

**PRINCIPAL VIETNAM EQUITY FUND**

**ANNUAL REPORT**

**FOR THE FINANCIAL PERIOD FROM 06 MAY 2024 (DATE OF LAUNCH) TO 31 MARCH 2025**

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**INVESTORS' LETTER**

Dear Valued Investor,

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

We are pleased to bring you a copy of the Annual Fund Report of the Principal Vietnam Equity Fund for the financial period from 06 May 2024 (date of launch) to 31 March 2025. You may also download this report from our website at [www.principal.com.my](http://www.principal.com.my).

We are thankful to share that investors like you have helped make our recent recognition at the LSEG Lipper Fund Awards 2025 possible, where Principal Malaysia received nine awards. These acknowledgements reflect the collaborative effort of our entire team to deliver investment solutions that meet your needs. We have recently been awarded 'Asset Management Company of the Year (Malaysia)' by The Asset Triple A Sustainable Investing Awards for Institutional Investors, ETFs, and Asset Servicing Providers 2025.

Building on our recent success, Principal Malaysia also garnered numerous accolades throughout 2024. At the Asia Asset Management 2024 Best of the Best Awards, we were honored with the Best of the Best Performance Award for China A-Share Equity (3 years) and recognized as the Best Institutional House – Malaysia. At the 2024 Global Banking & Finance Awards, our CEO, Munirah Khairuddin, was named Asset Management CEO of the Year Malaysia, and our company was recognized as Asset Management Company of the Year Malaysia. Additionally, we received the Best International Equity Fund Manager for MSCI EM Latin America 2023 at the EPF External Fund Managers Awards 2023.

At the Alpha Southeast Asia Fund Management Awards 2024, we won three awards: Best Absolute Return Strategy, Best Online & Mobile Platform (Asset Manager), and Best Asset Manager (Income-Oriented, Money Market & Alternative Investment Funds). The International Finance Awards honored us with 'Best Asset Management Company – Malaysia 2024' and 'Best Asset Management CEO – Munirah Khairuddin – Malaysia 2024'. At the Triple A Sustainable Investing Awards 2024, we secured the Asset Management Company of the Year (Malaysia) award. The World Business Outlook magazine recognized us with the titles of Best Investment Management and Solutions Provider Malaysia, Best Institutional House Malaysia, and Asset Management CEO (Munirah Khairuddin) of the Year Malaysia. Additionally, we received three awards at the iFast Awards 2024, seven at the LSEG Lipper Fund Awards 2024, ten at the FSMOne Recommended Funds 2023/2024, and two at the Edge ESG Awards 2024.

Digital innovation is central to our strategy, as we use data and technology to develop the right solutions for you. We will continue to advance our digital capabilities to provide easy access to your investment portfolio and enable you to carry out transactions seamlessly. Please continue to check out our website, 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 Principal Asset Management Berhad (Group of Companies),  
and Managing Director Strategic Distribution & Institutional Client Relations  
(Southeast Asia & Global Shariah)  
Non-Independent Executive Director

**MANAGER'S REPORT****FUND OBJECTIVE AND POLICY****What is the investment objective of the Fund?**

The Fund aims to achieve long-term capital appreciation through investments in one collective investment scheme ("CIS").

**Has the Fund achieved its objective?**

The fund is in-line to achieve its long-term objective of providing capital appreciation as stated under the fund objective section.

**What are the Fund investment policy and principal investment strategy?**

The Fund is a feeder fund that invests into a single CIS, i.e. Principal Vietnam Equity Fund ("Target Fund"). The Fund may also invest in liquid assets for liquidity purposes.

In order to achieve its objective, the Fund will invest at least 85% of its NAV in the Target Fund, a fund established on 16 October 2017 under Principal Asset Management Company Limited. 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.

**Base Currency**

United States Dollar ("USD")

**Fund category/type**

Feeder Fund/Growth

**When was the Fund launched?**

<b>Name of Class</b>	<b>Launch date</b>
Class MYR-Hedged ("MYR-H")	6 May 2024
Class USD	6 May 2024
Class D	26 August 2024

**What was the size of the Fund as at 31 March 2025?**

USD1.35 million (5.98 million units)

**What is the Fund's benchmark?**

The Fund adheres to the benchmark of the Target Fund for performance comparison only. The performance comparator of the Target Fund is FTSE Vietnam Index TR USD.

*\* Any changes to the Target Fund's benchmark will be updated in our website and/or the Fund's Product Highlights Sheet.*

**What is the Fund distribution policy?**

Incidental. Distributions (if any) will be at the discretion of the Manager and will vary from period to period depending on markets conditions and performance of the Fund.

**Note:** The Fund may distribute income from realized income, realized capital gains, unrealised income, unrealised capital gain, capital and/or a combination of any of the above. We reserve the right to vary the frequency and/or amount of distributions.

**What was the net income distribution for the financial period from 06 May 2024 (date of launch) to 31 March 2025?**

There was no distribution made for the financial period from 06 May 2024 (date of launch) to 31 March 2025.

## PERFORMANCE DATA

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

	31.03.2025
	%
Collective investment scheme	98.04
Cash and other assets	13.91
Liabilities	(11.95)
	<u>100.00</u>

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

	31.03.2025
NAV (USD Million)	
- Class D	0.10
- Class MYR-H	1.20
- Class USD	0.05
Units in circulation (Million)	
- Class D	0.46
- Class MYR-H	5.47
- Class USD	0.05
NAV per unit (USD)	
- Class D	0.2172
- Class MYR-H	0.2190
- Class USD	0.9932
	<b>06.05.2024</b>
	<b>(date of launch)</b>
	<b>to 31.03.2025</b>
Highest NAV per unit (USD)	
- Class D	0.2357
- Class MYR-H	0.2579
- Class USD	1.0765
Lowest NAV per unit (USD)	
- Class D	0.0000
- Class MYR-H	0.2095
- Class USD	0.0000
Total return (%)	
- Class D	(2.33)
- Class MYR-H	(1.58)
- Class USD	0.65
Capital growth (%)	
- Class D	(2.33)
- Class MYR-H	(1.58)
- Class USD	0.65

**PERFORMANCE DATA (CONTINUED)**

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

**06.05.2024**  
**(date of launch)**  
**to 31.03.2025**

Income distribution (%)

- Class D	-
- Class MYR-H	-
- Class USD	-

Total Expense Ratio ("TER") (%) 1.90

Portfolio Turnover Ratio ("PTR") (times) 1.15

**Since inception**  
**to 31.03.2025**  
**%**

Annual total return

- Class MYR	(1.58)
- Class USD	0.65

(Launch date: 6 May 2024)

**Since inception**  
**to 31.03.2025**  
**%**

Annual total return

- Class D	(2.33)
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(Launch date: 26 August 2024)

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

**MARKET REVIEW (6 MAY 2024 (DATE OF LAUNCH) TO 31 MARCH 2025)**

Vietnam's economy demonstrated robust performance, driven by strong trading activities and a solid recovery in key export sectors. Exports and imports increased significantly, with electronics and textiles leading the way. The Purchasing Managers' Index ("PMI") remained steady, indicating marginal improvement in business conditions. Retail sales showed signs of acceleration, largely due to the return of international tourists, surpassing pre-Coronavirus Disease 2019 ("COVID 19") levels. Foreign Direct Investment ("FDI") also saw growth, with notable investments in high-tech industries.

During this period, Vietnam's Gross Domestic Product ("GDP") growth was forecasted to moderate to 6.8% in 2025. The rebound in exports observed in 2024 began to ease, influenced by economic slowdowns in major trade partners such as China and the United States. Despite these challenges, domestic activities and services continued to firm up, supported by a recovering real estate market. Increased public investment played a crucial role in sustaining demand and contributing to growth.

Inflationary pressures were evident, with the Consumer Price Index ("CPI") rising due to higher food prices and increased costs of accommodation and construction materials. The Vietnamese Dong depreciated against the US dollar, reflecting broader economic trends.

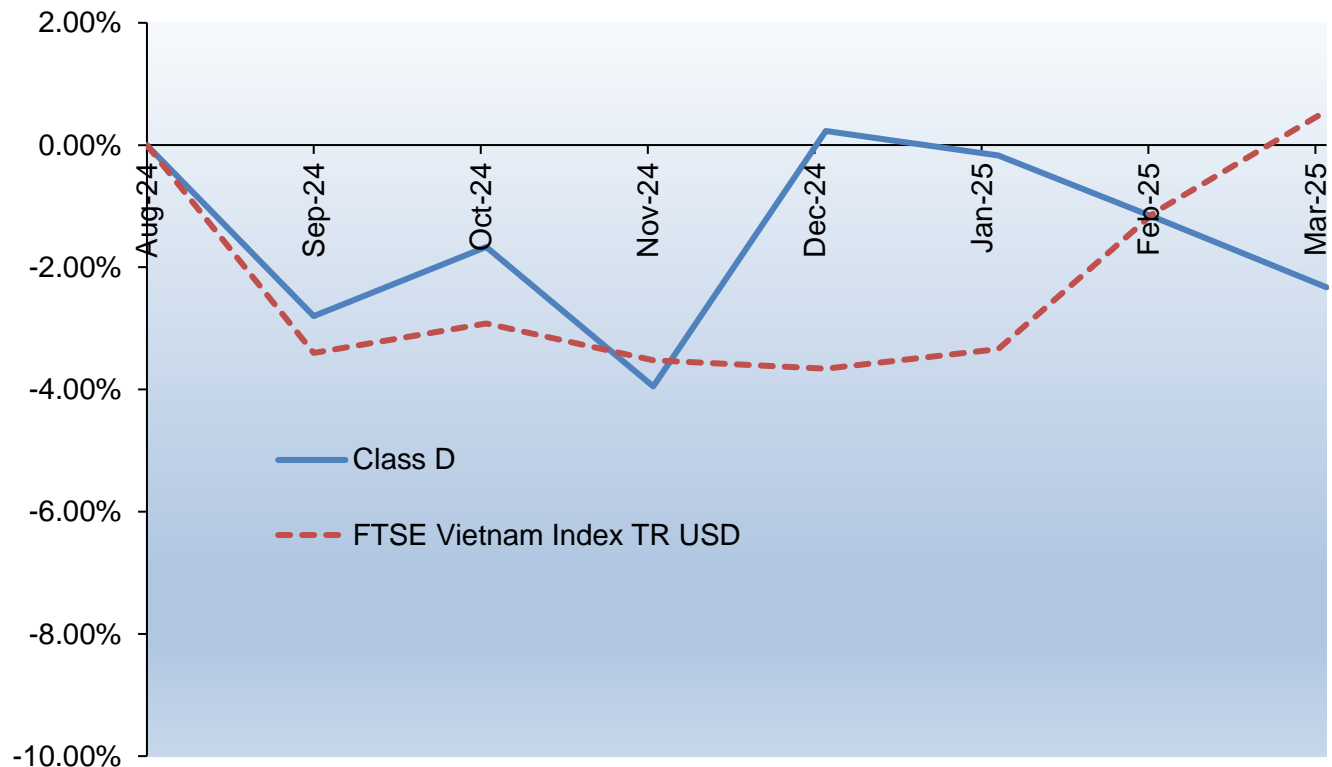
## FUND PERFORMANCE

	Since Inception to 31.03.2025 %
Income Distribution	
- Class D	-
- Class MYR-H	-
- Class USD	-
Capital Growth	
- Class D	(2.33)
- Class MYR-H	(1.58)
- Class USD	0.65
Total Return	
- Class D	(2.33)
- Class MYR-H	(1.58)
- Class USD	0.65
Benchmark	
- Class D	0.56
- Class MYR-H	(0.68)
- Class USD	(0.68)
Average Total Return	
- Class D	(3.89)
- Class MYR-H	(1.75)
- Class USD	0.72

During the financial period under review, the fund recorded mixed results among different classes. Class D and Class MYR-H decreased by 2.33% and 1.58% while Class USD increased by 0.65%.

## CLASS D

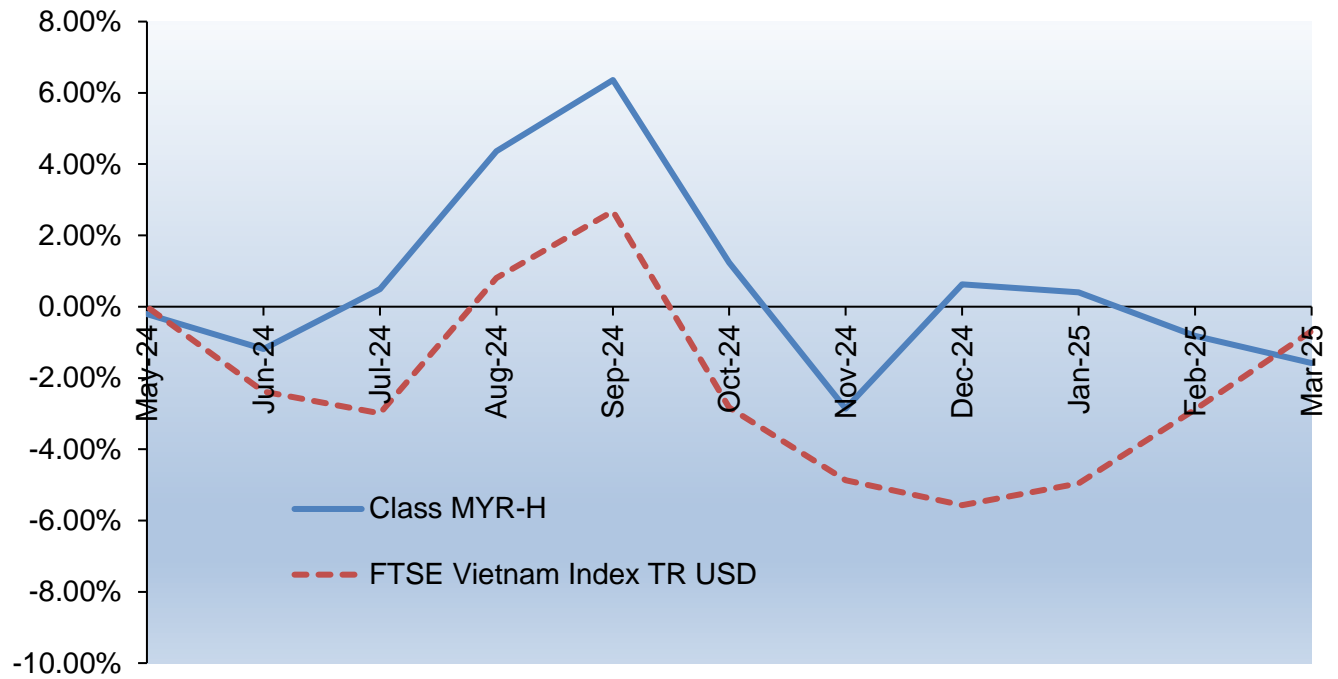
## Since Inception



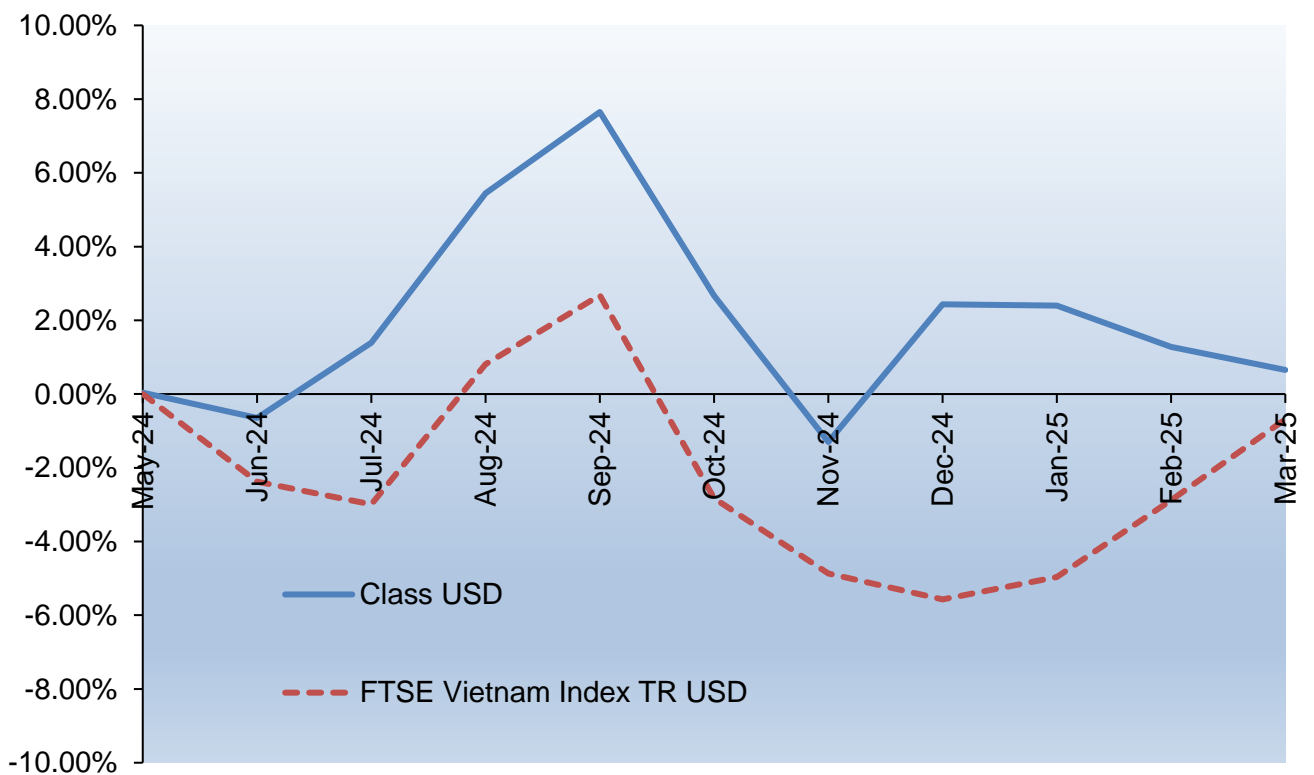
FUND PERFORMANCE (CONTINUED)

CLASS MYR-H

Since Inception



CLASS USD





**FUND PERFORMANCE (CONTINUED)****Changes in NAV****31.03.2025****CLASS D**

NAV (USD Million)	0.10
NAV/Unit (USD)	0.2172

**CLASS MYR-H**

NAV (USD Million)	1.20
NAV/Unit (USD)	0.2190

**CLASS USD**

NAV (USD Million)	0.05
NAV/Unit (USD)	0.9932

During the financial period under review, the fund's NAV for Class D, Class MYR-H, and Class USD stood at USD 0.10 million, USD 1.20 million, and USD 0.05 million respectively.

At the time of reporting, Class MYR-H has the highest total NAV, stood at USD 1.20 million.

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

**PORTFOLIO STRUCTURE****Asset allocation**

<b>(% of NAV)</b>	<b>31.03.2025</b>
Collective investment schemes	98.04
Cash and other assets	13.91
Liabilities	(11.95)
<b>Total</b>	<b>100.00</b>

The fund was fully invested during the period under review, a minimal level of cash was kept for redemption purposes.

**MARKET OUTLOOK\***

Vietnam's economic outlook for the remainder of 2025 is characterized by strong growth prospects despite global uncertainties. The International Monetary Fund ("IMF") projects Vietnam's GDP to grow by 6.1% in 2025, placing it among the top 20 fastest-growing economies globally. The Vietnamese government has set a more ambitious target of at least 8% growth, driven by accelerated public investment in infrastructure, stronger domestic consumption, and supportive fiscal and monetary policies. Key sectors such as electronics, textiles, and agriculture are expected to continue driving export growth, while FDI remains robust as global corporations shift supply chains to Vietnam.

**MARKET OUTLOOK\* (CONTINUED)**

However, the World Bank has revised its forecast for Vietnam's GDP growth to 5.8%, citing vulnerabilities to global trade fluctuations and financial risks. Despite these challenges, Vietnam's medium-term growth prospects remain positive, with GDP expected to reach 6.1% in 2026 and 6.4% in 2027. Achieving these targets will require a stable international environment, accelerated domestic reforms, higher productivity, and greater investment in human capital. The government is focused on addressing infrastructure bottlenecks and advancing structural reforms to sustain economic momentum and support long-term growth.

\* 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") are 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 be fully invested into the target fund while maintaining a minimal level of liquidity for redemption 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 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 Funds; 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.

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

**SECURITIES FINANCING TRANSACTIONS**

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

**STATEMENT BY MANAGER TO THE UNIT HOLDERS OF  
PRINCIPAL VIETNAM EQUITY FUND**

I, being the Director of Principal Asset Management Berhad (the “Manager”), do hereby state that, in the opinion of the Manager, the accompanying unaudited financial statements set out on pages 6 to 26 are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial position of the Fund as at 31 March 2025 and of its financial performance, changes in net assets attributable to unit holders and cash flows for the financial period from 6 May 2024 (date of launch) to 31 March 2025 in accordance with the provisions of the 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 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 May 2025

**TRUSTEE'S REPORT**

**TO THE UNIT HOLDERS OF  
PRINCIPAL VIETNAM EQUITY FUND ("Fund")**

We have acted as Trustee of the Fund for the financial period from 6 May 2024 (date of launch) to 31 March 2025 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, Principal Asset Management Berhad has operated and managed the Fund during the period covered by these financial statements in accordance with the following:

1. Limitations imposed on the investment powers of the Management Company under the Deed, securities laws and the Guidelines on Unit Trust Funds;
2. Valuation and pricing is carried out in accordance with the Deed; and
3. Any creation and cancellation of units are carried out in accordance with the Deed and any regulatory requirement.

For HSBC (Malaysia) Trustee Berhad

Lee Cincee  
Senior Manager, Trustee and Fiduciary Services

Kuala Lumpur  
16 May 2025

**INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF  
PRINCIPAL VIETNAM EQUITY FUND****Report on the audit of the financial statements***Opinion*

We have audited the financial statements of Principal Vietnam Equity Fund (the "Fund"), which comprise the statement of financial position of the Fund as at 31 March 2025, and statement of comprehensive income, statement of changes in net assets attributable to unit holders and statement of cash flows of the Fund for the financial period then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 6 to 26.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 March 2025, and of its financial performance and cash flows for the financial period 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

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

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

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

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

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

## INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF PRINCIPAL VIETNAM EQUITY FUND (CONT'D.)

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

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

The Manager is responsible for the preparation of financial statements of the Fund that give a true and fair view in accordance with 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.

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

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

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

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

**INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF  
PRINCIPAL VIETNAM EQUITY FUND (CONT'D.)**

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

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

- 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.

**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 May 2025



**STATEMENT OF COMPREHENSIVE INCOME**

**FOR THE FINANCIAL PERIOD FROM 06 MAY 2024 (DATE OF LAUNCH) TO 31 MARCH 2025**

**06.05.2024**  
**(date of launch)**  
**31.03.2025**  
**USD**

	<b>Note</b>	
<b>INCOME/(LOSS)</b>		
Net gain on financial assets at fair value through profit or loss	<b>7</b>	9,042
Net gain on derivatives at fair value through profit or loss	<b>8</b>	58,595
Net loss on foreign exchange		(4,042)
Other income		162
Interest income		167
		<u>63,924</u>
<b>EXPENSES</b>		
Management fee	<b>4</b>	22,859
Audit fee		1,999
Trustee and custodian fee	<b>5</b>	382
Tax agent's fee		1,404
Other expenses		212
		<u>26,856</u>
<b>PROFIT BEFORE TAXATION</b>		37,068
Taxation	<b>6</b>	-
<b>PROFIT AFTER TAXATION, REPRESENTING TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD</b>		<u>37,068</u>
Profit after taxation is made up as follows:		
Realised amount		52,444
Unrealised amount		(15,376)
		<u>37,068</u>

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

**STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2025**

		<b>31.03.2025</b>
	<b>Note</b>	<b>USD</b>
<b>ASSETS</b>		
Cash and cash equivalents	<b>9</b>	113,117
Financial assets at fair value through profit or loss	<b>7</b>	1,320,733
Amount due from dealer		56,724
Amount due from Manager		15,604
Amount due from Manager of collective investment scheme		
- Management fee rebate		1,814
<b>TOTAL ASSETS</b>		<u>1,507,992</u>
<b>LIABILITIES</b>		
Derivative liabilities at fair value through profit or loss	<b>8</b>	746
Amount due to dealer		56,749
Amount due to Manager		97,739
Accrued management fee		2,246
Amount due to Trustee		37
Other payables and accruals		3,404
<b>TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS)</b>		<u>160,921</u>
<b>NET ASSET VALUE OF THE FUND</b>		<u>1,347,071</u>
<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS</b>		<u>1,347,071</u>
<b>REPRESENTED BY:</b>		
<b>FAIR VALUE OF OUTSTANDING UNITS</b>		
- Class D		99,101
- Class MYR-H		1,198,406
- Class USD		49,564
		<u>1,347,071</u>
<b>NUMBER OF UNITS IN CIRCULATION (UNITS)</b>		
- Class D		456,207
- Class MYR-H		5,472,275
- Class USD		49,902
	<b>10</b>	<u>5,978,384</u>
<b>NET ASSET VALUE PER UNIT (USD)</b>		
- Class D		0.2172
- Class MYR-H		0.2190
- Class USD		0.9932

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

**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 31 MARCH 2025 (CONTINUED)**

**31.03.2025**  
**USD**

**NET ASSET VALUE PER UNIT IN RESPECTIVE  
 CURRENCIES**

- Class D	MYR0.9633
- Class MYR-H	MYR0.9713
- Class USD	<u>USD0.9933</u>

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

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS  
FOR THE FINANCIAL PERIOD FROM 06 MAY 2024 (DATE OF LAUNCH) TO 31 MARCH 2025**

	<b>06.05.2024</b> <b>(date of launch)</b> <b>31.03.2025</b> <b>USD</b>
<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE BEGINNING OF THE FINANCIAL PERIOD</b>	<b>-</b>
Movement due to units created and cancelled during the financial period:	
Creation of units from applications	
- Class D	623,346
- Class MYR-H	2,216,718
- Class USD	60,219
	<u>2,900,283</u>
Cancellation of units	
- Class D	(519,768)
- Class MYR-H	(1,060,981)
- Class USD	(9,531)
	<u>(1,590,280)</u>
Total comprehensive income for the financial period	<u>37,068</u>
<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE END OF THE FINANCIAL PERIOD</b>	<b><u>1,347,071</u></b>

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

**STATEMENT OF CASH FLOWS****FOR THE FINANCIAL FROM 06 MAY 2024 (DATE OF LAUNCH) TO 31 MARCH 2025**

**06.05.2024**  
**(date of launch)**  
**31.03.2025**  
**USD**

**Note****CASH FLOWS FROM OPERATING ACTIVITIES**

Proceeds from disposal of quoted securities		904,374
Purchase of quoted securities		(2,222,251)
Interest income received		167
Other income received		162
Management fee rebate received		2,495
Management fee paid		(20,613)
Trustee and custodian fees paid		(345)
Payments for other fees and expenses		(163)
Payment of other foreign exchange loss		(2,102)
Net realised gain on forward foreign currency contracts		59,341
<b>Net cash used in operating activities</b>		<b>(1,278,935)</b>

**CASH FLOWS FROM FINANCING ACTIVITIES**

Proceeds from units created		2,884,679
Payments for cancellation of units		(1,492,541)
<b>Net cash generated from financing activities</b>		<b>1,392,138</b>

Net increase in cash and cash equivalents		113,203
Effects of foreign exchange differences		(1,194)
Cash and cash equivalents at the beginning of the financial period		1,108
Cash and cash equivalents at the end of the financial period	<b>9</b>	<b>113,117</b>

Cash and cash equivalents comprised:

Bank balances		113,117
Cash and cash equivalents at the end of the financial period	<b>9</b>	<b>113,117</b>

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

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025

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

Principal Vietnam Equity Fund (the “Fund”) was constituted pursuant to the execution of a Deed dated 2 February 2024 (referred to as the “Deed”) between Principal Asset Management Berhad and HSBC (Malaysia) Trustees Berhad (the “Trustee”).

The Fund is a feeder fund that invests into a single CIS, i.e. Principal Vietnam Equity Fund (“Target Fund”). The Fund may also invest in liquid assets for liquidity purposes.

In order to achieve its objective, the Fund will invest at least 85% of its NAV in the Target Fund, a fund established on 16 October 2017 under Principal Asset Management Company Limited. 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.

All investments are subjected to the SC Guidelines on Unit Trust Funds (“GUTF”), SC requirements, the Deed, except where exemptions or variations have been approved by the SC, internal policies and procedures and the Fund’s objective.

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

### 2. MATERIAL ACCOUNTING POLICY INFORMATION

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

#### (a) Basis of preparation

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

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

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

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).

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 March 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.

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### (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 as fair value through other comprehensive income ("OCI").

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

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

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

#### Recognition and measurement

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

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

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

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

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

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

Foreign 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).

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

Impairment for assets carried at amortised costs

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

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 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 quoted securities, determined on a weighted average cost basis.



**2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)****(d) Cash and cash equivalents**

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

**(e) Foreign currency**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 USD, which is the Fund’s functional and presentation currency.

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

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

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in statement of comprehensive income.

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

**(g) Taxation**

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

Tax on dividend income from foreign quoted securities is based on the tax regime of the respective countries that the Fund invests in.

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

**(h) 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.

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

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

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

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

**(j) Amount due from/to dealers**

Amounts due from and amount due to dealers represent receivables for Spot foreign exchange ("FX") sold and payables for Spot FX purchased that have been contracted for but not yet settled or delivered on the statement of financial position date respectively.

**(k) Derivative financial instruments**

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

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

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

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

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

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

## 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

### (I) Critical accounting estimates and judgements in applying accounting policies

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

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

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

However, the Manager is of the opinion that in applying these accounting policies, no significant judgement was required.

## 3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial instruments of the Fund are as follows:

	Financial assets at fair value through profit or loss USD	Financial assets at amortised cost USD	Total USD
<b>31.03.2025</b>			
Cash and cash equivalents (Note 9)	-	113,117	113,117
Collective investment scheme (Note 7)	1,320,733	-	1,320,733
Amount due from Manager of collective investment scheme			
- sale of collective investment scheme	-	1,814	1,814
Amount due from dealers	-	56,724	56,724
Amount due from Manager	-	15,604	15,604
	<u>1,320,733</u>	<u>187,259</u>	<u>1,507,992</u>

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

The Fund aims to maximise total return through investments in one collective investment scheme.

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

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

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

**(a) Market risk**

**(i) Price risk**

Price risk is the risk that the fair value of an investment in collective investment scheme will fluctuate because of changes in market prices (other than those arising from currency risk). The value of collective investment scheme may fluctuate according to the activities of individual companies, sector and overall political and economic conditions. Such fluctuation may cause the Fund's NAV and prices of units to fall as well as rise, and income produced by the Fund may also fluctuate.

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

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

	<b>31.03.2025</b>
	<b>USD</b>
Financial assets at fair value through profit or loss:	
- Collective investment scheme	<u>1,320,733</u>

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

<b>% Change in price of collective investment scheme</b>	<b>Market value USD</b>	<b>Impact on profit or loss/NAV USD</b>
<b>31.03.2025</b>		
-5%	1,254,696	(66,037)
0%	1,320,733	-
+5%	<u>1,386,770</u>	<u>66,037</u>

**(ii) Currency risk**

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

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

(ii) Currency risk (continued)

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

Financial assets	Cash and cash equivalents USD	Amount due from dealers USD	Amount due from Manager USD	Total USD
31.03.2025				
MYR	48,419	56,724	15,604	120,747
	<u>48,419</u>	<u>56,724</u>	<u>15,604</u>	<u>120,747</u>

Financial liabilities	Net assets attributable to unit holders USD	Amount due to Manager USD	Total USD
31.03.2025			
MYR	1,297,530	97,739	1,395,269
	<u>1,297,530</u>	<u>97,739</u>	<u>1,395,269</u>

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

	Change in foreign exchange rate %	Impact on profit or loss/NAV
		31.03.2025 USD
MYR	+/-5	(63,726)
		<u>(63,726)</u>

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

#### (b) Credit risk

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

The following table sets out the credit risk concentration of the Fund at the end of the reporting year:

	Cash and cash equivalents USD	Amount due from dealers USD	Amount due from Manager USD	Amount due from Manager of collective investment scheme - sale of collective investment scheme USD	Total USD
<b>31.03.2025</b>					
- AAA	113,117	-	-	-	113,117
- Not rated	-	56,724	15,604	1,814	74,116
	<u>113,117</u>	<u>56,724</u>	<u>15,604</u>	<u>1,814</u>	<u>187,283</u>

#### (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 other instruments, which are capable of being converted into cash within 7 business days. The Fund's investments in collective investment scheme are realisable which are capable of being converted into cash within 10 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 on the reporting date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

	Less than 1 month USD	Between 1 month to 1 year USD	Total USD
<b>31.03.2025</b>			
Derivative liabilities at fair value through profit or loss	746	-	746
Amount due to dealers	56,749	-	56,749
Amount due to Manager	97,739	-	97,739
Accrued management fee	2,246	-	2,246
Amount due to Trustee	37	-	37
Other payables and accruals	-	3,404	3,404
Net assets attributable to unit holders*	1,347,071	-	1,347,071
<b>Contractual undiscounted cash flows</b>	<u>1,504,588</u>	<u>3,404</u>	<u>1,507,992</u>

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

#### (c) Liquidity risk (continued)

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

#### (d) Capital risk management

The capital of the Fund is represented by net assets attributable to unit holders. 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)

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.

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
<b>31.03.2025</b>				
Financial assets at fair value through profit or loss:				
- Collective investment scheme	<u>1,320,733</u>	<u>-</u>	<u>-</u>	<u>1,320,733</u>
Derivative liabilities at fair value through profit or loss:				
- Forward foreign currency contracts	<u>-</u>	<u>(746)</u>	<u>-</u>	<u>(746)</u>

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

Financial instruments that trade in markets that are considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. These include unquoted fixed income securities, forward foreign currency contracts and interest rate swaps. As Level 2 instruments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

- (ii) The carrying values of cash and cash equivalents, amount due from dealer, amount due from Manager and amount due from Manager of collective investment - sale of collective investment scheme and all other liabilities are a reasonable approximation of their fair values due to their short-term nature.



#### 4. MANAGEMENT FEE

In accordance with the Deeds, the Manager is entitled to a maximum management fee of 3.00% per annum, calculated daily based on the NAV of the Class.

For the financial period ended 31 March 2025, the management fee for the respective classes was recognised at the following rates:

Class D	Class MYR-H	Class USD
1.80%	1.80%	1.80%

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

#### 5. TRUSTEE AND CUSTODIAN FEE

In accordance with the Deeds, the Trustee is entitled to a fee of up to 0.03% per annum of the NAV of the Fund. The Trustee fee includes local custodian fees and charges but excludes foreign sub-custodian fees and charges.

For the financial period ended 31 March 2025, the Trustee fee is recognised at a rate of 0.03% per annum for each class Fund.

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

#### 6. TAXATION

**31.03.2025**  
**USD**

Tax charged for the financial period:

- Tax on foreign source income -

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

**31.03.2025**  
**USD**

Profit before taxation 37,068

Taxation at Malaysian statutory rate of 24% 8,896

Tax effects of:

- Loss not deductible for tax purpose (15,342)

- Expenses not deductible for tax purposes 480

- Restriction on tax deductible expenses for  
Unit Trust Funds 5,966

-

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

31.03.2025  
USD

At fair value through profit or loss:

- Collective investment scheme 1,320,733

Net gain on financial assets at fair value through profit or loss:

- Realised gain on disposals	19,363
- Unrealised fair value loss	(14,630)
- Management fee rebate #	4,309
	<u>9,042</u>

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

For the financial period ended 31 March 2025, management fee rebate is recognised at a rate of 1.80% per annum calculated and accrued daily based on the NAV of the collective investment scheme.

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
<b>31.03.2025 COLLECTIVE INVESTMENT SCHEME</b>				
Principal Vietnam Equity Fund	<u>3,484,784</u>	<u>1,335,363</u>	<u>1,320,733</u>	<u>98.04</u>
<b>TOTAL COLLECTIVE INVESTMENT SCHEME</b>	<u>3,484,784</u>	<u>1,335,363</u>	<u>1,320,733</u>	<u>98.04</u>
<b>ACCUMULATED UNREALISED LOSS ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>				
		<u>(14,630)</u>		
<b>TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>				
		<u>1,320,733</u>		

8. DERIVATIVE LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

31.03.2025  
USD

Derivative Liabilities (746)

Net loss on derivative assets at fair value through profit or loss:

- Realised loss on forward foreign currency contracts	59,341
- Unrealised fair value loss on forward foreign currency contracts	(746)
	<u>58,595</u>

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

As at 31 March 2025, there were total of 5 outstanding forward foreign currency contracts. The notional principal amount of the outstanding forward foreign currency contracts amounted to USD1,535,581.

The forward foreign currency contracts were entered into during the financial period to minimize the risk of foreign exchange exposure between the USD and the foreign currencies exposure of the Fund.

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

**9. CASH AND CASH EQUIVALENTS**

	<b>31.03.2025</b>
	<b>USD</b>
Bank balances	<u>113,117</u>

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

	<b>31.03.2025</b>
	<b>No. of units</b>
Class D (i)	456,207
Class MYR-H (ii)	5,472,275
Class USD (iii)	<u>49,902</u>
	<u>5,978,384</u>
(i) Class D	
At the beginning of the financial period	-
Add : Creation of units from applications	2,595,653
Less : Cancellation of units	<u>(2,139,446)</u>
At the end of the financial period	<u>456,207</u>
(ii) Class MYR-H	
At the beginning of the financial period	-
Add : Creation of units from applications	9,965,540
Less : Cancellation of units	<u>(4,493,265)</u>
At the end of the financial period	<u>5,472,275</u>
(iii) Class USD	
At the beginning of the financial period	-
Add : Creation of units from applications	58,106
Less : Cancellation of units	<u>(8,204)</u>
At the end of the financial period	<u>49,902</u>

**11. TOTAL EXPENSE RATIO ("TER")**

	<b>31.03.2025</b>
	<b>%</b>
TER	<u>1.90</u>

# 11. TOTAL EXPENSE RATIO (“TER”) (CONTINUED)

TER is derived from the following calculation:

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

A	=	Management fee (excludes management fee rebates)
B	=	Trustee fee
C	=	Audit fee
D	=	Tax agent's fee
E	=	Other expenses
F	=	Average NAV of the Fund calculated on a daily basis

The average NAV of the Fund for the financial period calculated on a daily basis is USD1,408,606.

# 12. PORTFOLIO TURNOVER RATIO (“PTR”)

31.03.2025

PTR (times) 1.15

PTR is derived based on the following calculation:

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

where:

total acquisition for the financial period	= USD2,279,000
total disposal for the financial period	= USD963,000

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

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

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

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

Units held by the Manager and parties related to the Manager

	<b>31.03.2025</b>	
	<b>No. of units</b>	<b>USD</b>
<b>Manager</b>		
Principal Asset Management Berhad		
- Class MYR-H	111	24
- Class USD	1,000	993

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.

Other than those disclosed elsewhere in the financial statements, there were no significant related party transactions and balances during each of the financial period.

**14. TRANSACTIONS WITH BROKER/DEALER**

Details of transactions with the broker/dealer for the financial period ended 31 March 2025 are as follows:

<b>Broker/Dealer</b>	<b>Value of trades USD</b>	<b>Percentage of total trades %</b>	<b>Brokerage Fees USD</b>	<b>Percentage of total brokerage fees %</b>
Principal Asset Management Co Ltd	<u>3,242,000</u>	<u>100.00</u>	<u>-</u>	<u>-</u>

**15. APPROVAL OF FINANCIAL STATEMENTS**

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

## DIRECTORY

### Head Office of the Manager

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

### Website

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

### E-mail address

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

### Customer Care Centre

(03) 7723 7260

### Chat with us via WhatsApp:

(6016) 299 9792

### Trustee for the Principal Vietnam Equity 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

### Auditors of the Fund and of the Manager

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