PRINCIPAL GLOBAL SECURITISED CREDIT BOND FUND

QUARTERLY REPORT

FOR THE FINANCIAL PERIOD FROM 17 JUNE 2025 (DATE OF LAUNCH) TO 31 AUGUST 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 Quarterly Fund Report of the Principal Global Securitised Credit Bond Fund for the financial period from 17 June 2025 (date of launch) to 31 August 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 provide long term total return through investments in one (1) one collective investment scheme ("CIS").

Has the Fund achieved its objective?
During the financial period under review, the Fund has remained aligned with its long-term objective, as outlined in the investment objective section. This includes its core aim of delivering consistent income to investors.

What are the Fund investment policy and principal investment strategy?
The Fund is a feeder fund that invests at least 85% of its NAV in the Target Fund, a fund established on 31 May 2013 managed by the Target Fund Management Company. The Fund may also invest up to 15% of its NAV in liquid assets for liquidity purposes and derivatives for the sole purpose of hedging arrangement.

Information on the Target Fund:

Target Fund	:	HSBC Global Investment Funds – Global Investment Grade Securitised Credit Bond
Target Fund Management Company	:	HSBC Global Investment Funds
Target Fund Investment Manager	:	HSBC Investment Funds (Luxembourg) S.A.

Base Currency
USD

Fund category/type
Feeder fund/ Income & Growth

When was the Fund launched?

Name of Class	Launch Date
- Class AUD-Hedged	17 June 2025
- Class JPY-Hedged	17 June 2025
- Class MYR	17 June 2025
- Class MYR-Hedged	17 June 2025
- Class SGD-Hedged	17 June 2025
- Class USD	17 June 2025
- Class GBP-Hedged	17 June 2025

What was the size of the Fund as at 31 August 2025?
USD14.60 million (32.20 million units)

What is the Fund's benchmark?
The Fund is actively managed and is not constrained by a benchmark.

What is the Fund distribution policy?
Depending on the level of income (if any), the Fund will distribute part or all of its distributable income on a monthly basis.

FUND OBJECTIVE AND POLICY (CONTINUED)

What was the net income distribution for the financial period from 17 June 2025 (date of launch) to 31 August 2025?

There was no income distribution made for the financial period from 17 June 2025 (date of launch) to 31 August 2025.

PERFORMANCE DATA

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

	31.08.2025
	%
Collective investment scheme	89.82
Cash and other assets	15.49
Liabilities	(5.31)
	100.00

	31.08.2025
NAV (USD Million)	
- Class AUD-H	0.75
- Class GBP-H	0.63
- Class MYR	1.19
- Class MYR-H	4.17
- Class SGD-H	0.91
- Class USD	6.96
Units in circulation (Million)	
- Class AUD-H	1.14
- Class GBP-H	0.47
- Class MYR	4.99
- Class MYR-H	17.49
- Class SGD-H	1.17
- Class USD	6.94
NAV per unit (USD)	
- Class AUD-H	1.0022
- Class GBP-H	0.2390
- Class MYR	0.2381
- Class MYR-H	0.6560
- Class SGD-H	0.7789
- Class USD	1.3532

	17.06.2025 (date of launch) to 31.08.2025
Highest NAV per unit (USD)	
- Class AUD-H	0.6605
- Class GBP-H	1.3715
- Class MYR	0.2390
- Class MYR-H	0.2389
- Class SGD-H	0.7855
- Class USD	1.0022

PERFORMANCE DATA (CONTINUED)

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

	17.06.2025 (date of launch) to 31.08.2025
Lowest NAV per unit (USD)	
- Class AUD-H	0.6433
- Class GBP-H	1.3215
- Class MYR	0.2375
- Class MYR-H	0.2344
- Class SGD-H	0.7689
- Class USD	0.9956
Total return (%)	
- Class AUD-H	0.27
- Class GBP-H	0.20
- Class MYR	0.89
- Class MYR-H	0.52
- Class SGD-H	(0.06)
- Class USD	0.22
Capital growth (%)	
- Class AUD-H	0.27
- Class GBP-H	0.20
- Class MYR	0.89
- Class MYR-H	0.52
- Class SGD-H	(0.06)
- Class USD	0.22
Income distribution (%)	
- Class AUD-H	-
- Class GBP-H	-
- Class MYR	-
- Class MYR-H	-
- Class SGD-H	-
- Class USD	-
Total Expense Ratio ("TER") (%)	0.23
Portfolio Turnover Ratio ("PTR") (times)	0.88

	Since Inception to 31.08.2025 %
Annual total return	
- Class AUD-H	0.27
- Class GBP-H	0.20
- Class MYR	0.89
- Class MYR-H	0.52
- Class SGD-H	(0.06)
- Class USD	0.22

(Launch date: 17 June 2025)

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 (17 JUNE 2025 (DATE OF LAUNCH) TO 31 AUGUST 2025)

Credit spreads remained tight across most segments during the period, reflecting strong investor demand for income-generating assets amid subdued volatility. Despite the narrow spreads, the market continued to offer a modest premium over long-term default and downgrade risks, particularly for buy-and-hold investors. Investment-grade and high-yield bonds both saw sustained interest, supported by relatively stable macroeconomic indicators and a benign default environment.

Market dynamics were influenced by diverging monetary policy signals and geopolitical developments. While some central banks moved toward easing, others maintained a more cautious stance, contributing to mixed signals in the fixed income space. This divergence created pockets of opportunity and risk, with yield curves steepening in certain regions and corporate bond yields rising above cash rates. Investors remained selective, favoring credits with strong fundamentals and adequate interest coverage, especially in light of increased leverage levels in some sectors.

Liquidity conditions were generally supportive, but tactical positioning became more challenging. The tightness in spreads meant that short-term movements could significantly impact relative performance, particularly for active strategies. As a result, there was a noticeable shift toward defensive allocations and duration management.

FUND PERFORMANCE

	Since inception to 31.08.2025 %
Income Distribution	
- Class AUD-H	-
- Class GBP-H	-
- Class MYR	-
- Class MYR-H	-
- Class SGD-H	-
- Class USD	-
Capital Growth	
- Class AUD-H	0.27
- Class GBP-H	0.20
- Class MYR	0.89
- Class MYR-H	0.52
- Class SGD-H	(0.06)
- Class USD	0.22
Total Return	
- Class AUD-H	0.27
- Class GBP-H	0.20
- Class MYR	0.89
- Class MYR-H	0.52
- Class SGD-H	(0.06)
- Class USD	0.22
Benchmark	
- Class AUD-H	-
- Class GBP-H	-
- Class MYR	-
- Class MYR-H	-
- Class SGD-H	-
- Class USD	-

FUND PERFORMANCE (CONTINUED)

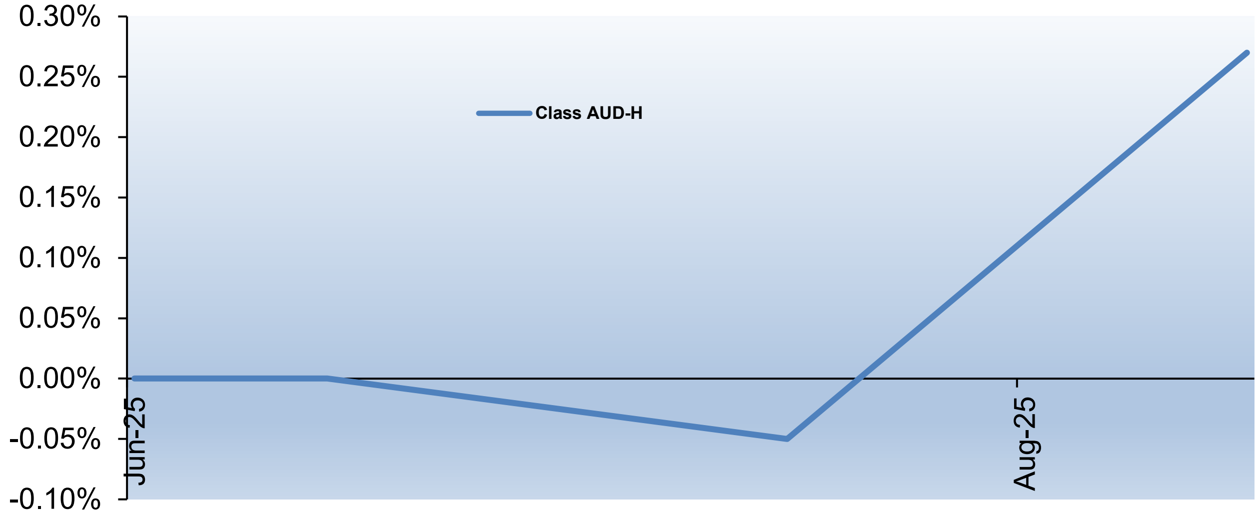
	Since inception to 31.08.2025 %
Income Distribution	
- Class AUD-H	-
- Class GBP-H	-
- Class MYR	-
- Class MYR-H	-
- Class SGD-H	-
- Class USD	-
Capital Growth	
- Class AUD-H	0.27
- Class GBP-H	0.20
- Class MYR	0.89
- Class MYR-H	0.52
- Class SGD-H	(0.06)
- Class USD	0.22
Total Return	
- Class AUD-H	0.27
- Class GBP-H	0.20
- Class MYR	0.89
- Class MYR-H	0.52
- Class SGD-H	(0.06)
- Class USD	0.22
Benchmark	
- Class AUD-H	-
- Class GBP-H	-
- Class MYR	-
- Class MYR-H	-
- Class SGD-H	-
- Class USD	-
Average Total Return	
- Class AUD-H	1.32
- Class GBP-H	0.98
- Class MYR	4.41
- Class MYR-H	2.56
- Class SGD-H	(0.29)
- Class USD	1.08

During the period under review, the fund returned mixed across different share classes, Class AUD-H, Class GBP-H, Class MYR, Class MYR-H, and Class USD increased by 0.27%, 0.20%, 0.89%, 0.52%, and 0.22% while Class SGD-H decreased by 0.06% during the same period. The fund does not have a benchmark as comparison.

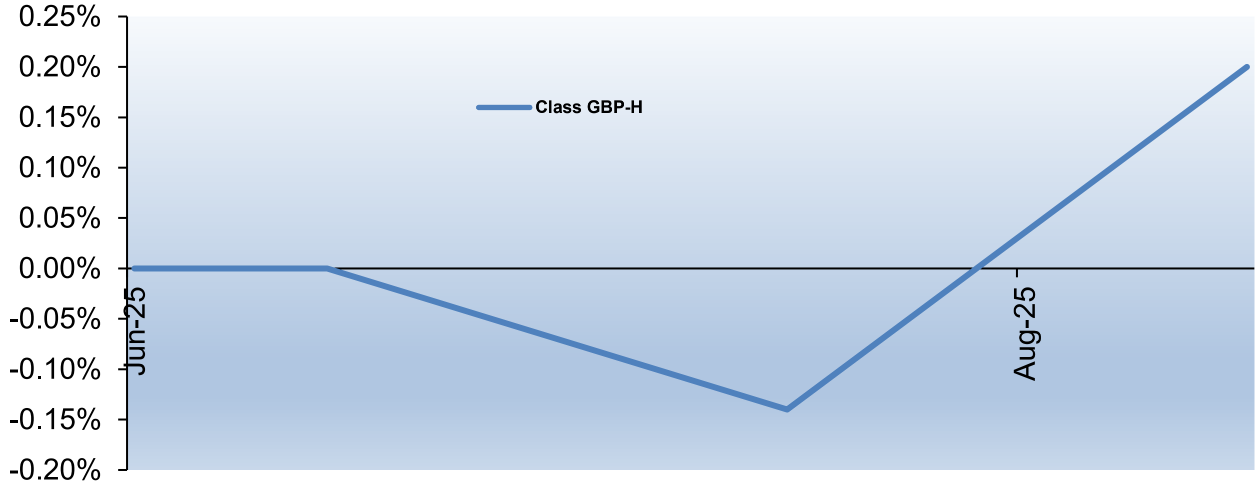
FUND PERFORMANCE (CONTINUED)

Since inception

CLASS AUD-H



CLASS GBP-H



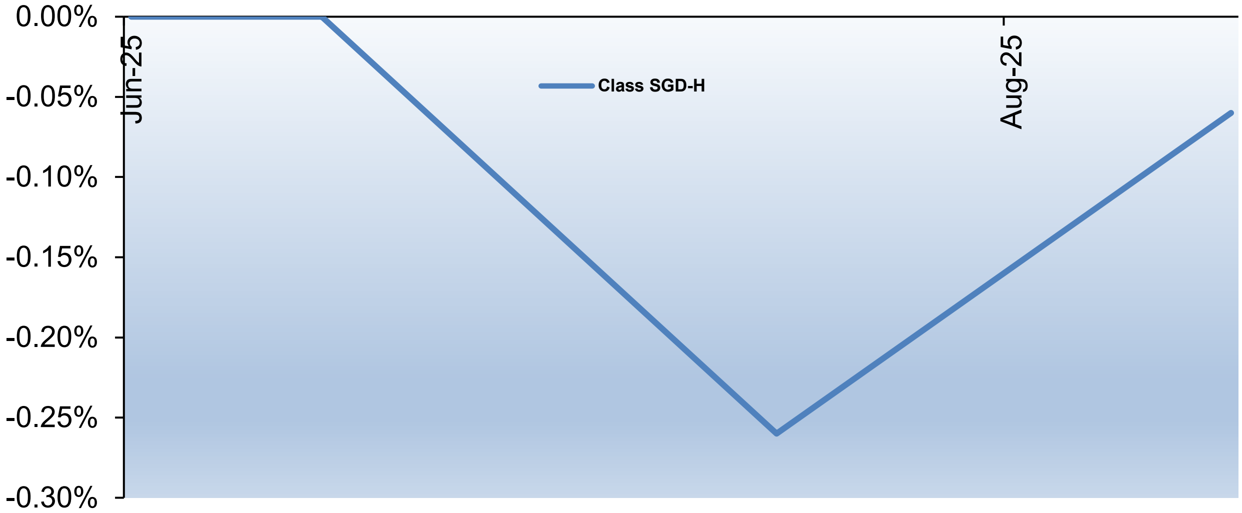
CLASS MYR

FUND PERFORMANCE (CONTINUED)

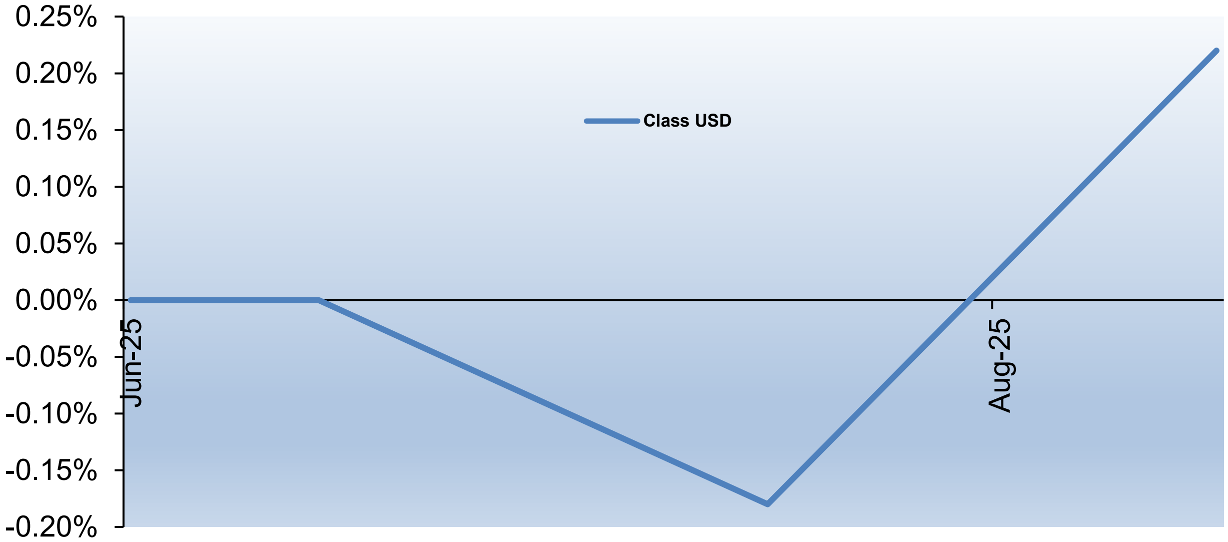
Since inception

CLASS MYR-H

CLASS SGD-H



CLASS USD



FUND PERFORMANCE (CONTINUED)

Changes in NAV

	31.08.2025
CLASS AUD-H	
NAV (USD Million)	6.96
NAV/Unit (USD)	1.0022
CLASS GBP-H	
NAV (USD Million)	0.63
NAV/Unit (USD)	1.35
CLASS MYR	
NAV (USD Million)	1.19
NAV/Unit (USD)	0.2390
CLASS MYR-H	
NAV (USD Million)	4.17
NAV/Unit (USD)	0.2381
CLASS SGD-H	
NAV (USD Million)	0.91
NAV/Unit (USD)	0.7789
CLASS USD	
NAV (USD Million)	6.96
NAV/Unit (USD)	1.0022

At the time of reporting, Class MYR-H has the highest total NAV, stood at USD 4.17 million.

PORTFOLIO STRUCTURE

Asset allocation

(% of NAV)	31.08.2025
Collective investment scheme	89.82
Cash and other assets	15.49
Liabilities	(5.31)
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.

MARKET OUTLOOK*

The securities credit market is expected to navigate a complex macroeconomic landscape shaped by moderating growth, evolving monetary policy, and persistent geopolitical uncertainties. As global economies transition into a multipolar regime, traditional assumptions around credit risk and yield dynamics are being re-evaluated. While inflationary pressures appear to be easing, the structural volatility in policy signals and economic data continues to influence investor sentiment. Credit markets may experience increased dispersion in performance, with a greater emphasis on issuer fundamentals and liquidity management.

The tightening of credit spreads in recent months has prompted a reassessment of duration and sector exposures, particularly in light of potential rate adjustments and fiscal shifts. Diversification across credit quality and geographies will be key, as market participants seek to balance yield generation with downside protection. Tactical allocation and active credit selection are expected to play a more prominent role in portfolio construction, as the market adjusts to a structurally more volatile environment.

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

INVESTMENT STRATEGY

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

SOFT COMMISSIONS AND REBATES

Principal 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 has been carried out during the financial period under review.

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UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD FROM 17 JUNE 2025 (DATE OF LAUNCH) TO 31 AUGUST 2025

	17.06.2025 (date of launch) to 31.08.2025 USD
INCOME/(LOSS)	
Dividend income	89,214
Net gain on financial assets at fair value through profit or loss	(22,374)
Net foreign exchange loss	(10,033)
	56,807
EXPENSES	
Management fee	16,199
Trustee fee	360
Audit fee	369
Tax agent's fee	183
	17,111
PROFIT BEFORE TAXATION	39,696
Taxation	-
PROFIT AFTER TAXATION, REPRESENTING TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD	39,696
Profit after taxation is made up as follows: :	
Realised amount	40,007
Unrealised amount	(311)
	39,696

UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2025

	31.08.2025 USD
ASSETS	
Cash and cash equivalents	668,339
Financial assets at fair value through profit or loss	13,114,355
Derivative assets at fair value through profit or loss	6,532
Amount due from dealer	757,568
Amount due from Manager	754,760
Amount due from Manager of collective investment scheme	
- Management fee rebate	8,271
Dividends receivable	63,977
TOTAL ASSETS	15,376,892
LIABILITIES	
Amount due to Manager of collective investment scheme	
- Purchase of collective investment scheme	758,526
Accrued management fee	13,108
Amount due to Trustee	360
Other payables and accruals	553
TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS)	775,637
NET ASSET VALUE OF THE FUND	14,601,255
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS	14,601,255
REPRESENTED BY:	
FAIR VALUE OF OUTSTANDING UNITS	
- Class AUD-H	746,806
- Class MYR	629,340
- Class MYR-H	1,192,459
- Class SGD-H	4,165,014
- Class USD	909,625
- Class GBP-H	6,958,011
	14,601,255
NUMBER OF UNITS IN CIRCULATION (UNITS)	
- Class AUD-H	1,138,471
- Class MYR	465,067
- Class MYR-H	4,989,926
- Class SGD-H	17,493,384
- Class USD	1,167,838
- Class GBP-H	6,942,545
	32,197,232

UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 31 AUGUST 2025 (CONTINUED)

	31.08.2025 USD
NET ASSET VALUE PER UNIT (USD)	
- Class AUD-H	0.6560
- Class GBP-H	1.3532
- Class MYR	0.2390
- Class MYR-H	0.2381
- Class SGD-H	0.7789
- Class USD	1.0022
NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES	
- Class AUD-H	0.4292
- Class GBP-H	1.0021
- Class MYR	1.0091
- Class MYR-H	1.0053
- Class SGD-H	0.9994
- Class USD	1.0022

UNAUDITED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS FOR THE FINANCIAL PERIOD FROM 17 JUNE 2025 (DATE OF LAUNCH) to 31 AUGUST 2025

	17.06.2025 (date of launch) to 31.08.2025 USD
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE BEGINNING OF THE FINANCIAL PERIOD	-
Movement due to units created and cancelled during the financial period:	
Creation of units from applications	
- Class AUD-H	744,775
- Class MYR	1,189,443
- Class MYR-H	4,149,999
- Class SGD	909,034
- Class USD	6,940,251
- Class GBP-H	628,765
	14,562,268
Cancellation of units	
- Class MYR	(709)
	(709)
Total comprehensive income for the financial period	39,697
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE END OF THE FINANCIAL PERIOD	14,601,255

UNAUDITED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD FROM 17 JUNE 2025 (DATE OF LAUNCH) TO 31 AUGUST 2025

	17.06.2025 (date of launch) to 31.08.2025 USD
CASH FLOWS FROM OPERATING ACTIVITIES	
Purchase of collective investment scheme	(13,144,042)
Dividend income received	25,237
Interest received	
Management fee paid	(3,091)
Net realised loss on forward foreign currency Contracts	(6,532)
Payment of other foreign exchange loss	(9,722)
Net cash used in operating activities	(13,138,149)
CASH FLOWS FROM FINANCING ACTIVITIES	
Proceeds from units created	13,807,507
Payments for cancellation of units	(709)
Net cash generated from financing activities	13,806,798
Net increase in cash and cash equivalents	668,649
Effects of foreign exchange differences	(309)
Cash and cash equivalents at the end of the financial period	668,339
Cash and cash equivalents comprises of:	
Bank balances	668,339
Cash and cash equivalents at the end of financial period	668,339

DIRECTORY

Head Office of the Manager
Principal Asset Management Berhad (Company No.: 199401018399 (304078-K))
Level 32, Exchange 106,
Lingkaran TRX,
55188 Tun Razak Exchange,
Kuala Lumpur, Malaysia
Tel: (03) 8680 8888

Website
http://www.principal.com.my

E-mail address
myservice@principal.com

Customer Care Centre
(03) 7723 7260

Chat with us via WhatsApp
(6016) 299 9792

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