

**PRINCIPAL ISLAMIC GREATER CHINA GROWTH FUND**

**UNAUDITED SEMI-ANNUAL REPORT**

**THE FINANCIAL PERIOD FROM 3 AUGUST 2023 (DATE OF LAUNCH) TO 31 MARCH 2024**

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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 Unaudited Semi-Annual Fund Report of the Principal Islamic Greater China Growth Fund for the financial period from 3 August 2023 (date of launch) to 31 March 2024. You may also download this report from our website at [www.principal.com.my](http://www.principal.com.my).

We are happy to share that Principal Malaysia won two honours at the Asia Asset Management 2024 Best of the Best Awards. The awards were for Best of the Best Performance Awards: China A-Share Equity (3 years) for the Principal China Direct Opportunities Fund (Class MYR) and Best of the Best Country Awards: Best Institutional House – Malaysia. We also won another two awards at the 2024 Global Banking & Finance Awards® for Asset Management CEO of the Year Malaysia 2024 - Munirah Khairuddin and Asset Management Company of the Year Malaysia 2024. The World Business Outlook magazine also awarded us with the Best Investment Management and Solutions Provider Malaysia 2024, Best Institutional House Malaysia 2024, and Asset Management CEO (Munirah Khairuddin) of the Year Malaysia 2024 awards at its 2024 Annual Awards. We also won three awards at iFast Awards 2024 and another 7 awards at the LSEG Lipper Fund 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 ([www.principal.com.my](http://www.principal.com.my)), like our Facebook page (@PrincipalAssetMY), follow us on our Instagram account (@principalassetmanagement\_my), and LinkedIn page (Principal Asset Management Berhad) 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**  
Country Head and Chief Executive Officer, Malaysia  
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 by investing primarily in Shariah-compliant equities of companies in the Greater China region.

#### Has the Fund achieved its objective?

Yes, the fund has met its objective.

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

The Fund will invest at least 70% of its Net Asset Value ("NAV") primarily in a diversified portfolio of Shariah-compliant equities of the People's Republic of China, Hong Kong SAR and/or Taiwan ("Greater China") companies. The Fund may also invest up to 25% of its NAV in companies that are listed and classified as Shariah-compliant in any Eligible Market globally with some operations or businesses in or are related to Greater China to capture growth opportunities. Under general market conditions, the Fund will seek opportunities within the Greater China universe by focusing mainly in companies which we believe will exhibit good growth potential when compared against its peers or the overall market. The Fund may also opt to seek investment exposure via Islamic Collective Investment Scheme ("CIS") that is in line with the Fund's objective, subject to the requirements of the Guidelines on Unit Trust Funds ("GUTF"). The Fund may invest the remaining of its NAV in Islamic liquid assets, i.e. Islamic Deposits and Islamic money market instruments for liquidity purpose.

The asset allocation strategy for this Fund is as follows:

- at least 70% of the Fund's NAV will be invested in equities that conform with Shariah principles;
- up to 30% of the Fund's NAV may be invested in Islamic liquid assets for liquidity purposes.

We have appointed Principal Singapore, a company incorporated in Singapore, as the Sub-Manager of the Fund. Principal Singapore be responsible for investing and managing the Fund in accordance with the investment objective and within the investment restrictions of the Fund.

#### Base Currency

United States Dollar ("USD")

#### Fund category/type

Equity (Shariah-compliant) / Growth.

#### When was the Fund launched?

Name of Class	Launch Date
Class MYR	3 August 2023
Class MYR-Hedged ("MYR-H")	3 August 2023
Class SGD	3 August 2023
Class SGD-Hedged	3 August 2023
Class USD	3 August 2023

#### What was the size of the Fund as at 31 March 2024?

USD3.62 million (15.90 million units)

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

Morgan Stanley Capital International ("MSCI") Islamic Golden Dragon Index.

#### What is the Fund distribution policy?

Given the Fund's investment objective, the Fund is not expected to pay any distribution. Distributions, if any, will be incidental and will vary from period to period depending on market conditions and performance of the Fund.

**FUND OBJECTIVE AND POLICY (CONTINUED)**

**What was the net income distribution for the financial period from 3 August 2023 (date of launch) to 31 March 2024?**

There was no distribution made for the financial period from 3 August 2023 (date of launch) to 31 March 2024.

**PERFORMANCE DATA**

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

	<b>31.03.2024</b>
	%
Quoted securities	
- Communication Services	3.87
- Consumer Discretionary	17.01
- Energy	9.24
- Industrials	9.88
- Information Technology	47.94
- Real Estate	1.22
- Utilities	3.57
Cash and other assets	10.09
Liabilities	(2.82)
	<u>100.00</u>

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

	<b>31.03.2024</b>
NAV (USD Million)	
- Class MYR	2.22
- Class MYR-H	1.40
- Class SGD	0.00*
- Class SGD-H	0.00*
- Class USD	0.00*
Units in circulation (Million)	
- Class MYR	9.61
- Class MYR-H	6.29
- Class SGD	0.00*
- Class SGD-H	0.00*
- Class USD	0.00*
NAV per unit (USD)	
- Class MYR	0.2311
- Class MYR-H	0.2224
- Class SGD	0.7928
- Class SGD-H	0.7858
- Class USD	1.0766

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

**PERFORMANCE DATA (CONTINUED)**

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

**03.08.2023  
(date of launch)  
to 31.03.2024**

Highest NAV per unit (USD)	
- Class MYR	0.2330
- Class MYR-H	0.2264
- Class SGD	0.7995
- Class SGD-H	0.8001
- Class USD	1.0857
Lowest NAV per unit (USD)	
- Class MYR	0.2003
- Class MYR-H	0.1937
- Class SGD	0.6771
- Class SGD-H	0.9327
- Class USD	0.6870
Total return (%)	
- Class MYR	9.12
- Class MYR-H	5.04
- Class SGD	6.99
- Class SGD-H	6.04
- Class USD	7.66
Capital growth (%)	
- Class MYR	9.12
- Class MYR-H	5.04
- Class SGD	6.99
- Class SGD-H	6.04
- Class USD	7.66
Income distribution (%)	
- Class MYR	-
- Class MYR-H	-
- Class SGD	-
- Class SGD-H	-
- Class USD	-
Total Expense Ratio ("TER") (%)	1.50
Portfolio Turnover Ratio ("PTR") (times) #	1.66

**Since inception to  
31.03.2024  
%**

Annual total return	
- Class MYR	9.12
- Class MYR-H	5.04
- Class SGD	6.99
- Class SGD-H	6.04
- Class USD	7.66

(Launch date: 27 March 2023)

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

**MARKET REVIEW (3 AUGUST 2023 (DATE OF LAUNCH) TO 31 MARCH 2024)**

At the start of the period, topical issues were: a) Tightening monetary policy environment led by the Federal Reserve (the “Fed”) and b) economic recovery in China.

In the third quarter of 2023, we were seeing an uneven recovery in China’s economy. A sustained recovery will need to be supported by an improvement in labor conditions as well as the housing market. Amidst increasing expectations, the government has announced several measures to support the economy, but we are still waiting for a clear signal on a firm turnaround in consumer/business confidence.

During October 2023 to November 2023, with inflation now showing consecutive months of sustained decline, the Fed has gone from raising rates and tackling inflation in 2023 to calibrating how many rate cuts to implement from 2024 onwards to avoid being overly restrictive on the economy. This should be supportive for equities in terms of multiple expansion, provided earnings do not get marked down significantly. The magnitude of rate cuts would highly depend on the inflation and economic growth trajectory, whereby a soft landing is currently expected.

**FUND PERFORMANCE**

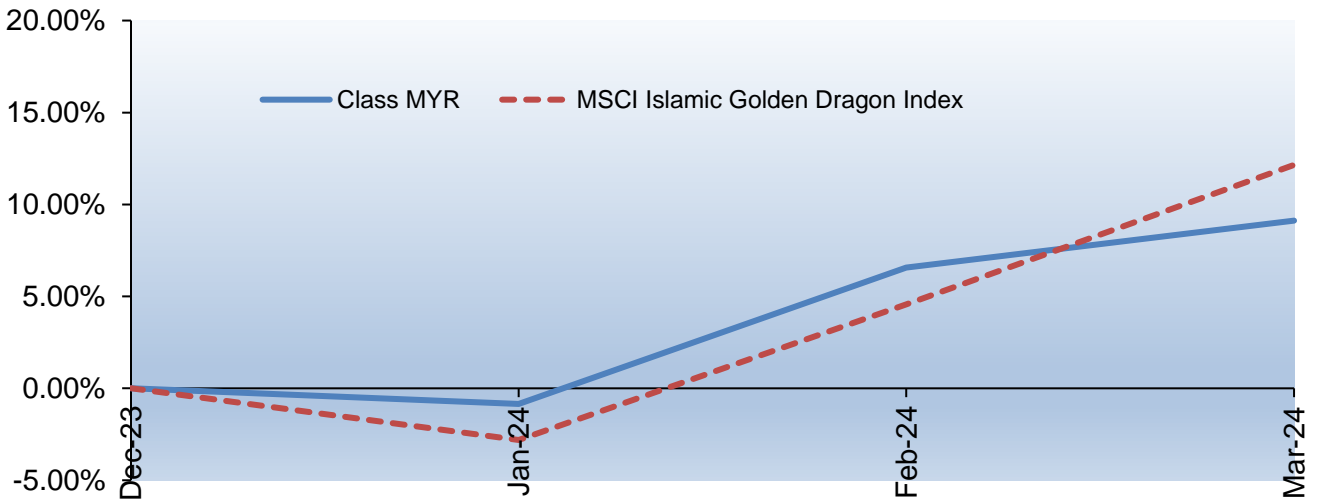
	<b>6 months to 31.03.2024</b>	<b>Since inception to 31.03.2024</b>
	%	%
Income Distribution		
- Class MYR	-	-
- Class MYR-H	-	-
- Class SGD	-	-
- Class SGD-H	-	-
- Class USD	-	-
Capital Growth		
- Class MYR	11.02	9.12
- Class MYR-H	8.23	5.04
- Class SGD	9.37	6.99
- Class SGD-H	9.55	6.04
- Class USD	10.38	7.66
Total Return		
- Class MYR	11.02	9.12
- Class MYR-H	8.23	5.04
- Class SGD	9.37	6.99
- Class SGD-H	9.55	6.04
- Class USD	10.38	7.66
Benchmark		
- Class MYR	17.63	12.15
- Class MYR-H	16.69	7.97
- Class SGD	15.39	8.57
- Class SGD-H	16.69	7.97
- Class USD	16.69	7.97
Average Total Return		
- Class MYR	23.18	14.13
- Class MYR-H	17.09	7.73
- Class SGD	19.57	10.77
- Class SGD-H	19.94	9.29
- Class USD	21.76	11.83

For the past six months, the Fund rose ranging from 8.23% to 11.02% depending on the class invested. This was a result of the supportive market condition during the financial period under review.

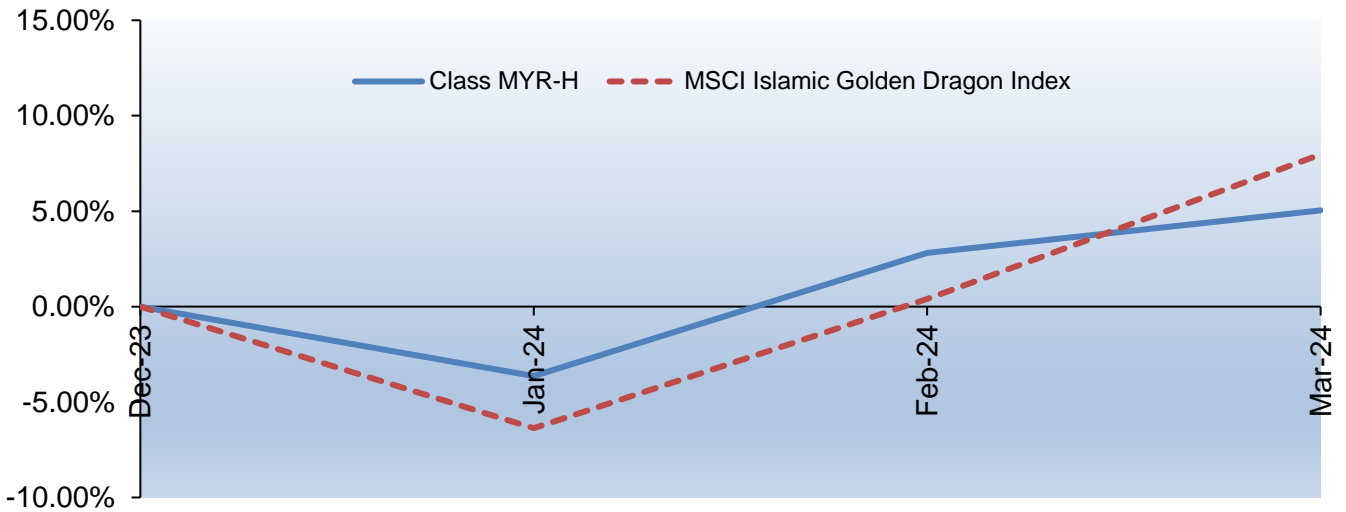
FUND PERFORMANCE (CONTINUED)

Since Inception

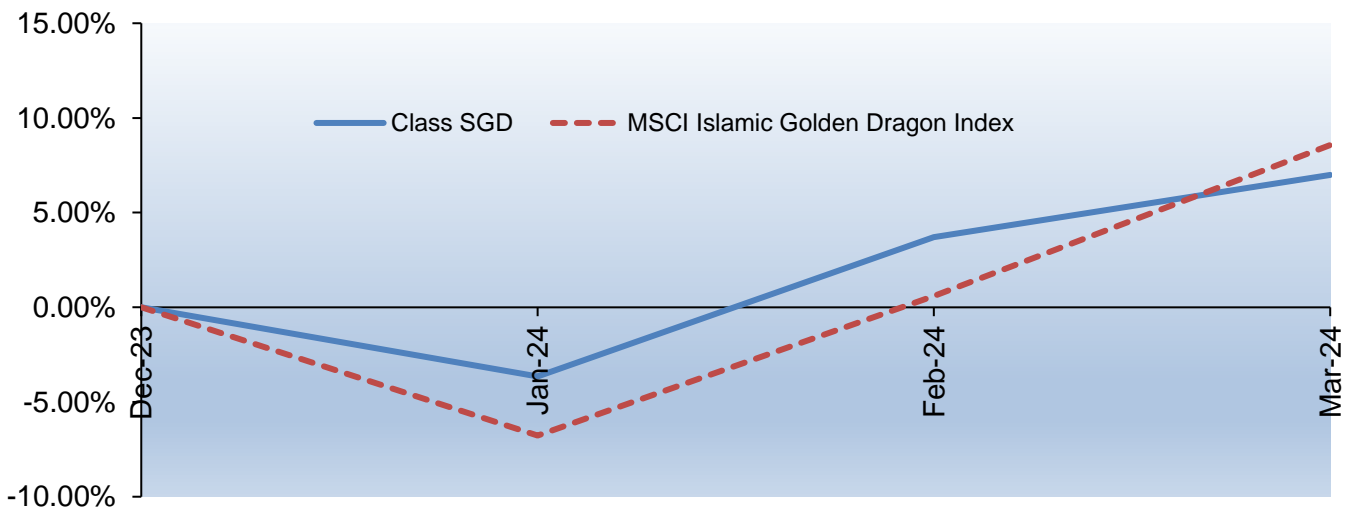
CLASS MYR



CLASS MYR-H



CLASS SGD

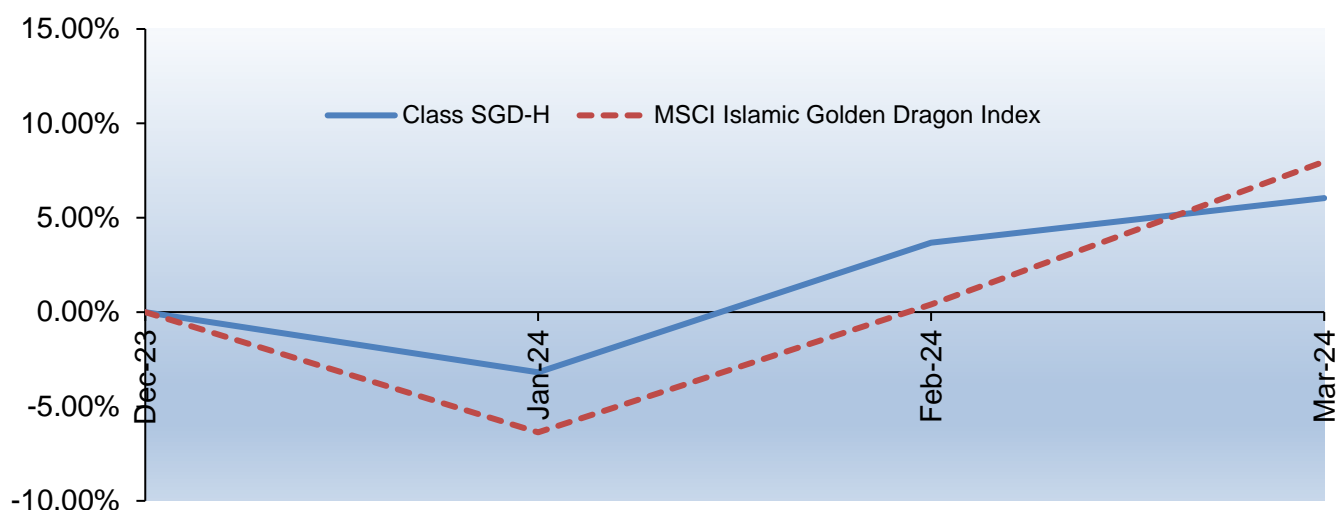




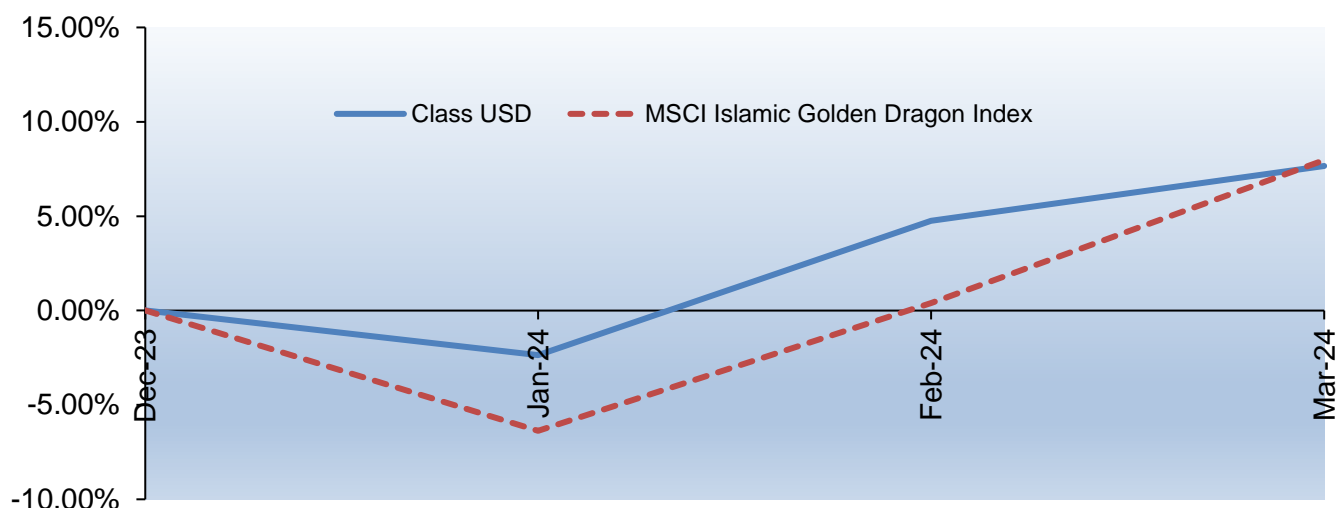
FUND PERFORMANCE (CONTINUED)

Since Inception

CLASS SGD-H



CLASS USD



Changes in NAV

31.03.2024

CLASS MYR

NAV (USD Million)

2.22

NAV/Unit (USD)

0.2311

CLASS MYR-H

NAV (USD Million)

1.40

NAV/Unit (USD)

0.2224

CLASS SGD

NAV (USD Million)

0.00\*

NAV/Unit (USD)

0.7928

Note: 0.00\* denotes fair value count less than 0.01 million.

**FUND PERFORMANCE (CONTINUED)**

**Changes in NAV (continued)**

**CLASS SGD-H**

NAV (USD Million)	0.00*
NAV/Unit (USD)	0.7858

**CLASS USD**

NAV (USD Million)	0.00*
NAV/Unit (USD)	1.0766

Note: 0.00\* denotes fair value count less than 0.01 million.

The NAV of the various Fund classes rose 8.23% to 11.02% through the period in 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 period have been extracted from Lipper.

**PORTFOLIO STRUCTURE**

**Asset allocation**

(% of NAV)	31.03.2024
Quoted securities	92.73
Cash and other net assets	10.09
Liabilities	(2.82)
<b>TOTAL</b>	<b>100.00</b>

During the financial period under review, we have invested up to 92.73% of the funds available.

**MARKET OUTLOOK\***

We are seeing incrementally more stimulative measures being taken in China, e.g. expectations of Chinese Yuan Renminbi (“CNY”) 1 trillion yuan (~0.8% of Gross Domestic Product (“GDP”)) sovereign debt issuance to fund water conservancy and flood prevention projects, it remains to be seen whether private sector and consumer confidence can improve meaningfully. We are discerning in our stock selection in China should the stimulus tend to fall short of reviving ‘animal spirits’ and also mindful of geopolitical risks.

Post the seasonal spring festival, We are starting to see more forceful measures in China as witnessed by several moves including a 25 basis points (“bps”) cut in the five-year loan prime rate which affects mortgages, sovereign entities buying more Exchange Traded Funds (“ETFs”) and some green shoots in the economy with better tourism statistics during the Spring Festival. While we have turned incrementally more positive on China, we are mindful that its policies are a work-in-progress and efficacies remain to be seen.

In 2024, the key risks is how US-China geopolitical tensions will evolve especially in an election year in the US. Risks: a) A hard landing in the US b) Geopolitics: US-China tensions which can range from various sanctions, financial markets, and military conflicts.

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

## **INVESTMENT STRATEGY**

We are broadening the list of high conviction ideas, where we are positioned in the areas of a) bottoming of the technology hardware cycle b) long term growth headroom from low penetration rates, e.g. China consumer c) China's reopening, although we are judicious in such areas.

We remain fully invested.

## **SOFT COMMISSIONS AND REBATES**

Principal Malaysia (the "Manager"), Sub-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. 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 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.

During the financial period under review, the Manager, the Sub-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 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 ISLAMIC GREATER CHINA GROWTH FUND**

We, being the Directors 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 4 to 24 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 2024 and of its financial performance, changes in net assets attributable to unit holders and cash flows for the financial period from 3 August 2023 (date of launch) to 31 March 2024 in accordance with the Malaysian Financial Reporting Standards (“MFRS”) 134 - Interim Financial Reporting and International Accounting Standards (“IAS”) 34 - Interim Financial Reporting.

For and on behalf of the Manager

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

**MUNIRAH KHAIRUDDIN**

Country Head and Chief Executive Officer, Malaysia  
Non-Independent Executive Director

**UDAY JAYARAM**

Executive Managing Director,  
Head of Southeast Asia  
Non-Independent Executive Director

Kuala Lumpur  
17 May 2024

**TRUSTEE'S REPORT**

**TO THE UNIT HOLDERS OF  
PRINCIPAL ISLAMIC GREATER CHINA GROWTH FUND (“Fund”)**

We have acted as Trustee of the Fund for the financial period from 3 August 2023 (date of launch) to 31 March 2024 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

Yap Lay Guat  
Manager, Investment Compliance Monitoring

Kuala Lumpur  
17 May 2024

**SHARIAH ADVISER'S REPORT**

**To the Unit Holders of Principal Islamic Greater China Growth Fund ("Fund")**

**For The Financial Period From 3 August 2023 (Date of Launch) To 31 March 2024**

We hereby confirm the following:

1. 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 Shariah principles and complied with the applicable guidelines, rulings or decisions issued by the Securities Commission Malaysia ("SC") pertaining to Shariah matters; and
2. The asset of the Fund comprises of instruments that have been classified as Shariah compliant.

**For Amanie Advisors Sdn Bhd**

**Tan Sri Dr Mohd Daud Bakar**  
Executive Chairman

Kuala Lumpur  
17 May 2024

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL PERIOD FROM 3 AUGUST 2023 (DATE OF LAUNCH) TO 31 MARCH 2024**

		03.08.2023 (date of launch) o 31.03.2024 USD
	<b>Note</b>	
<b>INCOME/(LOSS)</b>		
Dividend income		22,807
Net gain on financial assets at fair value through profit or loss	7	283,439
Net foreign exchange loss		(59,099)
		<u>247,147</u>
<b>EXPENSES</b>		
Management fee	4	30,338
Trustee & custodian fees	5	6,233
Transaction cost		20,818
Audit fee		1,179
Tax agent's fee		779
Other expenses		441
		<u>59,788</u>
<b>PROFIT BEFORE TAXATION</b>		187,359
Taxation	6	(6,077)
<b>PROFIT AFTER TAXATION, REPRESENTING TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD</b>		<u>181,282</u>
Profit after taxation is made up as follows:		
Realised amount		(246,157)
Unrealised amount		427,439
		<u>181,282</u>

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

**UNAUDITED STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2024**

	Note	31.03.2024 USD
<b>ASSETS</b>		
Cash and cash equivalents	8	233,274
Financial assets at fair value through profit or loss (Shariah-compliant)	7	3,358,034
Amount due from dealer		58,835
Amount due from Manager		71,276
Dividend Receivable		1,872
<b>TOTAL ASSETS</b>		<b>3,723,291</b>
<b>LIABILITIES</b>		
Derivative liability at fair value through profit or loss		4,706
Amount due to dealer		58,760
Amount due to Manager		27,642
Accrued management fee		5,281
Amount due to Trustee		132
Tax Payable		3,589
Other payables and accruals		1,958
<b>TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS)</b>		<b>102,068</b>
<b>NET ASSET VALUE OF THE FUND</b>		<b>3,621,223</b>
<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS</b>		<b>3,621,223</b>
<b>REPRESENTED BY:</b>		
<b>FAIR VALUE OF OUTSTANDING UNITS (USD)</b>		
- Class MYR		2,219,843
- Class MYR-H		1,398,724
- Class SGD		793
- Class SGD-H		786
- Class USD		1,077
		<b>3,621,223</b>
<b>NUMBER OF UNITS IN CIRCULATION (UNITS)</b>		
- Class MYR		9,607,296
- Class MYR-H		6,288,635
- Class SGD		1,000
- Class SGD-H		1,000
- Class USD		1,000
	9	<b>15,898,931</b>

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



**UNAUDITED STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2024 (CONTINUED)**

**31.03.2024  
USD**

**NET ASSET VALUE PER UNIT (USD)**

- Class MYR	0.2311
- Class MYR-H	0.2224
- Class SGD	0.7928
- Class SGD-H	0.7858
- Class USD	<u>1.0766</u>

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

- Class MYR	RM1.0914
- Class MYR-H	RM1.0503
- Class SGD	SGD1.0699
- Class SGD-H	SGD1.0605
- Class USD	<u>USD1.0766</u>

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

**UNAUDITED OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS  
FOR THE FINANCIAL PERIOD FROM 3 AUGUST 2023 (DATE OF LAUNCH) TO 31 MARCH 2024**

**03.08.2023  
(date of launch)  
o 31.03.2024  
USD**

<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE BEGINNING OF THE FINANCIAL PERIOD</b>	-
Movement due to units created and cancelled during the financial period:	
Creation of units from applications	
- Class MYR	2,691,974
- Class MYR-H	1,822,677
- Class SGD	736
- Class SGD-H	736
- Class USD	1,000
	4,517,123
Cancellation of units	
- Class MYR	(616,130)
- Class MYR-H	(461,052)
	(1,077,182)
Total comprehensive income for the financial period	181,282
<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE END OF THE FINANCIAL PERIOD</b>	<b>3,621,223</b>

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

**UNAUDITED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL PERIOD FROM 3 AUGUST 2023 (DATE OF LAUNCH) TO 31 MARCH 2024**

	Note	03.08.2023 (date of launch) o 31.03.2024 USD
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Proceeds from disposal of Shariah-compliant collective investment scheme		2,704,323
Purchases of Shariah-compliant collective investment scheme		(5,778,918)
Dividend income received		20,935
Management fee paid		(25,057)
Trustee fees paid		(6,101)
Tax paid		(2,488)
Payment of other fees and expenses		(441)
Net realised gain on forward foreign currency contracts		4,631
Payment of other foreign exchange loss		(8,088)
<b>Net cash used in operating activities</b>		<u>(3,091,204)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Cash proceeds from units created		4,445,847
Payments for cancellation of units		(1,049,540)
<b>Net cash generated from financing activities</b>		<u>3,396,307</u>
Net increase in cash and cash equivalents		305,103
Effects of foreign exchange differences		(71,829)
Cash and cash equivalents at the end of the financial period	<b>8</b>	<u>233,274</u>
<u>Cash and cash equivalents comprised of:</u>		
Bank balances		<u>233,274</u>
Cash and cash equivalents at the end of the financial period	<b>8</b>	<u>233,274</u>

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

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE FINANCIAL PERIOD FROM 3 AUGUST 2023 (DATE OF LAUNCH) TO 31 MARCH 2024**

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

Principal Islamic Greater China Growth Fund (the “Fund”) was constituted pursuant to the execution of a Deed dated 2 June 2023 (collectively known as the “Deeds”), made between Principal Asset Management Berhad (the “Manager”) and HSBC (Malaysia) Trustees Malaysia Berhad (the “Trustee”).

The Fund aims to achieve long-term capital appreciation by investing primarily in Shariah-compliant equities of companies in the Greater China region.

The Fund will invest at least 70% of its NAV primarily in a diversified portfolio of Shariah compliant equities of the People’s Republic of China, Hong Kong SAR and/or Taiwan (“Greater China”) companies. The Fund may also invest up to 25% of its NAV in companies that are listed and classified as Shariah-compliant in any Eligible Market globally with some operations or businesses in or are related to Greater China to capture growth opportunities. Under general market conditions, the Fund will seek opportunities within the Greater China universe by focusing mainly in companies which we believe will exhibit good growth potential when compared against its peers or the overall market. The Fund may also opt to seek investment exposure via Islamic CIS that is in line with the Fund’s objective, subject to the requirements of the GUTF. The Fund may invest the remaining of its NAV in Islamic liquid assets, i.e. Islamic Deposits and Islamic money market instruments for liquidity purpose.

The asset allocation strategy for this Fund is as follows:

- at least 70% of the Fund’s NAV will be invested in equities that conform with Shariah principles;
- up to 30% of the Fund’s NAV may be invested in Islamic liquid assets for liquidity purposes.

We have appointed Principal Singapore, a company incorporated in Singapore, as the Sub Manager of the Fund. Principal Singapore be responsible for investing and managing the Fund in accordance with the investment objective and within the investment restrictions of the Fund.

All investments are subjected to the GUTF, 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.

**2. MATERIAL ACCOUNTING POLICIES**

The principal activities of the Manager are the establishment and management of unit trust funds and fund management activities.

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 as issued by the Malaysian Accounting Standards Board (“MASB”) and IFRS 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 POLICIES (CONTINUED)****(a) Basis of preparation (continued)**

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 period.

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

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

None of the standards, amendments to standards or interpretations that are effective for the financial period beginning on/after 1 April 2024 are applicable to the Fund.

**(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").

The contractual cash flows of the Fund's debt securities are solely principal and interest<sup>1</sup> ("SPPI"). However, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Fund's business model's objective. Consequently, all investments are measured at fair value through profit or loss.

The Fund classifies cash and cash equivalents, amount due from dealer, amount due from Manager and dividend 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.

<sup>1</sup> For the purposes of this Fund, interest refers to profits earned from Shariah-compliant investments.

2. MATERIAL ACCOUNTING POLICIES (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.

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

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

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

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

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

Foreign Shariah-compliant collective investment scheme is valued based on the most recent published NAV per unit or share of such Shariah-compliant 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 profit 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.

**2. MATERIAL ACCOUNTING POLICIES (CONTINUED)****(b) Financial assets and financial liabilities (continued)**Write-off

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

**(c) Income recognition**

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

**(d) 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.

**(e) Cash and cash equivalents**

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

**2. MATERIAL ACCOUNTING POLICIES (CONTINUED)**

**(f) Taxation**

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

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

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

The analysis of realised and unrealised portions of profit or loss after tax as presented on the statement of comprehensive income is prepared in accordance with SC GUTF.

**(h) Unit holders' contributions**

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

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

**(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 Fund's 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. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund aims to achieve long-term capital appreciation by investing primarily in Shariah-compliant equities of companies in the Greater China region.

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.

#### (a) Market risk

##### (i) Price risk

Price risk is the risk that the fair value of an investment in Shariah-compliant collective investment scheme will fluctuate because of changes in market prices (other than those arising from currency risk). The value of Shariah-compliant 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 Shariah-compliant collective investment scheme and other financial instruments within specified limits according to the Deed.

##### (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.

#### (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 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.

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

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

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

3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(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. The Fund's investments in Shariah-compliant 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.

(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 period end date. The Fund utilises the last traded market price for financial assets where the last traded market falls within the bid-ask spread. In circumstances where the last traded market 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. 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 USD	Level 2 USD	Level 3 USD	Total USD
<b>31.03.2024</b>				
Financial assets at fair value through profit or loss:				
- Shariah- compliant collective investment scheme	3,358,034	-	-	3,358,034
	<u>3,358,034</u>	<u>-</u>	<u>-</u>	<u>3,358,034</u>

Investments whose values are based on quoted market prices in active markets and are therefore classified within Level 1, include Shariah-compliant collective investment scheme. 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 Manager, dividend 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 Deed, the Manager is entitled to a maximum management fee of 3.00% per annum for each class, calculated daily based on the NAV of the Fund.

For the financial period from 3 August 2023 (date of launch) to 31 March 2024, the management fee is recognised at a rate of 1.80% per annum for each class.

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

**5. TRUSTEE FEE**

In accordance with the Deed, the Trustee is entitled to a maximum fee of 0.05% per annum, calculated daily based on 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 from 3 August 2023 (date of launch) to 31 March 2024, the trustee fee is recognised at a rate of 0.045% per annum for each classes.

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

**6. TAXATION**

	<b>03.08.2023</b> <b>(date of launch)</b> <b>o 31.03.2024</b> <b>USD</b>
Tax charged for the financial period:	
- Tax on foreign source income	6,077

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

	<b>03.08.2023</b> <b>(date of launch)</b> <b>o 31.03.2024</b> <b>USD</b>
Profit before taxation	187,359
Taxation at Malaysian statutory rate of 24%	44,966
Tax effects of:	
- Investment income not subject to tax	(59,315)
- Expenses not deductible for tax purposes	6,785
- Restriction on tax deductible expenses for Unit Trust Funds	7,564
Tax on foreign source income	6,077
Taxation	6,077

**7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS**

	<b>31.03.2024</b> <b>USD</b>
At fair value through profit or loss:	
- Shariah-compliant Quoted securities	3,358,034

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

03.08.2023  
(date of launch)  
to 31.03.2024  
USD

Net gain on financial assets at fair value through profit or loss:	
- Realised loss on disposals	(165,016)
- Unrealised fair value gain	448,455
	<u>283,439</u>

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
<b>31.03.2024</b>				
<b>SHARIAH-COMPLIANT QUOTED SECURITIES</b>				
<b>CAYMAN ISLANDS</b>				
<b>Consumer Discretionary</b>				
Chow Tai Fook Jewellery Group Ltd	25,000	37,453	36,862	1.02
<b>TOTAL CAYMAN ISLANDS</b>	<b>25,000</b>	<b>37,453</b>	<b>36,862</b>	<b>1.02</b>
<b>CHINA</b>				
<b>Communication Services</b>				
Chow Tai Fook Jewellery Group Ltd	1,700	69,729	65,989	1.82
<b>Consumer Discretionary</b>				
BYD Co Ltd	3,000	83,797	77,276	2.13
Meituan	1,400	15,937	17,316	0.48
New Oriental Ed & Technology Group Inc	21,740	184,944	189,304	5.23
Shenzhou International Group Tongcheng Travel Holdings Limited	10,000	98,828	94,679	2.61
	11,600	23,215	30,605	0.85
	<u>47,740</u>	<u>406,721</u>	<u>409,180</u>	<u>11.30</u>
<b>Energy</b>				
China Petroleum and Chemical Corporation	178,000	100,438	100,980	2.79
China Shenhua Energy Company Limited	15,500	46,772	60,899	1.68
Petrochina Company Limited	202,000	151,864	172,668	4.77
	<u>395,500</u>	<u>299,074</u>	<u>334,547</u>	<u>9.24</u>
<b>Information Technology</b>				
Xiaomi Corporation	11,000	18,658	20,998	0.58
<b>Real Estate</b>				
China Resources Land Limited	14,000	58,252	44,273	1.22

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

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
<b>31.03.2024 (CONTINUED) SHARIAH-COMPLIANT QUOTED SECURITIES (CONTINUED)</b>				
<b>CHINA (CONTINUED)</b>				
<b>Utilities</b>				
China Resources Land Limited	25,600	75,213	81,610	2.25
<b>TOTAL CHINA</b>	<b>495,540</b>	<b>927,647</b>	<b>956,597</b>	<b>26.42</b>
<b>HONG KONG, CHINA</b>				
<b>Industrials</b>				
Techtronic Industries Co Ltd	13,500	136,256	183,013	5.05
<b>Utilities</b>				
C L P Holdings Limited	6,000	45,487	47,799	1.32
<b>TOTAL HONG KONG, CHINA</b>	<b>19,500</b>	<b>181,743</b>	<b>230,812</b>	<b>6.37</b>
<b>JAPAN</b>				
<b>Consumer Discretionary</b>				
Fast Retailing Company Limited	400	92,272	124,659	3.44
<b>Information Technology</b>				
Keyence Corporation	100	40,721	45,974	1.27
<b>TOTAL JAPAN</b>	<b>500</b>	<b>132,993</b>	<b>170,633</b>	<b>4.71</b>
<b>KOREA</b>				
<b>Information Technology</b>				
Samsung Electronics Co Ltd	2,114	124,189	129,285	3.57
<b>TOTAL KOREA</b>	<b>2,114</b>	<b>124,189</b>	<b>129,285</b>	<b>3.57</b>
<b>NETHERLANDS</b>				
<b>Information Technology</b>				
ASML Holding	300	210,591	291,141	8.04
<b>TOTAL NETHERLANDS</b>	<b>300</b>	<b>210,591</b>	<b>291,141</b>	<b>8.04</b>
<b>TAIWAN</b>				
<b>Communication Services</b>				
Chunghwa Telecom Co Ltd	15,000	56,980	59,031	1.63

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

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
<b>31.03.2024 (CONTINUED)</b>				
<b>SHARIAH-COMPLIANT QUOTED SECURITIES (CONTINUED)</b>				
<b>TAIWAN (CONTINUED)</b>				
<b>Consumer Discretionary</b>				
Feng Tay Enterprise Co Ltd	9,000	53,145	45,117	1.25
<b>Industrials</b>				
AIRTAC International Group	5,000	164,283	174,907	4.83
<b>Information Technology</b>				
Alchip Technologies Ltd	1,000	78,209	104,320	2.88
ASE Technology Holding	8,570	65,783	94,184	2.60
Auo Corporation	72,000	38,544	40,254	1.11
E Ink Holdings Inc	22,000	152,845	157,353	4.35
Innolux Corporation	27,000	13,876	12,692	0.35
Mediatek Inc	7,000	211,644	261,268	7.21
Taiwan Semiconductor Manufacturing Co. Ltd	10,000	177,987	243,309	6.72
Taiwan Semiconductor Manufacturing Ltd	1,000	92,975	136,050	3.76
Winbond Electronics Corporation	25,000	22,157	21,239	0.59
	173,570	854,020	1,070,669	29.57
<b>TOTAL TAIWAN</b>	<b>202,570</b>	<b>1,128,428</b>	<b>1,349,724</b>	<b>37.27</b>
<b>UNITED STATES</b>				
<b>Communication Services</b>				
Alphabet INC	100	13,349	15,093	0.42
<b>Information Technology</b>				
Apple Inc	122	21,704	20,921	0.58
Microsoft Corporation	73	23,741	30,713	0.85
Nvidia Corporation	36	16,990	32,527	0.90
Synopsys Inc	164	90,751	93,726	2.59
	395	153,186	177,887	4.91
<b>TOTAL UNITED STATES</b>	<b>495</b>	<b>166,535</b>	<b>192,980</b>	<b>5.33</b>

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

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
<b>31.03.2024 (CONTINUED)</b>				
<b>SHARIAH-COMPLIANT QUOTED SECURITIES (CONTINUED)</b>				
<b>TOTAL SHARIAH- COMPLIANT COLLECTIVE INVESTMENT SCHEME</b>	<b><u>746,019</u></b>	<b>2,909,579</b>	<b><u>3,358,034</u></b>	<b><u>92.73</u></b>
<b>ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b><u>448,455</u></b>		
<b>TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b><u>3,358,034</u></b>		

8. CASH AND CASH EQUIVALENTS

	<b>31.03.2024 USD</b>
Bank balances	<b><u>233,274</u></b>

9. NUMBER OF UNITS IN CIRCULATION (UNITS)

	<b><u>31.03.2024</u></b>
	<b>No. of units</b>
Class MYR (i)	9,607,296
Class MYR-H (ii)	6,288,635
Class SGD (iii)	1,000
Class SGD-H (iv)	1,000
Class USD (v)	1,000
	<b><u>15,898,931</u></b>
	<b><u>03.08.2023</u></b>
	<b>(date of launch)</b>
	<b>to 31.03.2024</b>
	<b>No. of units</b>
(i) Class MYR	
At the beginning of the financial period	-
Add: Creation of units from applications	12,451,004
Less: Cancellation of units	<u>(2,843,708)</u>
At the end of the financial period	<b><u>9,607,296</u></b>



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

	<b>03.08.2023</b> <b>(date of launch)</b> <b>to 31.03.2024</b>
	<b>No. of units</b>
(ii) Class MYR-H	
At the beginning of the financial period	-
Add: Creation of units from applications	8,495,762
Less: Cancellation of units	<u>(2,207,127)</u>
At the end of the financial period	<u>6,288,635</u>
(iii) Class SGD	
At the beginning of the financial period	-
Add: Creation of units from applications	<u>1,000</u>
At the end of the financial period	<u>1,000</u>
(iv) Class SGD-H	
At the beginning of the financial period	-
Add: Creation of units from applications	<u>1,000</u>
At the end of the financial period	<u>1,000</u>
(v) Class USD	
At the beginning of the financial period	-
Add: Creation of units from applications	<u>1,000</u>
At the end of the financial period	<u>1,000</u>

10. TOTAL EXPENSE RATIO (“TER”)

	<b>03.08.2023</b> <b>(date of launch)</b> <b>to 31.03.2024</b> <b>%</b>
TER	<u>1.50</u>

TER is derived from 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
- 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 USD2,606,304.

11. PORTFOLIO TURNOVER RATIO (“PTR”)

03.08.2023  
(date of launch)  
to 31.03.2024

PTR (times) 1.66

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 = USD5,778,918  
total disposal for the financial period = USD2,869,339

12. 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 were 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 Berhad, 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

	No. of units	31.03.2024 USD
<b>Manager</b>		
Principal Asset Management Berhad		
- Class MYR	15	4
- Class-MYR-H	15	3
- Class-SGD	1,000	793
- Class-SGD-H	1,000	786
- Class USD	1,000	1,077

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

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

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

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

**13. TRANSACTIONS WITH BROKERS**

Details of transactions with the top 10 brokers for the financial period from 3 August 2023 (date of launch) to 31 March 2024 were as follows:

<b>Broker</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>
Citigroup Global Markets Ltd	1,538,930	18.13	593	4.20
CGS-CIMB Securities (Singapore) Pte Ltd #	1,522,662	17.94	2,686	18.99
Depository Trust Company	859,467	10.12	833	5.89
Instinet Pacific Ltd	806,732	9.50	2,015	14.25
Cr Lyonnais Securities (Asia) Ltd Taipei	777,208	9.15	2,712	19.17
DBS Securities (S) Pte Ltd	678,387	7.99	1,357	9.60
Jp Morgan Securities (Asia Pacific) Ltd Hong Kong	392,315	4.62	981	6.93
Citigroup Global Markets Inc New York	374,128	4.41	112	0.79
Macquarie (M)Sdn Bhd, Malaysia	371,773	4.38	1,034	7.31
Instinet Europe Limited, London	194,583	2.29	486	3.43
Others	973,462	11.47	1,336	9.44
	<u>8,489,647</u>	<u>100.00</u>	<u>14,145</u>	<u>100.00</u>

# Included in the transactions are trades conducted with CGS-CIMB Securities (Singapore) Pte Ltd fellow related party to the Manager amounting to USD1,522,662. 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.

## DIRECTORY

### Head Office of the Manager

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