

PRINCIPAL CHINA QUALITY GROWTH FUND

ANNUAL REPORT

**FOR THE FINANCIAL PERIOD FROM 26 AUGUST 2024 (DATE OF LAUNCH) TO 30 SEPTEMBER
2025**

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INVESTORS' LETTER

Dear Valued Investor,

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

We are pleased to bring you a copy of the Annual Fund Report of the Principal China Quality Growth Fund for the financial period from 26 August 2024 (date of launch) to 30 September 2025. You may also download this report from our website at www.principal.com.my.

We are proud of our 2025 achievements, made possible by your trust. These include being recognised as Asset Management Company of the Year (Malaysia) by The Asset Triple A Sustainable Investing Awards, receiving EPF's Best International Equity Fund Manager award for our MSCI EM Latin America performance, and sweeping various categories at the LSEG Lipper Fund Awards 2025.

Adding to this impressive roster, we were honoured to receive three prestigious awards at Alpha Southeast Asia's 16th Fund Management Awards 2025 and clinched seven awards at the FSMOne Recommended Unit Trusts Awards Ceremony 2025/26, further cementing our commitment to delivering exceptional investment solutions.

Building on our recent achievements, Principal Malaysia was the recipient of over 30 prestigious awards throughout 2024, spanning categories from fund performance and asset management excellence to ESG leadership and digital innovation. For the complete list of awards, please visit: <https://www.principal.com.my/en/awards-recognition/my>

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

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

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

Munirah Khairuddin

Chief Executive Officer & Head of Principal Asset Management Berhad (Group of Companies),
and Managing Director Strategic Distribution & Institutional Client Relations
(Southeast Asia & Global Shariah)
Non-Independent Executive Director

MANAGER'S REPORT

FUND OBJECTIVE AND POLICY

What is the investment objective of the Fund?

The Fund aims to achieve capital appreciation through investments in one (1) collective investment scheme, which invests primarily in People's Republic of China equity securities including but not limited to China A-Shares listed on People's Republic of China stock exchanges.

Has the Fund achieved its objective?

During the financial period under review, the Fund remains aligned with its long-term objective as outlined in the Fund objective section.

What are the Fund investment policy and principal investment strategy?

The Fund is a feeder fund and it invests in a single CIS, i.e. JPMorgan China Pioneer A-Share Fund ("Target Fund"). The Fund may also invest in liquid assets for liquidity purpose.

In order to achieve its investment objective, the Fund will invest at least 95% of its NAV in the Target Fund and may also invest up to 5% of its NAV in liquid assets for liquidity purpose. The Target Fund was established on 19 June 2006 under JPMorgan Funds domiciled in Hong Kong.

Information on the Target Fund

Target Fund	: JPMorgan China Pioneer A-Share Fund
Share Class	: USD
Company	: JPMorgan Funds (Asia) Limited.
Management Company	: JPMorgan Asset Management (Asia Pacific) Limited
Investment Manager	: China International Fund Management Co., Ltd.
Regulatory Authority	: Securities and Futures Commission ("SFC")

Base Currency

US Dollar ("USD")

Fund category/ type

Feeder fund/Growth

When was the Fund launched?

Name of Class	Launch Date
Class AUD-Hedged	26 August 2024
Class GBP-Hedged	26 August 2024
Class MYR-Hedged	26 August 2024
Class SGD-H-Hedged	26 August 2024
Class USD	26 August 2024

What was the size of the Fund as at 30 September 2025?

USD0.18 million (0.47 million units)

What is the Fund's benchmark?

The Target Fund's benchmark is the CSI 300 (Total Return Net).

MANAGER'S REPORT (CONTINUED)

FUND OBJECTIVE AND POLICY (CONTINUED)

What is the Fund distribution policy?

Given the Fund's investment objective, the class of the Fund is not expected to pay any distribution. Distributions, if any, are at our discretion and will vary from period to period depending on the availability of realised income for distribution and performance of the Fund.

What was the net income distribution for the financial period from 26 August 2024 (date of launch) to 30 September 2025?

There was no distribution made for the financial period from 26 August 2024 (date of launch) to 30 September 2025.

PERFORMANCE DATA

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

	30.09.2025
	%
Collective investment scheme	69.86
Cash and other assets	35.68
Liabilities	(5.54)
	<u>100.00</u>

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

	30.09.2025
NAV (USD Million)	
- Class AUD-H	0.00*
- Class GBP-H	0.00*
- Class MYR-H	0.13
- Class SGD-H	0.00*
- Class USD	0.05
Units in circulation (Million)	
- Class AUD-H	0.00*
- Class GBP-H	0.00*
- Class MYR-H	0.43
- Class SGD-H	0.00*
- Class USD	0.04
NAV per unit (USD)	
- Class AUD-H	0.8290
- Class GBP-H	1.7020
- Class MYR-H	0.2942
- Class SGD-H	0.9680
- Class USD	1.2899

*0.00 denotes value/unit less than 0.01 million.

26.08.2024
(date of launch)
to 30.09.2025

Highest NAV per unit (USD)	
- Class AUD-H	0.8382
- Class GBP-H	1.7210
- Class MYR-H	0.2975
- Class SGD-H	0.9790

PERFORMANCE DATA (CONTINUED)

Performance details of the Fund for the financial period were as follows: (continued)

	26.08.2024 (date of launch) to 30.09.2025
Highest NAV per unit (USD) (continued)	
- Class USD	1.3041
Lowest NAV per unit (USD)	
- Class AUD-H	0.5376
- Class GBP-H	1.1444
- Class MYR-H	0.1986
- Class SGD-H	0.6677
- Class USD	0.9189
Total return (%)	
- Class AUD-H	27.76
- Class GBP-H	28.19
- Class MYR-H	26.39
- Class SGD-H	25.99
- Class USD	29.31
Capital growth (%)	
- Class AUD-H	27.76
- Class GBP-H	28.19
- Class MYR-H	26.39
- Class SGD-H	25.99
- Class USD	29.31
Income distribution (%)	
- Class AUD-H	-
- Class GBP-H	-
- Class MYR-H	-
- Class SGD-H	-
- Class USD	-
Total Expense Ratio ("TER") (%)	4.51
Portfolio Turnover Ratio ("PTR") (times)	1.71
	30.09.2025
	%
Annual total return	
- Class AUD-H	27.76
- Class GBP-H	28.19
- Class MYR-H	26.39
- Class SGD-H	25.99
- Class USD	29.31

(Launch date: 26 August 2024)

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

MARKET REVIEW (26 AUGUST 2024 (DATE OF LAUNCH) TO 30 SEPTEMBER 2025)

China's domestic equity market experienced a volatile but gradually stabilizing environment over the review period. The early months were marked by subdued investor sentiment, driven by lingering concerns over property sector weakness, uneven consumer recovery, and global trade uncertainties. However, targeted policy support, including fiscal stimulus and liquidity measures helped cushion downside risks and restore some confidence. Equity valuations remained compressed for much of the period, reflecting cautious investor positioning and selective sector rotation.

Market breadth improved in the second half of the period, with increased participation across mid- and large-cap segments. Sectors tied to domestic consumption, advanced manufacturing, and innovation saw renewed interest, supported by policy incentives and improving earnings visibility. While structural challenges persisted, particularly in real estate and local government-linked industries investors began to re-engage with the market, focusing on quality and growth-oriented themes. Trading volumes and turnover rates also showed signs of recovery, indicating a more constructive risk appetite.

Liquidity conditions and regulatory clarity played a key role in shaping market dynamics. The central bank's accommodative stance helped anchor short-term rates and support equity valuations, while regulatory efforts to enhance transparency and corporate governance contributed to improved sentiment. Despite intermittent volatility, the domestic equity market demonstrated resilience, with signs of normalization in investor behavior and capital flows.

FUND PERFORMANCE

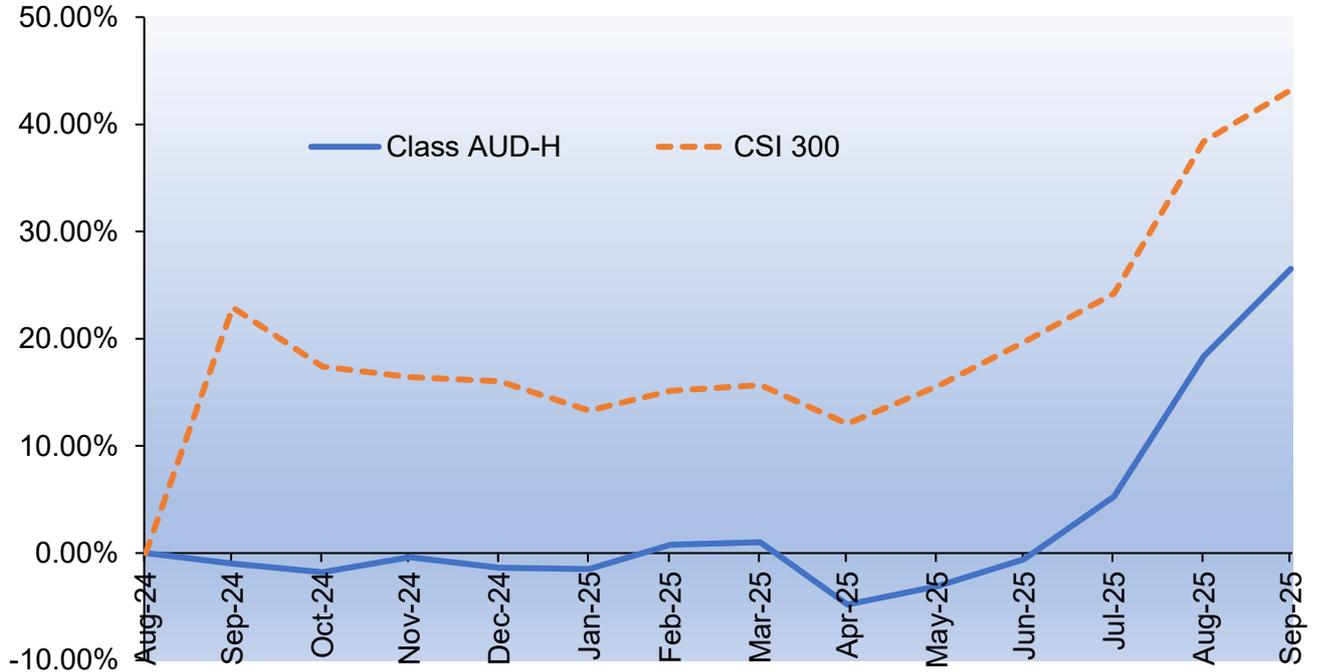
	1 year to 30.09.2025 %	Since inception to 30.09.2025 %
Income Distribution		
- Class AUD-H	-	-
- Class GBP-H	-	-
- Class MYR-H	-	-
- Class SGD-H	-	-
- Class USD	-	-
Capital Growth		
- Class AUD-H	27.76	26.52
- Class GBP-H	28.19	27.82
- Class MYR-H	26.39	25.10
- Class SGD-H	25.99	26.20
- Class USD	29.31	30.41
Total Return		
- Class AUD-H	27.76	26.52
- Class GBP-H	28.19	27.82
- Class MYR-H	26.39	25.10
- Class SGD-H	25.99	26.20
- Class USD	29.31	30.41
Benchmark		
- Class AUD-H	16.52	43.21
- Class GBP-H	16.52	43.21
- Class MYR-H	16.52	43.21
- Class SGD-H	16.52	43.21
- Class USD	16.52	43.21
Average Total Return		
- Class AUD-H	27.76	23.94
- Class GBP-H	28.19	25.10
- Class MYR-H	26.39	22.67
- Class SGD-H	25.99	23.66
- Class USD	29.31	27.42

FUND PERFORMANCE (CONTINUED)

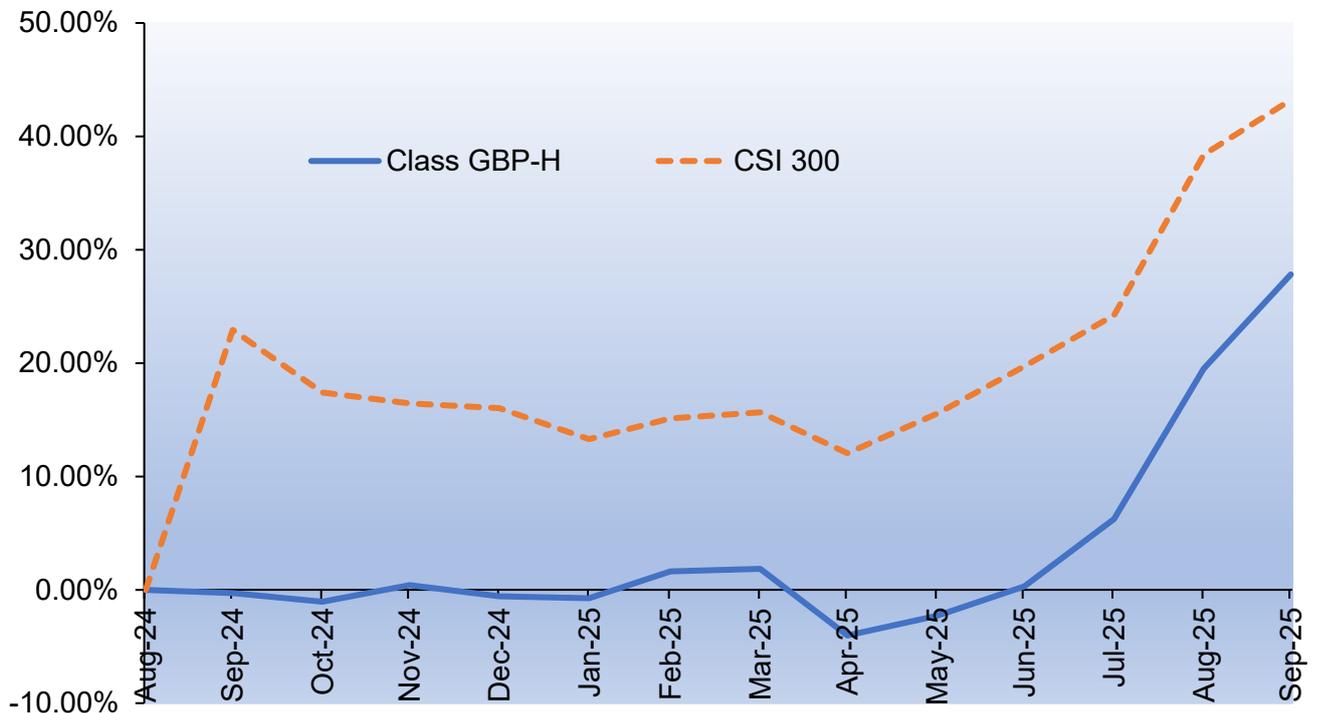
During the financial period under review, the Fund returned positively for all share classes, Class AUD-H, Class GBP-H, Class MYR-H, Class SGD-H, and Class USD increased by 27.76%, 28.19%, 26.39%, 25.99%, and 29.31% respectively, outperforming the benchmark which returned 16.52% during the same financial period.

Since Inception

CLASS AUD-H



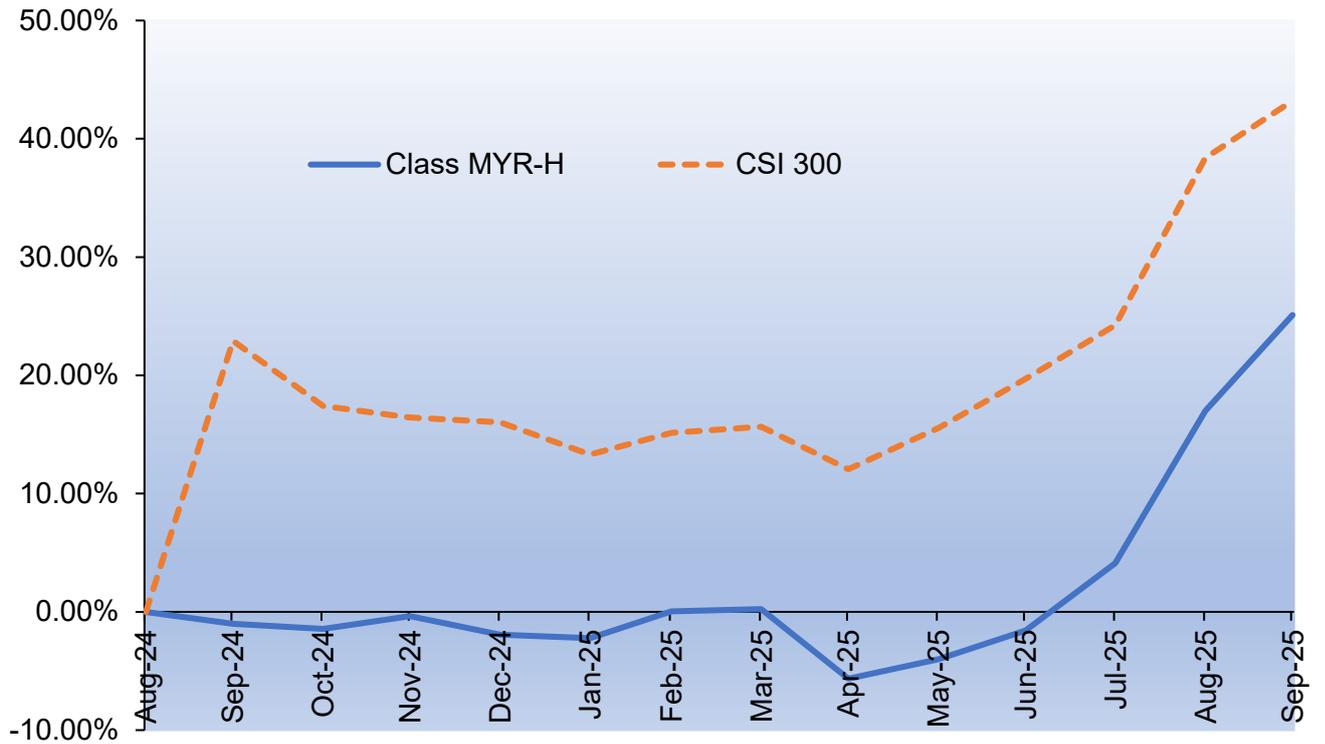
CLASS GBP-H



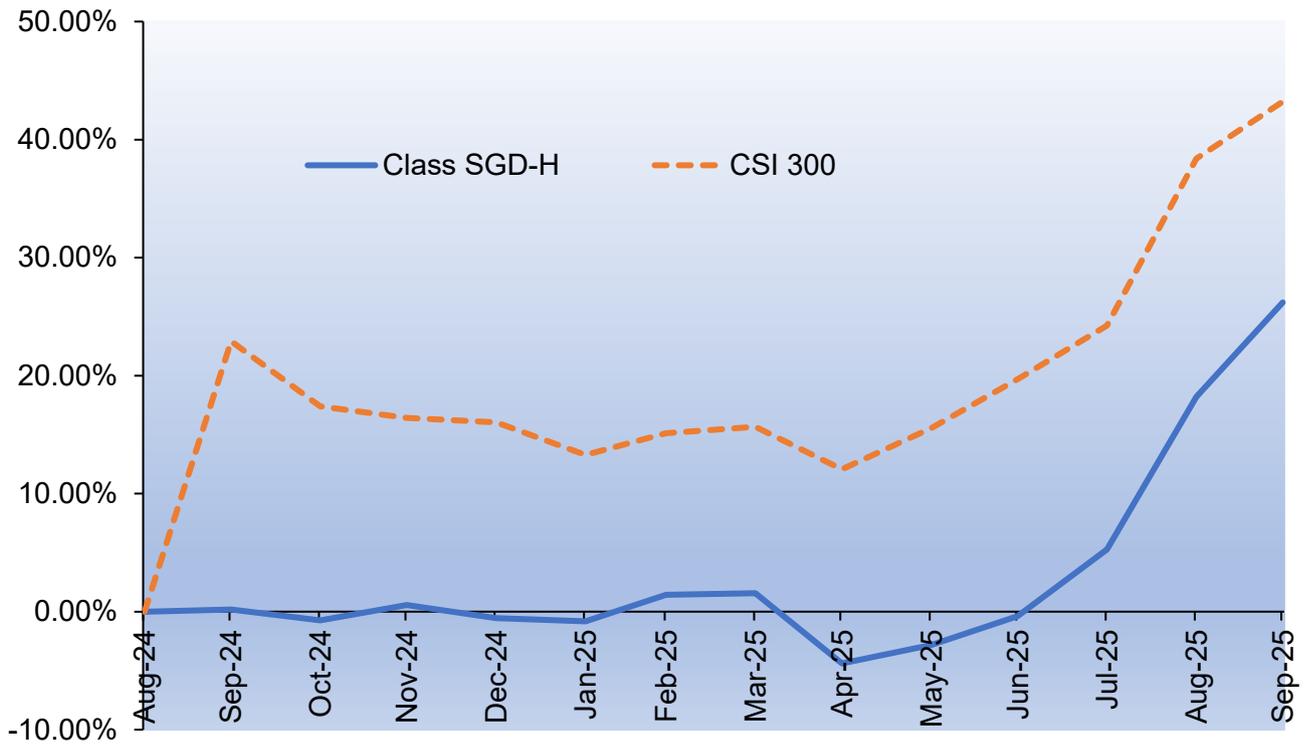
FUND PERFORMANCE (CONTINUED)

Since Inception (continued)

CLASS MYR-H



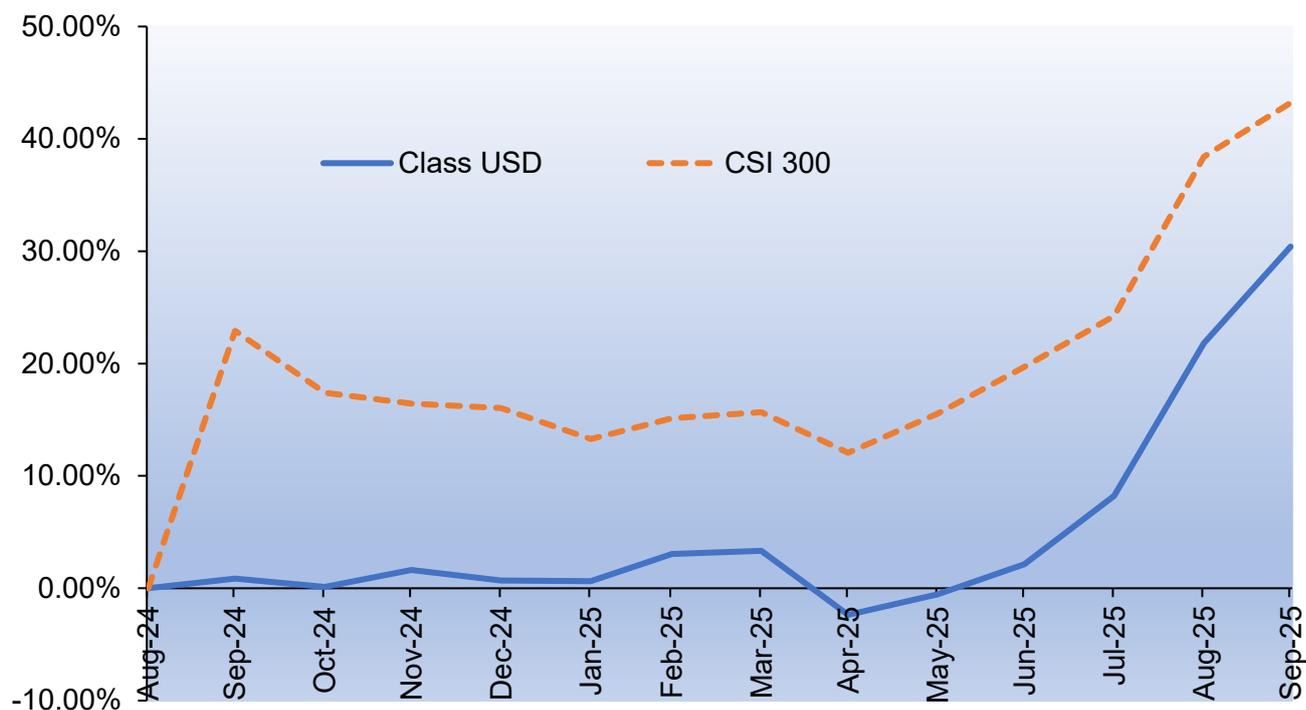
Class SGD-H



FUND PERFORMANCE (CONTINUED)

Since Inception (continued)

Class USD



Changes in NAV

30.09.2025

CLASS AUD-H

NAV (USD Million)
NAV/Unit (USD)

0.00*
0.8290

CLASS GBP-H

NAV (USD Million)
NAV/Unit (USD)

0.00*
1.7020

CLASS MYR-H

NAV (USD Million)
NAV/Unit (USD)

0.13
0.2942

CLASS SGD-H

NAV (USD Million)
NAV/Unit (USD)

0.00*
0.9680

CLASS USD

NAV (USD Million)
NAV/Unit (USD)

0.05
1.2899

0.00* denotes fair value/unit count less than 0.01 million.

FUND PERFORMANCE (CONTINUED)

Changes in NAV (continued)

At the time of reporting, the Fund's NAV for Class MYR-H and Class USD stood at USD 0.13 million and 0.05 million respectively, while Class AUD-H, Class GBP-H, and Class SGD-H stays below USD 0.01 million.

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

PORTFOLIO STRUCTURE

Asset allocation

(% of NAV)	30.09.2025
Collective investment scheme	69.86
Cash and other assets	35.68
Liabilities	(5.54)
TOTAL	100.00

The Fund was fully invested during the financial period under review. A minimal level of liquid assets was maintained primarily for redemption purposes.

Top 10 holdings of the Target Fund for the financial period ended:

	% of NAV
Top 10 holdings*	30.09.2025
Contemporary Amperex	5.70
Kweichow Moutai	4.90
Ping An Insurance Group	3.90
China Merchants Bank	3.70
Foxconn Industrial Internet	3.30
CITIC Securities	3.00
Montage Technology	2.90
Jiangsu Hengrui Pharmaceuticals	2.80
Midea Group	2.40
Wus Printed Circuit	2.20

* As disclosed in the Fund Fact Sheet.

MARKET OUTLOOK*

China's domestic equity market is expected to remain influenced by policy direction, structural reforms, and evolving investor sentiment. With the government continuing to prioritize economic stabilization and innovation-led growth, sectors aligned with consumption, advanced manufacturing, and technology may benefit from sustained policy support. However, the market is likely to experience intermittent volatility due to lingering concerns around property sector deleveraging, local government debt, and external trade dynamics. Investors are expected to remain selective, favoring companies with strong fundamentals and earnings visibility.

Liquidity conditions and regulatory clarity will play a pivotal role in shaping market behavior. The central bank's accommodative stance and efforts to enhance market transparency are likely to support investor confidence and capital flows. While valuation recovery has begun, dispersion across sectors and styles may persist, requiring active management and disciplined risk assessment.

MARKET OUTLOOK* (CONTINUED)

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

INVESTMENT STRATEGY

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

SOFT COMMISSIONS AND REBATES

Principal Asset Management Berhad (the “Manager”) and the Trustee will not retain any form of rebate or otherwise share in any commission with, any broker or dealer in consideration for directing dealings in the investments of the Fund. Accordingly, any rebates or shared commission will be directed to the account of the Fund. The Manager may retain goods and services (soft commission) provided by any broker or dealer if the following conditions are met:

- (a) the soft commission bring direct benefit or advantage to the management of the Fund and may include research and advisory related services;
- (b) any dealings with the broker or dealer is executed on terms which are the most favourable for the Funds; and
- (c) the availability of soft commissions is not the sole or primary purpose to perform or arrange transactions with such broker or dealer, and the Manager will not enter into unnecessary trades in order to achieve a sufficient volume of transactions to qualify for soft commissions.

During the financial period under review, the Manager and the Trustee did not receive any rebates from the brokers or dealers, but the Manager has retained soft commission in the form of goods and services such as financial wire services and stock quotations system incidental to investment management of the Funds. The Manager confirms that the goods and services received were for the benefit of the Fund, the trades were made on a best execution basis and there was no churning of trades.

SECURITIES FINANCING TRANSACTIONS

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

STATE OF AFFAIR OF THE FUND

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

CIRCUMSTANCES THAT MATERIALLY AFFECT ANY INTEREST OF UNIT HOLDERS

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

CROSS TRADE

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

UNIT SPLIT

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

**STATEMENT BY MANAGER TO THE UNIT HOLDERS OF
PRINCIPAL CHINA QUALITY GROWTH FUND**

I, being a Director of Principal Asset Management Berhad (the “Manager”), do hereby state that, in the opinion of the Manager, the accompanying audited financial statements set out on pages 7 to 30 are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial position of the Fund as at 30 September 2025 of its financial performance, changes in net assets attributable to unit holders and cash flows for the financial period from 26 August 2024 (date of launch) to 30 September 2025, in accordance with MFRS Accounting Standards and IFRS Accounting Standards.

For and on behalf of the Manager

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

Munirah Khairuddin

Chief Executive Officer & Head of Principal Asset Management Berhad (Group of Companies),
and Managing Director Strategic Distribution & Institutional Client Relations
(Southeast Asia & Global Shariah)
Non-Independent Executive Director

Kuala Lumpur
17 November 2025

TRUSTEE'S REPORT

**TO THE UNIT HOLDERS OF
PRINCIPAL CHINA QUALITY GROWTH FUND ("Fund")**

We have acted as Trustee of the Fund for the financial period from 26 August 2024 (date of launch) to 30 September 2025, and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, Principal Asset Management Berhad has operated and managed the Fund during the period covered by these financial statements in accordance with the following:

1. Limitations imposed on the investment powers of the Management Company under the Deed, securities laws and the Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework;
2. Valuation and pricing is carried out in accordance with the Deed; and
3. Any creation and cancellation of units are carried out in accordance with the Deed and any regulatory requirement.

For HSBC (Malaysia) Trustee Berhad

Lee Cincee
Senior Manager, Trustee and Fiduciary Services

Kuala Lumpur
17 November 2025

**INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF
PRINCIPAL CHINA QUALITY GROWTH FUND**

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Principal China Quality Growth Fund (the "Fund"), which comprise the statement of financial position of the Fund as at 30 September 2025, and statement of comprehensive income, statement of changes in net assets attributable to unit holders and statement of cash flows of the Fund for the financial period from 26 August 2024 (date of launch) to 30 September 2025, and notes to the financial statements, including material accounting policy information, as set out on pages 7 to 30.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 30 September 2025, and of its financial performance and cash flows for the financial period from 26 August 2024 (date of launch) to 30 September 2025, in accordance with MFRS Accounting Standards and IFRS Accounting Standards.

Basis for opinion

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

Independence and other ethical responsibilities

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

**INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF
PRINCIPAL CHINA QUALITY GROWTH FUND (CONT'D.)**

Information other than the financial statements and auditors' report thereon

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

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

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

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

Responsibilities of the Manager and the Trustee for the financial statements

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

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

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

**INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF
PRINCIPAL CHINA QUALITY GROWTH FUND (CONT'D.)**

Auditors' responsibilities for the audit of the financial statements

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

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

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

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

**INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF
PRINCIPAL CHINA QUALITY GROWTH FUND (CONT'D.)**

Other matters

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

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

Yeo Beng Yean
No. 03013/10/2026 J
Chartered Accountant

Kuala Lumpur, Malaysia
17 November 2025

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD FROM 26 AUGUST 2024 (DATE OF LAUNCH) TO 30
SEPTEMBER 2025**

		26.08.2024 (date of launch) to 30.09.2025 USD
	Note	
INCOME		
Net gain on financial assets at fair value through profit or loss	7	26,684
Net gain on derivative assets at fair value through profit or loss	8	2,305
Net foreign exchange gain		165
Other income		224
		<u>29,378</u>
EXPENSES		
Management fee	4	1,160
Trustee fees	5	18
Audit fee		1,807
Tax agent's fee		1,118
Other expenses		17
		<u>4,120</u>
PROFIT BEFORE TAXATION		<u>25,258</u>
Taxation	6	<u>-</u>
PROFIT AFTER TAXATION, REPRESENTING TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD		<u>25,258</u>
Profit after taxation is made up as follows:		
Realised amount		1,240
Unrealised amount		24,018
		<u>25,258</u>

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

**STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2025**

	Note	2025 USD
ASSETS		
Cash and cash equivalents	9	1,954
Financial assets at fair value through profit or loss	7	125,205
Derivative assets at fair value through profit or loss	8	205
Amount due from dealer		1,649
Amount due from Manager		59,505
Amount due from Manager of collective investment scheme		
- management fee rebate		631
TOTAL ASSETS		<u>189,149</u>
LIABILITIES		
Amount due to dealer		1,652
Amount due to Manager		5,160
Accrued management fee		178
Amount due to Trustee		3
Other payables and accruals		2,925
TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS)		<u>9,918</u>
NET ASSET VALUE OF THE FUND		<u>179,231</u>
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS		<u>179,231</u>
REPRESENTED BY:		
FAIR VALUE OF OUTSTANDING UNITS (USD)		
- Class AUD-H		829
- Class GBP-H		1,702
- Class MYR-H		125,718
- Class SGD-H		968
- Class USD		50,014
		<u>179,231</u>
NUMBER OF UNITS IN CIRCULATION (UNITS)		
- Class AUD-H		1,000
- Class GBP-H		1,000
- Class MYR-H		427,302
- Class SGD-H		1,000
- Class USD		38,774
	10	<u>469,076</u>

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

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 30 SEPTEMBER 2025 (CONTINUED)

	Note	2025 USD
REPRESENTED BY:		
NET ASSET VALUE PER UNIT (USD)		
- Class AUD-H		0.8290
- Class GBP-H		1.7020
- Class MYR-H		0.2942
- Class SGD-H		0.9680
- Class USD		<u>1.2899</u>
NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES		
- Class AUD-H		AUD1.2511
- Class GBP-H		GBP1.2646
- Class MYR-H		MYR0.070
- Class SGD-H		SGD0.75120
- Class USD		<u>USD1.2899</u>

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

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS
FOR THE FINANCIAL PERIOD FROM 26 AUGUST 2024 (DATE OF LAUNCH) TO 30
SEPTEMBER 2025**

	26.08.2024 (date of launch) to 30.09.2025 USD
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE BEGINNING OF THE FINANCIAL PERIOD	<u>-</u>
Movements due to units created and cancelled during the financial period:	
Creation of units from applications	
- Class AUD-H	671
- Class GBP-H	1,314
- Class MYR-H	162,564
- Class SGD-H	770
- Class USD	<u>50,261</u>
	<u>215,580</u>
Cancellation of units	
- Class MYR-H	<u>(61,607)</u>
Total comprehensive income for the financial period	<u>25,258</u>
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE END OF THE FINANCIAL PERIOD	<u><u>179,231</u></u>

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

**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2025**

	Note	26.08.2024 (date of launch) to 30.09.2025 USD
CASH FLOWS FROM OPERATING ACTIVITIES		
Purchase of collective investment scheme		(150,000)
Proceeds from disposal of collective investment scheme		50,000
Other income received		224
Management fee rebate received		848
Management fee paid		(982)
Trustee fee paid		(15)
Payments for other fees and expenses		(17)
Net realised gain on forward foreign currency contracts		2,103
Payment of other foreign exchange loss		(12)
Net cash used in operating activities		<u>(97,851)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from units created		156,075
Payments for cancellation of units		(56,447)
Net cash generated from financing activities		<u>99,628</u>
Net increase in cash and cash equivalents		1,777
Effect on foreign exchange differences		177
Cash and cash equivalents at the beginning of the financial period		-
Cash and cash equivalents at the end of the financial period	9	<u>1,954</u>
<u>Cash and cash equivalents comprised:</u>		
Bank balances		1,954
Cash and cash equivalents at the end of the financial period	9	<u>1,954</u>

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 26 AUGUST 2024 (DATE OF LAUNCH) TO 30 SEPTEMBER 2025

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

Principal China Quality Growth Fund (the “Fund”) is governed by Principal Deed dated 2 June 2023 made between Principal Asset Management Berhad (the “Manager”) and HSBC (Malaysia) Trustee Berhad (the “Trustee”).

The Fund aims to achieve capital appreciation through investments in one (1) collective investment scheme, which invests primarily in People’s Republic of China equity securities including but not limited to China A-Shares listed on People’s Republic of China stock exchanges.

The Fund is a feeder fund and it invests in a single CIS, i.e. JPMorgan China Pioneer A-Share Fund (“Target Fund”). The Fund may also invest in liquid assets for liquidity purpose.

In order to achieve its investment objective, the Fund will invest at least 95% of its NAV in the Target Fund and may also invest up to 5% of its NAV in liquid assets for liquidity purpose. The Target Fund was established on 19 June 2006 under JPMorgan Funds domiciled in Hong Kong.

Information on the Target Fund

Target Fund	: JPMorgan China Pioneer A-Share Fund
Share Class	: USD
Company	: JPMorgan Funds (Asia) Limited.
Management Company	: JPMorgan Asset Management (Asia Pacific) Limited
Investment Manager	: China International Fund Management Co., Ltd.
Regulatory authority	: Securities and Futures Commission (“SFC”)

All investments are subjected to the Securities Commission Malaysia (“SC”) Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework, SC requirements, the Deed, except where exemptions or variations have been approved by the SC, internal policies and procedures and the Fund’s objective.

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

2. MATERIAL ACCOUNTING POLICY INFORMATION

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

(a) Basis of preparation

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

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

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

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

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

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

Other than MFRS 18: Presentation and Disclosure in Financial Statements (which will first become applicable for annual periods beginning on or after 1 January 2027), none of the standards, amendments to standards or interpretations that are effective for the financial period beginning on or after 1 October 2025 are applicable to the financial statements of the Fund. The Fund is still currently in the process of assessing the impact, if any, of MFRS 18: Presentation and Disclosure in Financial Statements.

(b) Financial assets and financial liabilitiesClassification

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

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

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

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

Investments in collective investment scheme have contractual cash flows that do not represent solely payment of principal and interest ("SPPI"), and therefore are classified as fair value through profit or loss

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

The Fund classifies cash and cash equivalents, amount due from dealer, amount due from Manager and amount due from Manager of collective investment scheme –

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

management fees rebate as financial assets at amortised cost as these financial assets are held to collect contractual cash flows consisting of the amount outstanding.

All of the Fund's financial liabilities (excluding the derivatives) are measured at amortised cost.

Recognition and measurement

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

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

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

Financial liabilities are derecognised when it is extinguished, i.e. when the obligation specified in the contract is discharged or cancelled or expired.

Unrealised gains or losses arising from changes in the fair value of the financial assets at fair value through profit or loss are presented in the statement of comprehensive income within net gain or loss on financial assets at fair value through profit or loss in the financial period which they arise.

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

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

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

Impairment for assets carried at amortised costs

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

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**(b) Financial assets and financial liabilities (continued)**Significant increase in credit risk

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

Definition of default and credit-impaired financial assets

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

Write-off

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

(c) Income recognition

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

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

(d) Foreign currencyFunctional and presentation currencies

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

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

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

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**(d) Foreign currency (continued)**Transactions and balances (continued)

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

(e) Cash and cash equivalents

For the purpose of statement of cash flow, cash and cash equivalent comprise bank balances with known amounts of cash and which are subject to an insignificant risk of changes in value.

(f) Taxation

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

Tax on income from foreign collective investment schemes are based on the tax regime of the respective countries that the Fund invests in.

Pursuant to Finance Act 2021, foreign-sourced income received in Malaysia will be taxed at prevailing tax rate(s) of the taxpayer and based on applicable tax rules. Bilateral or unilateral tax credits may be allowed if the same income has suffered foreign tax, and where relevant conditions are met.

Following the announcement by the Honorable Finance Minister II, tax on foreign sourced income will be exempted for the period from 1 January 2024 until 31 December 2026.

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

The analysis of realised and unrealised portions of profit or loss after taxation as presented on the statement of comprehensive income is prepared in accordance with Guidelines on Unit Trust Funds¹ (“GUTF”) issued by the Securities Commission Malaysia (“SC”).

¹ The presentation of the analysis of realised and unrealised portions of profit or loss after tax as presented on the statement of comprehensive income is provided as per the SC Guidelines on Unit Trust Funds. However, the Fund is not guided by the SC Guidelines on Unit Trust Funds.

(h) Unit holders’ contributions

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

The Fund issues cancellable units, in five classes of units, known respectively as the Class AUD-H, Class GBP-H, Class MYR-H, Class SGD-H, and Class USD which are cancelled at the unit holder’s option. The units are classified as financial liabilities. Cancellable units can be put back to the Fund at any time for cash equal to a proportionate share of the Fund’s NAV of respective classes. The outstanding units are carried at the redemption amount that is payable at the date of the statement of financial position if the unit holder exercises the right to put back the unit to the Fund.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**(h) Unit holders' contributions (continued)**

Unrealised portions of profit or loss after tax as presented on the statement of comprehensive income is provided as per the SC Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework.

Units are created and cancelled at the unit holders' option at prices based on the Fund's NAV per unit of respective classes at the close of business on the relevant dealing day.

The Fund's NAV per unit of respective classes is calculated by dividing the net assets attributable to unit holders of respective classes with the total number of outstanding units of respective classes.

(i) Amount due from/to Manager of collective investment scheme (disposal/purchase of investment)

Amount due from and amount due to Manager of collective investment scheme represent receivables and payables for collective investment scheme purchased that have been contracted for but not yet settled or delivered on the statement of financial position date respectively.

(j) Amount due from/to dealer

Amounts due from and amount due to dealer represent receivables for Spot FX sold and payables for Spot FX purchased that have been contracted for but not yet settled or delivered on the reporting date respectively.

(k) Management fee rebate

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

(l) Derivative financial instruments

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

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

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

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

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

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(l) Derivative financial instruments (continued)

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

(m) Critical accounting estimates and judgements in applying accounting policies

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

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

In undertaking any of the Fund's investment, the Manager will ensure that all assets of the Fund under management will be valued appropriately, that is at fair value and in compliance with the SC Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework. However, the Manager is of the opinion that in applying these accounting policies, no significant judgement was required.

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial instruments of the Fund were as follows:

	Financial assets at fair value through profit or loss USD	Financial assets at amortised cost USD	Total USD
2025			
Cash and cash equivalents (Note 9)	-	1,954	1,954
Collective investment scheme (Note 7)	125,205	-	125,205
Derivative assets at fair value through profit or loss	205	-	205
Amount due from Manager	-	59,505	59,505
Amount due from dealer	-	1,649	1,649
Amount due from Manager of collective investment scheme:			
- management fee rebate	-	631	631
	<u>125,410</u>	<u>63,739</u>	<u>189,149</u>

All of the Fund's financial liabilities (excluding derivatives) are measured at amortised cost.

The Fund aims to provide long term total returns through investments in one collective investment scheme, which is managed with medium risk strategy by investing primarily in bonds and shares, either directly or through investing into other funds.

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

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

Financial instruments of the Fund were as follows: (continued)

Financial risk management is carried out through internal control process adopted by the Manager and adherence to the investment restrictions as stipulated in the Deed and SC Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework.

(a) Market risk

(i) Price risk

This is the risk that the fair value of an investment in collective investment scheme will fluctuate because of changes in market prices (other than those arising from currency risk).

The value of investment in collective investment scheme may fluctuate according to the activities of individual companies, sector and overall political and economic conditions. Such fluctuation may cause the Fund's NAV and prices of units to fall as well as rise, and income produced by the Fund may also fluctuate.

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

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

	2025
	USD
Financial assets at fair value through profit or loss:	
- Collective investment scheme	125,205

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

% Change in price of collective investment scheme	Market value USD	Impact on profit or loss/NAV USD
2025		
-5%	118,945	(6,260)
0%	125,205	-
5%	131,465	6,260

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

(a) Market risk (continued)

(ii) Currency risk

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

The following table sets out the foreign currency risk concentrations arising from the denomination of the Fund's financial instruments in foreign currencies of the Fund:

Financial assets

	Cash and cash equivalents	Amount due from dealers	Amount due from Manager	Total
	USD	USD	USD	USD
2025				
MYR	1,192	267	10,244	11,703
	<u>1,192</u>	<u>267</u>	<u>10,244</u>	<u>11,703</u>

Financial liabilities

	Amount due to dealer	Amount due from Manager	Net assets attributable to unit holders	Total
	USD	USD	USD	USD
2025				
AUD	-	-	838	838
GBP	-	-	1,721	1,721
MYR	1,385	5,160	127,104	133,649
SGD	-	-	979	979
	<u>1,385</u>	<u>5,160</u>	<u>130,642</u>	<u>137,187</u>

The table below summarises the sensitivity of the Fund's profit or loss and NAV to changes in foreign exchange movements at the end of each reporting period. The analysis is based on the assumption that the foreign exchange rate fluctuates by 5%, with all other variables remain constants. This represents management's best estimate of a reasonable possible shift in the foreign exchange rate, having regard to historical volatility of this rate. Disclosures below are shown in absolute terms, changes and impacts could be positive or negative.

	Change in foreign exchange rate	Impact on profit or loss/NAV
	%	2025 USD
AUD	+/-5	+/-42
GBP	+/-5	+/-86
MYR	+/-5	-/+6,097

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

(a) Market risk (continued)

(ii) Currency risk (continued)

	Change in foreign exchange rate	Impact on profit or loss/NAV
	%	2025 USD
SGD	+/-5	+/-49
		<u>-/+5,920</u>

(b) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligation resulting in financial loss to the Fund. For amount due from Manager, the settlement terms of the proceeds from the creation of units' receivable from the Manager are governed by the SC Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework.

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

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

In derivative activities, credit risk arises when counterparties to derivative contracts, are unable or unwilling to fulfil their obligation to pay the positive fair value or receivable resulting from the execution of contract terms.

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

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

	Cash and cash equivalents USD	Amount due from dealers USD	Amount due from Manager USD	Amount due from Manager of collective investment scheme - management fee rebate USD	Derivative assets at fair value through profit or loss USD	Total USD
2025						
- AAA	1,954	-	-	-	-	1,954
- Not Rated	-	1,649	59,505	631	205	61,990
	<u>1,954</u>	<u>1,649</u>	<u>59,505</u>	<u>631</u>	<u>205</u>	<u>63,944</u>

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

(c) Liquidity risk (continued)

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

The Manager manages this risk by maintaining sufficient level of liquid assets to meet anticipated payments and cancellations of the units by unit holders. Liquid assets comprise bank balances and other instruments, which are capable of being converted into cash within 7 business days.

Generally, all investments are subject to a certain degree of liquidity risk depending on the nature of the investment instruments, market, sector and other factors. For the purpose of the Fund, the Manager will attempt to balance the entire portfolio by investing in a mix of assets with satisfactory trading volume and those that occasionally could encounter poor liquidity. This is expected to reduce the risks for the entire portfolio without limiting the Fund's growth potentials.

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

	Less than 1 month USD	Between 1 month to 1 year USD	Total USD
2025			
Amount due to dealer	1,652	-	1,652
Amount due to Manager	5,160	-	5,160
Accrued management fee	178	-	178
Amount due to Trustee	3	-	3
Other payables and accruals	-	2,925	2,925
Net assets attributable to unit holders*	179,231	-	179,231
Contractual undiscounted cash flows	186,224	2,925	189,149

* Outstanding units are redeemed on demand at the unit holder's option. However, the Manager does not envisage that the contractual maturity disclosed in the table above will be representative of the actual cash outflows, as holders of these instruments typically retain them for the medium to long term.

(d) Capital risk management

The capital of the Fund is represented by net assets attributable to unit holders of USD179,231. The amount of capital can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unit holders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns to unit holders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

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

(e) Fair value estimation

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

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

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

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

(i) Fair value hierarchy

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

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

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

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

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

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

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

(e) Fair value estimation (continued)

(i) Fair value hierarchy (continued)

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
2025				
Financial assets at fair value through profit or loss:				
- Collective investment scheme	125,205	-	-	125,205
Derivative asset at fair value through profit or loss:				
- Forward foreign currency contracts	-	205	-	205

Investments whose values are based on quoted market prices in active markets and are therefore classified within Level 1 include quote securities and collective investment scheme which invest in active listed equities. The Fund does not

adjust the quoted prices for these instruments. The Fund's policies on valuation of these financial assets are stated in Note 2(b).

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

4. MANAGEMENT FEE

In accordance with the Deeds, the Manager is entitled to a maximum management fee of 3.0% per annum for each unit class, calculated daily based on the NAV of the Fund. The Management Fee shall be accrued daily and paid monthly.

For the financial period ended 30 September 2025, the management fee for the respective classes is recognised at the following rates:

Class AUD-H	Class GBP-H	Class MYR-H	Class SGD-H	Class USD
1.80%	1.80%	1.80%	1.80%	1.80%

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

5. TRUSTEE FEE

In accordance with the Deed, the Trustee is entitled to a fee up to 0.04% per annum, calculated and accrued daily on the NAV of the Fund. The Trustee fee includes local custodian fees and charges but excludes foreign sub-custodian fees and charges.

5. TRUSTEE FEE (CONTINUED)

For the financial period ended 30 September 2025, the Trustee fee was recognised at a rate of 0.03% per annum for each unit class.

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

6. TAXATION

	26.08.2024 (date of launch) to 30.09.2025 USD
Tax charged for the financial period:	
- Current taxation	-
	<u>-</u>

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

	26.08.2024 (date of launch) to 30.09.2025 USD
Profit before taxation	<u>25,258</u>
Taxation at Malaysian statutory rate of 24% (2024: 24%)	6,062
Tax effects of:	
- Income not subject to tax	(7,050)
- Expenses not deductible for tax purposes	277
- Restriction on tax deductible expenses for Wholesale Funds	<u>711</u>
Taxation	<u>-</u>

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2025 USD
At fair value through profit or loss:	
- Collective investment scheme	<u>125,205</u>
	<u>125,205</u>
	26.08.2024 (date of launch) to 30.09.2025 USD
Net gain on financial assets at fair value through profit or loss:	
- Realised gain on disposals	1,569
- Unrealised fair value gain	23,636
- Management fee rebate #	<u>1,479</u>
	<u>26,684</u>

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

Management fee rebate is derived from the Fund's investment in collective investment scheme on an accruals basis to ensure no double charging of management fee. It is accrued daily based on the fair value of the collective investment scheme held.

For the financial period 30 September 2025, other income is recognised at a rate of 1.75% per annum calculated and accrued daily based on the NAV of the collective investment scheme.

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
2025				
COLLECTIVE INVESTMENT SCHEME				
JP Morgan Funds Asia Ltd - JP Morgan China Pioneer A-share Fund	2,108	101,569	125,205	68.57
TOTAL COLLECTIVE INVESTMENT SCHEME	2,108	101,569	125,205	68.57
ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		23,636		
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		125,205		

8. DERIVATIVE ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2025 USD
Forward foreign currency contracts	205
	26.08.2024 (date of launch) to 30.09.2025 USD
Net gain on derivative at fair value through profit or loss:	
- Net realised gain on forward foreign currency contracts	2,100
- Net unrealised gain on forward foreign currency contracts	205
	2,305

As at 30 September 2025, there were 11 outstanding USD/AUD, USD/GBP, USD/MYR and USD/SGD forward foreign currency contracts respectively. The notional principal amount of the outstanding forward foreign currency contracts amounted to USD134,501.

8. DERIVATIVE ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

The USD/AUD, USD/GBP, USD/MYR and USD/SGD forward foreign currency contracts were entered into during the financial period to minimise the risk of foreign exchange exposure between the USD and the foreign currencies exposure of the Fund.

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

9. CASH AND CASH EQUIVALENTS

	2025
	USD
Bank balances	<u>1,954</u>

10. NUMBER OF UNITS IN CIRCULATION (UNITS)

	26.08.2024
	(date of launch)
	to 30.09.2025
	No. of units
Class AUD-H (i)	1,000
Class GBP-H (ii)	1,000
Class MYR-H (iii)	427,302
Class SGD-H (iv)	1,000
Class USD (v)	<u>38,774</u>
	<u>469,076</u>

(i) Class AUD-H	
At the beginning of the financial period	-
Add: Creation of units from applications	<u>1,000</u>
At the end of the financial period	<u>1,000</u>

(ii) Class GBP-H	
At the beginning of the financial period	-
Add: Creation of units from applications	<u>1,000</u>
At the end of the financial period	<u>1,000</u>

(iii) Class MYR-H	
At the beginning of the financial period	-
Add: Creation of units from applications	686,341
Less: Cancellation of units	<u>(259,039)</u>
At the end of the financial period	<u>427,302</u>

(iv) Class SGD-H	
At the beginning of the financial period	-
Add: Creation of units from applications	<u>1,000</u>
At the end of the financial period	<u>1,000</u>

10. NUMBER OF UNITS IN CIRCULATION (UNITS) (CONTINUED)

(v) Class USD

At the beginning of the financial period	-
Add: Creation of units from applications	38,774
At the end of the financial period	<u>38,774</u>

11. TOTAL EXPENSE RATIO (“TER”)

26.08.2024
(date of launch)
to 30.09.2025
%

TER*	<u>4.51</u>
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* after deducting management fee rebates

TER was derived based on the following calculation:

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

A	=	Management fee (excluded management fee rebate)
B	=	Trustee fees
C	=	Audit fee
D	=	Tax Agent’s fee
E	=	Other expenses
F	=	Average NAV of the Fund calculation on a daily basis

The average NAV of the Fund for the financial period calculated on a daily basis was USD58,534.

12. PORTFOLIO TURNOVER RATIO (“PTR”)

26.08.2024
(date of launch)
to 30.09.2025

PTR (times)	<u>1.71</u>
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PTR was derived from the following calculation:

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

where:

total acquisition for the financial period	=	USD150,000
total disposal for the financial period	=	USD50,000

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

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

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

Units held by the Manager and parties related to the Manager

	2025	
	No. of units	USD
Manager		
Principal Asset Management Berhad		
Class AUD-H	1,000	829
Class GBP-H	1,000	1,702
Class SGD-H	1,000	968
Class USD	1,000	1,290

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

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

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

14. TRANSACTIONS WITH BROKERS

Details of transactions with the broker for the financial period ended 30 September 2025 were as follows:

Broker	Value of trades USD	Percentage of total trades %	Brokerage fees USD	Percentage of brokerage fees %
JP Morgan Securities LLC	<u>200,000</u>	<u>100.00</u>	<u>-</u>	<u>-</u>

15. COMPARATIVES

This Fund was launched on 26 August 2024 thus there are no comparatives as this is the Fund's first set of financial statements.

16. APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved for issue by the Manager on 17 November 2025.

DIRECTORY

Head Office of the Manager

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Auditors and of the Fund and of the Manager

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