global<br>Sukuk Fund<br>USD | Islamic Asia Pacific<br>Dynamic Income<br>& Growth Fund*<br>USD | Company Total<br>USD |
|--|--------------|-------------------------------------|-----------------------------|---|----------------------|
| <b>Current Assets</b>  | <b>Notes</b> |                                     |                             |   |                      |
| Financial Assets at Fair Value Through Profit or Loss                          | 2            | 43,699,400                          | 51,655,838                  | 15,291,106  | 110,646,344          |
| Cash at Bank   | 2, 5         | 1,561,136                           | 1,229,199                   | 381,828   | 3,172,163            |
| Due from Shareholders  | 7            | 2,063                               | —                           | —   | 2,063                |
| Sale of Securities Receivable  | 2            | 470,290                             | —                           | —   | 470,290              |
| Dividends Receivable   | 2            | 95,239                              | —                           | 62,287  | 157,526              |
| Rebate due to Fund Capping Receivable  | 3            | 65,019                              | —                           | —   | 65,019               |
| Other Assets   |              | 37,683                              | 23,010                      | 8,482   | 69,175               |
| <b>Total Assets</b>  |              | <b>45,930,830</b>                   | <b>52,908,047</b>           | <b>15,743,703</b>   | <b>114,582,580</b>   |
| <b>Current Liabilities</b>   |              |                                     |                             |   |                      |
| Payable for Shares Redeemed  | 3            | —                                   | (50,000)                    | —   | (50,000)             |
| Investment Management Fees Payable   | 3            | (40,892)                            | (37,750)                    | (12,905)  | (91,547)             |
| Administration Fees Payable  | 3            | (3,879)                             | (4,930)                     | (1,025)   | (9,834)              |
| Audit Fees Payable   | 3            | (15,321)                            | (15,322)                    | (11,158)  | (41,801)             |
| Depository Fees Payable  | 3            | (1,391)                             | (1,781)                     | (511)   | (3,683)              |
| Sub-Custody Fees Payable   | 3            | (7,571)                             | (2,878)                     | (3,511)   | (13,960)             |
| Directors Fees Payable   | 3            | (877)                               | (877)                       | —   | (1,754)              |
| Legal Fees Payable   |              | (651)                               | —                           | (2,892)   | (3,543)              |
| Other Payables   |              | (15,197)                            | (18,452)                    | —   | (33,649)             |
| <b>Total Liabilities</b>   |              | <b>(85,779)</b>                     | <b>(131,990)</b>            | <b>(32,002)</b>   | <b>(249,771)</b>     |
| <b>Net Assets Attributable to Redeemable Participating Shareholders</b>        |              | <b>45,845,051</b>                   | <b>52,776,057</b>           | <b>15,711,701</b>   | <b>114,332,809</b>   |
| <b>Number of Redeemable Participating Shares in issue A Class Accumulation</b> | <b>Notes</b> |                                     |                             |   |                      |
|  | 7, 17        | 395,468                             | 2,240,464                   | —   |                      |
| <b>Net Asset Value per Share A Class Accumulation</b>                          |              | USD10.91                            | USD11.44                    | —   |                      |
| <b>Number of Redeemable Participating Shares in issue I Class Accumulation</b> | <b>Notes</b> |                                     |                             |   |                      |
|  | 7, 17        | 3,578,402                           | 2,083,901                   | 1,425,600   |                      |
| <b>Net Asset Value per Share I Class Accumulation</b>                          |              | USD11.61                            | USD11.59                    | USD11.02  |                      |
| <b>Number of Redeemable Participating Shares in issue I Class Income</b>       | <b>Notes</b> |                                     |                             |   |                      |
|  | 7, 17        | —                                   | 281,110                     | —   |                      |
| <b>Net Asset Value per Share I Class Income</b>                                |              | —                                   | USD10.63                    | —   |                      |

\* Islamic Asia Pacific Dynamic Income & Growth Fund launched on 19 October 2020.

The notes on pages 40 to 70 are an integral part of these financial statements.

**PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

**STATEMENT OF COMPREHENSIVE INCOME**  
For the financial year ended 31 December 2021

|  | Notes | Islamic ASEAN<br>Equity Fund<br>USD | Global<br>Sukuk Fund<br>USD | Islamic Asia Pacific<br>Dynamic Income<br>& Growth Fund<br>USD | Islamic Global<br>Multi-Asset Fund*<br>USD | Company Total<br>USD |
|--|-------|-------------------------------------|-----------------------------|--|--|----------------------|
| <b>Income</b>  |       |                                     |                             |  |  |                      |
| Dividend Income  | 2     | 459,798                             | —                           | 684,710  | 119,553                                    | 1,264,061            |
| Deposit Income/Gain  |       | 49                                  | —                           | 21   | 7  | 77                   |
| Net (loss)/gain on Financial Assets at Fair Value<br>Through Profit or Loss                        | 2, 6  | (1,187,572)                         | 259,371                     | 655,557  | 1,426,860                                  | 1,154,216            |
| Other Income   |       | 3,600                               | 23,297                      | 8,623  | 4,605                                      | 40,125               |
| <b>Total Dividend Income and Net (Loss)/Gain</b>   |       | <b>(724,125)</b>                    | <b>282,668</b>              | <b>1,348,911</b>   | <b>1,551,025</b>                           | <b>2,458,479</b>     |
| <b>Expenses</b>  |       |                                     |                             |  |  |                      |
| Investment Management Fees   | 3     | (235,891)                           | (152,541)                   | (375,594)  | (122,911)                                  | (886,937)            |
| Administration Fees  | 3     | (6,576)                             | (5,839)                     | (13,085)   | (4,275)                                    | (29,775)             |
| Audit Fees   | 3     | (13,666)                            | (13,749)                    | (8,758)  | (12,521)                                   | (48,694)             |
| Depository Fees  | 3     | (4,816)                             | (4,485)                     | (8,628)  | (3,066)                                    | (20,995)             |
| Sub-Custody Fees   | 3     | (39,456)                            | (2,943)                     | (39,802)   | (7,847)                                    | (90,048)             |
| Directors Fees   | 3     | (10,646)                            | (10,646)                    | (11,593)   | (7,906)                                    | (40,791)             |
| Legal Fees   |       | (38,014)                            | (39,478)                    | (8,491)  | (3,509)                                    | (89,492)             |
| Setup Costs  |       | —                                   | —                           | (7,979)  | (6,203)                                    | (14,182)             |
| Other Expenses   |       | (52,460)                            | (47,783)                    | (35,842)   | (27,474)                                   | (163,559)            |
| Rebate to the Fund due to Capping by the Investment<br>Manager                                     | 3     | 90,797                              | —                           | —  | —  | 90,797               |
| <b>Total Operating Expenses</b>  |       | <b>(310,728)</b>                    | <b>(277,464)</b>            | <b>(509,772)</b>   | <b>(195,712)</b>                           | <b>(1,293,676)</b>   |
| <b>(Loss)/Profit before tax</b>  |       | <b>(1,034,853)</b>                  | <b>5,204</b>                | <b>839,139</b>   | <b>1,355,313</b>                           | <b>1,164,803</b>     |
| <b>Finance Costs</b>   |       |                                     |                             |  |  |                      |
| Distributions  | 2     | —                                   | (36,349)                    | —  | —  | (36,349)             |
| <b>(Loss)/Profit after tax</b>   |       | <b>(1,034,853)</b>                  | <b>(31,145)</b>             | <b>839,139</b>   | <b>1,355,313</b>                           | <b>1,128,454</b>     |
| Withholding taxes on dividends   | 4     | (32,050)                            | —                           | (62,145)   | (23,628)                                   | (117,823)            |
| Withholding taxes on coupon income   | 4     | —                                   | 5,927                       | —  | (109)                                      | 5,818                |
| <b>(Decrease)/Increase in Net Assets Attributable to<br/>Redeemable Participating Shareholders</b> |       | <b>(1,066,903)</b>                  | <b>(25,218)</b>             | <b>776,994</b>   | <b>1,331,576</b>                           | <b>1,016,449</b>     |

\* Islamic Global Multi-Asset Fund launched on 23 March 2021.

The notes on pages 40 to 70 are an integral part of these financial statements.

Gains and losses arose solely from continuing investment activities. There were no gains and losses other than those within the Statement of Comprehensive Income.

**PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

**STATEMENT OF COMPREHENSIVE INCOME**  
For the financial year ended 31 December 2020

|  | Notes | Islamic ASEAN<br>Equity Fund<br>USD | Global<br>Sukuk Fund<br>USD | Islamic Asia Pacific<br>Dynamic Income<br>& Growth Fund*<br>USD | Company Total<br>USD |
|--|-------|-------------------------------------|-----------------------------|---|----------------------|
| <b>Income</b>  |       |                                     |                             |   |                      |
| Dividend Income  | 2     | 1,084,372                           | —                           | 84,441  | 1,168,813            |
| Net (loss)/gain on Financial Assets at Fair Value<br>Through Profit or Loss                        | 2, 6  | (887,361)                           | 2,650,758                   | 1,436,761   | 3,200,158            |
| Other Income   |       | 24,960                              | 50,264                      | 17  | 75,241               |
| <b>Total Dividend Income and Net Gain</b>  |       | <b>221,971</b>                      | <b>2,701,022</b>            | <b>1,521,219</b>  | <b>4,444,212</b>     |
| <b>Expenses</b>  |       |                                     |                             |   |                      |
| Investment Management Fees   | 3     | (425,385)                           | (414,908)                   | (29,353)  | (869,646)            |
| Administration Fees  | 3     | (14,841)                            | (18,620)                    | (1,025)   | (34,486)             |
| Audit Fees   | 3     | (16,137)                            | (16,137)                    | (11,158)  | (43,432)             |
| Depository Fees  | 3     | (8,724)                             | (10,940)                    | (646)   | (20,310)             |
| Sub-Custody Fees   | 3     | (49,923)                            | (14,562)                    | (5,437)   | (69,922)             |
| Directors Fees   | 3     | (14,742)                            | (14,742)                    | (3,301)   | (32,785)             |
| Legal Fees   |       | (53,224)                            | (48,740)                    | (2,892)   | (104,856)            |
| Setup Costs  |       | —                                   | —                           | (1,596)   | (1,596)              |
| Other Expenses   |       | (37,084)                            | (47,891)                    | (6,590)   | (91,565)             |
| Rebate to the Fund due to Capping by the Investment<br>Manager                                     | 3     | 65,018                              | —                           | —   | 65,018               |
| <b>Total Operating Expenses</b>  |       | <b>(555,042)</b>                    | <b>(586,540)</b>            | <b>(61,998)</b>   | <b>(1,203,580)</b>   |
| <b>(Loss)/Profit before tax</b>  |       | <b>(333,071)</b>                    | <b>2,114,482</b>            | <b>1,459,221</b>  | <b>3,240,632</b>     |
| <b>Finance Costs</b>   |       |                                     |                             |   |                      |
| Distributions  | 2     | —                                   | (122,833)                   | —   | (122,833)            |
| <b>(Loss)/Profit after tax</b>   |       | <b>(333,071)</b>                    | <b>1,991,649</b>            | <b>1,459,221</b>  | <b>3,117,799</b>     |
| Withholding taxes on dividends   | 4     | (89,623)                            | —                           | (3,520)   | (93,143)             |
| Withholding taxes on coupon income   | 4     | —                                   | 10,099                      | —   | 10,099               |
| <b>(Decrease)/Increase in Net Assets Attributable to<br/>Redeemable Participating Shareholders</b> |       | <b>(422,694)</b>                    | <b>2,001,748</b>            | <b>1,455,701</b>  | <b>3,034,755</b>     |

\* Islamic Asia Pacific Dynamic Income & Growth Fund launched on 19 October 2020.

The notes on pages 40 to 70 are an integral part of these financial statements.

Gains and losses arose solely from continuing investment activities. There were no gains and losses other than those within the Statement of Comprehensive Income

**PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO  
REDEEMABLE PARTICIPATING SHAREHOLDERS  
For the financial year ended 31 December 2021**

|   | Islamic ASEAN<br>Equity Fund<br>USD | Global<br>Sukuk Fund<br>USD | Islamic Asia Pacific<br>Dynamic Income<br>& Growth Fund<br>USD | Islamic Global<br>Multi-Asset Fund*<br>USD | Company Total<br>USD |
|---|-------------------------------------|-----------------------------|--|--|----------------------|
| <b>Net Assets Attributable to Redeemable Participating Shareholders at the start of the financial year</b>        | 45,845,051                          | 52,776,057                  | 15,711,701   | –  | 114,332,809          |
| Amounts Received on subscription of redeemable participating shares   | 616,634                             | 7,560,401                   | 27,550,000   | 15,000,000                                 | 50,727,035           |
| Amounts Paid on redemption of redeemable participating shares   | (35,013,431)                        | (51,412,064)                | (1,235,000)  | –  | (87,660,495)         |
| (Decrease)/Increase in Net Assets Attributable to Redeemable Participating Shareholders resulting from operations | (1,066,903)                         | (25,218)                    | 776,994  | 1,331,576                                  | 1,016,449            |
| <b>Net Assets Attributable to Redeemable Participating Shareholders at end of financial year</b>                  | <b>10,381,351</b>                   | <b>8,899,176</b>            | <b>42,803,695</b>  | <b>16,331,576</b>                          | <b>78,415,798</b>    |

**PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO  
REDEEMABLE PARTICIPATING SHAREHOLDERS  
For the financial year ended 2021 (continued)**

|                                       | Islamic ASEAN<br>Equity Fund<br>USD | Global<br>Sukuk Fund<br>USD     | Islamic Asia<br>Pacific<br>Dynamic Income<br>& Growth Fund<br>USD | Islamic Global<br>Multi-Asset Fund*<br>USD |
|---------------------------------------|-------------------------------------|---------------------------------|---|--|
| <b>A Class<br/>Accumulation EUR</b>   |                                     |                                 |   |  |
| <b>Share Transactions</b>             |                                     |                                 |   |  |
| Shares issued during financial year   | 82                                  | —                               | —   | —  |
| Shares at end of financial year       | 82                                  | —                               | —   | —  |
| <b>A Class<br/>Accumulation</b>       |                                     | <b>A Class<br/>Accumulation</b> |   | <b>A Class<br/>Accumulation</b>            |
| Shares at start of financial year     | 395,468                             | 2,240,464                       | —   | —  |
| Shares issued during financial year   | 12,043                              | 6,972                           | —   | 100  |
| Shares redeemed during financial year | (13,173)                            | (2,005,359)                     | —   | —  |
| Shares at end of financial year       | 394,338                             | 242,077                         | —   | 100  |
| <b>Share Transactions</b>             |                                     | <b>A Class Income</b>           |   | <b>A Class Income</b>                      |
| Shares issued during financial year   | —                                   | 100                             | —   | 100  |
| Shares at end of financial year       | —                                   | 100                             | —   | 100  |
| <b>A Class Income<br/>EUR</b>         |                                     |                                 |   |  |
| Shares issued during financial year   | —                                   | 82                              | —   | —  |
| Shares at end of financial year       | —                                   | 82                              | —   | —  |
| <b>I Class<br/>Accumulation</b>       |                                     | <b>I Class<br/>Accumulation</b> | <b>I Class<br/>Accumulation</b>                                   | <b>I Class<br/>Accumulation</b>            |
| Shares at start of financial year     | 3,578,402                           | 2,083,901                       | 1,425,600   | —  |
| Shares issued during financial year   | 42,105                              | 183,201                         | —   | 1,399,800                                  |
| Shares redeemed during financial year | (3,086,832)                         | (2,010,806)                     | —   | —  |
| Shares at end of financial year       | 533,675                             | 256,296                         | 1,425,600   | 1,399,800                                  |
| <b>Share Transactions</b>             |                                     | <b>I Class Income</b>           | <b>I Class Income</b>   | <b>I Class Income</b>                      |
| Shares at start of financial year     | —                                   | 281,110                         | —   | —  |
| Shares issued during financial year   | —                                   | 497,274                         | 2,759,412   | 100,000                                    |
| Shares redeemed during financial year | —                                   | (492,515)                       | (120,798)   | —  |
| Shares at end of financial year       | —                                   | 285,869                         | 2,638,614   | 100,000                                    |

\* Islamic Global Multi-Asset Fund launched on 23 March 2021.

The notes on pages 40 to 70 are an integral part of these financial statements.

**PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO  
REDEEMABLE PARTICIPATING SHAREHOLDERS  
For the financial year ended 31 December 2020**

|   | <b>Islamic ASEAN<br/>Equity Fund<br/>USD</b> | <b>Global<br/>Sukuk Fund<br/>USD</b> | <b>Islamic Asia Pacific<br/>Dynamic Income<br/>&amp; Growth Fund*<br/>USD</b> | <b>Company Total<br/>USD</b> |
|---|--|--------------------------------------|---|------------------------------|
| <b>Net Assets Attributable to Redeemable Participating Shareholders at the start of the financial year</b>        | 42,546,456                                   | 51,308,311                           | –   | 93,854,767                   |
| Amounts Received on subscription of redeemable participating shares   | 4,204,645                                    | 21,670,881                           | 14,256,000  | 40,131,526                   |
| Amounts Paid on redemption of redeemable participating shares   | (483,356)                                    | (22,204,883)                         | –   | (22,688,239)                 |
| (Decrease)/Increase in Net Assets Attributable to Redeemable Participating Shareholders resulting from operations | (422,694)                                    | 2,001,748                            | 1,455,701   | 3,034,755                    |
| <b>Net Assets Attributable to Redeemable Participating Shareholders at end of financial year</b>                  | <b>45,845,051</b>                            | <b>52,776,057</b>                    | <b>15,711,701</b>   | <b>114,332,809</b>           |

**PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO  
REDEEMABLE PARTICIPATING SHAREHOLDERS**

**For the financial year ended 31 December 2020 (continued)**

|                                       | <b>A Class<br/>Accumulation</b> | <b>A Class<br/>Accumulation</b> |   |
|---------------------------------------|---------------------------------|---------------------------------|---|
| <b>Share Transactions</b>             |                                 |                                 |   |
| Shares at start of financial year     | 388,440                         | 2,017,258                       | — |
| Shares issued during financial year   | 14,651                          | 237,906                         | — |
| Shares redeemed during financial year | (7,623)                         | (14,700)                        | — |
| Shares at end of financial year       | 395,468                         | 2,240,464                       | — |

|                                       | <b>I Class<br/>Accumulation</b> | <b>I Class<br/>Accumulation</b> | <b>I Class<br/>Accumulation</b> |
|---------------------------------------|---------------------------------|---------------------------------|---------------------------------|
| <b>Share Transactions</b>             |                                 |                                 |                                 |
| Shares at start of financial year     | 3,248,312                       | 2,063,457                       | —                               |
| Shares issued during financial year   | 371,555                         | 20,931                          | 1,425,600                       |
| Shares redeemed during financial year | (41,465)                        | (487)                           | —                               |
| Shares at end of financial year       | 3,578,402                       | 2,083,901                       | 1,425,600                       |

|                                       |   | <b>I Class Income</b> |   |
|---------------------------------------|---|-----------------------|---|
| <b>Share Transactions</b>             |   |                       |   |
| Shares at start of financial year     | — | 609,413               | — |
| Shares issued during financial year   | — | 1,824,596             | — |
| Shares redeemed during financial year | — | (2,152,899)           | — |
| Shares at end of financial year       | — | 281,110               | — |

\* Islamic Asia Pacific Dynamic Income & Growth Fund launched on 19 October 2020.

The notes on pages 40 to 70 are an integral part of these financial statements.



## **PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

### **NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 December 2021**

#### **1. STRUCTURE**

Principal Islamic Asset Management (Ireland) p.l.c. (the “Company”) was constituted on 24 November 2011 as an open-ended umbrella investment company established as a UCITS under the laws of Ireland with variable capital and segregated liability between Funds under registered number 506452. The Company has been authorised by the Central Bank pursuant to the Companies Act 2014, as amended (the “Companies Act”), the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, (as amended) (the “UCITS Regulations”) and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019, (the “CBI UCITS Regulations”). The financial statements have been prepared for the financial year ended 31 December 2021.

The Funds comprising the Company as at 31 December 2021 are listed on page 2. The Portfolios of Investments are listed on pages 19-30.

#### **2. SIGNIFICANT ACCOUNTING POLICIES**

##### **Current Financial Year Accounting Policies**

The significant accounting policies and estimation techniques adopted by the Company in preparation of these financial statements for the financial year ended 31 December 2021 unless otherwise stated, are as follows:

##### **Accounting Convention and Basis of Accounting**

These annual audited financial statements for the financial year ended 31 December 2021 have been prepared in accordance with accounting standards generally accepted in Ireland (“Irish GAAP”) including Financial Reporting Standard (“FRS”) 102 “The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland” (“FRS 102”), Irish statute comprising the Companies Act, the UCITS Regulations and the CBI UCITS Regulations. Irish GAAP is used in preparing financial statements which present a true and fair view are those standards issued by the Financial Reporting Council (“FRC”).

The Company has availed of the exemption available to open-ended investment funds under Section 7 “Statement of Cash Flows” of FRS 102, not to prepare a cash flow statement on the basis that substantially all of the Company’s investments are highly liquid and carried at fair value, and the Company provides a Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shareholders.

The Company’s business activities, together with the factors likely to affect its future development, its financial position, financial risk management objectives, details of its financial instruments and derivative activities, and its exposures to price, credit, liquidity and cash flow risk are described on pages 50 to 67.

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the financial statements have been prepared on a going concern basis for the Company under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss. The report has been prepared in USD for all Funds’ on the platform. The functional and presentation currency of the Company is the USD.

The format and certain wordings of the financial statements have been adapted from those contained in Irish statute so that, in the opinion of the Directors, they more appropriately reflect the nature of the Company’s business as an investment fund.

## **PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

### **NOTES TO THE FINANCIAL STATEMENTS** **For the financial year ended 31 December 2021 (continued)**

#### **2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

##### **Accounting Convention and Basis of Accounting (continued)**

The information required by FRS 102, to be included in a single statement of comprehensive income for the reporting period displaying all items of income and expense recognised during the period including those items recognised in determining profit or loss and items of other comprehensive income and a Reconciliation of Movements in Shareholders' Funds are, in the opinion of the Directors, contained in the Statements of Comprehensive Income and the Statements of Changes in Net Assets Attributable to Redeemable Participating Shareholders. In arriving at the results for the financial year, all amounts in the Statement of Comprehensive Income on page 34 relate to continuing activities. In the opinion of the Directors, the financial statements give, in all other respects, the information required by the UCITS Regulations and the Companies Act.

All gains or losses for the financial year are reflected in the Statement of Comprehensive Income on page 34.

The significant accounting policies adopted by the Company are set out below and overleaf. These policies have been consistently applied to the financial periods presented unless otherwise stated.

##### **Going Concern**

The Company has considerable financial resources in the form of highly liquid investments and cash balances. As a consequence, the Directors believe that the Company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

Furthermore, the Investment Manager is not aware of any material uncertainties that may cast significant doubt upon the Company and each of its Funds' ability to continue as a going concern. Please refer to the assessment of liquidity risk in note 10 and also the significant events after year end in note 16 to support this assessment to continue as a going concern. Therefore, the financial statements are prepared on the going concern basis.

##### **Financial Instruments at Fair Value through Profit or Loss**

Under FRS 102, in accounting for its financial instruments a reporting entity is required to apply either (a) the full provisions of Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instruments Issues" of FRS 102, (b) the recognition and measurement provisions of International Accounting Standards ("IAS") 39 "Financial Instruments: Recognition and Measurement" ("IAS 39") and only the disclosure requirements of Sections 11 and 12 of FRS 102; or (c) the recognition and measurement provisions of International Financial Reporting Standards ("IFRS") 9 "Financial Instruments" ("IFRS 9") and the disclosure requirements of Sections 11 and 12. The Company has elected to apply the recognition and measurement provisions of IAS 39 and the disclosure requirements of Sections 11 and 12.

This category has two sub-categories: financial assets and liabilities held for trading, and those designated at fair value through profit or loss at inception. All instruments on the Portfolios of Investments are classified as held at fair value through profit or loss. Subsequent to initial recognition, all instruments classified at fair value through profit or loss are measured at fair value with changes in their fair value recognised in the Statement of Comprehensive Income. Financial assets are derecognised when the rights to receive the cash flow from the investments have expired or the Funds have transferred substantially all of the risks or rewards of ownership.

##### **Accounting for Investments**

Investments are accounted for at the trade date with debt securities and derivatives valued using mid prices and equities valued using last prices. Realised gains and losses on investment disposals are calculated using the average cost method.

## **PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

### **NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 December 2021 (continued)**

#### **2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

##### **Recognition and Derecognition**

The Company recognises financial assets and financial liabilities on the date it becomes a party to the contractual provisions of the investment. Purchases and sales of financial assets and financial liabilities are recognised using trade date accounting. From trade date and subsequent to initial recognition, any gains and losses arising from changes in fair value of the financial assets or financial liabilities are recorded in the Statement of Comprehensive Income.

Transaction costs are expensed as incurred in the Statement of Comprehensive Income.

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

##### **Valuation of Investments**

The financial year end valuation was 31 December 2021 and 31 December 2020, the last business days of the financial years 2021 and 2020 respectively. Debt securities, listed on a recognised stock exchange or traded on any other organised market, are valued at the current mid price on the stock exchange or market which constitutes the principal market for such securities. Equities, listed on a recognised stock exchange or traded on any other organised market, are valued at the current last price on the stock exchange or market which constitutes the principal market for such securities. If for specific assets the current mid/last prices do not, in the opinion of the Directors, reflect their fair value or are not available, the price of the most recent transaction provides evidence of the current fair value as long as there has not been a significant change in economic circumstances since the time of that transaction.

In the case of any security not listed, quoted or dealt in on a regulated market or for which no quotation or value is available which would provide a fair valuation, or in respect of which the price is unrepresentative, the fair value of such security is determined on the basis of the probable realisation value and is determined by the Directors, a stockbroker or other competent person appointed by the Directors and approved for the purpose by the Depositary, using valuation techniques.

Unrealised gains and losses on investments arising during the financial year are included in Net gain/(loss) on financial assets at fair value through profit or loss in the Statement of Comprehensive Income.

##### **Foreign Exchange Transaction**

###### **(a) Functional and Presentation Currency**

In accordance with Section 30 "Foreign Currency Translation" of FRS 102, items included in the Funds' and Company financial statements are measured in USD, which is the currency of the primary economic environment in which they operate ("functional currency"). The Funds' selection of the functional currency is attributable to the functional currency being (a) the major component of the Funds' benchmarks, and (b) the common proxy for most clients in the Funds' varied client base. The functional currency assessment was completed at a Fund level. The Funds' presentation currencies equated to their respective functional currencies when assessed under FRS 102. The presentation currency of each Fund and of the Company is also USD.

###### **(b) Transactions and Balances**

Assets and liabilities denominated in foreign currencies are translated into the reporting currency at the exchange rates ruling at the financial year end date. The foreign exchange gain or loss based on the translation of the original cost of investments is included in Net gains or losses on investments in the Statement of Comprehensive Income. The foreign exchange gain or loss on the translation of other assets or liabilities is included in Net gain/(loss) on financial assets at fair value through profit or loss in the Statement of Comprehensive Income. Foreign exchange gains and losses arising between the transaction and settlement dates on purchases and sales of non-USD denominated investments are included in Net gain/(loss) on financial asset at fair value through profit or loss in the Statement of Comprehensive Income.

## **PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

### **NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 December 2021 (continued)**

#### **2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

##### **Foreign Exchange Transaction (continued) (b) Transactions and Balances (continued)**

For each Fund:

(i) Currency gains and losses realised on securities purchase and sales transactions are included in Net gain/(loss) on financial assets at fair value through profit and loss in the Statement of Comprehensive Income on pages 34 and 35.

(ii) Unrealised currency gains and losses on securities held at financial year end are included in Net gain/(loss) on investment activities in the Statement of Comprehensive Income on pages 34 and 35; and

(iii) Monetary assets and liabilities denominated in currencies other than the Fund's functional currency are translated at the rate of exchange ruling at the close of business on the Statement of Financial Position date and exchange differences are included in Net gain/(loss) on financial assets at fair value through profit or loss in the Statement of Comprehensive Income on pages 34 and 35.

##### **Dividend Income**

Dividends are credited to the Statement of Comprehensive Income on the dates on which the relevant securities are listed as "ex dividend". Income is shown gross of any non-recoverable withholding taxes, which are disclosed separately in the Statement of Comprehensive Income, and net of any tax credits.

##### **Profit Income**

Profit income is accounted for daily on an effective yield basis. Income is shown gross of any non-recoverable withholding taxes, which are disclosed separately in the Statement of Comprehensive Income, and net of any tax credits. Realised gains or losses on investment transactions in debt instruments are calculated using straight line amortisation.

##### **Cash at Bank**

Cash comprises of cash on hand and demand deposits and is held in a Shariah-compliant account. Cash is valued at amortised cost, which approximates fair value.

##### **Redeemable Participating Shares**

All redeemable participating shares issued by the Funds provide the Shareholders the right to require redemption for cash at the value proportionate to the investor's share in the Fund's net assets at the redemption date. Such instruments give rise to a financial liability for the present value of the redemption amount. In accordance with the issued Prospectus the Funds are contractually obliged to redeem shares at the traded Net Asset Value per share which is calculated by reference to the 10.00 a.m. (Irish time) valuation point for each relevant dealing day.

##### **Transaction costs**

Transaction costs are costs incurred to acquire financial assets or liabilities at fair value through profit and loss. They include fees and commissions paid to agents, advisers, brokers and dealers. Transaction costs when incurred are included in the purchase and sales price.

##### **Receivables and Payables**

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Receivables are recognised initially at fair value plus transaction costs that are directly attributable to their acquisition origination. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. The carrying amount of other receivables approximates to their fair values.

Payables are recognised initially at fair value and subsequently stated at amortised cost, using the effective interest method. The difference between the proceeds and the amount payable is recognised over the period of the payable. The carrying amount of payables approximates to their fair values.

## **PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

### **NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 December 2021 (continued)**

#### **2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

##### **Receivables and Payables (continued)**

Securities sold receivable and securities purchased payable represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled or delivered on the Statement of Financial Position date respectively.

Dividends receivable represent dividends that have been declared but not yet received on the Statement of Financial Position date.

##### **Purification of Income and Capital Gains**

Procedures have been established for the identification and purification of any impure capital gains or income. Impure capital gains may arise; a) where a security is held that was Shariah compliant at the time of investment, but subsequently becomes non-Shariah compliant, or b) where a non-Shariah compliant security is purchased in error. Impure income could be derived from non-Shariah compliant sources such as interest income from conventional financing, interest bearing accounts or from dividend purification exercises. Amanie Advisors Sdn Bhd (the "Shariah Adviser") will conduct post review on the securities held and any income received and will identify any instances where income or capital gains are considered impure. Any impure income or capital gains so identified will be removed from the Funds and paid to charitable bodies as approved by the Shariah Adviser as soon as possible. Impure income was paid to the following charitable bodies for the financial year ended 31 December 2021: USD 594 to Hospis Malaysia, USD594 to Mercy Malaysia for Q1, USD513 to Yayasan Jantung Malaysia for Q2 and USD 710 to CADS Centre for Q3. Impure income payments for Q4 2021 were outstanding at the financial year end with USD349 due to be paid to Majlis Kanser Nasional (MAKNA). Impure income was paid to the following charitable bodies for the financial year ended 31 December 2020: USD604 to UN Foundation, USD604 to Mercy Malaysia for Q1, USD814 to Hospis Malaysia, USD814 to CADS Centre and USD814 to Yayasan Jantung Malaysia for Q2, USD1,056 to Malaysian Association for the Prevention of Tuberculosis and USD1,056 to MAKNA for Q3, USD983 To The National Autism Society of Malaysia and USD983 to UN Foundation for Q4 2020.

##### **Rebates**

Rebates due to the Fund arising as a result of the capping of fees by the Investment Manager are recognised on an accrual basis and are disclosed within 'Expenses' in the Statement of Comprehensive Income.

##### **Distributions**

The Directors will be entitled to pay dividends only out of net income and/or realised gains net of realised losses of the Fund. Dividends will not be paid out of capital.

Dividends on the Income Shares will be declared as follows:

- For USD and SGD Income Shares, dividends will be declared quarterly every June, September, December and March for the Global Sukuk Fund and will be declared annually at the end of the Fund's financial year for the ASEAN Equity Fund and Asia Pacific Dynamic Income & Growth Fund.
- For Euro and GBP Income Shares, dividends will be declared annually at the end of the Fund's financial year.

Dividends on all Income Shares will be paid within 30 days of the respective dividend declaration date. Such dividends may be paid in cash in which case they will be paid by telegraphic transfer to the nominated account of the Shareholder at its risk and expense. It is not the intention of the Directors to declare a dividend in respect of the Accumulation Shares. Any distributable amounts attributable to such Accumulation Shares will remain in the Fund's assets and be reflected in the Net Asset Value of the Accumulation Shares. I class income of Global Sukuk Fund declared and paid annual distributions amounting to USD36,349 and USD122,833 for the year ended 31 December 2021 and 31 December 2020 respectively.

## PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.

### NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 December 2021 (continued)

#### 3. SIGNIFICANT FEE AGREEMENTS & RELATED PARTY TRANSACTIONS

##### Depository and Sub-Custody

The Company has appointed The Bank of New York Mellon SA/NV, Dublin Branch (the "Depository") as Depository of all of its assets pursuant to the Depository Agreement.

The Depository is entitled to a fee which is payable out of the assets of the relevant Fund and which shall not exceed 0.022% per annum of the average Net Asset Value of the Fund calculated as at each Valuation Point and payable monthly in arrears.

##### Administrator

The Administrator, BNY Mellon Fund Services (Ireland) Designated Activity Company, is entitled to a fee, which shall not exceed 0.04% per annum of the average Net Asset Value of the Funds, calculated as at each Valuation Point and payable monthly in arrears. The Administrator shall also be entitled to reimbursement out of the assets of the Funds of all agreed transaction charges relating to shareholder activity and out of pocket expenses properly incurred on behalf of the Funds.

Depository, Sub-Custody and Administration fees charged for the financial year ended 31 December 2021 and 31 December 2020 are disclosed in the Statements of Comprehensive Income on pages 34 and 35. Depository, Sub-Custody and Administration fees accrued as at 31 December 2021 and 31 December 2020 are disclosed in the Statements of Financial Position on pages 31 and 33.

##### Investment Manager

The Company has appointed Principal Islamic Asset Management Sdn Bhd as Investment Manager to the Company.

The Investment Manager is entitled under the terms of the Investment Management Agreement to an Investment Management Fee. The Investment Management Fee will accrue and be calculated on each Valuation Day and be payable monthly in arrears.

The Investment Manager will also be entitled to be reimbursed out of the assets of the Funds for all its own reasonable out of pocket costs and expenses. The Investment Manager has appointed Principal Asset Management Berhad ("PAM") (the "Sub-Investment Adviser") to act as discretionary Sub-Investment Adviser to the Islamic ASEAN Equity Fund and Global Sukuk Fund. The Investment Manager has also appointed Principal Asset Management (S) Pte Ltd (the "Sub-Investment Adviser") to act as Sub-Investment Adviser to the Islamic Asia Pacific Dynamic Income & Growth Fund. The Investment Manager has also appointed Principal Global Investors, LLC ("**Principal Global Investors**") and Principal Global Investors (Hong Kong) Limited ("**PGI HK**") to act as discretionary Sub-Investment Advisers to the Islamic Global Multi-Asset Fund. The Investment Manager will also be responsible for the payment of the fees of the Sub-Investment Adviser.

Any other fees and expenses payable out of the assets of the Funds are set out in the Prospectus and supplement of the Funds under the heading Fees and Expenses. Holders of certain share classes with tiered management fee structures may be individually entitled to a reduction in the Investment Management Fee of the relevant Fund by way of a rebate to account for the different rates to be applied to the tranches of the Shareholder investment.

The management fee rates are payable at the Fund level and are set out in the tables below:

##### Islamic ASEAN Equity Fund

###### Share Class

|         | Investment Management Fee (% of NAV per annum)  |
|---------|---|
| A Class | 1.50%   |
| B Class | 1.50%   |
| I Class | 1.00% on first USD5 million<br>0.70% between USD5 million and USD50 million<br>0.60% over USD50 million |
| R Class | 0.80%   |

**PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the financial year ended 31 December 2021 (continued)**

**3. SIGNIFICANT FEE AGREEMENTS & RELATED PARTY TRANSACTIONS (continued)**

**Investment Manager (continued)**

**Global Sukuk Fund**

| <b>Share Class</b> | <b>Investment Management Fee (% of NAV per annum)</b> |
|--------------------|---|
| A Class            | 1.00%   |
| B Class            | 1.00%   |
| I Class            | 0.70%   |
| R Class            | 0.70%   |

**Islamic Asia Pacific Dynamic  
Income & Growth Fund**

| <b>Share Class</b> | <b>Investment Management Fee (% of NAV per annum)</b> |
|--------------------|---|
| A Class            | 1.50%   |
| B Class            | 1.50%   |
| I Class            | 1.00%   |
| R Class            | 0.80%   |

**Islamic Global Multi-Asset Fund**

| <b>Share Class</b> | <b>Investment Management Fee (% of NAV per annum)</b> |
|--------------------|---|
| A Class            | 1.50%   |
| B Class            | 1.50%   |
| I Class            | 1.00%   |
| R Class            | 0.80%   |

Investment Management Fees charged for the financial year ended 31 December 2021 and 31 December 2020 are disclosed in the Statements of Comprehensive Income on pages 34 and 35. Investment Management Fees accrued as at 31 December 2021 and 31 December 2020 are disclosed in the Statements of Financial Position on pages 31 and 33.

The Investment Manager has agreed to cap total annual fees and expenses including Management Fees for each share class in the Islamic ASEAN Equity Fund. Please see detail below in relation to the cap.

**Rebate to the Fund due to Capping by the Investment Manager**

The expense cap including Management Fees during the financial year ended 31 December 2021 is detailed below. There is no expense cap applicable for the Global Sukuk Fund, Islamic Asia Pacific Dynamic Income & Growth Fund and the Islamic Global Multi-Asset Fund.

**Islamic ASEAN Equity Fund**

| <b>Share Class</b> | <b>Expense Cap as a Percentage of Average Daily Net Asset Value of Shares</b> |
|--------------------|---|
| USD A Class        | 2.1%  |
| USD I Class        | 1.3%  |

**Shariah Adviser**

The Company and the Investment Manager have appointed Amanie Advisors Sdn Bhd as their Shariah Adviser pursuant to the Shariah Advisory Agreement.

The Shariah Adviser is entitled to an annual fee up to USD5,000 per Fund (payable quarterly) in arrears, payable out of the assets of the Funds.

## **PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

### **NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 December 2021 (continued)**

#### **3. SIGNIFICANT FEE AGREEMENTS & RELATED PARTY TRANSACTIONS (continued)**

##### **Directors' Remuneration**

Mr. Mushtak Parker, Mr. David Shubotham and Mr. John O' Connell are independent non-executive Directors. The independent non-executive Directors have no executive function within the Investment Manager or its Related Party Companies. The Company pays each independent non-executive Director an annual fee for their services as a Director of the Company. Ms. Aleda Anderson (appointed 19 October 2021) and Mr. Greg Thornton (resigned 30 September 2021) are employees of Principal Global Investors hence are Related Parties to the Company and receives no compensation from the Company. Ms. Chooi Wan Chong is an employee of CIMB bank hence a Related Party to the Company and receives no compensation from the Company. Director's total remuneration for the financial year was USD40,791 (31 December 2020: USD32,785). Directors' fees payable as at 31 December 2021 and 31 December 2020 are disclosed in the Statements of Financial Position on pages 31 and 33.

##### **Related Party Transactions**

Principal Islamic Asset Management Sdn Bhd, the Investment Manager is a Related Party to the Company and any transactions are included in the note above. Investment Management Fees are disclosed in the Statement of Comprehensive Income. CIMB Islamic and Principal Financial Services Inc. who own shares in the Fund are also Related Parties to the Company. The Directors of the Company are not aware of any other Related Party transactions.

##### **Auditor's Remuneration (including expenses)**

The audit fee charged for the year ended 31 December 2021 was USD44,183 excluding VAT (31 December 2020: USD43,432 excluding VAT). In addition to statutory audit fees disclosed in the Statement of Comprehensive Income there were fees paid for tax compliance services of USD5,676 (31 December 2020: USD5,699) to PricewaterhouseCoopers in Dublin, Ireland as the Statutory Auditor of the Company.

#### **4. TAXATION**

Under current law and practice, the Company qualifies as an investment undertaking as defined in Section 739B of the Taxes Consolidation Act 1997, as amended. On that basis, it is not chargeable to Irish tax on its income or gains.

However, Irish tax may arise on the happening of a "chargeable event" for certain investors not satisfying one of the criteria outlined below. A chargeable event includes any distribution payments to Shareholders or any encashment, redemption, cancellation or transfer of shares and the holding of shares at the end of each 8 year period beginning with the acquisition of such shares.

No Irish tax will arise on the Company in respect of chargeable events in respect of:

(a) a Shareholder who is neither Irish resident nor ordinarily resident in Ireland for tax purposes, at the time of the chargeable event, provided appropriate valid declarations in accordance with the provisions of the Taxes Consolidation Act, 1997, as amended, are held by the Company; and the Company is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct.

(b) certain exempted Irish tax resident Shareholders who have provided the Company with the necessary signed statutory declarations.

Dividends and capital gains (if any) received on investments made by the Company may be subject to withholding taxes imposed by the country from which the investment income/gains are received and such taxes may not be recoverable by the Company or its Shareholders.

#### **5. CASH AT BANK**

All cash and deposit balances of the Funds are held with The Bank of New York Mellon SA/NV, Dublin Branch as Depositary of the Funds.



**PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the financial year ended 31 December 2021 (continued)**

**6. NET (LOSS)/GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS**

Realised/Unrealised (losses)/gains by security type for the financial year ended 31 December 2021 and 31 December 2020 are as follows:

|  | Islamic ASEAN<br>Equity Fund<br>31 December<br>2021<br>USD | Islamic ASEAN<br>Equity Fund<br>31 December<br>2020<br>USD | Global<br>Sukuk Fund<br>31 December<br>2021<br>USD | Global<br>Sukuk Fund<br>31 December<br>2020<br>USD |
|--|--|--|--|--|
| Profit Income  | —  | —  | 609,182  | 1,680,141  |
| Net realised (loss)/gain on Investments  | (2,398,684)  | (1,277,160)  | 1,654,703  | 460,962  |
| Net realised loss on other foreign exchange  | (54,867)   | (28,790)   | —  | —  |
| Net realised gain on Open Forward Foreign<br>Currency Exchange Contracts                           | —  | 317  | —  | —  |
| <b>Net realised investment (loss)/gain</b>   | <b>(2,453,551)</b>   | <b>(1,305,633)</b>   | <b>2,263,885</b>                                   | <b>2,141,103</b>                                   |
| Net change in unrealised investment gain/(loss)<br>on Investments                                  | 1,279,272  | 420,882  | (2,004,445)  | 509,655  |
| Net change in unrealised investment loss on<br>other foreign exchange                              | (13,293)   | (2,610)  | (69)   | —  |
| Net change in unrealised investment gain on<br>Open Forward Foreign Currency Exchange<br>Contracts | —  | —  | —  | —  |
| <b>Net change in unrealised investment<br/>gain/(loss)</b>   | <b>1,265,979</b>   | <b>418,272</b>   | <b>(2,004,514)</b>                                 | <b>509,655</b>                                     |
| <b>Net (loss)/gain on financial assets at fair<br/>value through profit or loss</b>                | <b>(1,187,572)</b>   | <b>(887,361)</b>   | <b>259,371</b>                                     | <b>2,650,758</b>                                   |

  

|  | Islamic Asia<br>Pacific<br>Dynamic Income<br>& Growth Fund<br>31 December<br>2021<br>USD | Islamic Asia<br>Pacific<br>Dynamic Income<br>& Growth Fund*<br>31 December<br>2020<br>USD | Islamic Global<br>Multi-Asset<br>Fund**<br>31 December<br>2021<br>USD | Islamic Global<br>Multi-Asset Fund<br>31 December<br>2020<br>USD |
|--|--|---|---|--|
| Profit Income  | —  | —   | 145,528   | —  |
| Net realised gain/(loss) on Investments  | 1,235,768  | 23,178  | (52,534)  | —  |
| Net realised loss on other foreign exchange  | (81,802)   | (30,824)  | (4,346)   | —  |
| Net realised gain on Open Forward Foreign<br>Currency Exchange Contracts                           | 9  | —   | —   | —  |
| <b>Net realised investment gain/(loss)</b>   | <b>1,153,975</b>   | <b>(7,646)</b>  | <b>88,648</b>   | <b>—</b>   |
| Net change in unrealised investment (loss)/gain<br>on Investments                                  | (498,773)  | 1,444,401   | 1,339,045   | —  |
| Net change in unrealised investment gain/(loss)<br>on other foreign exchange                       | 355  | 6   | (833)   | —  |
| Net change in unrealised investment gain on<br>Open Forward Foreign Currency Exchange<br>Contracts | —  | —   | —   | —  |
| <b>Net change in unrealised investment<br/>(loss)/gain</b>   | <b>(498,418)</b>   | <b>1,444,407</b>  | <b>1,338,212</b>  | <b>—</b>   |
| <b>Net gain on financial assets at fair value<br/>through profit or loss</b>                       | <b>655,557</b>   | <b>1,436,761</b>  | <b>1,426,860</b>  | <b>—</b>   |

\* Islamic Asia Pacific Dynamic Income & Growth Fund launched on 19 October 2020.

\*\* Islamic Global Multi-Asset Fund launched on 23 March 2021.

## **PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

### **NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 December 2021 (continued)**

#### **6. NET (LOSS)/GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)**

The Net (losses)/gains on financial assets at fair value through profit and loss are taken into the Statement of Comprehensive Income.

#### **7. SHARE CAPITAL**

##### **Redeemable Participating Shareholders' rights**

Redeemable Participating Shares may be redeemed at the option of the Shareholders at a price per share equal to the Net Asset Value per Redeemable Participating Share on the relevant Dealing Day. Shares of the Funds are all freely transferable and are all entitled to participate equally in the profits and distributions of that Fund and in its assets in the event of termination. The shares, which are of no par value and which must be fully paid for upon issue, carry no preferential or pre-emptive rights.

##### **Authorised**

At the Statement of Financial Position date the authorised share capital of the Company is EUR300,002 subscriber shares. 2 subscriber shares were issued for the purposes of the incorporation of the Company at an issue price of EUR1 per share, one subscriber share being legally and beneficially owned by Principal Global Investors (Europe) Limited and one subscriber share being legally and beneficially owned by Principal Islamic Asset Management Sendirian Berhad. 1,000,000,000,000 shares of no par value were initially designated as unclassified shares and available for issue as shares. The subscriber shares do not form part of the Net Asset Value of the Company and are thus disclosed in the financial statements by way of this note only. In the opinion of the Directors, this disclosure reflects the nature of the Company's business as an investment fund.

It is not the intention of the Directors to declare a dividend in respect of the A Class Accumulation Shares, A Class Accumulation EUR Shares and I Class Accumulation Shares (the "Accumulation Shares"). Any distributable amounts attributable to such Accumulation Shares will remain in the Fund's assets and be reflected in the Net Asset Value of the Accumulation Shares. Dividends will be declared for the A Class Income Shares, A Class Income EUR Shares and I Class Income Shares. Dividends will be declared annually at the end of the Fund's financial year. The Investment Manager is entitled to an investment management fee of 1.50% of the NAV per annum on A Class Shares, and 1.00% of the NAV per annum on I Class Shares on the Islamic Global Multi-Asset Fund, the Islamic ASEAN Equity Fund and the Islamic Asia Pacific Dynamic Income Growth Fund, and a fee of 1.00% of the NAV per annum on A Class Shares, and 0.70% of the NAV per annum on I Class Shares on the Global Sukuk Fund. All Shareholders shall have one vote for every Share of which they are a holder.

#### **8. EFFICIENT PORTFOLIO MANAGEMENT**

The Funds are denominated in USD but purchase assets denominated in a range of currencies. During the financial year, transactions were entered into which are economically appropriate to the reduction of relevant risks or costs to improve investment performance.

Subject to the conditions and within the limits from time to time laid down by the Central Bank, and except as otherwise stated in the investment objective and policies of a Funds, the Investment Manager and/or Sub-Investment Adviser may employ, for certain Funds, investment techniques and instruments such as Islamic forward foreign exchange currency contracts and Islamic profit rate swaps and futures for Efficient Portfolio Management ("EPM") purposes. Furthermore, new techniques and instruments may be developed which may be suitable for use by the Funds in the future, and the Funds may employ such techniques and instruments subject to the prior approval of, and any restrictions, conditions or limits imposed by the Central Bank.

For UCITS which have engaged in EPM techniques, certain disclosures are required under Chapter 4 of the Central Bank UCITS Regulations. The Investment Manager of the Funds has identified all financial derivative instruments which are used for EPM. A UCITS is required to disclose the revenues arising from EPM techniques for the entire financial period together with the direct and indirect operational costs and fees incurred.

The Investment Manager considers only repurchase agreements, reverse repurchase agreements and securities lending to be EPM techniques. The Funds did not hold repurchase agreements, reverse repurchase agreements or take part in securities lending for the financial year ended 31 December 2021 or 31 December 2020. Details of all open transactions at the financial year end are disclosed in the Portfolio of Investments.

## **PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

### **NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 December 2021 (continued)**

#### **9. DEALING COMMISSION ARRANGEMENTS**

The Investment Manager and Sub-Investment Adviser appointed in relation to the Funds are responsible for the selection of brokers with whom they deal. The Investment Manager or Sub-Investment Adviser may enter into dealing commission arrangements with brokers whereby they obtain services or benefits from them, or from third parties – which are paid for out of commissions charged to the Funds. Such services or benefits relate primarily to research and portfolio management, and their purchase is compliant with relevant local regulation; including being a permitted service. The relevant Investment Manager or Sub-Investment Adviser must be satisfied that trades generating dealing commissions comply with the relevant local regulations requiring best execution – which requires consideration of relevant factors, including price and execution quality. There were no dealing commission arrangements during the financial years ended 31 December 2021 and 31 December 2020.

#### **10. FINANCIAL RISK MANAGEMENT**

##### **Strategy in Using Financial Instruments**

The activities of each Fund expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Funds overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Funds' financial performance. The general risk factors set out in the Prospectus apply to the Funds and risks specific to these Funds are set out below. These risk factors do not purport to be an exhaustive or complete explanation of all the risks associated with an investment in the Funds and persons considering purchasing Shares should inform themselves as to (i) the legal requirements within their own countries for the purchase of Shares, (ii) any foreign exchange restrictions which may be applicable, and (iii) the income and other tax consequences of the purchase and repurchase of Shares.

The Funds' investments in securities are subject to normal market fluctuations and other risks inherent in investing in securities. The value of investments and the income from them, and therefore the value and income from Shares relating to the Funds can go down as well as up and an investor may not get back the amount they invest.

The Funds' market risk is affected by volatility in two main components, market prices and foreign currency exchange rates. Foreign currency movements are covered under currency risk.

##### **ASEAN Equity Fund**

The investment objective of the Fund is to seek capital growth over the medium to long term.

The Fund seeks to achieve its objective by investing principally in the equity securities and equity related securities comprising depository receipts of companies that are domiciled or with their core business in the ASEAN region, which the Investment Manager believe are mispriced by the market and have the potential for significant growth.

The Fund may also invest in ancillary liquid assets such as bank deposits, fixed or variable rate instruments including but not limited to commercial paper, variable rate notes, certificates of deposit and Sukuk issued by sovereign, quasi-sovereign or corporate entities. Such investments may or may not be of investment grade by a recognised rating agency such as Moody's or Standard & Poor's.

The Fund may also invest up to 10% of Net Asset Value in Shariah-compliant UCITS eligible collective investment schemes and Shariah-compliant exchange traded funds ("ETFs") the constituents of which will be the types of instruments in which the Fund may directly invest. There were no Shariah-compliant ETF's held at 31 December 2021 (31 December 2020: None).

All of the securities and other instruments acquired by the Fund will be subject to the guidelines specified in the Shariah Investment Guidelines. There are a number of investment restrictions which also apply to the Fund and these are explained in greater detail in the Fund's supplement.

As the Fund may invest more than 20% of Net Asset Value in emerging markets, an investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.

## **PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

### **NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 December 2021 (continued)**

#### **10. FINANCIAL RISK MANAGEMENT (continued)**

##### **Strategy in Using Financial Instruments (continued)**

###### **Global Sukuk Fund**

The investment objective of the Fund is to maximize total return over the medium to long term through a combination of capital growth and income.

The Fund seeks to achieve its objective by investing primarily in a diversified portfolio of Shariah-compliant fixed income securities ("Sukuk") issued by government, government-related entities such as their local authorities and public authorities, corporate or supranational entities located globally.

Sukuk are certificates of equal value which evidence undivided ownership or investment in the underlying assets using Shariah principles. The sakk (singular of Sukuk) is freely traded at par, premium or discount. Commonly the term Sukuk is used for fixed income securities and debt securities which comply with Shariah principals financial instruments. The Fund may also invest in Shariah-compliant UCITS eligible collective investment schemes and Shariah-compliant ETFs the constituents of which include the types of instruments in which the Fund may directly invest. There were no Shariah-compliant ETF's held at 31 December 2021 (31 December 2020: None).

The Fund expects to invest a minimum of 70% of the Fund's Net Asset Value in Sukuk that may be USD denominated and non-USD denominated, investment grade or below investment grade or non-rated and may be fixed or floating rate. Up to 20% of the Fund's Net Asset Value may be invested in asset backed securities. The Fund may usually also invest up to 30% of its Net Asset Value in Shariah-compliant bank deposits and money market instruments comprising money market funds, commercial paper and treasury bills, save in the circumstances described below when it may hold up to 100%.

All of the securities and other instruments acquired by the Fund were subject to the guidelines specified in the Shariah Investment Guidelines. There are a number of investment restrictions which also apply to the Fund and these are explained in greater detail in the Fund's supplement.

###### **Islamic Asia Pacific Dynamic Income & Growth Fund**

The investment objective of the Fund is to seek to provide a return consisting of income and, over the medium to long term, capital growth.

The Fund seeks to achieve its overall objective by investing at least 60% of Net Asset Value in a portfolio of Shariah-compliant equities, which have been issued by companies domiciled in, listed in, and/or having greater than 25% of total group revenue originating from the Asia Pacific ex Japan region.

The Fund's investment will focus on dividend yielding equities, selected by the Sub-Investment Adviser on the basis it believes such securities offer above average yields when compared to other companies in the Asia Pacific ex Japan region. The Fund will also invest in equities that exhibit growth potential above that of the gross domestic product (GDP) of the respective country in this region. The countries in this region are defined as those qualifying for inclusion within the MSCI AC Asia Pacific ex Japan Islamic Index, although the Sub-Investment Adviser may also invest in equities listed in other countries, provided such equities are deemed Shariah compliant by the Shariah Adviser and the issuer derives significant revenue from the Asia Pacific ex Japan region as defined above.

The Fund may also invest up to 20% of its Net Asset Value in Shariah-compliant fixed income securities ("Sukuk"), issued by government, government-related entities such as local authorities and public authorities, corporate or supranational entities located globally. Such securities may be rated or unrated, however the proportion of unrated securities shall not exceed 10% of the Fund's Net Asset Value.

The Fund may also invest up to 10% of Net Asset Value in Shariah-compliant UCITS eligible collective investment schemes and Shariah-compliant ETFs the constituents of which include the types of instruments in which the Fund may directly invest. There were no Shariah-compliant ETF's held at 31 December 2021 (31 December 2020: None).

## **PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

### **NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 December 2021 (continued)**

#### **10. FINANCIAL RISK MANAGEMENT (continued)**

##### **Strategy in Using Financial Instruments (continued)**

##### **Islamic Asia Pacific Dynamic Income & Growth Fund (continued)**

The Fund will hold at least 2% of Net Asset Value in ancillary Shariah-compliant liquid assets such as cash, money market instruments and a range of instruments that can be readily converted to cash (including U.S. treasury bills and government bonds which may be fixed or floating rate but shall not embed FDI or leverage, commercial paper, short term money market deposits and certificates of deposit). The Fund will only invest in ancillary liquid assets where they are issued by entities which operate according to the requirements of Shariah law. However, no more than 20% of the Net Asset Value of the Fund may be held in aggregate in ancillary Shariah-compliant liquid assets with a single body registered in the EEA, reduced to 10% for non-EEA registered bodies.

All of the securities and other instruments acquired by the Fund will be subject to the guidelines specified in the Shariah Investment Guidelines. There are a number of investment restrictions which also apply to the Fund and these are explained in greater detail in the Fund's supplement.

##### **Islamic Global Multi-Asset Fund**

The Investment objective of the Fund is to seek to provide a return through a combination of capital growth and income over the medium to long term, following Shariah investment principles.

The Fund seeks to achieve its investment objective by investing in a diversified portfolio of global Shariah-compliant instruments including equities and equity related securities, Shariah-compliant fixed income securities ("Sukuk") and money market instruments.

The Fund may invest in Shariah-compliant global equity securities and equity related securities. As a result of a corporate action, the Fund may receive call warrants which give exposure to Shariah-compliant equities. Such warrants are equity related securities that entitle the holder to buy a specific amount of securities at a specific price, usually above the current market price at the time of issuance, for a specified or unspecified period. If the price of the security rises to above the warrant's exercise price, then the investor can buy the security at the warrant's exercise price and resell it for a profit. The Fund shall not however actively invest in or seek to hold warrants for investment purposes and the Investment Manager shall, subject to prevailing market conditions, seek to dispose of any warrants received as part of a corporate action as soon as practicably possible in line with the best interest of shareholders of the Fund. In addition, in jurisdictions where it would not be possible or practical for the Fund to hold the equity securities directly, it may obtain exposure through equity-related securities including American Depositary Receipts (ADRs) and Global Depositary Receipts (GDRs). The Fund may also invest in Shariah-compliant real estate investment trusts ("REITS").

The Fund may invest in Sukuk issued by government, government-related entities such as their local authorities and public authorities, corporate or supranational entities located globally. Such Sukuk being government and corporate bonds

The Fund may use Islamic derivative instruments as further detailed below beneath the section entitled "Financial Derivative Instruments"; these will only be utilised for hedging and efficient portfolio management ("EPM") purposes.

All of the securities and other instruments acquired by the Fund will be subject to the guidelines specified in the Shariah Investment Guidelines. There are a number of investment restrictions which also apply to the Fund and these are explained in greater detail in the Fund's supplement.

##### **Market Risk**

All securities and investments present a risk of loss of capital. The Investment Manager moderates this risk through diversification and a careful selection of securities and other financial instruments is determined by the fair value of the financial instruments. The Funds' overall market positions are monitored on a daily basis by the Funds'

**PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the financial year ended 31 December 2021 (continued)**

**10. FINANCIAL RISK MANAGEMENT (continued)**

**Market Risk (continued)**

Investment Manager. The Depositary of the Funds also provides an independent analysis of financial instrument exposure by monitoring investment limits in accordance with the Regulations and the Prospectus.

The Investment Manager reviews the portfolio characteristic of Funds in its entirety. This review may include as appropriate a review of country allocations, country weights, capitalization, distribution, industry sector weights, price/book levels, currency exposure, portfolio maturity, portfolio duration, sector exposure, quality exposure and other key risk measures.

Investments in fixed income securities entail certain risks including adverse income fluctuation associated with general economic conditions affecting the fixed income securities market, as well as adverse interest rate changes and volatility of yields.

The Funds may employ investment techniques for EPM and/or investment purposes within the limits set out in the Prospectus.

At 31 December 2021 and 31 December 2020, the overall assets and liabilities exposed to market price risk are detailed in the Statements of Financial Position on pages 31 and 33 and in the Portfolios of Investments. The Funds market price risk is managed through investment selection and diversification in accordance with the UCITS Regulations and the limits set out in the Prospectus.

The market rate sensitivity information below and overleaf is a relative estimate of risk and is not intended to be a precise and accurate number. The calculation is based on historical data. Future price movements and correlations between the Funds' and their benchmarks could vary significantly from those experienced in the past.

| <b>Islamic ASEAN Equity Fund</b>                      | <b>Fair Value<br/>USD</b> | <b>At 31 December 2021<br/>% of Net Assets</b> |
|---|---------------------------|--|
| Financial Assets at Fair Value Through Profit or Loss | 9,968,481                 | 96.02%   |
| Unrealised Gain on Open Spot Currency Contracts       | 154                       | 0.00%  |
| <b>Financial Assets held for trading</b>              | <b>9,968,635</b>          | <b>96.02%</b>                                  |
| <b>Net Asset Value</b>                                | <b>10,381,351</b>         |  |

**PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the financial year ended 31 December 2021 (continued)**

**10. FINANCIAL RISK MANAGEMENT (continued)**

**Market Risk (continued)**

| <b>Global Sukuk Fund</b>                                     | <b>Fair Value<br/>USD</b> | <b>At 31 December 2021<br/>% of Net Assets</b> |
|--|---------------------------|--|
| Financial Assets at Fair Value Through Profit or Loss        | 7,187,118                 | 80.77%   |
| <b>Financial Assets held for trading</b>                     | <b>7,187,118</b>          | <b>80.77%</b>                                  |
| <b>Net Asset Value</b>                                       | <b>8,899,176</b>          |  |
| <b>Islamic Asia Pacific Dynamic Income &amp; Growth Fund</b> | <b>Fair Value<br/>USD</b> | <b>At 31 December 2021<br/>% of Net Assets</b> |
| Financial Assets at Fair Value Through Profit or Loss        | 39,873,308                | 93.15%   |
| Unrealised Loss on Open Spot Currency Contracts              | (13)                      | 0.00%  |
| <b>Financial Assets held for trading</b>                     | <b>39,873,295</b>         | <b>93.15%</b>                                  |
| <b>Net Asset Value</b>                                       | <b>42,803,695</b>         |  |
| <b>Islamic Global Multi-Asset Fund*</b>                      | <b>Fair Value<br/>USD</b> | <b>At 31 December 2021<br/>% of Net Assets</b> |
| Financial Assets at Fair Value Through Profit or Loss        | 15,771,496                | 96.57%   |
| Unrealised Gain on Open Spot Currency Contracts              | 235                       | 0.00%  |
| Unrealised Loss on Open Spot Currency Contracts              | (1,007)                   | (0.00)%  |
| <b>Financial Assets held for trading</b>                     | <b>15,770,724</b>         | <b>96.57%</b>                                  |
| <b>Net Asset Value</b>                                       | <b>16,331,576</b>         |  |
| *Islamic Global Multi Asset Fund launched on 23 March 2021.  |                           |  |
| <b>Islamic ASEAN Equity Fund</b>                             | <b>Fair Value<br/>USD</b> | <b>At 31 December 2020<br/>% of Net Assets</b> |
| Financial Assets at Fair Value Through Profit or Loss        | 43,699,400                | 95.31%   |
| <b>Financial Assets held for trading</b>                     | <b>43,699,400</b>         | <b>95.31%</b>                                  |
| <b>Net Asset Value</b>                                       | <b>45,845,051</b>         |  |

**PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the financial year ended 31 December 2021 (continued)**

**10. FINANCIAL RISK MANAGEMENT (continued)**

**Market Risk (continued)**

| <b>Global Sukuk Fund</b>                              | <b>Fair Value<br/>USD</b> | <b>At 31 December 2020<br/>% of Net Assets</b> |
|---|---------------------------|--|
| Financial Assets at Fair Value Through Profit or Loss | 51,655,838                | 97.88%   |
| <b>Financial Assets held for trading</b>              | <b>51,655,838</b>         | <b>97.88%</b>                                  |
| <b>Net Asset Value</b>                                | <b>52,776,057</b>         |  |

| <b>Islamic Asia Pacific Dynamic Income &amp; Growth Fund*</b> | <b>Fair Value<br/>USD</b> | <b>At 31 December 2020<br/>% of Net Assets</b> |
|---|---------------------------|--|
| Financial Assets at Fair Value Through Profit or Loss         | 15,291,106                | 97.32%   |
| <b>Financial Assets held for trading</b>                      | <b>15,291,106</b>         | <b>97.32%</b>                                  |
| <b>Net Asset Value</b>  | <b>15,711,701</b>         |  |

\* Islamic Asia Pacific Dynamic Income & Growth Fund launched on 19 October 2020.

**Sensitivity Analysis**

Sensitivity Analysis is an indication based on historical data showing what an impact of a 5% movement in the Benchmark would do to the net assets of the Funds at the Statement of Financial Position date.

Limitations of Sensitivity Analysis:

Some limitations of sensitivity analysis are;

- the models are based on historical data and cannot take account of the fact that future market price movements, correlations between markets and levels of market liquidity in conditions of market stress may bear no relation to historical patterns;
- the market price risk information is a relative estimate of risk rather than a precise and accurate number;
- the market price information represents a hypothetical outcome and is not intended to be predictive; and
- future market conditions could vary significantly from those experienced in the past.

**Change in Net Asset Value due to Increase or Decrease in Benchmark Return**

**As at 31 December 2021:**

| <b>Fund Name</b>                                  | <b>Benchmark</b>                            | <b>Currency</b> | <b>Change in Net Asset Value *</b> |                    |
|---|---|-----------------|------------------------------------|--------------------|
|   |   |                 | <b>5% Increase</b>                 | <b>5% Decrease</b> |
| Islamic ASEAN Equity Fund                         | Dow Jones Islamic Market ASEAN Index        | USD             | 318,788                            | -318,788           |
| Global Sukuk Fund                                 | Dow Jones Sukuk Total Return Index          | USD             | 631,415                            | -631,415           |
| Islamic Asia Pacific Dynamic Income & Growth Fund | MSCI AC Asia Pacific ex-Japan Islamic Index | USD             | 1,919,955                          | -1,919,955         |
| Islamic Global Multi-Asset Fund**                 | N/A   | USD             | N/A                                | N/A                |

\* The changes in Net Asset Value have been calculated by applying a beta calculation based on performance for the financial year multiplied by a 5% increase/(decrease) in the index. The Investment Manager considers this movement to be reasonable.

\*\* Islamic Global Multi-Asset Fund launched on 23 March 2021 and as a result there was no sensitivity analysis prepared for this Fund.



# PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.

## NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 December 2021 (continued)

### 10. FINANCIAL RISK MANAGEMENT (continued)

#### Sensitivity Analysis (continued)

As at 31 December 2020:

| Fund Name   | Benchmark                            | Currency | Change in Net Asset Value * |             |
|---|--------------------------------------|----------|-----------------------------|-------------|
|   |                                      |          | 5% Increase                 | 5% Decrease |
| Islamic ASEAN Equity Fund                           | Dow Jones Islamic Market ASEAN Index | USD      | 2,111,928                   | (2,111,928) |
| Global Sukuk Fund                                   | Dow Jones Sukuk Total Return Index   | USD      | 3,657,370                   | (3,657,370) |
| Islamic Asia Pacific Dynamic Income & Growth Fund** | N/A                                  | USD      | N/A                         | N/A         |

\* The changes in Net Asset Value have been calculated by applying a beta calculation based on performance for the financial year multiplied by a 5% increase/(decrease) in the index. The Investment Manager considers this movement to be reasonable.

\*\* Islamic Asia Pacific Dynamic Income & Growth Fund launched on 19 October 2020 and as a result there was no sensitivity analysis prepared for this Fund.

#### Financial Assets at Fair Value through Profit or Loss

Under FRS 102, the Company is required to classify fair value measurement using a fair value hierarchy that reflects the significance of inputs used in making measurements. This fair value hierarchy has the following levels:

- Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.
- Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

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.

There were no securities held in Level 3 for the financial year ended 31 December 2021 or 31 December 2020. There were no transfers between levels for any of the securities held on the Funds for the financial year ended 31 December 2021 or 31 December 2020.

# PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.

## NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 December 2021 (continued)

### 10. FINANCIAL RISK MANAGEMENT (continued)

#### Financial Assets at Fair Value through Profit or Loss (continued)

The following tables analyse the financial assets and liabilities of the Funds against the fair value hierarchy and measures them at fair value for 31 December 2021 and 31 December 2020 in accordance with FRS 102:

#### Islamic ASEAN Equity Fund

| As at 31 December 2021<br>Description                 | Level 1<br>USD   | Level 2<br>USD | Level 3<br>USD | Company<br>Total<br>USD |
|---|------------------|----------------|----------------|-------------------------|
| <b>Assets</b>   |                  |                |                |                         |
| Financial Assets at Fair Value through Profit or Loss | 9,964,865        | –              | –              | 9,964,865               |
| Unrealised Gain on Open Spot Currency Contracts       | –                | 154            | –              | 154                     |
| <b>Total Assets</b>                                   | <b>9,964,865</b> | <b>154</b>     | <b>–</b>       | <b>9,965,019</b>        |

#### Global Sukuk Fund

| As at 31 December 2021<br>Description                 | Level 1<br>USD | Level 2<br>USD   | Level 3<br>USD | Company<br>Total<br>USD |
|---|----------------|------------------|----------------|-------------------------|
| <b>Assets</b>   |                |                  |                |                         |
| Financial Assets at Fair Value through Profit or Loss | –              | 7,124,261        | –              | 7,124,261               |
| <b>Total Assets</b>                                   | <b>–</b>       | <b>7,124,261</b> | <b>–</b>       | <b>7,124,261</b>        |

#### Islamic Asia Pacific Dynamic Income & Growth Fund

| As at 31 December 2021<br>Description                 | Level 1<br>USD    | Level 2<br>USD | Level 3<br>USD | Company<br>Total<br>USD |
|---|-------------------|----------------|----------------|-------------------------|
| <b>Assets</b>   |                   |                |                |                         |
| Financial Assets at Fair Value through Profit or Loss | 39,873,308        | –              | –              | 39,873,308              |
| <b>Total Assets</b>                                   | <b>39,873,308</b> | <b>–</b>       | <b>–</b>       | <b>39,873,308</b>       |
| <b>Liabilities</b>                                    |                   |                |                |                         |
| Unrealised Loss on Open Spot Currency Contracts       | –                 | (13)           | –              | (13)                    |
| <b>Total Liabilities</b>                              | <b>–</b>          | <b>(13)</b>    | <b>–</b>       | <b>(13)</b>             |

#### Islamic Global Multi-Asset Fund\*

| As at 31 December 2021<br>Description                               | Level 1<br>USD   | Level 2<br>USD   | Level 3<br>USD | Company<br>Total<br>USD |
|---|------------------|------------------|----------------|-------------------------|
| <b>Assets</b>   |                  |                  |                |                         |
| Financial Assets at Fair Value through Profit or Loss               | 9,479,580        | 6,243,356        | –              | 15,722,936              |
| Unrealised Gain on Open Spot Currency Contracts                     | –                | 235              | –              | 235                     |
| Unrealised Gain on Open Forward Foreign Currency Exchange Contracts | –                | –                | –              | –                       |
| <b>Total Assets</b>   | <b>9,479,580</b> | <b>6,243,591</b> | <b>–</b>       | <b>15,723,171</b>       |
| <b>Liabilities</b>  |                  |                  |                |                         |
| Unrealised Loss on Open Spot Currency Contracts                     | –                | (1,007)          | –              | (1,007)                 |
| Unrealised Loss on Open Forward Foreign Currency Exchange Contracts | –                | –                | –              | –                       |
| <b>Total Liabilities</b>  | <b>–</b>         | <b>(1,007)</b>   | <b>–</b>       | <b>(1,007)</b>          |

\*Islamic Global Multi Asset Fund launched on 23 March 2021.

# PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.

## NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 December 2021 (continued)

### 10. FINANCIAL RISK MANAGEMENT (continued)

#### Financial Assets at Fair Value through Profit or Loss (continued)

##### Islamic ASEAN Equity Fund

| As at 31 December 2020<br>Description<br>Assets       | Level 1<br>USD    | Level 2<br>USD | Level 3<br>USD | Company<br>Total<br>USD |
|---|-------------------|----------------|----------------|-------------------------|
| Financial Assets at Fair Value through Profit or Loss | 43,674,263        | –              | –              | 43,674,263              |
| <b>Total Assets</b>                                   | <b>43,674,263</b> | <b>–</b>       | <b>–</b>       | <b>43,674,263</b>       |

##### Global Sukuk Fund

| As at 31 December 2020<br>Description<br>Assets       | Level 1<br>USD | Level 2<br>USD    | Level 3<br>USD | Company<br>Total<br>USD |
|---|----------------|-------------------|----------------|-------------------------|
| Financial Assets at Fair Value through Profit or Loss | –              | 51,135,830        | –              | 51,135,830              |
| <b>Total Assets</b>                                   | <b>–</b>       | <b>51,135,830</b> | <b>–</b>       | <b>51,135,830</b>       |

##### Islamic Asia Pacific Dynamic Income & Growth Fund\*

| As at 31 December 2020<br>Description<br>Assets       | Level 1<br>USD    | Level 2<br>USD | Level 3<br>USD | Company<br>Total<br>USD |
|---|-------------------|----------------|----------------|-------------------------|
| Financial Assets at Fair Value through Profit or Loss | 15,291,106        | –              | –              | 15,291,106              |
| <b>Total Assets</b>                                   | <b>15,291,106</b> | <b>–</b>       | <b>–</b>       | <b>15,291,106</b>       |

\* Islamic Asia Pacific Dynamic Income & Growth Fund launched on 19 October 2020.

#### Interest Rate Risk

The Islamic ASEAN Equity Fund and Islamic Asia Pacific Dynamic Income & Growth Fund's financial assets and liabilities are non-interest bearing, therefore as a result no sensitivity analysis is produced. Any excess cash and cash equivalents are invested in non-interest bearing accounts.

The Global Sukuk Fund and Islamic Global Multi-Asset Fund are subject to interest rate risk. A fixed income security's value will generally increase in value when interest rates fall and decrease in value when interest rates rise. Interest rate risk is the chance that such movements in interest rates will negatively affect a security's value or, in the Funds case, its Net Asset Value. Fixed income securities with longer-term maturities tend to be more sensitive to interest rate changes than shorter-term securities. As a result, longer-term securities tend to offer higher yields for this added risk. While changes in interest rates may affect the Funds profit/coupon income, such changes may positively or negatively affect the Net Asset Value of the Funds Shares on a daily basis.

**PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the financial year ended 31 December 2021 (continued)**

**10. FINANCIAL RISK MANAGEMENT (continued)**

**Interest Rate Risk (continued)**

The following tables summarise the exposure to interest rate risk for the Global Sukuk Fund and Islamic Global Multi-Asset Fund for 31 December 2021 and the Global Sukuk Fund for 31 December 2020:

**31 December 2021**

| <b>Global Sukuk Fund</b>                                 | <b>Up to<br/>1 year<br/>USD</b> | <b>1- 5 years<br/>USD</b> | <b>Over<br/>5 years<br/>USD</b> | <b>Non-interest<br/>bearing<br/>USD</b> | <b>Total<br/>USD</b> |
|--|---------------------------------|---------------------------|---------------------------------|---|----------------------|
| <b>Assets</b>  |                                 |                           |                                 |   |                      |
| Cash and cash equivalents                                | –                               | –                         | –                               | 1,722,978                               | 1,722,978            |
| Financial Assets at Fair Value<br>Through Profit or Loss | –                               | 2,294,478                 | 4,829,783                       | –                                       | 7,124,261            |
| Income Receivable on Transferable<br>Securities          | –                               | –                         | –                               | 62,857                                  | 62,857               |
| Other Assets   | –                               | –                         | –                               | 26,987                                  | 26,987               |
| <b>Total Assets</b>                                      | <b>–</b>                        | <b>2,294,478</b>          | <b>4,829,783</b>                | <b>1,812,822</b>                        | <b>8,937,083</b>     |
| <b>Liabilities</b>                                       |                                 |                           |                                 |   |                      |
| Creditors  | –                               | –                         | –                               | (37,907)                                | (37,907)             |
| <b>Total Liabilities</b>                                 | <b>–</b>                        | <b>–</b>                  | <b>–</b>                        | <b>(37,907)</b>                         | <b>(37,907)</b>      |
| <b>Total interest sensitivity gap</b>                    | <b>–</b>                        | <b>2,294,478</b>          | <b>4,829,783</b>                |   |                      |

**31 December 2020**

| <b>Global Sukuk Fund</b>                                 | <b>Up to<br/>1 year<br/>USD</b> | <b>1- 5 years<br/>USD</b> | <b>Over<br/>5 years<br/>USD</b> | <b>Non-interest<br/>bearing<br/>USD</b> | <b>Total<br/>USD</b> |
|--|---------------------------------|---------------------------|---------------------------------|---|----------------------|
| <b>Assets</b>  |                                 |                           |                                 |   |                      |
| Cash and cash equivalents                                | –                               | –                         | –                               | 1,229,199                               | 1,229,199            |
| Financial Assets at Fair Value<br>Through Profit or Loss | –                               | 20,025,193                | 31,110,637                      | –                                       | 51,135,830           |
| Income Receivable on Transferable<br>Securities          | –                               | –                         | –                               | 520,008                                 | 520,008              |
| Other Assets   | –                               | –                         | –                               | 23,010                                  | 23,010               |
| <b>Total Assets</b>                                      | <b>–</b>                        | <b>20,025,193</b>         | <b>31,110,637</b>               | <b>1,772,217</b>                        | <b>52,908,047</b>    |
| <b>Liabilities</b>                                       |                                 |                           |                                 |   |                      |
| Creditors  | –                               | –                         | –                               | (131,990)                               | (131,990)            |
| <b>Total Liabilities</b>                                 | <b>–</b>                        | <b>–</b>                  | <b>–</b>                        | <b>(131,990)</b>                        | <b>(131,990)</b>     |
| <b>Total interest sensitivity gap</b>                    | <b>–</b>                        | <b>20,025,193</b>         | <b>31,110,637</b>               |   |                      |

# PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.

## NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 December 2021 (continued)

### 10. FINANCIAL RISK MANAGEMENT (continued)

#### Interest Rate Risk (continued)

31 December 2021

| Islamic Global Multi-Asset Fund*                      | Up to<br>1 year<br>USD | 1-5 years<br>USD | Over<br>5 years<br>USD | Non-interest<br>bearing<br>USD | Total<br>USD      |
|---|------------------------|------------------|------------------------|--------------------------------|-------------------|
| <b>Assets</b>   |                        |                  |                        |                                |                   |
| Cash at bank  | 812,828                | —                | —                      | —                              | 812,828           |
| Financial Assets at Fair Value Through Profit or Loss | —                      | 3,369,900        | 2,873,456              | 9,528,140                      | 15,771,496        |
| Financial Derivative Instruments                      | —                      | —                | —                      | 235                            | 235               |
| Income Receivable on Transferable Securities          | —                      | —                | —                      | 47,212                         | 47,212            |
| Other Assets  | —                      | —                | —                      | 355,378                        | 355,378           |
| <b>Total Assets</b>                                   | <b>812,828</b>         | <b>3,369,900</b> | <b>2,873,456</b>       | <b>9,930,965</b>               | <b>16,987,149</b> |
| <b>Liabilities</b>                                    |                        |                  |                        |                                |                   |
| Financial Derivative Instruments                      | —                      | —                | —                      | (1,007)                        | (1,007)           |
| Creditors   | —                      | —                | —                      | (654,566)                      | (654,566)         |
| <b>Total Liabilities</b>                              | <b>—</b>               | <b>—</b>         | <b>—</b>               | <b>(655,573)</b>               | <b>(655,573)</b>  |
| <b>Total interest sensitivity gap</b>                 | <b>812,828</b>         | <b>3,369,900</b> | <b>2,873,456</b>       |                                |                   |

\*Islamic Global Multi Asset Fund launched on 23 March 2021.

At 31 December 2021 and 31 December 2020, if market interest rates had been 1% higher/lower with all other variables held constant, the net assets attributable to redeemable participating shareholders would have been lower/higher by the following amounts:

| Fund Name                       | Currency | Change in Net Asset Value*<br>as at 31 December 2021 | Change in Net Asset Value*<br>as at 31 December 2020 |
|---------------------------------|----------|--|--|
| Global Sukuk Fund               | USD      | 88,363   | 522,560  |
| Islamic Global Multi-Asset Fund | USD      | 163,121  | —  |

\* The changes in Net Asset Value have been calculated by applying a beta calculation based on performance for the financial year multiplied by a 1% increase/(decrease) in the market interest rates with all other variables held constant. The Investment Manager considers this movement to be reasonable. The interest rate used is a general economic indicator that will have impact on the management of the Fund regardless whether it is Shariah-compliant or otherwise. It does not mean in any way that the Fund will invest in conventional financial instruments. All the investments carried out for the Fund are in accordance with Shariah requirements.

#### Currency Risk

The Funds may hold assets denominated in currencies other than the functional currency of the Funds. They are therefore exposed to currency risk, as the value of the securities denominated in other currencies will fluctuate due to changes in exchange rates.

**PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the financial year ended 31 December 2021 (continued)**

**10. FINANCIAL RISK MANAGEMENT (continued)**

**Currency Risk (continued)**

The following tables detail the monetary currency exposures as at 31 December 2021 and 31 December 2020.

**31 December 2021**  
**Islamic ASEAN Equity Fund**

| <b>Foreign Currency Exposure</b> | <b>Cash<br/>USD</b> | <b>Non-Monetary<br/>Assets<br/>USD</b> | <b>Net Financial<br/>Assets<br/>USD</b> |
|----------------------------------|---------------------|--|---|
| Euro                             | 930                 | —                                      | 930                                     |
| Indonesian Rupiah                | 11,644              | 2,174,482                              | 2,186,126                               |
| Malaysian Ringgit                | 43,238              | 4,079,910                              | 4,123,148                               |
| Philippines Peso                 | —                   | 101,927                                | 101,927                                 |
| Pound Sterling                   | 295                 | —                                      | 295                                     |
| Singapore Dollar                 | 39,901              | 1,030,494                              | 1,070,395                               |
| Thailand Baht                    | 8,080               | 2,421,214                              | 2,429,294                               |
| US Dollar                        | 488,578             | (19,342)                               | 469,236                                 |
|                                  | <b>592,666</b>      | <b>9,788,685</b>                       | <b>10,381,351</b>                       |

**31 December 2021**  
**Global Sukuk Fund**

| <b>Foreign Currency Exposure</b> | <b>Cash<br/>USD</b> | <b>Non-Monetary<br/>Assets<br/>USD</b> | <b>Net Financial<br/>Assets<br/>USD</b> |
|----------------------------------|---------------------|--|---|
| Euro                             | 930                 | —                                      | 930                                     |
| US Dollar                        | 1,722,048           | 7,176,198                              | 8,898,246                               |
|                                  | <b>1,722,978</b>    | <b>7,176,198</b>                       | <b>8,899,176</b>                        |

**31 December 2021**  
**Islamic Asia Pacific Dynamic Income & Growth Fund**

| <b>Foreign Currency Exposure</b> | <b>Cash<br/>USD</b> | <b>Non-Monetary<br/>Assets<br/>USD</b> | <b>Net Financial<br/>Assets<br/>USD</b> |
|----------------------------------|---------------------|--|---|
| Australian Dollar                | —                   | 2,672,044                              | 2,672,044                               |
| Chinese Renminbi                 | —                   | 1,515,787                              | 1,515,787                               |
| Hong Kong Dollar                 | 24,645              | 7,417,334                              | 7,441,979                               |
| Indian Rupee                     | —                   | 6,997,168                              | 6,997,168                               |
| Indonesian Rupiah                | —                   | 1,613,307                              | 1,613,307                               |
| Japanese Yen                     | —                   | 728,306                                | 728,306                                 |
| Singapore Dollar                 | —                   | 3,864,557                              | 3,864,557                               |
| South Korean Won                 | —                   | 6,186,881                              | 6,186,881                               |
| Taiwan Dollar                    | —                   | 4,667,182                              | 4,667,182                               |
| Thailand Baht                    | —                   | 1,809,256                              | 1,809,256                               |
| US Dollar                        | 2,767,774           | 2,539,454                              | 5,307,228                               |
|                                  | <b>2,792,419</b>    | <b>40,011,276</b>                      | <b>42,803,695</b>                       |

**PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

**NOTES TO THE FINANCIAL STATEMENTS**  
For the financial year ended 31 December 2021 (continued)

**10. FINANCIAL RISK MANAGEMENT (continued)**

**Currency Risk (continued)**

**31 December 2021**

**Islamic Global Multi-Asset Fund\***

**Foreign Currency Exposure**

|                   | <b>Cash</b>    | <b>Non-Monetary</b> | <b>Net Financial</b> |
|-------------------|----------------|---------------------|----------------------|
|                   | <b>USD</b>     | <b>Assets</b>       | <b>Assets</b>        |
|                   |                | <b>USD</b>          | <b>USD</b>           |
| Australian Dollar | —              | 89,642              | 89,642               |
| Canadian Dollar   | —              | 380,149             | 380,149              |
| Danish Krone      | —              | 197,478             | 197,478              |
| Euro              | —              | 1,098,492           | 1,098,492            |
| Hong Kong Dollar  | —              | 60,026              | 60,026               |
| Japanese Yen      | —              | 322,217             | 322,217              |
| Pound Sterling    | —              | 610,178             | 610,178              |
| South Korean Won  | —              | 82,553              | 82,553               |
| Swedish Krona     | —              | 286,270             | 286,270              |
| Swiss Franc       | —              | 863,431             | 863,431              |
| US Dollar         | 812,828        | 11,528,312          | 12,341,140           |
|                   | <b>812,828</b> | <b>15,518,748</b>   | <b>16,331,576</b>    |

\*Islamic Global Multi Asset Fund launched on 23 March 2021.

**31 December 2020**

**Islamic ASEAN Equity Fund**

**Foreign Currency Exposure**

|                   | <b>Cash</b>      | <b>Non-Monetary</b> | <b>Net Financial</b> |
|-------------------|------------------|---------------------|----------------------|
|                   | <b>USD</b>       | <b>Assets</b>       | <b>Assets</b>        |
|                   |                  | <b>USD</b>          | <b>USD</b>           |
| Indonesian Rupiah | 570,128          | 12,063,401          | 12,633,529           |
| Malaysian Ringgit | 336,679          | 18,593,586          | 18,930,265           |
| Philippines Peso  | 3,376            | 240,508             | 243,884              |
| Pound Sterling    | 298              | —                   | 298                  |
| Singapore Dollar  | 271,429          | 5,327,386           | 5,598,815            |
| Thailand Baht     | —                | 8,040,048           | 8,040,048            |
| US Dollar         | 379,226          | 18,986              | 398,212              |
|                   | <b>1,561,136</b> | <b>44,283,915</b>   | <b>45,845,051</b>    |

**31 December 2020**

**Global Sukuk Fund**

**Foreign Currency Exposure**

|           | <b>Cash</b>      | <b>Non-Monetary</b> | <b>Net Financial</b> |
|-----------|------------------|---------------------|----------------------|
|           | <b>USD</b>       | <b>Assets</b>       | <b>Assets</b>        |
|           |                  | <b>USD</b>          | <b>USD</b>           |
| US Dollar | 1,229,199        | 51,546,858          | 52,776,057           |
|           | <b>1,229,199</b> | <b>51,546,858</b>   | <b>52,776,057</b>    |

**31 December 2020**

**Islamic Asia Pacific Dynamic Income & Growth Fund\***

**Foreign Currency Exposure**

|                   | <b>Cash</b> | <b>Non-Monetary</b> | <b>Net Financial</b> |
|-------------------|-------------|---------------------|----------------------|
|                   | <b>USD</b>  | <b>Assets</b>       | <b>Assets</b>        |
|                   |             | <b>USD</b>          | <b>USD</b>           |
| Australian Dollar | —           | 938,328             | 938,328              |
| Hong Kong Dollar  | —           | 5,051,166           | 5,051,166            |
| Indonesian Rupiah | —           | 650,653             | 650,653              |
| Japanese Yen      | —           | 253,322             | 253,322              |
| Singapore Dollar  | —           | 1,015,384           | 1,015,384            |
| South Korean Won  | —           | 2,551,169           | 2,551,169            |

# PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.

## NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 December 2021 (continued)

### 10. FINANCIAL RISK MANAGEMENT (continued)

#### Currency Risk (continued)

31 December 2020 (continued)

Islamic Asia Pacific Dynamic Income & Growth Fund (continued)\*

#### Foreign Currency Exposure (continued)

|               | Cash<br>USD    | Non-Monetary<br>Assets<br>USD | Net Financial<br>Assets<br>USD |
|---------------|----------------|-------------------------------|--------------------------------|
| Taiwan Dollar | –              | 2,196,899                     | 2,196,899                      |
| Thailand Baht | –              | 210,062                       | 210,062                        |
| US Dollar     | 381,828        | 2,462,890                     | 2,844,718                      |
|               | <b>381,828</b> | <b>15,329,873</b>             | <b>15,711,701</b>              |

\*Islamic Asia Pacific Dynamic Income & Growth Fund launched on 19 October 2020.

The table below details the approximate increase or decrease in Net Assets Attributable to Redeemable Participating Shareholders had the exchange rate between the base currency of the relevant Fund and the relevant foreign currency increased by 5% (or 10% for emerging market currencies). The Investment Manager considers this movement to be reasonable.

Emerging market countries are those that have low or middle per capita income as determined by the World Bank for at least two consecutive years based on data lagging one year, or those countries that either had restructured external/local debt during the past 10 years or currently have restructured external/local debt outstanding. Investments denominated in emerging market currencies may experience more volatility, can be subject to significant depreciation and may not be freely convertible.

| Foreign Currency Exposure                          | As at 31 December 2021 |                               |                                | As at 31 December 2020 |                               |                                |
|--|------------------------|-------------------------------|--------------------------------|------------------------|-------------------------------|--------------------------------|
|  | Cash<br>USD            | Non-Monetary<br>Assets<br>USD | Net Financial<br>Assets<br>USD | Cash<br>USD            | Non-Monetary<br>Assets<br>USD | Net Financial<br>Assets<br>USD |
| Islamic ASEAN Equity Fund                          | 10,347                 | 980,804                       | 991,151                        | 118,177                | 4,426,493                     | 4,544,670                      |
| Global Sukuk Fund                                  | 47                     | –                             | 47                             | –                      | –                             | –                              |
| Islamic Asia Pacific Dynamic Income & Growth Fund* | 2,464                  | 3,613,582                     | 3,616,046                      | –                      | 1,239,781                     | 1,239,781                      |
| Islamic Global Multi-Asset Fund**                  | –                      | 309,129                       | 309,129                        | –                      | –                             | –                              |

\* Islamic Asia Pacific Dynamic Income & Growth Fund launched on 19 October 2020

\*\*Islamic Global Multi Asset Fund launched on 23 March 2021.

#### Depository Risk

The Company's Depository is The Bank of New York Mellon SA/NV, Dublin Branch (the "Depository"). Substantially, all of the cash and investments of the Company are held by the Depository. The Company is exposed to credit risk through the use of the Depository for their cash and investments. Bankruptcy or insolvency of the Depository may cause the Funds rights with respect to its cash and investments held by the Depository to be delayed or limited.

To mitigate the risks the Company is exposed to from the use of the Depository, the Investment Manager employs appropriate procedures to ensure that the counterparties are reputable institutions and that credit risk is acceptable to the Company. The Investment Manager ensures that the Company only transacts with depositaries that are regulated entities subject to prudential supervision, or with high credit-ratings assigned by international credit-rating agencies. In addition, the Company's non-cash assets are maintained by the Depository in segregated accounts. Thus in the event of insolvency or bankruptcy of the Depository, the Company's non-cash assets are segregated and protected and this further reduces counterparty risk. The Company will, however be exposed to the credit risk of the Depository or counterparty/sub-custodian used by the Depository, in relation to the Company's cash held by



## **PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

### **NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 December 2021 (continued)**

#### **10. FINANCIAL RISK MANAGEMENT (continued)**

##### **Depository Risk (continued)**

the Depository. In the event of the insolvency or bankruptcy of the Depository, the Company will be treated as a general creditor of the Depository in relation to cash holdings of the Company.

##### **Credit Risk**

The Funds will be exposed to credit risk, which is the risk that a counterparty or issuer will be unable to pay amounts in full when due. Impairment provisions are provided for losses that have been incurred by the financial year end date, if any. The carrying amount of financial assets best represents its maximum exposure to credit risk at the reporting date.

The Company's main credit risk concentrations arise from trading equity securities in addition to cash balances held at the Depository. The Funds' Prospectus lists various investment restrictions with regard to issuer and counterparty concentration limits.

As at 31 December 2021, the Depository, The Bank of New York Mellon SA/NV, Dublin Branch had a credit rating of AA- (31 December 2020: AA-) with Standards and Poor's , Aa2 (31 December 2020: Aa2) with Moody's and AA+ (31 December 2020: AA+) with Fitch.

All transactions in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet their obligation.

The Funds minimise concentration of credit risk by undertaking transactions with several counterparties. The Investment Manager maintains an approved list of counterparties that have been through a due diligence process, been subjected to in depth credit research and who are recognised on a reputable exchange.

In addition, the value of debt and preferred securities held by a Fund may be affected by factors such as the credit rating of the entity that issued the security and its maturity. Lower quality and longer maturity securities will be subject to greater credit risk and price fluctuations than higher quality and shorter maturity securities.

Fixed income securities that are not investment grade are commonly referred to as high yield securities. These securities offer a potentially higher yield than other, higher rated securities, but they carry a greater degree of risk and are considered speculative by the major credit rating agencies.

In relation to preferred securities, credit risk may manifest itself not only as a decline in the security's price, or its failure, but also as a failure to make dividend payments when due. Preferred securities are subordinated borrowing to bonds and other debt instruments in a company's capital structure, in terms of priority to corporate income, and therefore will be subject to greater credit risk than those debt instruments.

There can be no assurance that issuers of the securities or other instruments in which a Fund invests will not be subject to credit difficulties leading to the loss of some or all of the sums invested in such securities or instruments or payments due on such securities or instruments (as well as any appreciation of sums invested in such securities). There is no certainty in the credit worthiness of issuers of debt securities. Unstable market conditions may mean there are increased instances of default amongst issuers.

# PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.

## NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 December 2021 (continued)

### 10. FINANCIAL RISK MANAGEMENT (continued)

#### Credit Risk (continued)

##### 31 December 2021

The Global Sukuk Fund had the following exposure to counterparty and issuer credit risk at 31 December 2021 and 31 December 2020:

| Credit Rating          | Rating %      |
|------------------------|---------------|
| A                      | 11.55%        |
| B                      | 2.84%         |
| BB                     | 5.18%         |
| BBB                    | 37.77%        |
| NR                     | 22.72%        |
| <b>Total Portfolio</b> | <b>80.06%</b> |

##### 31 December 2020

| Credit Rating          | Rating %      |
|------------------------|---------------|
| A                      | 6.27%         |
| A1                     | 1.13%         |
| A3                     | 1.29%         |
| B                      | 3.01%         |
| Ba2                    | 3.21%         |
| Ba3                    | 3.42%         |
| Baa1                   | 7.77%         |
| Baa2                   | 4.79%         |
| Baa3                   | 23.51%        |
| BBB                    | 22.86%        |
| NR                     | 19.63%        |
| <b>Total Portfolio</b> | <b>96.89%</b> |

The Islamic Global Multi-Asset Fund had the following exposure to counterparty and issuer credit risk at 31 December 2021:

##### 31 December 2021

| Credit Rating          | Rating %      |
|------------------------|---------------|
| A                      | 3.22%         |
| B                      | 1.55%         |
| BB                     | 7.19%         |
| BBB                    | 8.33%         |
| NR                     | 11.14%        |
| <b>Total Portfolio</b> | <b>31.43%</b> |

Islamic Global Multi Asset Fund launched on 23 March 2021 therefore there are no comparatives as at 31 December 2020 .

#### Liquidity Risk

Liquidity risk is the risk that the Funds will experience difficulty in either realising assets or otherwise raising sufficient funds to satisfy commitments associated with financial instruments. This arises when trading volume, lack of a market maker or legal restrictions impair the Funds' ability to sell particular securities at an advantageous time or price.

The Funds are exposed to daily cash redemptions by Shareholders. Therefore, the Funds invest the majority of their assets in investments that are traded in an active market and can be readily disposed of; only a limited proportion of the assets are invested in assets not actively traded on a stock exchange. In addition, as outlined in the prospectus, during extreme or unusual market conditions, the Company may place restrictions on redemptions such as by extending settlement, gating daily redemption to 10% of the Net Asset Value of the relevant Fund or suspending redemptions.

# PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.

## NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 December 2021 (continued)

### 10. FINANCIAL RISK MANAGEMENT (continued)

#### Liquidity Risk (continued)

If total requests for redemption on any Dealing Day for the Fund exceed 10% of the total number of Shares in the Fund or 10% of the Net Asset Value of the Fund, the Directors may in their discretion refuse to redeem any Shares in excess of 10%. Any request for redemption on such Dealing Day shall be reduced rateably and the redemption requests shall be treated as if they were received on each subsequent Dealing Day until all the Shares to which the original request related have been redeemed.

Alternatively, where redemption requests would result in 5% or more of the Net Asset Value of Shares of the Fund being redeemed on any Dealing Day, or less than 5% with the consent of the Shareholder, the Directors may satisfy the redemption request in whole or in part by an in-kind distribution of securities of the Fund in lieu of cash. The Investment Manager monitors the liquidity of the portfolios on a daily basis and has fully implemented the liquidity stress testing requirements as outlined in the ESMA Guidelines on Liquidity Stress Testing in UCITS and AIFs.

As at 31 December 2021 and 31 December 2020, all of the Funds' financial liabilities were due or settled within 1 month of the Statement of Financial Position date with the exception of the Audit Fees Payable which will be due or settled within 3 months to 1 financial year of the Statement of Financial Position date. These fees payable are detailed on each individual Fund's Statement of Financial Position as at 31 December 2021 on page 31 and as at 31 December 2020 on page 33.

The following table shows the individual percentage holding, of each registered Shareholder, owning greater than 20% of the shares of each class of each Fund at the financial year end date.

|  | 31 December 2021 |                  |                  | 31 December 2020 |                  |                  |
|--|------------------|------------------|------------------|------------------|------------------|------------------|
|  | Shareholder<br>% | Shareholder<br>% | Shareholder<br>% | Shareholder<br>% | Shareholder<br>% | Shareholder<br>% |
| <b>Islamic ASEAN Equity Fund</b>                               |                  |                  |                  |                  |                  |                  |
| A Class Accumulation EUR                                       | 100.00           | -                | -                | -                | -                | -                |
| A Class Accumulation USD                                       | 88.76            | -                | -                | 98.86*           | -                | -                |
| I Class Accumulation USD                                       | 65.58            | 33.02            | -                | 90.50            | -                | -                |
| <b>Global Sukuk Fund</b>                                       |                  |                  |                  |                  |                  |                  |
| A Class Accumulation USD                                       | 98.28            | -                | -                | 51.32*           | 38.05*           | -                |
| A Class Income EUR   | 100.00*          | -                | -                | -                | -                | -                |
| A Class Income USD   | 100.00*          | -                | -                | -                | -                | -                |
| I Class Accumulation USD                                       | 66.30            | 32.73            | -                | 55.18*           | 40.91*           | -                |
| I Class Income USD   | 100.00*          | -                | -                | 100.00           | -                | -                |
| <b>Islamic Asia Pacific Dynamic Income &amp; Growth Fund**</b> |                  |                  |                  |                  |                  |                  |
| I Class Accumulation USD                                       | 48.67            | 24.33            | 24.33            | 48.67            | 24.33            | 24.33            |
| I Class Income USD   | 100.00*          | -                | -                | -                | -                | -                |
| <b>Islamic Global Multi-Asset Fund***</b>                      |                  |                  |                  |                  |                  |                  |
| A Class Accumulation USD                                       | 100.00*          | -                | -                | -                | -                | -                |
| A Class Income USD   | 100.00*          | -                | -                | -                | -                | -                |
| I Class Accumulation USD                                       | 100.00*          | -                | -                | -                | -                | -                |
| I Class Income USD   | 100.00*          | -                | -                | -                | -                | -                |

\* Related Party to Principal Islamic Asset Management (Ireland) p.l.c, Principal Asset Management Berhad and Principal Asset Management (S) Pte Ltd, the Sub-Investment Advisers to the Company.

\*\* Islamic Asia Pacific Dynamic Income & Growth Fund launched on 19 October 2020.

\*\*\*Islamic Global Multi Asset Fund launched on 23 March 2021.

**PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the financial year ended 31 December 2021 (continued)**

**10. FINANCIAL RISK MANAGEMENT (continued)**

**Concentration Risk**

Concentration risk arises when a fund has uneven distribution of exposures to a particular sector, region or industry. As at 31 December 2021 and 31 December 2020 the Islamic ASEAN Equity Fund and the Islamic Asia Pacific Dynamic & Growth Fund did not have exposure greater than 20% in any sector. As at 31 December 2021 the Islamic Global Multi Asset Fund did not have exposure greater than 20% in any sector. As at 31 December 2021 the Global Sukuk Fund had 34.07% exposure to the Commercial Banks Non-US sector. As at 31 December 2020 the Global Sukuk Fund had 22.84% exposure to the Commercial Banks Non-US sector.

**Cybersecurity Risk**

Cybersecurity breaches may occur allowing an unauthorised party to gain access to assets of the Funds, Shareholder data, or proprietary information, or may cause the Company, the Investment Manager/Sub-Investment Adviser, the Distributor, the Administrator or the Depositary to suffer data corruption or lose operational functionality.

The Funds may be affected by intentional cybersecurity breaches which include unauthorised access to systems, networks, or devices (such as through “hacking” activity); infection from computer viruses or other malicious software code; and attacks that shut down, disable, slow, or otherwise disrupt operations, business processes or website access or functionality. In addition, unintentional incidents can occur, such as the inadvertent release of confidential information (possibly resulting in the violation of applicable privacy laws). A cybersecurity breach could result in the loss or theft of Shareholder data or funds, the inability to access electronic systems, loss or theft of proprietary information or corporate data, physical damage to a computer or network system, or costs associated with system repairs. Such incidents could cause the Company, the Investment Manager/Sub-Investment Adviser, the Distributor, the Administrator, the Depositary, or other service providers to incur regulatory penalties, reputational damage, additional compliance costs, or financial loss. Consequently, Shareholders may lose some or all of their invested capital. In addition, such incidents could affect issuers in which a Fund invests, and thereby cause a Fund’s investments to lose value, as a result of which investors, including the relevant Fund and its Shareholders, could potentially lose all or a portion of their investment with that issuer.

**11. TRANSACTION COSTS**

Transaction costs which were incurred for the financial year relate to the purchase or sale of transferable securities or other eligible assets. Disclosed below are the transaction costs for the financial years ended 31 December 2021 and 31 December 2020. These include commission costs, settlement fees and broker fees. Transaction costs are included on the Portfolio of Investments as part of the cost of the Investments.

|   | <b>31 December 2021</b> | <b>31 December 2020</b> |
|---|-------------------------|-------------------------|
| Islamic ASEAN Equity Fund                         | USD113,574              | USD113,849              |
| Global Sukuk Fund                                 | USDNil                  | USDNil                  |
| Islamic Asia Pacific Dynamic Income & Growth Fund | USD216,340              | USD31,773               |
| Islamic Global Multi-Asset Fund**                 | USD7,232                | N/A                     |

\* Islamic Asia Pacific Dynamic Income & Growth Fund launched on 19 October 2020.

\*\* Islamic Global Multi Asset Fund launched on 23 March 2021.

## PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.

### NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 December 2021 (continued)

#### 12. GLOBAL EXPOSURE

The Funds, the Investment Manager and the Sub-Investment Adviser employ a Risk Management Process which enables them to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of the Funds.

If applicable, the Funds, the Investment Manager and the Sub-Investment Adviser employ a documented Risk Management Process in relation to the use of Financial Derivative Instruments, which ensures the risk associated with the positions is measured, monitored and managed.

The Sub-Investment Adviser will apply the commitment approach with respect to the determination of the global exposure of the Funds; which entails monitoring global exposure and counterparty exposure associated with the positions.

#### 13. EXCHANGE RATES

The foreign exchange rates used in the audited report as at 31 December 2021 and audited report as at 31 December 2020 expressed as USD for Islamic ASEAN Equity Fund, Global Sukuk Fund, Islamic Asia Pacific Dynamic Income & Growth Fund and Islamic Global Multi Asset Fund and the Company are as follows:

##### 31 December 2021

|     |         |     |             |     |            |     |          |
|-----|---------|-----|-------------|-----|------------|-----|----------|
| AUD | 1.37558 | EUR | 0.88269     | JPY | 115.11502  | SGD | 1.34909  |
| CAD | 1.27196 | GBP | 0.74014     | KRW | 1188.75002 | THB | 33.40500 |
| CHF | 0.91259 | HKD | 7.79657     | MYR | 4.16598    | TWD | 27.66698 |
| CNH | 6.35138 | IDR | 14252.50037 | PHP | 50.99249   |     |          |
| DKK | 6.56495 | INR | 74.33565    | SEK | 9.04870    |     |          |

##### 31 December 2020

|     |         |     |              |     |          |     |          |
|-----|---------|-----|--------------|-----|----------|-----|----------|
| AUD | 1.29813 | IDR | 14,050.00183 | MYR | 4.02251  | THB | 29.96002 |
| GBP | 0.73214 | JPY | 103.01501    | PHP | 48.02350 | TWD | 28.09800 |
| HKD | 7.75210 | KRW | 1086.30000   | SGD | 1.32247  |     |          |

#### 14. COMMITMENTS AND CONTINGENT LIABILITIES

As at 31 December 2021, no commitments or contingent liabilities exist (31 December 2020: none).

#### 15. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

During the financial year, COVID-19 continued to spread around the world, however the global rollout of various vaccines contributed to the reopening of many economies and restrictions being lifted. COVID-19 did not have an adverse impact on the revenue streams associated with the assets managed by the Company for the year ended 31 December 2021.

Effective 3 March 2021, a first addendum to the Prospectus dated 12 June 2020 was issued to reflect updates in relation to Sustainable Finance Disclosure Regulation and EU Taxonomy Regulation.

Islamic Global Multi Asset Fund launched on 23 March 2021.

The Investment Manager appointed Principal Global Investors (Hong Kong) Limited to act as discretionary Sub-Investment Advisers to the Islamic Global Multi-Asset Fund on 23 March 2021.

## PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.

### NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 December 2021 (continued)

#### 15. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (continued)

On 6 July 2021, Maples and Calder resigned as Legal Advisers to the Company and Matheson was appointed as Legal Advisers to the Company.

On 6 July 2021, MFD Secretaries resigned as Secretary to the Company, Matsack Trust Limited was appointed as Secretary to the Company and the registered office of the Company was moved to 70 Sir John Rogerson's Quay, Dublin 2, D02 R296, Ireland.

On 30 September 2021, Mr. Greg Thornton resigned from the Principal Islamic Asset Management (Ireland) Plc Board.

On 19 October 2021, Ms. Aleda Anderson was appointed as Director of the Company.

On 1 December 2021, Mr. David Shubotham resigned from the Principal Islamic Asset Management (Ireland) Plc Board.

There were no other significant events during the financial year that required disclosure in the annual report and audited financial statements.

#### 16. SIGNIFICANT EVENTS AFTER THE FINANCIAL YEAR END

Since the financial year end, there has been a resurgence in coronavirus infections, however, most economies remain open, and the reintroduction of restrictions have been limited. The ultimate economic effect of the pandemic and the long-term impact on the economies, markets, industries, and individual issuers, are not known. The Company continues to analyse the evolving economic, political and market landscape.

The invasion of Ukraine by Russia on 24 February 2022 has created extensive uncertainty on the political and economic front. Market analysts are reworking expectations for inflation and interest rate policy as they assess the effects of the conflict. The geopolitical conflict is also challenging the western world, which will likely result in a rethinking of Europe's dependency on Russian oil and gas. The longer-term impact on economies, markets, industries and individual issuers, are not yet known. The Company continues to monitor the situation closely.

Islamic Global Responsible Equity Fund launched on 8 April 2022 as an Article 8 ESG Orientated Fund under SFDR.

There have been no other significant events affecting the Company since 31 December 2021 and up to the date of approval of the financial statements.

#### 17. NET ASSET VALUE HISTORY

| Islamic ASEAN Equity Fund                     | Net Asset Value | Net Asset Value per share |
|---|-----------------|---------------------------|
| 31 December 2021 EUR A Class Accumulation EUR | EUR853          | EUR10.39                  |
| 31 December 2021 USD A Class Accumulation     | USD4,237,364    | USD10.75                  |
| 31 December 2021 USD I Class Accumulation     | USD6,143,021    | USD11.51                  |
| 31 December 2020 USD A Class Accumulation     | USD4,316,405    | USD10.91                  |
| 31 December 2020 USD I Class Accumulation     | USD41,528,646   | USD11.61                  |
| 31 December 2019 USD A Class Accumulation     | USD4,326,702    | USD11.14                  |
| 31 December 2019 USD I Class Accumulation     | USD38,219,754   | USD11.77                  |

# PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.

## NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 December 2021 (continued)

### 17. NET ASSET VALUE HISTORY (continued)

| <b>Global Sukuk Fund</b>                                      | <b>Net Asset Value</b> | <b>Net Asset Value per share</b> |
|---|------------------------|----------------------------------|
| 31 December 2021 USD A Class Accumulation                     | USD2,817,369           | USD11.64                         |
| 31 December 2021 EUR A Class Income EUR                       | EUR894                 | EUR10.89                         |
| 31 December 2021 USD A Class Income                           | USD1,007               | USD10.07                         |
| 31 December 2021 USD I Class Accumulation                     | USD3,027,610           | USD11.81                         |
| 31 December 2021 USD I Class Income                           | USD3,052,177           | USD10.68                         |
| 31 December 2020 USD A Class Accumulation                     | USD25,633,979          | USD11.44                         |
| 31 December 2020 USD I Class Accumulation                     | USD24,153,010          | USD11.59                         |
| 31 December 2020 USD I Class Income                           | USD2,989,068           | USD10.63                         |
| 31 December 2019 USD A Class Accumulation                     | USD22,111,992          | USD10.96                         |
| 31 December 2019 USD I Class Accumulation                     | USD22,844,412          | USD11.07                         |
| 31 December 2019 USD I Class Income                           | USD6,351,907           | USD10.42                         |
| <b>Islamic Asia Pacific Dynamic Income &amp; Growth Fund*</b> | <b>Net Asset Value</b> | <b>Net Asset Value per share</b> |
| 31 December 2021 USD I Class Accumulation                     | USD16,320,716          | USD11.45                         |
| 31 December 2021 USD I Class Income                           | USD26,482,979          | USD10.04                         |
| 31 December 2020 USD I Class Accumulation                     | USD15,711,701          | USD11.02                         |

\* Islamic Asia Pacific Dynamic Income & Growth Fund launched on 19 October 2020.

|   |                        |                                  |
|---|------------------------|----------------------------------|
| <b>Islamic Global Multi-Asset Fund*</b>   | <b>Net Asset Value</b> | <b>Net Asset Value per share</b> |
| 31 December 2021 USD A Class Accumulation | USD1,086               | USD10.86                         |
| 31 December 2021 USD A Class Income       | USD1,086               | USD10.86                         |
| 31 December 2021 USD I Class Accumulation | USD15,240,633          | USD10.89                         |
| 31 December 2021 USD I Class Income       | USD1,088,772           | USD10.89                         |

\*Islamic Global Multi-Asset Fund launched on 23 March 2021.

### 18. STATEMENT OF PORTFOLIO CHANGES

A Statement of Portfolio Changes is available free of charge from the Administrator.

### 19. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved by the Directors on 20 April 2022.

**PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

**FUND PERFORMANCE (UNAUDITED)**  
**For the financial year ended 31 December 2021**

**FUND PERFORMANCE**  
**As at 31 December 2021**

**Calculated in USD**

|   | <b>One<br/>Year</b> | <b>Two<br/>Years</b> | <b>Three<br/>Years</b> | <b>Five Years</b> | <b>Since<br/>Inception*</b> |
|---|---------------------|----------------------|------------------------|-------------------|-----------------------------|
| <b>Fund/Index</b>                                 |                     |                      |                        |                   |                             |
| Islamic ASEAN Equity Fund                         | -0.86%              | -2.21%               | 9.93%                  | 17.33%            | 15.10%                      |
| Global Sukuk Fund                                 | 1.90%               | 6.68%                | 17.98%                 | 21.50%            | 18.10%                      |
| Islamic Asia Pacific Dynamic Income & Growth Fund | 3.90%               | N/A                  | N/A                    | N/A               | 14.50%                      |
| Islamic Global Multi-Asset Fund                   | N/A                 | N/A                  | N/A                    | N/A               | 8.90%                       |

\*Shows the cumulative performance since inception: launch date of ASEAN Equity Fund was 13 April 2012, launch date of Global Sukuk Fund was 7 September 2016, launch date of Asia Pacific Dynamic Income & Growth Fund was 19 October 2020 and launch date of Global Multi Asset Fund was 23 March 2021.

The data is based on the I share class of the Funds showing the total return over each time period.

Past performance is not indicative of future results.

The information above has been derived from sources believed to be accurate as of 31 December 2021. It contains general information only on investment matters and should not be considered as a comprehensive statement on any matter and should not be relied upon as such. The information it contains does not take account of any investor's investment objectives, particular needs or financial situation. Past performance is not a reliable indicator of future performance and should not be relied upon as a significant basis for an investment decision. Subject to any contrary provisions of applicable law, no company in the Principal Financial Group nor any of their employees or directors gives any warranty of reliability or accuracy nor accepts any responsibility arising in any other way (including by reason of negligence) for errors or omissions in this document. You should consider whether an investment fits your investment objectives, particular needs and financial situation before making any investment decision.



**PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

**SUPPLEMENTARY INFORMATION (UNAUDITED)  
For the financial year ended 31 December 2021**

**TOTAL EXPENSE RATIOS**

Outlined below are total expense ratios at 31 December 2021 and 31 December 2020 on a fund by fund basis. This disclosure is a requirement for funds regulated in Switzerland.

**31 December 2021**

|   | Average<br>Monthly<br>NAV<br>(USD) | Total Expense Ratio %   |                   |                         |                   |                                |                          |
|---|------------------------------------|-------------------------|-------------------|-------------------------|-------------------|--------------------------------|--------------------------|
|   |                                    | A Class<br>Accumulation | A Class<br>Income | I Class<br>Accumulation | I Class<br>Income | A Class<br>Accumulation<br>EUR | A Class<br>Income<br>EUR |
| Islamic ASEAN Equity Fund                         | 21,508,212                         | 2.04%                   | N/A               | 1.30%                   | N/A               | 2.73%                          | N/A                      |
| Global Sukuk Fund                                 | 18,290,385                         | 1.58%                   | 2.21%             | 1.28%                   | 1.65%             | N/A                            | 2.21%                    |
| Islamic Asia Pacific Dynamic Income & Growth Fund | 41,468,160                         | N/A                     | N/A               | 1.37%                   | 1.30%             | N/A                            | N/A                      |
| Islamic Global Multi-Asset Fund*                  | 15,851,701                         | 1.96%                   | 1.96%             | 1.58%                   | 1.58%             | N/A                            | N/A                      |

\* Islamic Global Multi-Asset Fund launched on 23 March 2021.

**31 December 2020**

|  | Average Monthly<br>NAV (USD) | Total Expense Ratio %   |                         |                   |
|--|------------------------------|-------------------------|-------------------------|-------------------|
|  |                              | A Class<br>Accumulation | I Class<br>Accumulation | I Class<br>Income |
| Islamic ASEAN Equity Fund                          | 40,625,633                   | 2.0%                    | 1.3%                    | N/A               |
| Global Sukuk Fund                                  | 49,727,500                   | 1.3%                    | 1.0%                    | 1.0%              |
| Islamic Asia Pacific Dynamic Income & Growth Fund* | 14,716,678                   | N/A                     | 2.1%                    | N/A               |

\* Islamic Asia Pacific Dynamic Income & Growth Fund launched on 19 October 2020.

**PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

**SUPPLEMENTARY INFORMATION (UNAUDITED)  
For the financial year ended 31 December 2021  
STATEMENT OF MATERIAL PORTFOLIO CHANGES**

**Islamic ASEAN Equity Fund**

| <b>Nominal</b> | <b>Security Description</b>              | <b>Major Purchases<br/>Cost USD</b> |
|----------------|--|-------------------------------------|
| 2,150,000      | Indofood CBP Sukses Makmur Tbk PT        | 1,365,741                           |
| 2,200,000      | My EG Services Bhd                       | 1,158,144                           |
| 947,500        | Bank Islam Malaysia Bhd                  | 940,094                             |
| 400,000        | KCE Electronics PCL NVDR                 | 772,426                             |
| 200,000        | TIME dotCom Bhd                          | 691,838                             |
| 900,000        | Inari Amertron Bhd                       | 685,317                             |
| 320,800        | Press Metal Aluminium Holdings Bhd       | 684,671                             |
| 135,000        | Bumrungrad Hospital PCL                  | 580,010                             |
| 275,000        | Airports of Thailand PCL                 | 534,683                             |
| 1,300,000      | Dayang Enterprise Holdings Bhd           | 409,980                             |
| 550,000        | NetLink NBN Trust                        | 405,244                             |
| 1,500,000      | Bank BTPN Syariah Tbk PT                 | 354,397                             |
| 244,600        | Greotech Technology Bhd                  | 328,984                             |
| 500,000        | Siam Global House PCL                    | 291,711                             |
| 350,000        | Duopharma Biotech Bhd                    | 272,583                             |
| 600,000        | Home Product Center PCL                  | 267,247                             |
| 377,500        | Padini Holdings Bhd                      | 258,341                             |
| 150,000        | Telekom Malaysia Bhd                     | 211,191                             |
| 95,000         | Hana Microelectronics PCL                | 207,340                             |
| 90,000         | Singapore Telecommunications Ltd         | 161,478                             |
| 190,000        | Frontken Corp Bhd                        | 151,343                             |
| 650,000        | Telkom Indonesia Persero Tbk PT          | 148,535                             |
| 700,000        | Taliworks Corp Bhd                       | 141,927                             |
| 100,000        | IHH Healthcare Bhd                       | 134,849                             |
| 35,000         | Nanofilm Technologies International Ltd  | 129,969                             |
| 275,800        | Axis Real Estate Investment Trust (REIT) | 128,548                             |

The Material Portfolio Changes reflect the aggregate purchases of a security exceeding one per cent of the total value of purchases for the financial year and aggregate disposals greater than one per cent of the total value of the sales for the financial year.

**PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

**SUPPLEMENTARY INFORMATION (UNAUDITED)  
For the financial year ended 31 December 2021  
STATEMENT OF MATERIAL PORTFOLIO CHANGES (continued)**

**Islamic ASEAN Equity Fund (continued)**

| <b>Nominal</b> | <b>Security Description</b>              | <b>Major Sales<br/>Proceeds USD</b> |
|----------------|--|-------------------------------------|
| 1,575,000      | Singapore Telecommunications Ltd         | 2,931,649                           |
| 1,325,000      | Airports of Thailand PCL                 | 2,695,215                           |
| 11,000,000     | Telkom Indonesia Persero Tbk PT          | 2,466,410                           |
| 1,290,800      | Press Metal Aluminium Holdings Bhd       | 1,669,475                           |
| 115,000        | Venture Corp Ltd                         | 1,654,876                           |
| 2,700,000      | Sime Darby Bhd                           | 1,494,391                           |
| 1,600,000      | Inari Amertron Bhd                       | 1,394,737                           |
| 1,850,000      | Dialog Group Bhd                         | 1,366,555                           |
| 1,880,000      | Bangkok Dusit Medical Services PCL       | 1,312,131                           |
| 850,000        | United Tractors Tbk PT                   | 1,249,621                           |
| 1,300,000      | Bank Islam Malaysia Bhd                  | 1,238,057                           |
| 1,000,000      | Sime Darby Plantation Bhd                | 1,215,602                           |
| 215,000        | Advanced Info Service PCL NVDR           | 1,183,704                           |
| 1,950,000      | Indofood CBP Sukses Makmur Tbk PT        | 1,157,166                           |
| 2,041,250      | SKP Resources Bhd                        | 1,073,251                           |
| 805,200        | IHH Healthcare Bhd                       | 1,032,177                           |
| 300,000        | TIME dotCom Bhd                          | 1,013,093                           |
| 500,000        | Petronas Chemicals Group Bhd             | 999,566                             |
| 5,450,000      | Mitra Keluarga Karyasehat Tbk PT         | 996,983                             |
| 1,900,000      | My EG Services Bhd                       | 887,776                             |
| 1,265,633      | Duopharma Biotech Bhd                    | 885,088                             |
| 985,000        | Indocement Tunggal Prakarsa Tbk PT       | 870,423                             |
| 8,150,000      | Kalbe Farma Tbk PT                       | 867,497                             |
| 1,000,000      | Indo Tambangraya Megah Tbk PT            | 846,369                             |
| 1,800,000      | Home Product Center PCL                  | 819,705                             |
| 501,800        | Pentamaster Corp Bhd                     | 697,062                             |
| 160,000        | Bumrungrad Hospital PCL                  | 693,438                             |
| 1,680,000      | Serba Dinamik Holdings Bhd               | 679,730                             |
| 550,000        | Maxis Bhd                                | 616,462                             |
| 1,450,000      | Unilever Indonesia Tbk PT                | 604,600                             |
| 568,300        | Mi Technovation Bhd                      | 588,323                             |
| 1,138,100      | Axis Real Estate Investment Trust (REIT) | 557,922                             |
| 300,000        | KCE Electronics PCL NVDR                 | 546,036                             |
| 400,000        | Top Glove Corp Bhd                       | 527,340                             |
| 3,600,000      | Datasonic Group Bhd                      | 518,331                             |
| 700,000        | Padini Holdings Bhd                      | 501,061                             |
| 1,010,000      | Sino-Thai Engineering & Construction PCL | 448,321                             |

The Material Portfolio Changes reflect the aggregate purchases of a security exceeding one per cent of the total value of purchases for the financial year and aggregate disposals greater than one per cent of the total value of the sales for the financial year.

**PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

**SUPPLEMENTARY INFORMATION (UNAUDITED)  
For the financial year ended 31 December 2021  
STATEMENT OF MATERIAL PORTFOLIO CHANGES (continued)**

**Global Sukuk Fund**

| <b>Nominal</b> | <b>Security Description</b>                                     | <b>Major Purchases</b> |
|----------------|---|------------------------|
|                |   | <b>Cost USD</b>        |
| 1,000,000      | Perusahaan Penerbit SBSN Indonesia III 'REGS' 2.800% 23/06/2030 | 1,028,550              |
| 1,000,000      | Axiata SPV2 Bhd 'EMTN' 2.163% 19/08/2030                        | 1,001,250              |
| 750,000        | Perusahaan Penerbit SBSN Indonesia III 'REGS' 3.800% 23/06/2050 | 836,250                |
| 750,000        | Sharjah Sukuk Program Ltd 3.234% 23/10/2029                     | 798,375                |
| 500,000        | DIFC Sukuk Ltd 4.325% 12/11/2024                                | 539,125                |
| 500,000        | Malaysia Wakala Sukuk Bhd 'REGS' 3.075% 28/04/2051              | 509,000                |
| 500,000        | SA Global Sukuk Ltd 'REGS' 2.694% 17/06/2031                    | 506,250                |
| 500,000        | NCB Tier 1 Sukuk Ltd FRN (Perpetual) 3.500% 26/07/2170          | 500,825                |
| 400,000        | Oman Sovereign Sukuk Co 'REGS' 4.875% 15/06/2030                | 405,400                |
| 250,000        | Saudi Telecom Co 'REGS' 3.890% 13/05/2029                       | 279,063                |
| 250,000        | MAF Sukuk Ltd 'EMTN' 3.933% 28/02/2030                          | 276,750                |
| 250,000        | DP World Crescent Ltd 'EMTN' 3.875% 18/07/2029                  | 272,813                |
| 250,000        | Fab Sukuk Co Ltd 3.875% 22/01/2024                              | 270,000                |
| 250,000        | DAE Sukuk Difc Ltd 'REGS' 3.750% 15/02/2026                     | 265,375                |
| 250,000        | DIB Tier 1 Sukuk 4 Ltd FRN (Perpetual) 4.625% 19/05/2170        | 262,750                |
| 250,000        | SIB Sukuk Co III Ltd 2.850% 23/06/2025                          | 261,000                |
| 250,000        | Perusahaan Penerbit SBSN Indonesia III 'REGS' 3.550% 09/06/2051 | 255,500                |
| 250,000        | QIB Sukuk Ltd 1.950% 27/10/2025                                 | 252,875                |
| 250,000        | Saudi Electricity Global Sukuk Co 5 1.740% 17/09/2025           | 252,625                |
| 250,000        | Dukhan Tier 1 Sukuk Ltd FRN (Perpetual) 3.950% 14/01/2171       | 252,500                |
| 250,000        | EI Sukuk Co Ltd 1.827% 23/09/2025                               | 250,313                |
| 250,000        | EI Sukuk Co Ltd 'EMTN' 2.082% 02/11/2026                        | 250,000                |
| 250,000        | Sharjah Sukuk Program Ltd 3.200% 13/07/2031                     | 250,000                |
| 250,000        | Kt21 T2 Co Ltd FRN 6.125% 16/12/2031                            | 250,000                |
| 250,000        | Perusahaan Penerbit SBSN Indonesia III 'REGS' 2.550% 09/06/2031 | 250,000                |
| 250,000        | Warba Tier 1 Sukuk 2 Ltd FRN (Perpetual) 4.000% 29/05/2170      | 250,000                |
| 250,000        | Arabian Centres Sukuk II Ltd 'REGS' 5.625% 07/10/2026           | 250,000                |
| 250,000        | KFH Tier 1 Sukuk Ltd FRN (Perpetual) 3.600% 30/12/2170          | 250,000                |
| 250,000        | Ahli United Sukuk Ltd FRN (Perpetual) 3.875% 17/12/2170         | 250,000                |
| 250,000        | Hazine Mustesarligi Varlik Kiralama AS 'REGS' 5.125% 22/06/2026 | 250,000                |
| 200,000        | DP World Crescent Ltd 'REGS' 4.848% 26/09/2028                  | 230,600                |
| 200,000        | MAF Sukuk Ltd 4.500% 03/11/2025                                 | 220,500                |

The Material Portfolio Changes reflect the aggregate purchases of a security exceeding one per cent of the total value of purchases for the financial year and aggregate disposals greater than one per cent of the total value of the sales for the financial year.

**PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

**SUPPLEMENTARY INFORMATION (UNAUDITED)  
For the financial year ended 31 December 2021  
STATEMENT OF MATERIAL PORTFOLIO CHANGES (continued)**

**Global Sukuk Fund (continued)**

| <b>Nominal</b> | <b>Security Description</b>  | <b>Major Sales<br/>Proceeds USD</b> |
|----------------|--|-------------------------------------|
| 2,750,000      | Tabreed Sukuk Spc Ltd 5.500% 31/10/2025                              | 3,181,000                           |
| 2,750,000      | Aldar Sukuk No 2 Ltd 3.875% 22/10/2029                               | 2,963,400                           |
| 2,100,000      | Saudi Electricity Global Sukuk Co 3 'REGS' 5.500% 08/04/2044         | 2,677,188                           |
| 2,500,000      | MAF Sukuk Ltd 'EMTN' 3.933% 28/02/2030                               | 2,676,275                           |
| 2,450,000      | DAE Sukuk Dife Ltd 'REGS' 3.750% 15/02/2026                          | 2,529,575                           |
| 2,250,000      | Perusahaan Penerbit SBSN Indonesia III 'REGS' 4.350% 10/09/2024      | 2,504,250                           |
| 2,250,000      | Almarai Sukuk Ltd 4.311% 05/03/2024                                  | 2,427,888                           |
| 2,250,000      | Sharjah Sukuk Program Ltd 'EMTN' 3.854% 03/04/2026                   | 2,412,805                           |
| 1,950,000      | DP World Crescent Ltd 'REGS' 4.848% 26/09/2028                       | 2,197,755                           |
| 2,000,000      | Sharjah Sukuk Program Ltd 'EMTN' 4.226% 14/03/2028                   | 2,175,020                           |
| 2,000,000      | QIB Sukuk Ltd 'EMTN' 3.982% 26/03/2024                               | 2,147,250                           |
| 2,000,000      | SIB Tier 1 Sukuk Co FRN (Perpetual) 5.000% 02/01/2170                | 2,100,813                           |
| 1,750,000      | MAF Sukuk Ltd 4.638% 14/05/2029                                      | 1,961,280                           |
| 1,750,000      | Mazoon Assets Co SAOC 'REGS' 5.200% 08/11/2027                       | 1,841,063                           |
| 1,550,000      | DP World Salaam FRN (Perpetual) 6.000% 01/01/2171                    | 1,671,688                           |
| 1,500,000      | DIB Tier 1 Sukuk 4 Ltd FRN (Perpetual) 4.625% 19/05/2170             | 1,573,100                           |
| 1,500,000      | KIB Tier 1 Sukuk Ltd FRN (Perpetual) 5.625% 10/12/2169               | 1,570,875                           |
| 1,470,000      | Arab National Bank FRN 3.326% 28/10/2030                             | 1,511,115                           |
| 1,000,000      | CBB International Sukuk Programme Co WLL 'REGS' 3.950%<br>16/09/2027 | 1,014,500                           |
| 1,000,000      | Perusahaan Penerbit SBSN Indonesia III 'REGS' 2.800% 23/06/2030      | 1,009,250                           |
| 1,000,000      | Dubai DOF Sukuk Ltd 'EMTN' 2.763% 09/09/2030                         | 1,006,000                           |
| 1,000,000      | Axiata SPV2 Bhd 'EMTN' 2.163% 19/08/2030                             | 969,000                             |
| 800,000        | Aldar Sukuk Ltd 4.750% 29/09/2025                                    | 893,900                             |
| 750,000        | Perusahaan Penerbit SBSN Indonesia III 'REGS' 3.800% 23/06/2050      | 795,350                             |
| 750,000        | DP World Crescent Ltd 'EMTN' 3.875% 18/07/2029                       | 791,100                             |
| 750,000        | QIIB Tier 1 Sukuk Ltd FRN (Perpetual) 4.875% 20/05/2170              | 782,375                             |
| 750,000        | Warba Tier 1 Sukuk Ltd FRN (Perpetual) 6.500% 14/09/2169             | 770,625                             |
| 750,000        | Sharjah Sukuk Program Ltd 3.234% 23/10/2029                          | 763,000                             |
| 650,000        | DIB Sukuk Ltd 'EMTN' 2.950% 16/01/2026                               | 681,850                             |
| 500,000        | Saudi Electricity Global Sukuk Co 4 4.723% 27/09/2028                | 581,155                             |

The Material Portfolio Changes reflect the aggregate purchases of a security exceeding one per cent of the total value of purchases for the financial year and aggregate disposals greater than one per cent of the total value of the sales for the financial year.

**PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

**SUPPLEMENTARY INFORMATION (UNAUDITED)  
For the financial year ended 31 December 2021  
STATEMENT OF MATERIAL PORTFOLIO CHANGES (continued)**

**Islamic Asia Pacific Dynamic Income & Growth Fund**

| <b>Nominal</b> | <b>Security Description</b>                   | <b>Major Purchases<br/>Cost USD</b> |
|----------------|---|-------------------------------------|
| 92,266         | Samsung Electronics Co Ltd - Preference       | 5,619,146                           |
| 155,000        | Taiwan Semiconductor Manufacturing Co Ltd     | 3,330,579                           |
| 4,692          | ASML Holding NV NY Reg Shrs                   | 3,199,424                           |
| 6,617          | Sea Ltd ADR                                   | 1,831,674                           |
| 63,537         | Reliance Industries Ltd                       | 1,778,539                           |
| 43,557         | Airtac International Group                    | 1,614,670                           |
| 823,000        | Singapore Telecommunications Ltd              | 1,491,995                           |
| 5,691,500      | Telkom Indonesia Persero Tbk PT               | 1,392,184                           |
| 57,500         | Shenzhou International Group Holdings Ltd     | 1,372,931                           |
| 1,861,200      | NetLink NBN Trust                             | 1,330,585                           |
| 35,766         | Asian Paints Ltd                              | 1,298,548                           |
| 169,000        | Li Ning Co Ltd                                | 1,268,195                           |
| 54,800         | WuXi AppTec Co Ltd '144A'                     | 1,155,049                           |
| 120,400        | Link REIT (Units) (REIT)                      | 1,123,849                           |
| 22,500         | China Tourism Group Duty Free Corp Ltd        | 1,120,854                           |
| 13,800         | Tencent Holdings Ltd                          | 1,114,026                           |
| 50,740         | Titan Co Ltd                                  | 1,100,300                           |
| 1,440,900      | Bangkok Dusit Medical Services PCL NVDR       | 1,056,739                           |
| 2,185,600      | My EG Services Bhd                            | 1,048,631                           |
| 5,350          | New Oriental Education & Technology Group Inc | 999,434                             |
| 27,000         | MediaTek Inc                                  | 951,471                             |
| 23,095         | Apollo Hospitals Enterprise Ltd               | 944,250                             |
| 7,618          | SK Hynix Inc                                  | 916,951                             |
| 29,400         | Alibaba Group Holding Ltd                     | 877,989                             |
| 203,500        | China Conch Venture Holdings Ltd              | 847,287                             |
| 63,600         | Longi Green Energy Technol-A Cny 1.0000       | 846,496                             |
| 105,664        | Dabur India Ltd                               | 844,967                             |
| 19,860         | Tata Consultancy Services Ltd                 | 834,522                             |
| 3,775          | CSL Ltd                                       | 814,258                             |
| 42,376         | OZ Minerals Ltd                               | 783,827                             |
| 100,596        | Container Corp Of India Ltd                   | 773,233                             |
| 45,000         | Techtronic Industries Co Ltd                  | 718,862                             |
| 346,400        | Airports of Thailand PCL (Foreign Market)     | 718,713                             |
| 51,149         | Shenzhen Inovance Technolo-A Cny 1.0000       | 713,888                             |
| 2,578          | POSCO   | 691,624                             |
| 16,663         | NIO Inc ADR                                   | 661,541                             |
| 13,240         | Ramsay Health Care Ltd                        | 651,101                             |
| 799            | LG Chem Ltd                                   | 626,913                             |
| 4,900          | Hoya Corp                                     | 623,360                             |
| 40,600         | Midea Group Co Ltd                            | 566,880                             |

The Material Portfolio Changes reflect the aggregate purchases of a security exceeding one per cent of the total value of purchases for the financial year and aggregate disposals greater than one per cent of the total value of the sales for the financial year.

**PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

**SUPPLEMENTARY INFORMATION (UNAUDITED)  
For the financial year ended 31 December 2021  
STATEMENT OF MATERIAL PORTFOLIO CHANGES (continued)**

**Islamic Asia Pacific Dynamic Income & Growth Fund (continued)**

| <b>Nominal</b> | <b>Security Description</b>                       | <b>Major Sales<br/>Proceeds USD</b> |
|----------------|---|-------------------------------------|
| 4,317          | ASML Holding NV NY Reg Shrs                       | 3,070,476                           |
| 42,886         | Samsung Electronics Co Ltd - Preference           | 2,651,606                           |
| 9,206          | Sea Ltd ADR                                       | 2,603,128                           |
| 103,000        | Taiwan Semiconductor Manufacturing Co Ltd         | 2,165,579                           |
| 48,000         | Airtac International Group                        | 1,737,271                           |
| 87,840         | WuXi AppTec Co Ltd '144A'                         | 1,689,803                           |
| 145,500        | Li Ning Co Ltd                                    | 1,281,756                           |
| 16,729         | Apollo Hospitals Enterprise Ltd                   | 861,691                             |
| 2,185,600      | My EG Services Bhd                                | 851,363                             |
| 32,000         | Shenzhou International Group Holdings Ltd         | 842,257                             |
| 23,000         | MediaTek Inc                                      | 814,850                             |
| 54,700         | New Oriental Education & Technology Group Inc     | 772,434                             |
| 21,000         | Meituan - Class B '144A'                          | 765,134                             |
| 22,500         | China Tourism Group Duty Free Corp Ltd            | 740,162                             |
| 9,500          | Tencent Holdings Ltd                              | 709,229                             |
| 8,700          | Murata Manufacturing Co Ltd                       | 696,053                             |
| 36,976         | Infosys Ltd ADR                                   | 687,421                             |
| 146,000        | China Conch Venture Holdings Ltd                  | 682,245                             |
| 3,457          | New Oriental Education & Technology Group Inc ADR | 626,028                             |
| 21,195         | BHP Group Ltd                                     | 605,526                             |
| 16,067         | Asian Paints Ltd                                  | 595,412                             |
| 678            | NVIDIA Corp                                       | 522,254                             |
| 21,478         | Titan Co Ltd                                      | 491,654                             |
| 23,500         | Techtronic Industries Co Ltd                      | 486,350                             |
| 218,000        | Xinyi Solar Holdings Ltd                          | 452,597                             |
| 306,100        | United Tractors Tbk PT                            | 448,548                             |
| 40,600         | Midea Group Co Ltd                                | 436,900                             |
| 1,677          | Hyundai Mobis Co Ltd                              | 424,518                             |
| 6,205          | Samsung Electronics Co Ltd                        | 399,638                             |
| 110,000        | Xinyi Glass Holdings Ltd                          | 356,613                             |

The Material Portfolio Changes reflect the aggregate purchases of a security exceeding one per cent of the total value of purchases for the financial year and aggregate disposals greater than one per cent of the total value of the sales for the financial year.

**PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

**SUPPLEMENTARY INFORMATION (UNAUDITED)  
For the financial year ended 31 December 2021  
STATEMENT OF MATERIAL PORTFOLIO CHANGES (continued)**

**Islamic Global Multi-Asset Fund\***

| <b>Nominal</b> | <b>Security Description</b>                                     | <b>Major Purchases<br/>Cost USD</b> |
|----------------|---|-------------------------------------|
| 500,000        | Malaysia Wakala Sukuk Bhd 'REGS' 3.075% 28/04/2051              | 509,000                             |
| 500,000        | Emaar Sukuk Ltd 'EMTN' 3.700% 06/07/2031                        | 507,125                             |
| 500,000        | Oman Sovereign Sukuk Co 'REGS' 4.875% 15/06/2030                | 506,750                             |
| 500,000        | KFH Tier 1 Sukuk Ltd FRN (Perpetual) 3.600% 30/12/2170          | 500,000                             |
| 3,406          | Taiwan Semiconductor Manufacturing Co Ltd ADR                   | 379,956                             |
| 350,000        | DAE Sukuk Dfc Ltd 'REGS' 3.750% 15/02/2026                      | 362,250                             |
| 2,043          | Johnson & Johnson   | 329,359                             |
| 2,408          | Procter & Gamble Co/The   | 314,581                             |
| 2,752          | Nestle SA   | 307,623                             |
| 250,000        | Tabreed Sukuk Spc Ltd 5.500% 31/10/2025                         | 286,500                             |
| 250,000        | Senaat Sukuk Ltd 4.760% 05/12/2025                              | 284,250                             |
| 250,000        | Saudi Telecom Co 'REGS' 3.890% 13/05/2029                       | 279,063                             |
| 250,000        | MAF Sukuk Ltd 'EMTN' 3.933% 28/02/2030                          | 276,750                             |
| 250,000        | Saudi Electricity Global Sukuk Co 4 4.222% 27/01/2024           | 271,250                             |
| 250,000        | Almarai Sukuk Ltd 4.311% 05/03/2024                             | 270,875                             |
| 250,000        | AHB Sukuk Co Ltd 4.375% 19/09/2023                              | 270,250                             |
| 250,000        | QIB Sukuk Ltd 'EMTN' 3.982% 26/03/2024                          | 269,500                             |
| 250,000        | DP World Salaam FRN (Perpetual) 6.000% 01/01/2171               | 269,500                             |
| 250,000        | DIFC Sukuk Ltd 4.325% 12/11/2024                                | 269,500                             |
| 250,000        | DP World Crescent Ltd 'REGS' 3.908% 31/05/2023                  | 264,063                             |
| 250,000        | Perusahaan Penerbit SBSN Indonesia III 'REGS' 3.750% 01/03/2023 | 264,000                             |
| 250,000        | SIB Tier 1 Sukuk Co FRN (Perpetual) 5.000% 02/01/2170           | 263,500                             |
| 250,000        | Mazoon Assets Co SAOC 'REGS' 5.200% 08/11/2027                  | 262,875                             |
| 250,000        | DIB Tier 1 Sukuk 4 Ltd FRN (Perpetual) 4.625% 19/05/2170        | 262,750                             |
| 250,000        | KIB Tier 1 Sukuk Ltd FRN (Perpetual) 5.625% 10/12/2169          | 262,000                             |
| 250,000        | Esic Sukuk Ltd 'EMTN' 3.939% 30/07/2024                         | 261,875                             |
| 250,000        | DIB Sukuk Ltd 3.625% 06/02/2023                                 | 261,250                             |
| 250,000        | Nogaholding Sukuk Ltd 'REGS' 5.250% 08/04/2029                  | 260,625                             |
| 250,000        | Oman Sovereign Sukuk Co 'REGS' 4.397% 01/06/2024                | 259,625                             |
| 250,000        | Arab National Bank FRN 3.326% 28/10/2030                        | 257,500                             |
| 250,000        | Warba Tier 1 Sukuk Ltd FRN (Perpetual) 6.500% 14/09/2169        | 257,000                             |
| 250,000        | Perusahaan Penerbit SBSN Indonesia III 'REGS' 3.550% 09/06/2051 | 255,500                             |
| 250,000        | Riyad Sukuk Ltd FRN 3.174% 25/02/2030                           | 255,250                             |
| 250,000        | DIB Sukuk Ltd 'EMTN' 1.959% 22/06/2026                          | 250,000                             |
| 250,000        | EI Sukuk Co Ltd 'EMTN' 2.082% 02/11/2026                        | 250,000                             |
| 250,000        | Hazine Mustesarligi Varlik Kiralama AS 'REGS' 5.125% 22/06/2026 | 250,000                             |
| 250,000        | Kt21 T2 Co Ltd FRN 6.125% 16/12/2031                            | 250,000                             |
| 250,000        | Sharjah Sukuk Program Ltd 3.200% 13/07/2031                     | 250,000                             |



**PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**  
**SUPPLEMENTARY INFORMATION (UNAUDITED)**  
**For the financial year ended 31 December 2021**  
**STATEMENT OF MATERIAL PORTFOLIO CHANGES (continued)**

**Islamic Global Multi-Asset Fund\* (continued)**

| <b>Nominal</b> | <b>Security Description</b>                                | <b>Major Purchases</b> |
|----------------|--|------------------------|
|                |  | <b>Cost USD</b>        |
| 250,000        | Warba Tier 1 Sukuk 2 Ltd FRN (Perpetual) 4.000% 29/05/2170 | 250,000                |
| 250,000        | SA Global Sukuk Ltd 'REGS' 2.694% 17/06/2031               | 250,000                |
| 250,000        | Ahli United Sukuk Ltd FRN (Perpetual) 3.875% 17/12/2170    | 250,000                |
| 533            | Adobe Inc  | 247,754                |
| 748            | Roche Holding AG   | 245,524                |
| 360            | Thermo Fisher Scientific Inc                               | 238,850                |
| 2,204          | Chevron Corp   | 229,004                |
| 1,053          | salesforce.com Inc   | 226,532                |
| 200,000        | Aldar Sukuk Ltd 4.750% 29/09/2025                          | 223,800                |
| 200,000        | MAF Sukuk Ltd 4.500% 03/11/2025                            | 219,700                |

\*Islamic Global Multi-Asset Fund launched on 23 March 2021.

The Material Portfolio Changes reflect the aggregate purchases of a security exceeding one per cent of the total value of purchases for the financial year and aggregate disposals greater than one per cent of the total value of the sales for the financial year.

**PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

**SUPPLEMENTARY INFORMATION (UNAUDITED)  
For the financial year ended 31 December 2021  
STATEMENT OF MATERIAL PORTFOLIO CHANGES (continued)**

**Islamic Global Multi-Asset Fund\*(continued)**

| <b>Nominal</b> | <b>Security Description</b>                                     | <b>Major Sales<br/>Cost USD</b> |
|----------------|---|---------------------------------|
| 500,000        | Malaysia Wakala Sukuk Bhd 'REGS' 3.075% 28/04/2051              | 510,500                         |
| 250,000        | Tabreed Sukuk Spc Ltd 5.500% 31/10/2025                         | 289,375                         |
| 250,000        | Senaat Sukuk Ltd 4.760% 05/12/2025                              | 283,150                         |
| 250,000        | Almarai Sukuk Ltd 4.311% 05/03/2024                             | 269,688                         |
| 250,000        | DIFC Sukuk Ltd 4.325% 12/11/2024                                | 268,938                         |
| 250,000        | QIB Sukuk Ltd 'EMTN' 3.982% 26/03/2024                          | 268,875                         |
| 250,000        | AHB Sukuk Co Ltd 4.375% 19/09/2023                              | 268,250                         |
| 250,000        | Perusahaan Penerbit SBSN Indonesia III 'REGS' 3.750% 01/03/2023 | 263,750                         |
| 250,000        | Oman Sovereign Sukuk Co 'REGS' 4.397% 01/06/2024                | 261,875                         |
| 250,000        | Esic Sukuk Ltd 'EMTN' 3.939% 30/07/2024                         | 261,500                         |
| 250,000        | SIB Tier 1 Sukuk Co FRN (Perpetual) 5.000% 02/01/2170           | 261,250                         |
| 250,000        | DIB Sukuk Ltd 3.625% 06/02/2023                                 | 261,000                         |
| 250,000        | KIB Tier 1 Sukuk Ltd FRN (Perpetual) 5.625% 10/12/2169          | 259,063                         |
| 250,000        | Warba Tier 1 Sukuk Ltd FRN (Perpetual) 6.500% 14/09/2169        | 256,563                         |
| 250,000        | Oman Sovereign Sukuk Co 'REGS' 4.875% 15/06/2030                | 255,625                         |
| 250,000        | SA Global Sukuk Ltd 'REGS' 2.694% 17/06/2031                    | 251,875                         |
| 250,000        | Sharjah Sukuk Program Ltd 3.200% 13/07/2031                     | 249,250                         |
| 200,000        | MAF Sukuk Ltd 4.500% 03/11/2025                                 | 222,000                         |
| 1,550          | Nestle SA   | 215,555                         |
| 200,000        | Fab Sukuk Co Ltd 3.875% 22/01/2024                              | 215,400                         |
| 200,000        | CBB International Sukuk Co 5 Spc 'REGS' 5.624% 12/02/2024       | 212,800                         |
| 200,000        | Perusahaan Penerbit SBSN Indonesia III 'REGS' 2.550% 09/06/2031 | 199,200                         |
| 741            | Target Corp   | 173,756                         |
| 2,475          | Vestas Wind Systems A/S   | 97,889                          |
| 1,103          | SK Hynix Inc  | 97,458                          |
| 574            | Take-Two Interactive Software Inc                               | 93,092                          |
| 468            | Lowe's Cos Inc  | 91,297                          |
| 262            | Paycom Software Inc   | 87,335                          |
| 3,051          | SKF AB  | 83,289                          |
| 1,300          | MEIJI Holdings Co Ltd   | 80,465                          |
| 1,000          | Magna International Inc   | 76,320                          |
| 2,036          | Ambu A/S - Class B  | 74,442                          |
| 3,285          | Antofagasta PLC   | 73,274                          |

\*Islamic Global Multi-Asset Fund launched on 23 March 2021.

The Material Portfolio Changes reflect the aggregate purchases of a security exceeding one per cent of the total value of purchases for the financial year and aggregate disposals greater than one per cent of the total value of the sales for the financial year.

## PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.

### UCITS V Remuneration Policy (UNAUDITED)

#### UCITS V Remuneration Policy

Regulation 89(3A) of the UCITS Regulations (as introduced pursuant to the UCITS V Regulations on 21 March 2016) requires that the annual report of the Company contains certain disclosures on remuneration paid by the Company to its staff during the financial year and details of any material changes to the Company's remuneration policy made during the period. In this regard, the following points are to be noted:

The Company has prepared a remuneration policy outlining how it adheres to the remuneration requirements set out in the UCITS Regulations. This policy was adopted with effect from 18 March 2016.

An annual review was undertaken of the remuneration policy during the financial year and no material changes have been made to the remuneration policy during the financial year.

The Company has no employees or staff that it employs and pays directly. The Company has a Board of Directors, two of whom are employees of Principal and receive no remuneration from the Company. The remaining three directors, each of whom is independent, receive a fixed fee only for the year ended 31 December 2021: USD40,791 in aggregate and do not receive variable remuneration. These fees are set at a level that reflects the qualifications and contribution required taking into account the Company's size, internal organisation and the nature, scope and complexity of its activities.

The Company delegates certain portfolio management activities to Principal Islamic Asset Management Sdn Bhd, (the “**Delegate**”) and to Principal Asset Management Berhad (the “**Sub-Delegate**”)

The Delegate has calculated that, in aggregate, it pays its relevant staff the following in relation to the functions it performs in respect of the Company: An aggregate amount of 108,095, with no received performance fees. This amount is applied across 5 members of staff at the Delegate and is apportioned as approximately 80,442 in aggregate fixed remuneration and 27,653 in aggregate variable remuneration. In accordance with applicable European regulation and guidance, these figures are calculated on the basis of fee income received by the Delegate in relation to the Company and how this correlates with the relevant staff's remuneration. Further, these figures relate only to the proportion of the relevant staff's remuneration that is estimated to be attributed, on a pro rata basis, to the functions such staff perform for the Delegate in relation to the Company.

**PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

**Securities Financing Transactions Regulation (SFTR)  
Annual Report Disclosures (UNAUDITED)**

**Securities Financing Transactions Regulation (SFTR)**

During the financial year ended 31 December 2021 to which this Report relates, the Company did not engage in transactions which are the subject of EU regulations No. 2015/2365 on the transparency of securities financing transactions of reuse. Accordingly, no global, concentration or transactions data, or information on the reuse or safekeeping of collateral is required to be reported.

**PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

**Sustainable Finance Disclosure Regulation (“SFDR”) (Unaudited)**

The European Union has introduced a series of legal measures (the primary one being SFDR) requiring firms that manage investment funds to provide transparency on how they integrate sustainability considerations into the investment process with respect to the investment funds they manage.

Each Fund is classified as a Mainstream Fund and is therefore not subject to any additional disclosure requirements for financial products referred to in SFDR and does not take into account the EU criteria for environmentally sustainable economic activities as set out in SFDR.

## PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.

### DIRECTORY (UNAUDITED)

#### DIRECTORS OF THE COMPANY

Ms. Chooi Wan Chong\* (Malaysian)  
Mr. John O'Connell\* (Irish)  
Mr. Mushtak Parker\* (South African)  
Mr. Greg Thornton (British) (Resigned 30 September 2021)  
Ms. Aleda Anderson (American) (Appointed 19 October 2021)  
Mr. David Shubotham\* (Irish) (Resigned 1 December 2021)

#### REGISTERED OFFICE

Principal Islamic Asset Management (Ireland) p.l.c  
70 Sir John Rogerson's Quay (Effective from 6 July 2021)  
Dublin 2, D02 R296  
Ireland

Principal Islamic Asset Management (Ireland) p.l.c  
32 Molesworth Street (Effective until 6 July 2021)  
Dublin 2  
Ireland

#### DEPOSITARY

The Bank of New York Mellon SA/NV, Dublin Branch  
Riverside II  
Sir John Rogerson's Quay  
Grand Canal Dock  
Dublin 2  
Ireland

#### INDEPENDENT AUDITOR

PricewaterhouseCoopers  
Chartered Accountants and Registered Auditors  
One Spencer Dock  
North Wall Quay  
Dublin 1  
Ireland

#### COMPANY SECRETARY

Matsack Trust Limited (Effective from 6 July 2021)  
70 Sir John Rogerson's Quay  
Dublin 2, D02 R296  
Ireland

MFD Secretaries Limited (Effective until 6 July 2021)  
32 Molesworth Street  
Dublin 2  
Ireland

#### ADMINISTRATOR

BNY Mellon Fund Services (Ireland) Designated Activity  
Company  
One Dockland Central  
Guild Street, International Financial Services Centre  
Dublin 1  
Ireland

#### LEGAL ADVISERS

Matheson (Effective from 6 July 2021)  
70 Sir John Rogerson's Quay  
Dublin 2, D02 R296  
Ireland

Maples and Calder (Effective until 6 July 2021)  
75 St Stephens Green  
Dublin 2  
Ireland

#### SUB-INVESTMENT ADVISER

Principal Asset Management Berhad  
10<sup>th</sup> Floor Bangunan CIMB  
Jalan Semantan  
Damansara Heights  
50490 Kuala Lumpur  
Malaysia

Principal Asset Management (S) Pte Ltd  
50 Raffles Place  
#22-03A&B Singapore Land Tower  
Singapore 048623

Principle Global Investors (Hong Kong) Limited\*\*  
Unit 1001-02, 10/F.  
Central Plaza  
18 Harbour Road Wanchai Hong Kong  
Hong Kong

#### SHARIAH ADVISER

Amanie Advisors Sdn Bhd  
Level 13A-2 Menara Tokio Marine Life  
189, Jalan Tun Razak  
50400 Kuala Lumpur  
Malaysia

\* Denotes independent non-executive Director.

\*\* The Investment Manager appointed Principal Global Investors (Hong Kong) Limited to act as discretionary Sub-Investment Advisers to the Islamic Global Multi-Asset Fund on 23 March 2021.

## **PRINCIPAL ISLAMIC ASSET MANAGEMENT (IRELAND) p.l.c.**

### **DIRECTORY (UNAUDITED) (continued)**

#### **INVESTMENT MANAGER**

Principal Islamic Asset Management Sdn Bhd  
10<sup>th</sup> Floor Bangunan CIMB  
Jalan Semantan  
Damansara Heights  
50490 Kuala Lumpur  
Malaysia

#### **Information for investors in Switzerland**

Principal Islamic Asset Management (Ireland) p.l.c. comprises investment funds set up under the laws of the Republic of Ireland. The Swiss Representative is ACOLIN Fund Services AG, Affolternstrasse 56, CH-8050 Zürich. The Swiss Paying Agent is Banque Cantonale de Genève, Case Postale 2251, Quai de l'Île 17 - CP 2251, 1211 Genève 2. The Fund related activities of the Representative and Paying Agent are Affolternstrasse 56, CH-8050 Zürich, Switzerland. Communications to the Swiss Representative are to be made to the Zurich branch. Payments to the Swiss Paying Agent are also to be addressed to the Genève branch. The Memorandum and Articles of Association, Prospectus, Supplements, key investor information documents ("KIID"), annual and semi-annual reports as well as a list of purchases and sales made on behalf of Principal Islamic Asset Management (Ireland) p.l.c. can be obtained free of charge at the Zurich branch of the Representative and Paying Agent during ordinary business hours.



[principalislamic.com](http://principalislamic.com)