

Principal Malaysia Enhanced Opportunities Fund

Annual Report

For The Financial Year Ended 30 April 2025

PRINCIPAL MALAYSIA ENHANCED OPPORTUNITIES FUND
ANNUAL REPORT
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025

CONTENTS	PAGE(S)
INVESTORS' LETTER	i
MANAGER'S REPORT	ii - viii
Fund Objective and Policy	
Performance Data	
Market Review	
Fund Performance	
Portfolio Structure	
Market Outlook	
Investment Strategy	
Soft Commissions and Rebates	
Securities Financing Transactions	
State of Affair of the Fund	
Circumstances That Materially Affect Any Interest of Unit Holders	
Cross Trade	
Unit Split	
STATEMENT BY MANAGER	1
TRUSTEE'S REPORT	2
INDEPENDENT AUDITORS' REPORT	3 - 6
STATEMENT OF COMPREHENSIVE INCOME	7
STATEMENT OF FINANCIAL POSITION	8
STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS	9
STATEMENT OF CASH FLOWS	10
NOTES TO THE FINANCIAL STATEMENTS	11 - 35
DIRECTORY	36

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 Malaysia Enhanced Opportunities Fund for the financial year ended 30 April 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.

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 investors with long-term capital growth by investing principally in equities. The Fund also seeks to outperform FTSE Bursa Malaysia (“FBM”) Kuala Lumpur Composite Index (“FBMKLCI”) benchmark.

Has the Fund achieved its objective?

For the financial year under review, the Fund registered a loss of 5.37%, while the benchmark registered a loss of 2.27%. However, the Fund achieved its objective of capital growth over the medium to long-term.

What are the Fund investment policy and principal investment strategy?

The Fund will invest between 70% to 98% (both inclusive) of its NAV in equities and up to a maximum of 30% of its NAV may be invested in warrants and options. In line with its objective, the investment policy and strategy of the Fund will focus on investment in shares of companies with growth potential. The Fund may opt to seek investment exposure via CIS that is in line with the Fund’s objective, subject to the requirement of the GUTF. Liquid assets may also be strategically used if we perceive that the downside risk of the market is high in the short-term. With effect from 10 July 2023, the Fund may invest up to 25% of its NAV in companies that are listed in any Eligible Market globally with some operations or businesses in Malaysia to capture growth opportunities.

The asset allocation strategy for this Fund is as follows:

- between 70% to 98% (both inclusive) of the Fund’s NAV in equities;
- up to 30% of the Fund’s NAV in warrants and options; and
- minimum of 2% of the Fund’s NAV in liquid assets.

Fund category/type

Equity/Growth

When was the Fund launched?

18 August 2004

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

RM81.64 million (118.39 million units)

What is the Fund’s benchmark?

FBMKLCI

What is the Fund distribution policy?

The Manager has the discretion to distribute part or all of the Fund’s distributable income. The distribution (if any) may vary from period to period depending on the investment objective and the performance of the Fund.

What was the net income distribution for the financial year ended 30 April 2025?

The Fund distributed a total net income of RM2.22 million to the unit holders. As a result, the NAV per unit dropped from RM0.7934 to RM0.7709 on 24 June 2024 for the financial year ended 30 April 2025.

The Fund’s NAV before and after distribution per unit are as follows:

Date	NAV per unit (before distribution) RM	NAV per unit (after distribution) RM
Distribution on 24 June 2024	0.7934	0.7709

FUND OBJECTIVE AND POLICY (CONTINUED)

Breakdown of distribution were as follows:

	30.04.2025		30.04.2024	
	RM	%	RM	%
Source of distribution				
Distribution out of current year's income	2,220,722	100.00	2,705,082	100.00
Distribution out of prior year's income/capital	-	-	-	-
Total	2,220,722	100.00	2,705,082	100.00

PERFORMANCE DATA

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

	30.04.2025	30.04.2024	30.04.2023
	%	%	%
Collective investment schemes	-	1.18	-
Quoted securities			
- Construction	10.86	-	1.02
- Consumer Discretionary	1.69	2.86	12.57
- Communication Services	-	1.01	2.21
- Energy	3.81	7.39	14.20
- Financials	31.37	16.24	15.71
- Health Care	2.13	3.70	7.83
- Materials	-	0.46	-
- Industrial	0.34	25.45	-
- Industrial Products & Services	7.49	-	6.08
- Information Technology	2.84	8.89	-
- Plantation	1.48	-	2.57
- Property	6.83	-	-
- Real Estate	-	9.39	-
- Technology	9.75	-	10.98
- Transportation & Logistics	1.89	-	7.15
- Utilities	12.96	8.95	-
Cash and other net assets	6.88	17.11	19.91
Liabilities	(0.32)	(2.63)	(0.23)
	100.00	100.00	100.00

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

	30.04.2025	30.04.2024	30.04.2023
NAV (RM Million)	81.64	78.59	59.95
Units in circulation (Million)	118.39	104.77	94.56
NAV per unit (RM)	0.6896	0.7500	0.6340
Highest NAV per unit (RM)	0.8457	0.7501	0.7244
Lowest NAV per unit (RM)	0.6250	0.5839	0.5992
Total return (%)	(5.37)	24.07	(8.42)
Capital growth (%)	(8.05)	18.30	(12.48)
Income distribution (%)	2.92	4.88	4.64
Total Expense Ratio ("TER") (%) ^	1.59	1.59	1.61
Portfolio Turnover Ratio ("PTR") (times) #	0.81	1.35	0.63

PERFORMANCE DATA (CONTINUED)

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

^ The Fund's TER remained at 1.59 times despite an increase in average NAV during the financial year under review.

The Fund's PTR decreased from 1.35 times to 0.80 times mainly due to decrease in trading activities during the financial year.

	30.04.2025	30.04.2024	30.04.2023	30.04.2022	30.04.2021
	%	%	%	%	%
Annual total return	(5.37)	24.07	(8.42)	4.22	34.29

(Launch date: 18 August 2004)

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

MARKET REVIEW (1 MAY 2024 TO 30 APRIL 2025)

In May 2023, FBMKLCI commenced the financial year with a gain of 1.3% month-on-month ("MoM") albeit slight distortion from MSCI May rebalancing, with investors staying upbeat despite bets on rate cuts by the Federal Reserve (the "Fed") pushed back given the persistent strong economic data out of the US and sticky inflation. Utilities, Financials, Consumer and Industrial led gains while Telcos and Commodities lagged. Within the broader market Construction, Property and Technology did well.

In June 2024, FBMKLCI weakened 0.4% as investors took the opportunity to lock in gains during half-time, but still remained relatively upbeat considering recent weakness in US economic data and inflation moderating. Utilities and Healthcare rose while Consumer eased. Within the broader market, Construction and Technology posted strong gains, while other sectors were mixed.

In July 2024, FBMKLCI rose by 2.2% to 1,625.57 points ("pts") in line with gains in regional markets and rebounding off the previous month's sell-off, spurred by Federal Open Market Committee ("FOMC") rate cut bets considering the recent weakness in US economic data and inflation moderating. Gainers were led by Banks, Utilities, Telcos, and Consumer, while Materials languished. Within the broader market Construction and Property posted strong gains, while Technology and Healthcare yielded.

In August 2024, the FBMKLCI gained 3.3% and landed at a 5-year high. This was despite the sharp sell-off at the start of the month due to the massive unwinding of the Yen carry trade. Sentiment was helped by waning US recession fears given the more 'upbeat' economic data, and greater conviction on the Fed cuts, coupled with the 5% appreciation in the Ringgit during the month. MSCI rebalancing also helped. Unfortunately, gains were largely concentrated on Banks and Plantations – all other sectors languished.

FBMKLCI trended 1.8% lower in September 2024 on the back of profit taking. This was in stark contrast to the stronger US market which recorded new highs following Fed's 50 basis points ("bps") cut during the month and greater confidence of a soft landing scenario for the US economy. Most sectors were down except for Construction, Property and Healthcare, with Energy and Tech sold off the most.

In October 2024, FBMKLCI fell 2.9% as investors risk-off ahead of the US elections, despite the Fed very likely to cut another 25bps in the November 2024 FOMC meeting given the recent inflation print and weak jobs data. Utilities and Telcos were sold off the most while Construction REITs and Healthcare posted modest gains.

MARKET REVIEW (1 MAY 2024 TO 30 APRIL 2025 (CONTINUED))

FBMKLCI shed 0.5% in November 2024 as investors continue to risk off due to uncertainties surrounding potential new polices under the new US administration, as well as the trajectory of Fed rates given the recent economic data. Utilities, Commodities, Telcos, Transport and Consumer were sold off the most, while Banks, Healthcare, Property, Construction and Plantation posted modest gains.

In December 2024, FBMKLCI ended the year on a strong note gaining 3.0% and ended the year at 1,642.33 pts. This was aided by year-end window dressing and cash redeployment by domestic funds amidst another month of heavy foreign selling due to policy uncertainties under the new US administration and the trajectory of Fed rates coupled with rising bond yields. Utilities, Commodities, Telcos, Transport and select Financials topped the leaderboard, while within the broader market, Technology, Property and Healthcare did well.

FBMKLCI sold off 85.41 pts or 5.2% in January 2025, ending the month at 1,556.92 pts largely caused by the recent US Artificial Intelligent (“AI”) diffusion rules, further exacerbated by the launch of DeepSeek by China which questioned global AI Capex and monetization prospects, and remained largely concentrated on DC- related plays domestically namely Construction, Utilities, Telcos and Properties. The shift in Fed rate expectations due to Trump's tariff posture did not help. Within the broader market, Technology, Consumer and Healthcare also languished.

FBMKLCI recovered 1.1% in February 2025. Sentiment improved as investors re-assessed the impact of US AI diffusion rules, the launch of cost-effective AI models, US tariffs and the trajectory of Fed rates. We witnessed a strong rebound in the sectors affected by these developments namely the DC-related plays namely Construction, Utilities, Properties, and to some extent Telcos, while select Financials and Healthcare also did well. Consumer and Petrochem ended weaker. Within the broader market, Energy, Technology and Gloves languished.

In March 2025, FBMKLCI fell 3.9%. Aside from the risk aversion surrounding impending Trump tariff measures and recession fears re-emerging in the US, the index was also weighed down by many heavyweights (mainly Banks and Tenaga) going ex-dividend during the month and Return on Investment (“ROI”) harvesting activities by domestic institutions. Almost all sectors were in the red with top laggards being Telcos, Financials and Healthcare.

FBMKLCI gained 1.8% in April 2025 and the index appears to have fully recovered from the “Liberation Day” sell-off. Investors sentiment was mainly buoyed by hopes of the US dialing back on tariffs against major trading nations, therefore easing concerns on the derailment of global trade and prospects of a recession. Gainers were led by Telcos, Consumer and Healthcare, while main laggards were Energy and Transport. Within the broader market Technology continues to languish.

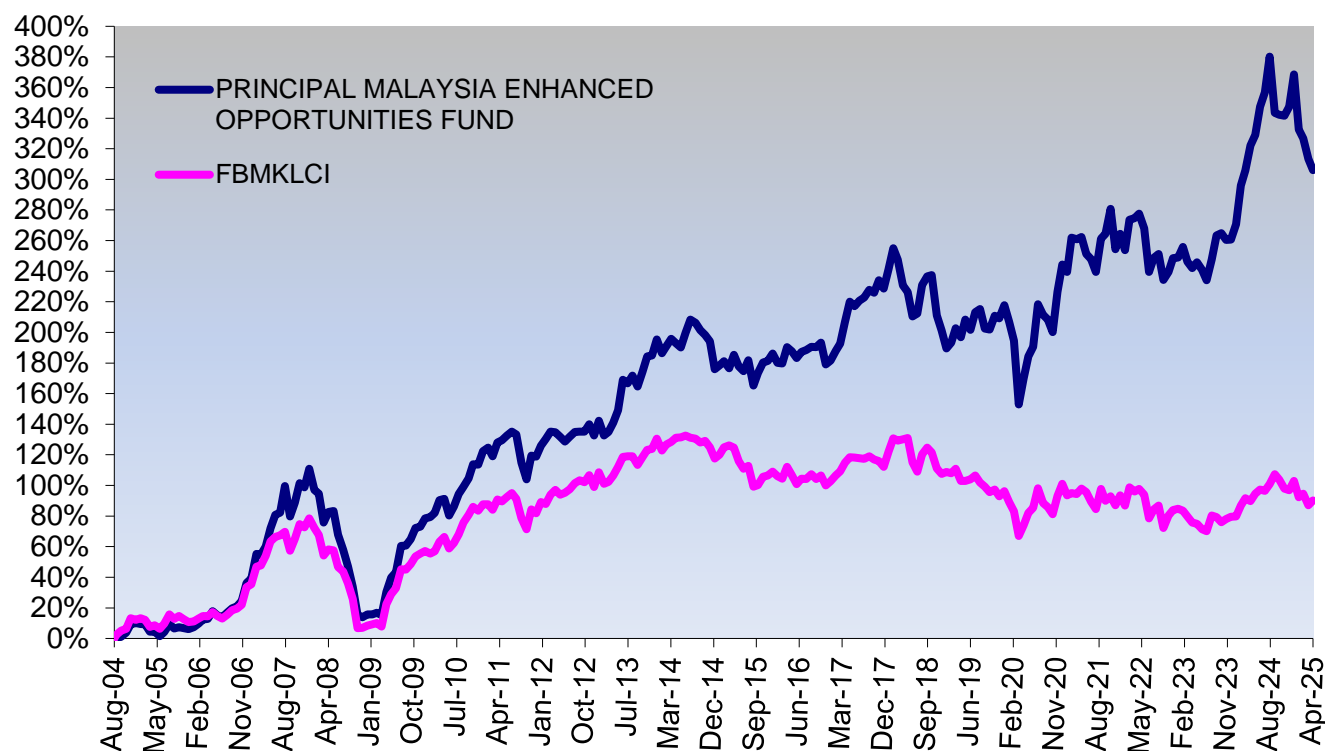
FUND PERFORMANCE

	1 year to 30.04.2025	3 years to 30.04.2025	5 years to 30.04.2025	Since inception to 30.04.2025
	%	%	%	%
Income Distribution	2.92	12.95	22.29	176.39
Capital Growth	(8.05)	(4.80)	23.05	46.88
Total Return	(5.37)	7.53	50.49	305.95
Benchmark	(2.27)	(3.76)	9.41	90.25
Average Total Return	(5.37)	2.45	8.51	7.00

For the financial year under review, the Fund registered a loss of 5.37%, while the benchmark fell 2.27%. As such, the Fund underperformed its benchmark by 3.10%.

FUND PERFORMANCE (CONTINUED)

Since inception



Changes in NAV

	30.04.2025	30.04.2024	Changes %
NAV (RM Million)	81.64	78.59	3.88
NAV/Unit (RM)	0.6896	0.7500	(8.05)

The NAV per unit decreased by 8.05% due to negative fund performance while NAV increased by 3.88% due to fund injection during the financial year under review.

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

PORTFOLIO STRUCTURE

Asset allocation

(% of NAV)	30.04.2025	30.04.2024
Collective investment schemes	-	1.18
Quoted securities	93.44	84.34
Cash and other net assets	6.88	17.11
Liabilities	(0.32)	(2.63)
TOTAL	100.00	100.00

Asset allocation was increased from 84.34% as at 30 April 2024 to 93.44% as at 30 April 2025 as we turned more constructive on the market during the financial year under review.

MARKET OUTLOOK*

Malaysia's manufacturing sector moderated further in April, with a softer PMI reading of 48.6pts vs 48.8pts in the previous month. Standard and Poor ("S&P") Global stated that demand conditions remain subdued while firms opted to work through backlogs in the absence of new orders while also scaling back employment, purchases and stock holdings. Inflation pressure trended downwards once again in April 2025 but only mildly. Business confidence slipped to the lowest level since July 2023, with firms expressing concerns about the potential adverse impacts of muted global economy and US tariffs. The latest PMI data still suggests modest growth in Gross Domestic Product ("GDP") for 1Q25 – advanced estimates show MY GDP grew 4.4% in 1Q25. To recap, Malaysia's GDP grew by 5% in 4Q24 and 5.1% for 2024. BNM maintained its GDP growth forecast of 4.5% to 5.5% in 2025 during the recent briefing but highlighted potential risk to growth due to the trade restrictions.

BNM maintained Overnight Policy Rate ("OPR") at 3.00% during the last Monetary Policy Committee ("MPC") meeting and we expect the central bank to hold rates steady given muted inflation and modest economic growth. Inflation slowed to 1.4% in March, lower than the 1.5% in the previous month. There appears to be sufficient headroom to central bank's latest 2.0% to 3.5% CPI forecast for 2025 with the impending subsidy rationalization plans.

The KLCI is now trading at a forward Price to Earnings of 13.5 times, which is approx. -1.5 Standard Deviation below the 10-year historical mean. Consensus projects earnings growth for FBM30 of around 7% for 2025 and 2026. Sustained strength in domestic investments (both DDI and FDI), fiscal consolidation gathering pace (in particular, subsidy rationalisation initiatives) and the strengthening of the Ringgit are factors we see supportive of the further narrowing of risk premiums (current yield gap at -370bps; pre- Coronavirus 2020 (COVID-19) average of 250bps) and consequently higher valuation multiples.

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

INVESTMENT STRATEGY

We remain constructive on sectors that stand to gain from the NETR, including Utilities, Construction, Property. We are also optimistic about Financials and Consumer names given the strong investment momentum in Malaysia. We also like sectors that benefit from the stronger Ringgit. Key risks are the derailment of Malaysia's macroeconomic recovery and corporate earnings growth due to the larger-than-expected impact of rising inflation, slower global economic growth and heightened geopolitical risks.

SOFT COMMISSIONS AND REBATES

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

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

SOFT COMMISSIONS AND REBATES (CONTINUED)

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

SECURITIES FINANCING TRANSACTIONS

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

STATE OF AFFAIR OF THE FUND

There were no significant changes in the state of affairs of the Fund during the financial year 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 year under review.

CROSS TRADE

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

UNIT SPLIT

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

**STATEMENT BY MANAGER TO THE UNIT HOLDERS OF
PRINCIPAL MALAYSIA ENHANCED OPPORTUNITIES FUND**

I, being the 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 35 are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial position of the Fund as at 30 April 2025 and of its financial performance, changes in net assets attributable to unit holders and cash flows for the financial year then ended in accordance with 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
16 June 2025

TRUSTEE'S REPORT

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

We have acted as Trustee of the fund for the financial year ended 30 April 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 year covered by these financial statements in accordance with the following:

- a) Limitations imposed on the Investment powers of the Management Company under the Deeds, securities laws and the Guidelines on Unit Trust Fund;
- b) Valuation and pricing is carried out in accordance with the Deeds; and
- c) Any creation and cancellation of units are carried out in accordance with the Deeds and any regulatory requirement.

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

For HSBC (Malaysia) Trustee Berhad

Lee Cincee
Senior Manager, Trustee and Fiduciary Services

Kuala Lumpur
16 June 2025

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

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Principal Malaysia Enhanced Opportunities Fund (the "Fund"), which comprise the statement of financial position of the Fund as at 30 April 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 year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 7 to 35.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 30 April 2025, and of its financial performance and cash flows for the financial year then ended 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 MALAYSIA ENHANCED OPPORTUNITIES 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 MALAYSIA ENHANCED OPPORTUNITIES 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 scepticism 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 MALAYSIA ENHANCED OPPORTUNITIES 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 Unit Trust Funds 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
16 June 2025

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025**

	Note	2025 RM	2024 RM
(LOSS)/INCOME			
Dividend income		2,479,684	1,629,276
Interest income from deposits with licensed financial institutions		124,656	114,168
Net (loss)/gain on financial assets at fair value through profit or loss	8	(5,858,380)	14,104,572
Net foreign exchange loss		(149,312)	(12,191)
		<u>(3,403,352)</u>	<u>15,835,825</u>
EXPENSES			
Management fee	4	1,296,452	958,860
Trustee fee	5	38,894	34,214
Transaction costs		481,225	594,621
Audit fee		9,200	9,400
Tax agent's fee		5,600	5,158
Other expenses		22,375	17,349
		<u>1,853,746</u>	<u>1,619,602</u>
(LOSS)/PROFIT BEFORE TAXATION		(5,257,098)	14,216,223
Taxation	7	-	-
(LOSS)/PROFIT AFTER TAXATION, REPRESENTING TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE FINANCIAL YEAR		<u>(5,257,098)</u>	<u>14,216,223</u>
 (Loss)/Profit after taxation is made up as follows:			
Realised amount		378,653	23,989,971
Unrealised amount		(5,635,751)	(9,773,748)
		<u>(5,257,098)</u>	<u>14,216,223</u>

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

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

	Note	2025 RM	2024 RM
ASSETS			
Cash and cash equivalents	9	5,427,119	5,232,062
Financial assets at fair value through profit or loss	8	76,287,038	67,209,832
Amount due from stockbrokers		-	2,878,826
Amount due from Manager		146,473	5,301,575
Amount due from Manager of collective investment schemes			
- Management fee rebate		2,239	2,467
Dividends receivables		42,881	28,240
TOTAL ASSETS		<u>81,905,750</u>	<u>80,653,002</u>
LIABILITIES			
Amount due to stockbrokers		-	1,897,180
Amount due to Manager		132,364	55,027
Accrued management fee		98,341	88,504
Amount due to Trustee		2,950	2,655
Other payables and accruals		29,200	23,800
TOTAL LIABILITIES		<u>262,855</u>	<u>2,067,166</u>
NET ASSET VALUE OF THE FUND		<u>81,642,895</u>	<u>78,585,836</u>
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS	10	<u>81,642,895</u>	<u>78,585,836</u>
NUMBER OF UNITS IN CIRCULATION (UNITS)	11	<u>118,389,595</u>	<u>104,770,621</u>
NET ASSET VALUE PER UNIT (RM)		<u>0.6896</u>	<u>0.7500</u>

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

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025**

	Note	2025 RM	2024 RM
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE BEGINNING OF THE FINANCIAL YEAR		<u>78,585,836</u>	<u>59,951,096</u>
Movement due to units created and cancelled during the financial year:			
- Creation of units from applications		49,787,134	14,268,931
- Creation of units from distribution		2,201,103	2,682,148
- Cancellation of units		<u>(41,453,358)</u>	<u>(9,827,480)</u>
		<u>10,534,879</u>	<u>7,123,599</u>
Total comprehensive (loss)/income for the financial year		(5,257,098)	14,216,223
Distribution	6	<u>(2,220,722)</u>	<u>(2,705,082)</u>
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE END OF THE FINANCIAL YEAR	10	<u>81,642,895</u>	<u>78,585,836</u>

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

**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2025**

	Note	2025 RM	2024 RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from disposal of quoted securities		65,470,964	80,474,983
Purchase of quoted securities		(79,906,430)	(87,006,857)
Interest income received from deposits with licensed financial institutions		124,656	114,168
Dividend income received		2,459,778	1,681,984
Management fee paid		(1,286,615)	(945,430)
Management fee rebate received		529	1,691
Trustee fees paid		(38,599)	(34,562)
Payments for other fees and expenses		(31,775)	(24,412)
Payment on foreign exchange loss		(18,102)	(11,190)
Net cash used in operating activities		<u>(13,225,594)</u>	<u>(5,749,625)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash proceeds from units created		54,942,236	9,032,665
Payments for cancellation of units		(41,376,021)	(9,815,303)
Distribution paid		(19,619)	(22,933)
Net cash generated from/(used in) financing activities		<u>13,546,596</u>	<u>(805,571)</u>
Net increase/(decrease) in cash and cash equivalents		321,002	(6,555,196)
Cash and cash equivalents at the beginning of the financial year		5,232,062	11,787,258
Effect of foreign exchange differences		(125,945)	-
Cash and cash equivalents at the end of the financial year	9	<u>5,427,119</u>	<u>5,232,062</u>
<u>Cash and cash equivalents comprised:</u>			
Deposits with licensed financial institutions		2,796,230	3,859,317
Bank balances		2,630,889	1,372,745
Cash and cash equivalents at the end of the financial year	9	<u>5,427,119</u>	<u>5,232,062</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 YEAR ENDED 30 APRIL 2025**

1. THE FUND, THE MANAGER AND ITS PRINCIPAL ACTIVITIES

Principal Malaysia Enhanced Opportunities Fund (the “Fund”) is governed by a Principal Master Deed dated 15 May 2008, a Thirteenth Supplemental Master Deed dated 23 February 2012, a Seventeenth Supplemental Master Deed dated 25 March 2015, a Nineteenth Supplemental Master Deed dated 11 May 2016 and a Twentieth Supplemental Master Deed dated 21 October 2019, Twenty First Supplemental Master Deed dated 4th December 2019, a Twenty Second Supplemental Master Deed dated 7th May 2021 and a Twenty Third Supplemental Master Deed dated 27th June 2022 (collectively referred to as the “Deeds”) made between Principal Asset Management Berhad (the “Manager”) and AmanahRaya Trustees Berhad (the “Previous Trustee”), a Twentyfourth Supplemental Master Deed dated 13 January 2023 and a Twenty Fifth Supplemental Master Deed dated 26 May 2023 (collectively referred to as the “Deeds”) made between Principal Asset Management Berhad (the “Manager”) and HSBC (Malaysia) Trustee Berhad (the “Trustee”) and the registered unit holders of the Fund.

The Fund will invest between 70% to 98% (both inclusive) of its NAV in equities and up to a maximum of 30% of its NAV may be invested in warrants and options. In line with its objective, the investment policy and strategy of the Fund will focus on investment in shares of companies with growth potential. The Fund may opt to seek investment exposure via collective investment schemes (“CIS”) that is in line with the Fund’s objective, subject to the requirement of the Guidelines on Unit Trust Funds (“GUTF”). Liquid assets may also be strategically used if we perceive that the downside risk of the market is high in the short-term. With effect from 10 July 2023, the Fund may invest up to 25% of its NAV in companies that are listed in any Eligible Market globally with some operations or businesses in Malaysia to capture growth opportunities

The asset allocation strategy for this Fund is as follows:

- between 70% to 98% (both inclusive) of the Fund’s NAV in equities;
- up to 30% of the Fund’s NAV in warrants and options; and
- minimum of 2% of the Fund’s NAV in liquid assets

All investments are subject to the GUTF, Securities Commission Malaysia (“SC”) requirements, the Deeds, except where exemptions or variations have been approved by the SC, internal policies and procedures and the Fund’s objective.

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

2. MATERIAL ACCOUNTING POLICY INFORMATION

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

(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 year.

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

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

There are no other standards, amendments to standards or interpretations that are effective for financial year beginning on 1 May 2024 that have a material effect on the financial statements of the Fund.

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 year beginning on or after 1 May 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 liabilities**Classification**

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

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

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

The Fund classifies cash and cash equivalents, amount due from stockbrokers, amount due from Manager, amount due from Manager of collective investment schemes - management fee rebate and dividends receivables as financial assets at amortised cost as these financial assets are held to collect contractual cash flows consisting of the amount outstanding.

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

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

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

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

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

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

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

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

Quoted securities in Malaysia are valued at the last done market price quoted on Bursa Malaysia Securities Bhd ("Bursa Securities") at the date of the statement of financial position.

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

Collective investment scheme is 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).

If a valuation based on the market price does not represent the fair value of the quoted securities, for example during abnormal market conditions or when no market price is available, including in the event of a suspension in the quotation of the quoted securities for a period exceeding 14 days, or such shorter period as agreed by the Trustee, then the quoted securities are valued as determined in good faith by the Manager, based on the methods or bases approved by the Trustee after appropriate technical consultation. Deposits with licensed financial institutions are stated at cost plus accrued interest calculated on the effective interest method over the period from the date of placement to the date of maturity of the respective deposits.

Deposits with licensed financial institutions are stated at cost plus accrued interest calculated on the effective interest method over the period from the date of placement to the date of maturity of the respective deposits.

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

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

Impairment for assets carried at amortised costs

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

Significant increase in credit risk

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

Definition of default and credit-impaired financial assets

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

Write-off

The Fund writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount.

The Fund may write-off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in impairment gains. There are no write-offs/recoveries during the financial year.

(c) Income recognition

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

Interest income from deposits with licensed financial institutions is recognised on a time proportionate basis using the effective interest rate method on an accrual basis.

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

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

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**(d) Functional and presentation currency**

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

(e) Cash and cash equivalents

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

(f) Taxation

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

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

(g) Transaction costs

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

(h) Amount due from/(to) stockbrokers

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

(i) Distribution

A distribution to the Fund’s unit holders is accounted for as a deduction from realised reserve. A proposed distribution is recognised as a liability in the financial year in which it is approved by the Trustee.

(j) Unit holders’ contributions

The unit holders’ contributions to the Fund meets the criteria to be classified as equity instruments under MFRS 132 “*Financial Instruments: Presentation*”. Those criteria include:

- the units entitle the holder to a proportionate share of the Fund’s NAV;
- the units are the most subordinated class and class features are identical;
- there is no contractual obligation to deliver cash or another financial asset other than the obligation on the Fund to repurchase; and
- the total expected cash flows from the units over its life are based substantially on the profit or loss of the Fund.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(j) Unit holders' contributions (continued)

The outstanding units are carried at the redemption amount that is payable at each financial year if unit holder exercises the right to put the unit back to the Fund.

Units are created and cancelled at prices based on the Fund's NAV per unit at the time of creation or cancellation. The Fund's NAV per unit is calculated by dividing the net assets attributable to unit holders with the total number of outstanding units.

(k) 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 GUTF.

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

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

Estimates and 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.

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

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

In undertaking any of the Fund's investment, the Manager will ensure that all assets of the Fund under management will be valued appropriately, that is at fair value and in compliance with the GUTF.

However, the Manager is of the opinion that in applying this accounting policy, 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 RM	Financial assets at amortised cost RM	Total RM
2025			
Cash and cash equivalents (Note 9)	-	5,427,119	5,427,119
Quoted securities (Note 8)	76,287,038	-	76,287,038
Amount due from Manager	-	146,473	146,473
Amount due from Manager of collective investment schemes			
- Management fee rebate	-	2,239	2,239
Dividends receivables	-	42,881	42,881
	<u>76,287,038</u>	<u>5,618,712</u>	<u>81,905,750</u>
2024			
Cash and cash equivalents (Note 9)	-	5,232,062	5,232,062
Collective investment scheme (Note 8)	924,395	-	924,395
Quoted securities (Note 8)	66,285,437	-	66,285,437
Amount due from stockbroker	-	2,878,826	2,878,826
Amount due from Manager	-	5,301,575	5,301,575
Amount due from Manager of collective investment schemes			
- Management fee rebate	-	2,467	2,467
Dividends receivables	-	28,240	28,240
	<u>67,209,832</u>	<u>13,443,170</u>	<u>80,653,002</u>

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

The investment objective of the Fund is to provide investors with long-term capital growth by investing principally in equities. The Fund also seeks to outperform the FBMKLCI benchmark.

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

Financial risk management is carried out through internal control process adopted by the Manager and adherence to the investment restrictions as stipulated in the Deeds and GUTF.

(a) Market risk

(i) Price risk

This is the risk that the fair value of an investment in quoted securities and collective investment schemes will fluctuate because of changes in market prices (other than those arising from interest rate risk). The value of quoted securities and collective investment schemes 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.

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

(a) Market risk (continued)

(i) Price risk (continued)

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

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

	2025 RM	2024 RM
Financial assets at fair value through profit or loss:		
- Collective investment schemes	-	924,395
- Quoted securities	76,287,038	66,285,437
	<u>76,287,038</u>	<u>67,209,832</u>

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

% Change in price of quoted securities and collective investment schemes	Market value RM	Impact on profit or loss/NAV RM
2025		
-5%	72,472,686	(3,814,352)
0%	76,287,038	-
5%	<u>80,101,390</u>	<u>3,814,352</u>
2024		
-5%	63,849,340	(3,360,492)
0%	67,209,832	-
5%	<u>70,570,324</u>	<u>3,360,492</u>

(ii) Interest rate risk

Interest rate is a general economic indicator that will have an impact on the management of the Fund.

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

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

(a) Market risk (continued)

(ii) Interest rate risk (continued)

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

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

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

As at the end of each financial year, the Fund is not exposed to a material level of interest rate risk.

The Fund's exposure to interest rate risk associated with deposits with licensed financial institutions is expected to be minimal as the deposits are held on short-term basis. The weighted average effective interest rate per annum was as follows:

	2025	2024
	%	%
Deposits with licensed financial institutions	3.00	3.00

(b) Credit risk

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

The credit risk arising from placements of deposits in licensed financial institutions is managed by ensuring that the Fund will only place deposits in reputable licensed financial institutions.

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 or paid upon delivery using approved stockbrokers.

For amount due from Manager, the settlement terms of the proceeds from the creation of units receivable from the Manager are governed by the GUTF.

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

(b) Credit risk (continued)

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

	Cash and cash equivalents RM	Amount due from stock-brokers RM	Amount due from Manager RM	Amount due from Manager of CIS – management fee rebate RM	Dividends receivables RM	Total RM
2025						
- AAA	5,427,119	-	-	-	-	5,427,119
- Not Rated	-	-	146,473	2,239	42,881	191,593
	<u>5,427,119</u>	<u>-</u>	<u>146,473</u>	<u>2,239</u>	<u>42,881</u>	<u>5,618,712</u>
2024						
- AAA	5,232,062	-	-	-	-	5,232,062
- Not Rated	-	2,878,826	5,301,575	2,467	28,240	8,211,108
	<u>5,232,062</u>	<u>2,878,826</u>	<u>5,301,575</u>	<u>2,467</u>	<u>28,240</u>	<u>13,443,170</u>

Deposits with licensed financial institutions of the Fund have an average remaining maturity of 2 days (2024: 2 days).

(c) Liquidity risk

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

The Manager manages this risk by maintaining sufficient level of liquid assets to meet anticipated payments and cancellations of the units by unit holders. Liquid assets comprise bank balances and deposits with licensed financial institutions, which are capable of being converted into cash within 7 business days. This is expected to reduce the risks for the entire portfolio without limiting the Fund's growth potentials.

The table below summarises the Fund's financial liabilities into relevant maturity groupings based on the remaining 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 RM	Between 1 month to 1 year RM	Total RM
2025			
Amount due to Manager	132,364	-	132,364
Accrued management fee	98,341	-	98,341
Amount due to Trustee	2,950	-	2,950
Other payables and accruals	-	29,200	29,200
Contractual undiscounted cash flows	<u>233,655</u>	<u>29,200</u>	<u>262,855</u>

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

(c) Liquidity risk (continued)

	Less than 1 month RM	Between 1 month to 1 year RM	Total RM
2024			
Amount due to stockbrokers	1,897,180	-	1,897,180
Amount due to Manager	55,027	-	55,027
Accrued management fee	88,504	-	88,504
Amount due to Trustee	2,655	-	2,655
Other payables and accruals	-	23,800	23,800
Contractual undiscounted cash flows	2,043,366	23,800	2,067,166

(d) Capital risk management

The capital of the Fund is represented by equity consisting of net assets attributable to unit holders RM81,642,895 (2024: RM78,585,836). The amount of capital can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unit holders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns to unit holders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

(e) Fair value estimation

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

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

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

(e) Fair value estimation (continued)

(i) Fair value hierarchy (continued)

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

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

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

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

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
2025				
Financial assets at fair value through profit or loss				
- Quoted securities	<u>76,287,038</u>	<u>-</u>	<u>-</u>	<u>76,287,038</u>
2024				
Financial assets at fair value through profit or loss				
- Collective investment scheme	924,395			924,395
- Quoted securities	<u>66,285,437</u>	<u>-</u>	<u>-</u>	<u>66,285,437</u>
	<u>67,209,832</u>	<u>-</u>	<u>-</u>	<u>67,209,832</u>

Investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1, include active listed quoted equities. The Fund does not adjust the quoted prices for these instruments. The Fund's policies on valuation of these financial assets are stated in Note 2(b).

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

4. MANAGEMENT FEE

In accordance with the Deeds, the Manager is entitled to a maximum management fee of 1.50% per annum calculated daily based on the NAV of the Fund.

For the financial year ended 30 April 2025, the management fee was recognised at a rate of 1.50% per annum (2024: 1.50% per annum).

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

5. TRUSTEE FEE

In accordance with the Deeds, the Trustee is entitled to a maximum fee of 0.045% per annum, calculated daily based on the NAV of the Fund.

For the financial year ended 30 April 2025, the Trustee fee is recognised at the rate of 0.045% per annum (2024: 0.045% per annum).

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

6. DISTRIBUTION

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

	2025		2024	
Source of distribution	RM	%	RM	%
Distribution out of current year's income	2,220,722	100.00	2,705,082	100.00
Distribution out of prior year's income/capital	-	-	-	-
Total	2,220,722	100.00	2,705,082	100.00

	2025	2024
Gross/Net distribution per unit (sen)	RM	RM
Distribution on 24 June 2024	2.25	-
Distribution on 26 June 2023	-	2.85

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

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

There were RM5,640,708 unrealised losses during the financial year ended 30 April 2025 (2024: RM9,773,748).

7. TAXATION

	2025	2024
	RM	RM
Tax charged for the financial year:	-	-

7. TAXATION (CONTINUED)

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

	2025 RM	2024 RM
(Loss)/Profit before taxation	<u>(5,257,098)</u>	<u>14,216,223</u>
Taxation at Malaysian statutory rate of 24% (2024:24%)	(1,261,704)	3,411,894
Tax effects of:		
- Loss not deductible for tax purpose/(Investment income not subject to tax)	816,806	(3,800,597)
- Expenses not deductible for tax purposes	130,581	155,319
- Restriction on tax deductible expenses for Unit Trust Funds	<u>314,317</u>	<u>233,384</u>
Taxation	<u>-</u>	<u>-</u>

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2025 RM	2024 RM
At fair value through profit or loss:		
- Collective investment schemes	-	924,395
- Quoted securities	<u>76,287,038</u>	<u>66,285,437</u>
	<u>76,287,038</u>	<u>67,209,832</u>
Net (loss)/gain on financial assets at fair value through profit or loss:		
- Realised (loss)/gain on disposals	(348,875)	4,298,097
- Unrealised fair value (loss)/gain	(5,509,806)	9,802,317
- Management fee rebate #	<u>301</u>	<u>4,158</u>
	<u>(5,858,380)</u>	<u>14,104,572</u>

Management fee rebate is derived from the collective investment schemes 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.

For the financial year ended 30 April 2025, management fee rebate is recognised at a rate of 0.50% per annum calculated and accrued daily based on the NAV of the collective investment scheme (2024: 0.50% per annum).

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
2025				
QUOTED SECURITIES - FOREIGN				
UNITED STATES				
Information Technology				
Nvidia Corporation	2,180	933,753	1,024,103	1.25
Taiwan Semiconductor Manufacturing	3,982	1,256,198	1,295,519	1.59
	<u>6,162</u>	<u>2,189,951</u>	<u>2,319,622</u>	<u>2.84</u>
TOTAL UNITED STATES	<u>6,162</u>	<u>2,189,951</u>	<u>2,319,622</u>	<u>2.84</u>
QUOTED SECURITIES – LOCAL				
MALAYSIA				
Construction				
Binastra Corporation Bhd	936,100	1,167,636	1,722,424	2.11
Econpile Holdings Bhd	2,195,900	688,409	680,729	0.83
Gamuda Bhd	1,096,959	2,819,071	4,651,106	5.70
IJM Corporation Bhd	454,700	871,825	1,032,169	1.26
Kerjaya Prospek Group Bhd	390,700	767,622	781,400	0.96
	<u>5,074,359</u>	<u>6,314,563</u>	<u>8,867,828</u>	<u>10.86</u>
Consumer Products & Services				
99 Speed Mart Retail Holdings Bhd	611,600	1,233,136	1,376,100	1.69
Energy				
Dayang Enterprise Holdings Bhd	446,400	729,507	767,808	0.94
Keyfield International Bhd	695,200	1,290,830	1,293,072	1.58
Wasco Bhd	1,140,400	1,406,341	1,049,168	1.29
	<u>2,282,000</u>	<u>3,426,678</u>	<u>3,110,048</u>	<u>3.81</u>
Financials				
AMMB Holdings Bhd	782,600	3,855,907	4,038,216	4.95
CIMB Group Holdings Bhd	936,763	6,357,186	6,669,753	8.17
Hong Leong Bank Bhd	206,100	4,348,880	4,117,878	5.04
Malayan Banking Bhd	675,200	6,807,595	6,745,248	8.26
Public Bank Bhd	904,300	4,117,437	4,042,221	4.95
	<u>3,504,963</u>	<u>25,487,005</u>	<u>25,613,316</u>	<u>31.37</u>
Health Care				
KPJ Healthcare Bhd	604,500	1,581,731	1,740,960	2.13

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

Name of counter	Quantity Units	Aggregate Cost RM	Market Value RM	Percentage of NAV %
2025 (CONTINUED)				
QUOTED SECURITIES –				
LOCAL				
(CONTINUED)				
MALAYSIA				
(CONTINUED)				
Industrials				
TMK Chemical Bhd	262,500	459,375	280,875	0.34
Industrials Products & Services				
HSS Engineers Bhd	1,356,700	1,399,051	1,159,978	1.42
Kelington Group Bhd	261,400	912,241	880,918	1.08
KJTS Group Bhd	1,758,800	1,826,358	1,829,152	2.24
Nationgate Holdings Bhd	600,700	1,034,539	816,952	1.00
Sunway Bhd	314,900	1,083,419	1,432,795	1.75
	<u>4,292,500</u>	<u>6,255,608</u>	<u>6,119,795</u>	<u>7.49</u>
Plantation				
SD Guthrie Bhd	255,000	1,270,511	1,211,250	1.48
Property				
Eastern and Oriental Bhd	1,154,300	737,514	911,897	1.12
Malaysian Resources Corporation Bhd	2,588,600	1,543,514	1,190,756	1.46
Sime Darby Property Bhd	762,400	950,255	945,376	1.16
SP Setia Bhd	1,393,300	1,966,332	1,532,630	1.88
UEM Sunrise Bhd	1,370,600	1,015,708	986,832	1.21
	<u>7,269,200</u>	<u>6,213,323</u>	<u>5,567,491</u>	<u>6.83</u>
Technology				
Cloudpoint Technology Bhd	1,681,500	1,562,328	1,210,680	1.48
Frontken Corporation Bhd	606,000	2,270,041	2,121,000	2.60
Ifca Msc Bhd	1,655,200	1,374,098	753,116	0.92
ITMAX System Bhd	612,900	1,459,690	2,261,601	2.77
LGMS Bhd	964,200	1,136,224	877,422	1.07
SMRT Holdings Bhd	797,300	768,803	745,475	0.91
	<u>6,317,100</u>	<u>8,571,184</u>	<u>7,969,294</u>	<u>9.75</u>
Transportation				
MISC Bhd	205,100	1,666,877	1,540,301	1.89
Utilities				
Tenaga Nasional Bhd	571,100	6,451,605	7,915,446	9.70
YTL Corp Bhd	723,600	1,314,961	1,389,312	1.70
YTL Power International Bhd	370,000	866,951	1,265,400	1.56
	<u>1,664,700</u>	<u>8,633,517</u>	<u>10,570,158</u>	<u>12.96</u>
TOTAL MALAYSIA	<u>32,343,522</u>	<u>71,113,508</u>	<u>73,967,416</u>	<u>90.60</u>

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

Name of counter	Quantity Units	Aggregate Cost RM	Market Value RM	Percentage of NAV %
2025 (CONTINUED)				
QUOTED SECURITIES –				
LOCAL				
(CONTINUED)				
TOTAL QUOTED SECURITIES	<u>32,349,684</u>	<u>73,303,459</u>	<u>76,287,038</u>	<u>93.44</u>
ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		<u>2,983,579</u>		
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		<u>76,287,038</u>		
2024				
COLLECTIVE INVESTMENT SCHEME				
IRELAND				
Principal Islamic ASEAN Equity Fund	<u>19,694</u>	<u>925,589</u>	<u>924,395</u>	<u>1.18</u>
TOTAL COLLECTIVE INVESTMENT SCHEME	<u>19,694</u>	<u>925,589</u>	<u>924,395</u>	<u>1.18</u>
ACCUMULATED UNREALISED LOSS ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		<u>(1,194)</u>		
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		<u>924,395</u>		

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

Name of counter	Quantity Units	Aggregate Cost RM	Market Value RM	Percentage of NAV %
2024 (CONTINUED)				
QUOTED SECURITIES - FOREIGN				
UNITED KINGDOM				
Information Technology				
Samsung Electronics Co. Ltd	51	334,537	342,767	0.44
TOTAL UNITED KINGDOM	51	334,537	342,767	0.44
UNITED STATES				
Information Technology				
Nvidia Corp	218	933,753	898,460	1.14
Taiwan Semiconductor Manufacturing	1,302	872,015	852,956	1.09
	1,520	1,805,768	1,751,416	2.23
TOTAL UNITED STATES	1,520	1,805,768	1,751,416	2.23
QUOTED SECURITIES – LOCAL				
MALAYSIA				
Communication Services				
Axiata Group Bhd	281,500	732,686	796,645	1.01
Consumer Discretionary				
RGB International Bhd	4,030,300	1,453,525	1,632,271	2.08
SMRT Holdings Bhd	724,900	684,986	616,165	0.78
	4,755,200	2,138,511	2,248,436	2.86
Energy				
Dayang Enterprise Holdings Bhd	889,500	1,453,621	2,321,595	2.96
Dialog Group Bhd	624,400	1,267,071	1,504,804	1.91
Perdana Petroleum Bhd	497,500	154,225	156,713	0.20
Wah Seong Corporation Bhd	176,500	182,985	255,925	0.33
Yinson Holdings Bhd	468,960	1,126,559	1,148,952	1.46
Yinson Holdings Bhd - Warrant	1,227,582	559,923	417,378	0.53
	3,884,442	4,744,384	5,805,367	7.39

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

Name of counter	Quantity Units	Aggregate Cost RM	Market Value RM	Percentage of NAV %
2024 (CONTINUED)				
QUOTED SECURITIES –				
LOCAL (CONTINUED)				
MALAYSIA				
(CONTINUED)				
Financials				
Alliance Bank Malaysia Bhd	187,300	715,486	715,486	0.92
CIMB Group Holdings Bhd	584,163	2,999,212	3,861,317	4.91
Malayan Banking Bhd	342,800	3,072,537	3,335,444	4.24
Public Bank Bhd	1,176,300	4,865,048	4,846,356	6.17
	<u>2,290,563</u>	<u>11,652,283</u>	<u>12,758,603</u>	<u>16.24</u>
Health Care				
Alpha IVF Group Bhd	2,672,900	855,328	868,692	1.11
Hartalega Holding Bhd	467,200	1,004,340	1,308,160	1.66
Kossan Rubber Industries	333,400	699,291	733,480	0.93
	<u>3,473,500</u>	<u>2,558,959</u>	<u>2,910,332</u>	<u>3.70</u>
Industrials				
Cape EMS Bhd	1,530,600	1,684,077	1,454,070	1.85
Econpile Holdings Bhd	2,090,800	640,063	1,003,584	1.28
Frontken Corporation Bhd	290,600	1,057,695	1,144,964	1.46
Gamuda Bhd	300,898	1,252,403	1,597,768	2.03
Greotech Technology Bhd	261,200	1,201,337	1,175,400	1.49
HSS Engineers Bhd	457,900	500,778	451,032	0.57
IJM Corporation Bhd	596,600	1,117,574	1,443,772	1.84
Iskandar Waterfront City Bhd	1,280,900	967,263	960,675	1.22
ITMAX System Bhd	641,200	1,425,536	1,442,700	1.84
Keyfield International Bhd	833,800	1,470,618	1,509,178	1.92
Malaysia Airports Holding Bhd	374,500	2,560,168	3,745,000	4.77
Malaysian Resources Corporation Bhd	1,227,800	706,702	822,626	1.05
MISC Bhd	91,500	729,840	728,340	0.93
Solarvest Holdings	761,700	1,169,629	1,173,018	1.49
Sunway Construction Group Bhd	444,800	1,257,947	1,347,744	1.71
	<u>11,184,798</u>	<u>17,741,630</u>	<u>19,999,871</u>	<u>25.45</u>

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

Name of counter	Quantity Units	Aggregate Cost RM	Market Value RM	Percentage of NAV %
2024 (CONTINUED)				
QUOTED SECURITIES – LOCAL (CONTINUED)				
MALAYSIA (CONTINUED)				
Information Technology				
Genetec Technology Bhd	1,073,700	2,652,614	2,061,504	2.62
LGMS Bhd	776,700	799,302	939,807	1.20
Nationgate Holdings Bhd	450,800	716,315	784,392	1.00
Oppstar Bhd	608,300	1,116,916	882,035	1.12
Scicom MSC Bhd	201,600	228,812	217,728	0.28
	<u>3,111,100</u>	<u>5,513,959</u>	<u>4,885,466</u>	<u>6.22</u>
Materials				
Ancom Nylex Bhd	359,495	377,482	370,281	0.46
Real Estate				
Eastern and Oriental Bhd	1,410,300	901,080	1,438,506	1.83
SP Setia Bhd	1,240,800	1,755,433	1,811,568	2.31
Sunway Bhd	733,700	2,328,745	2,582,624	3.29
Sunway Bhd - WB 03/10/2024	85,500	160,697	182,970	0.22
UEM Sunrise Bhd	1,275,900	903,962	1,365,213	1.74
	<u>4,746,200</u>	<u>6,049,917</u>	<u>7,380,881</u>	<u>9.39</u>
Utilities				
Tenaga Nasional Bhd	314,200	3,005,918	3,757,832	4.78
YTL Corp Bhd	424,400	593,037	1,315,640	1.67
YTL Power International Bhd	426,500	541,787	1,961,900	2.50
	<u>1,165,100</u>	<u>4,140,742</u>	<u>7,035,372</u>	<u>8.95</u>
TOTAL MALAYSIA	<u>35,251,898</u>	<u>55,650,553</u>	<u>64,191,254</u>	<u>81.67</u>
TOTAL QUOTED SECURITIES	<u>35,253,469</u>	<u>57,790,858</u>	<u>66,285,437</u>	<u>84.34</u>
ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		<u>8,494,579</u>		
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		<u>66,285,437</u>		

9. CASH AND CASH EQUIVALENTS

	2025 RM	2024 RM
Deposits with licensed financial institutions	2,796,230	3,859,317
Bank balance	2,630,889	1,372,745
	<u>5,427,119</u>	<u>5,232,062</u>

10. NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS

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

	2025 RM	2024 RM
Unit holders' contributions	23,378,706	12,843,827
Retained earnings	58,264,189	65,742,009
	<u>81,642,895</u>	<u>78,585,836</u>

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

	Unit holders' contributions RM	Retained earnings RM	Total RM
Balance as at 1 May 2024	12,843,827	65,742,009	78,585,836
Movements in unit holders' contributions:			
- Creation of units from applications	49,787,134	-	49,787,134
- Creation of units from distribution	2,201,103	-	2,201,103
- Cancellation of units	(41,453,358)	-	(41,453,358)
Total comprehensive loss for the financial year	-	(5,257,098)	(5,257,098)
Distribution	-	(2,220,722)	(2,220,722)
Balance as at 30 April 2025	<u>23,378,706</u>	<u>58,264,189</u>	<u>81,642,895</u>
Balance as at 1 May 2023	5,720,228	54,230,868	59,951,096
Movements in unit holders' contributions:			
- Creation of units from applications	14,268,931	-	14,268,931
- Creation of units from distribution	2,682,148	-	2,682,148
- Cancellation of units	(9,827,480)	-	(9,827,480)
Total comprehensive income for the financial year	-	14,216,223	14,216,223
Distribution	-	(2,705,082)	(2,705,082)
Balance as at 30 April 2024	<u>12,843,827</u>	<u>65,742,009</u>	<u>78,585,836</u>

11. NUMBER OF UNITS IN CIRCULATION (UNITS)

	2025	2024
	No. of units	No. of units
At the beginning of the financial year	104,770,621	94,559,809
Add: Creation of units from applications	64,249,193	20,621,888
Add: Creation of units from distribution	2,855,239	4,593,506
Less: Cancellation of units	(53,485,458)	(15,004,582)
At the end of the financial year	118,389,595	104,770,621

12. TOTAL EXPENSE RATIO (“TER”)

	2025	2024
	%	%
TER	1.59	1.59

TER is derived based on the following calculation:

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

A	=	Management fee (excluded rebate)
B	=	Trustee fee
C	=	Audit fee
D	=	Tax Agent’s fee
E	=	Other expenses excluding Central Depository System (“CDS”) transfer fee and withholding tax
F	=	Average NAV of the Fund calculated on a daily basis

The average NAV of the Fund for the financial year calculated on a daily basis was RM86,670,943 (2024: RM63,774,857).

13. PORTFOLIO TURNOVER RATIO (“PTR”)

	2025	2024
PTR (times)	0.81	1.35

PTR is derived based on the following calculation:

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

where:

total acquisition for the financial year	=	RM77,735,750 (2024: RM88,598,414)
total disposal for the financial year	=	RM62,796,957 (2024: RM83,646,532)

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

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

<u>Related parties</u>	<u>Relationship</u>
Principal Asset Management Berhad	The Manager
Principal Islamic Asset Management Plc	Fellow related party to 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 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 Group Holdings Bhd	Ultimate holding company of shareholder of the Manager
CIMB Bank Bhd	Fellow related party to the Manager
CIMB Islamic Bank Bhd	Fellow related party to the Manager
CGS-CIMB Securities Sdn Bhd	Fellow related party to the Manager
CIMB Group Sdn Bhd	Shareholder of the Manager
Subsidiaries and associates of Principal Financial Group Incorporation, other than above, as disclosed in its financial statements	Fellow subsidiary and associated companies of the ultimate holding company of shareholder of the Manager

Units held by the Manager and parties related to the Manager

	<u>2025</u>		<u>2024</u>	
	<u>No. of units</u>	<u>RM</u>	<u>No. of units</u>	<u>RM</u>
Manager				
Principal Asset Management Berhad	<u>2,516</u>	<u>1,735</u>	<u>3,592</u>	<u>2,694</u>

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

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

In addition to related party disclosures mentioned elsewhere in the financial statements, set out below are other significant related party transactions and balances. The Manager is of the opinion that all transactions with the related companies have been entered into in the normal course of business at agreed terms between the related parties.

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

	2025 RM	2024 RM
<u>Significant related party transactions</u>		
Dividend income:		
- CIMB Group Holdings Bhd	<u>408,150</u>	<u>233,800</u>
Financial assets at fair value through profit or loss:		
- CIMB Group Holdings Bhd	<u>6,669,753</u>	<u>3,861,317</u>

15. TRANSACTIONS WITH BROKERS/DEALERS

Details of transactions with top 10 brokers/dealers for the financial year ended 30 April 2025 were as follows:

Brokers/Dealers	Value of trades RM	Percentage of total trades %	Brokerage fees RM	Percentage of total brokerage fees %
RHB Investment Bank Bhd	27,308,818	19.45	56,590	17.72
Maybank Investment Bank Bhd	19,360,002	13.79	56,675	17.75
Nomura Securities Malaysia Sdn Bhd	16,408,072	11.69	35,951	11.26
CGS International Securities Malaysia Sdn Bhd	14,903,532	10.61	33,862	10.60
Macquarie Capital Sec (M) SB	12,825,625	9.13	27,755	8.69
Affin Hwang Investment Bank Bhd	10,392,030	7.40	22,856	7.16
KAF Equities Sdn Bhd	8,885,388	6.33	25,256	7.91
J.P. Morgan Sec (M) Sdn Bhd	6,977,865	4.97	12,643	3.96
Kenanga Investment Bank Bhd	5,816,993	4.14	13,102	4.10
Hong Leong Investment Bank Bhd	5,159,884	3.67	11,611	3.64
Others	12,374,616	8.82	23,027	7.21
	<u>140,412,825</u>	<u>100.00</u>	<u>319,328</u>	<u>100.00</u>

15. TRANSACTIONS WITH BROKERS/DEALERS (CONTINUED)

Details of transactions with top 10 brokers/dealers for the financial year ended 30 April 2024 were as follows:

Brokers/Dealers	Value of trades RM	Percentage of total trades %	Brokerage fees RM	Percentage of total brokerage fees %
RHB Investment Bank Bhd	31,513,535	18.57	71,361	18.70
CLSA Securities M Sdn Bhd	22,963,945	13.53	51,558	13.51
Macquarie Capital Securities (M) Sdn Bhd	20,925,948	12.33	46,578	12.20
Nomura Securities Malaysia Sdn Bhd	14,989,336	8.83	33,726	8.84
Affin Hwang Investment Bank Bhd	14,504,391	8.54	32,712	8.57
Maybank Investment Bank Bhd	13,407,708	7.90	28,144	7.37
CGS-CIMB Securities Sdn Bhd #	13,372,899	7.88	30,106	7.89
UBS Securities M Sdn Bhd	13,097,909	7.72	28,205	7.39
J.P. Morgan Securities (M) Sdn Bhd	6,783,288	4.00	12,843	3.37
Citigroup Global Markets M Sdn Bhd	5,312,502	3.13	10,840	2.84
Others	12,874,997	7.57	35,592	9.32
	<u>169,746,458</u>	<u>100.00</u>	<u>381,665</u>	<u>100.00</u>

Included in the transactions are trades conducted with CGS-CIMB Securities Sdn Bhd, fellow related party of the Manager amounting to Nil (2024: RM13,372,899). The Manager is of the opinion that all transactions with the related party have been entered into in the normal course of business at agreed terms between the related parties.

16. APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved for issue by the Manager on 16 June 2025.

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