

Principal Greater China Equity Fund

Annual Report

For The Financial Year Ended 30 April 2024

PRINCIPAL GREATER CHINA EQUITY FUND
ANNUAL REPORT
FOR THE FINANCIAL YEAR ENDED 30 APRIL 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 Annual Fund Report of the Principal Greater China Equity Fund for the financial year ended 30 April 2024. You may also download this report from our website at 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, 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 medium to long-term capital growth primarily through investment in a portfolio of equity securities with exposure to the Greater China region consisting of the People's Republic of China, Hong Kong Special Administrative Region ("SAR") and Taiwan.

Has the Fund achieved its objective?

For the year under review, the fund outperformed its benchmark. The fund is in-line to achieve medium to long-term capital growth as stated under the investment Objective section.

What are the Fund investment policy and principal investment strategy?

The Fund is a feeder fund that invests at least 95% of the Fund's Net Asset Value ("NAV") in the Schroder International Selection Fund ("ISF") Greater China (the "Target Fund"), a fund of the Schroder ISF, an open-ended investment company registered in Luxembourg. The Target Fund invests primarily in equity securities of the People's Republic of China, Hong Kong SAR and Taiwan companies.

The asset allocation strategy for this Fund is as follows:

- at least 95% of the Fund's NAV will be invested in the Schroder ISF Greater China; and
- up to 5% of the Fund's NAV will be invested in liquid assets for liquidity purposes.

Information on the Target Fund:

Management Company: Schroder Investment Management (Europe) S.A.

Investment Manager: Schroder Investment Management (Hong Kong) Limited

Regulatory Authority: Luxembourg – Commission de Surveillance du Secteur Financier ("CSSF")

Base Currency

US Dollar ("USD")

Fund category/type

Feeder Fund/Growth

When was the Fund launched?

Name of Class	Launch Date
Class MYR	12 June 2007
Class AUD-Hedged ("AUD-H")	20 April 2020
Class MYR-Hedged ("MYR-H")	20 April 2020
Class RMB-Hedged ("RMB-H")	20 April 2020
Class SGD-Hedged ("SGD-H")	20 April 2020
Class USD	20 April 2020

What was the size of the Fund as at 30 April 2024?

USD473.12 million (2,282.94 million units)

What is the Fund's benchmark?

The Fund adheres to the benchmark of the Target Fund, i.e. Morgan Stanley Capital International ("MSCI") Golden Dragon Index.

Note: The benchmark is for performance comparison only

What is the Fund distribution policy?

Given its investment objective, the Fund is not expected to pay any distribution.

What was the net income distribution for the financial year ended 30 April 2024?

There was no distribution made for the financial year ended 30 April 2024.

PERFORMANCE DATA

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

	30.04.2024	30.04.2023	30.04.2022
	%	%	%
Collective investment scheme	99.16	97.70	98.94
Cash and other assets	2.63	3.06	3.10
Liabilities	(1.79)	(0.76)	(2.04)
	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>

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

	30.04.2024	30.04.2023	30.04.2022
NAV (USD Million)			
- Class AUD-H	9.05	11.95	10.51
- Class MYR	403.90	488.95	463.13
- Class MYR-H	31.95	37.14	27.28
- Class RMB-H	8.90	10.13	9.02
- Class SGD-H	6.98	8.86	8.46
- Class USD	12.34	16.50	15.65
Units in circulation (Million)			
- Class AUD-H	16.22	18.96	14.30
- Class MYR	2,003.21	2,238.06	2,007.75
- Class MYR-H	168.13	162.94	108.34
- Class RMB-H	71.62	70.00	55.49
- Class SGD-H	10.55	11.85	10.99
- Class USD	13.21	16.31	14.65
NAV per unit (USD)			
- Class AUD-H	0.5583	0.6302	0.7355
- Class MYR	0.2016	0.2185	0.2307
- Class MYR-H	0.1901	0.2279	0.2518
- Class RMB-H	0.1243	0.1448	0.1625
- Class SGD-H	0.6609	0.7473	0.7698
- Class USD	0.9339	1.0119	1.0685
Highest NAV per unit (USD)			
- Class AUD-H	0.6742	0.8071	1.2059
- Class MYR	0.2255	0.2580	0.3413
- Class MYR-H	0.2291	0.2855	0.3883
- Class RMB-H	0.1448	0.1801	0.2484
- Class SGD-H	0.7683	0.9002	1.1946
- Class USD	1.0447	1.1949	1.5807
Lowest NAV per unit (USD)			
- Class AUD-H	0.4887	0.4830	0.7007
- Class MYR	0.1759	0.1704	0.2172
- Class MYR-H	0.1676	0.1702	0.2358
- Class RMB-H	0.1096	0.1088	0.1551
- Class SGD-H	0.5866	0.5540	0.7311
- Class USD	0.8147	0.7893	1.0062

PERFORMANCE DATA (CONTINUED)

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

	30.04.2024	30.04.2023	30.04.2022
Total return (%)			
- Class AUD-H	(10.74)	(6.78)	(31.61)
- Class MYR	(1.30)	(2.96)	(25.52)
- Class MYR-H	(10.84)	(7.24)	(29.46)
- Class RMB-H	(10.19)	(6.99)	(29.11)
- Class SGD-H	(9.99)	(6.05)	(30.50)
- Class USD	(7.71)	(5.30)	(30.08)
- Capital growth (%)			
- Class AUD-H	(10.74)	(6.78)	(31.61)
- Class MYR	(1.30)	(2.96)	(25.94)
- Class MYR-H	(10.84)	(7.24)	(29.46)
- Class RMB-H	(10.19)	(6.99)	(29.88)
- Class SGD-H	(9.99)	(6.05)	(30.50)
- Class USD	(7.71)	(5.30)	(30.47)
- Income distribution (%)			
- Class AUD-H	-	-	-
- Class MYR	-	-	0.57
- Class MYR-H	-	-	-
- Class RMB-H	-	-	1.09
- Class SGD-H	-	-	-
- Class USD	-	-	0.56
Total Expense Ratio ("TER") (%) ^	0.37	0.41	0.41
Portfolio Turnover Ratio ("PTR") (times) #	0.10	0.10	0.17

^ The Fund's TER decreased from 0.41% to 0.37% for the financial year under review due to the decrease in expenses during the financial period.

For the financial year under review, the fund's PTR remain unchanged at 0.10 times. As a feeder fund, the turnover reflects investments and withdrawals in the target fund.

Gross/Net distribution per unit (cent)

Distribution on 7 March 2022

Class MYR	-	-	0.14
Class RMB-H	-	-	0.20
Class USD	-	-	0.64

	30.04.2024	30.04.2023	30.04.2022	30.04.2021	30.04.2020
	%	%	%	%	%
Annual total return					
- Class MYR	(1.30)	(2.96)	(25.52)	48.15	5.93

(Launch date: 12 June 2007)

PERFORMANCE DATA (CONTINUED)

	30.04.2024	30.04.2023	30.04.2022	30.04.2021
	%	%	%	%
Annual total return				
- Class AUD-H	(10.74)	(6.78)	(31.61)	51.46
- Class MYR-H	(10.84)	(7.24)	(29.46)	56.49
- Class RMB-H	(10.19)	(6.99)	(29.11)	57.55
- Class SGD-H	(9.99)	(6.05)	(30.50)	54.32
- Class USD	(7.71)	(5.30)	(30.08)	56.01

(Launch date: 20 April 2020)

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

MARKET REVIEW (1 MAY 2023 TO 30 APRIL 2024)

Chinese equities performance overall was lacklustre towards the end of the year. The fall in China's market came as economic data remained uninteresting, while Taiwan market outperformed, helped by on-going signs of export strength in technology.

The sentiment towards China remains very fragile amid mixed macroeconomic data and continued earnings pressure. The market continues to look for more monetary policy easing from the central government. Investors are also looking at how China can address its numerous structural headwinds, which includes weak demographics, high debt, property market weakness and elevated geographical risks.

The Chinese equities market space stabilised towards the end of quarter one 2024, with more corporate share buybacks and share purchases by the government-backed national teams. At the same time, the rampant divestment by the foreign investors might be over, and the substantial drop in capital raising over the past two years has created a more favourable equity supply and demand dynamic.

FUND PERFORMANCE

	1 year to	3 years to	5 years to	Since
	30.04.2024	30.04.2024	30.04.2024	inception
	%	%	%	to
				30.04.2024
				%
Income Distribution				
- Class AUD-H	-	-	-	4.04
- Class MYR	-	0.57	16.27	16.27
- Class MYR-H	-	-	-	2.77
- Class RMB-H	-	1.09	-	5.25
- Class SGD-H	-	-	-	3.05
- Class USD	-	0.56	-	3.61
Capital Growth				
- Class AUD-H	(10.74)	(43.09)	-	(14.52)
- Class MYR	(1.30)	(29.07)	(3.72)	102.91
- Class MYR-H	(10.84)	(41.66)	-	(9.37)
- Class RMB-H	(10.19)	(41.42)	-	(9.85)
- Class SGD-H	(9.99)	(41.22)	-	(10.05)
- Class USD	(7.71)	(39.23)	-	(6.61)

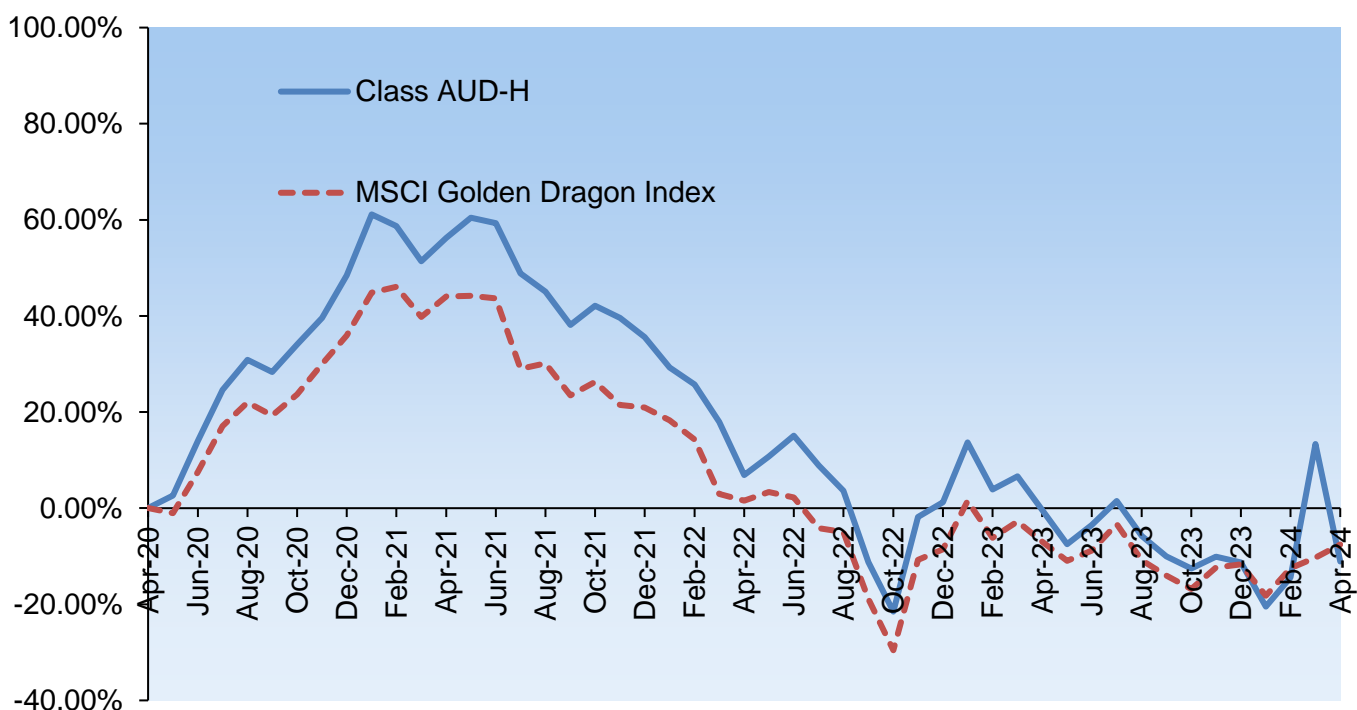
FUND PERFORMANCE (CONTINUED)

	1 year to 30.04.2024 %	3 years to 30.04.2024 %	5 years to 30.04.2024 %	Since inception to 30.04.2024 %
Total Return				
- Class AUD-H	(10.74)	(43.09)	-	(11.07)
- Class MYR	(1.30)	(28.67)	11.94	135.93
- Class MYR-H	(10.84)	(41.66)	-	(6.86)
- Class RMB-H	(10.19)	(40.78)	-	(5.11)
- Class SGD-H	(9.99)	(41.22)	-	(7.31)
- Class USD	(7.71)	(38.89)	-	(3.24)
Benchmark				
- Class AUD-H	(0.65)	(35.82)	-	(7.56)
- Class MYR	6.30	(25.23)	0.77	76.29
- Class MYR-H	(0.65)	(35.82)	-	(7.56)
- Class RMB-H	(0.65)	(35.82)	-	(7.56)
- Class SGD-H	(0.65)	(35.82)	-	(7.56)
- Class USD	(0.65)	(35.82)	-	(7.56)
Average Total Return				
- Class AUD-H	(10.74)	(17.11)	-	(2.87)
- Class MYR	(1.30)	(10.64)	2.28	5.21
- Class MYR-H	(10.84)	(16.43)	-	(1.75)
- Class RMB-H	(10.19)	(16.01)	-	(1.29)
- Class SGD-H	(9.99)	(16.22)	-	(1.87)
- Class USD	(7.71)	(15.13)	-	(0.81)

For the financial year under review, Class AUD-H, Class MYR, Class MYR-H, Class RMB-H, class SGD-H, and Class USD decreased by 10.74%, 1.30%, 10.84%, 10.19%, 9.99%, and 7.71% underperforming their respective benchmark.

Since Inception

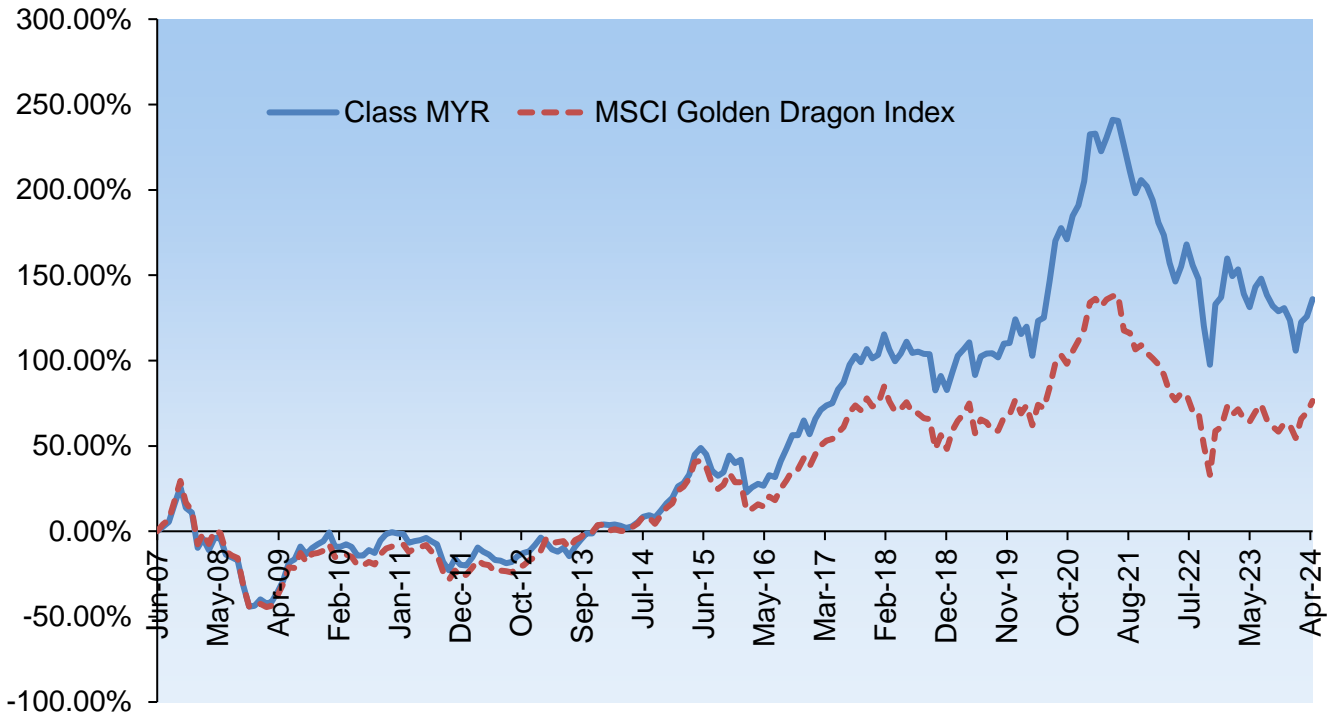
CLASS AUD-H



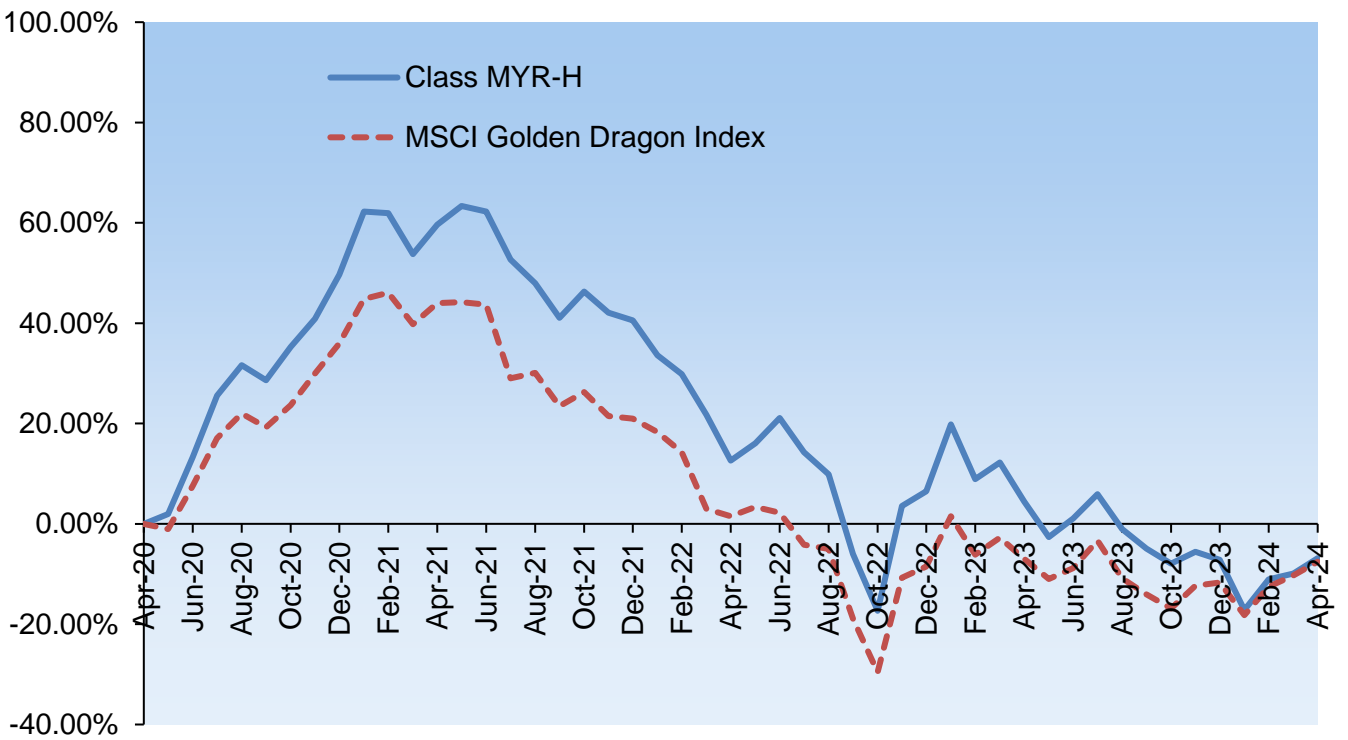
FUND PERFORMANCE (CONTINUED)

Since Inception

CLASS MYR



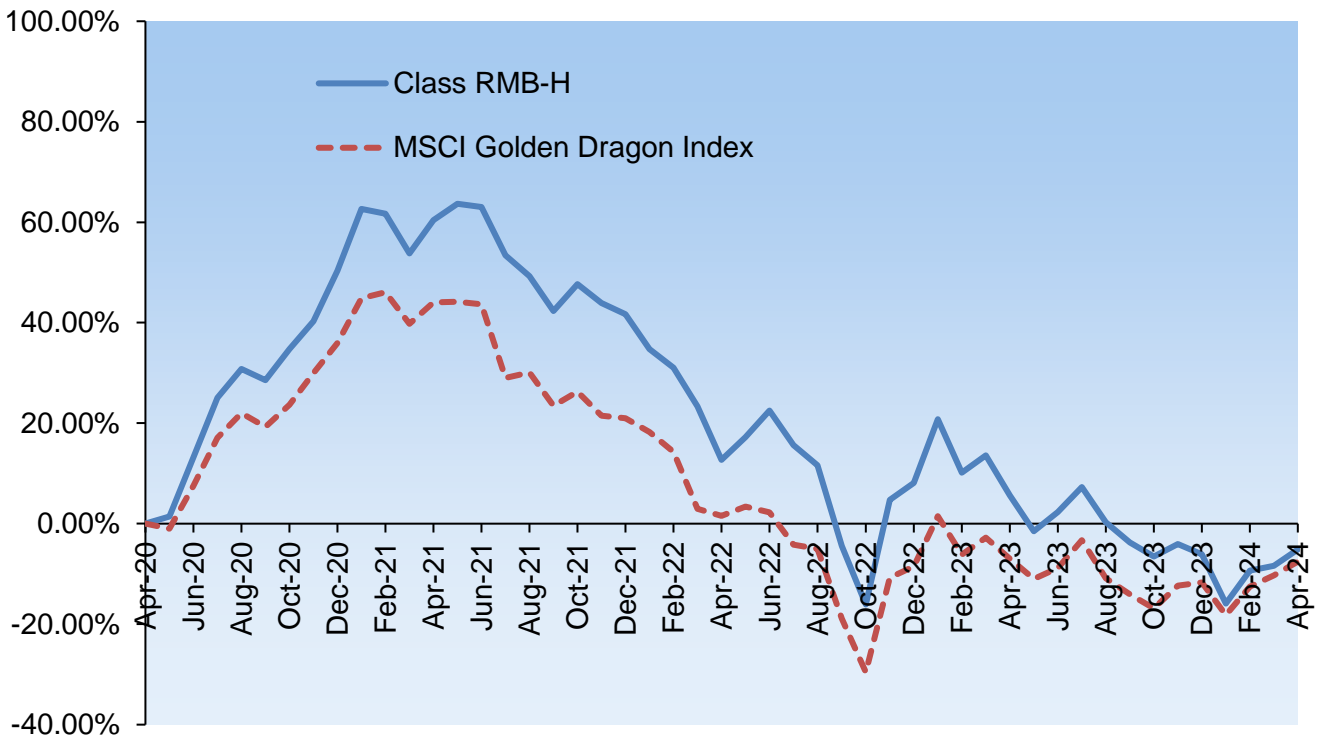
CLASS MYR-H



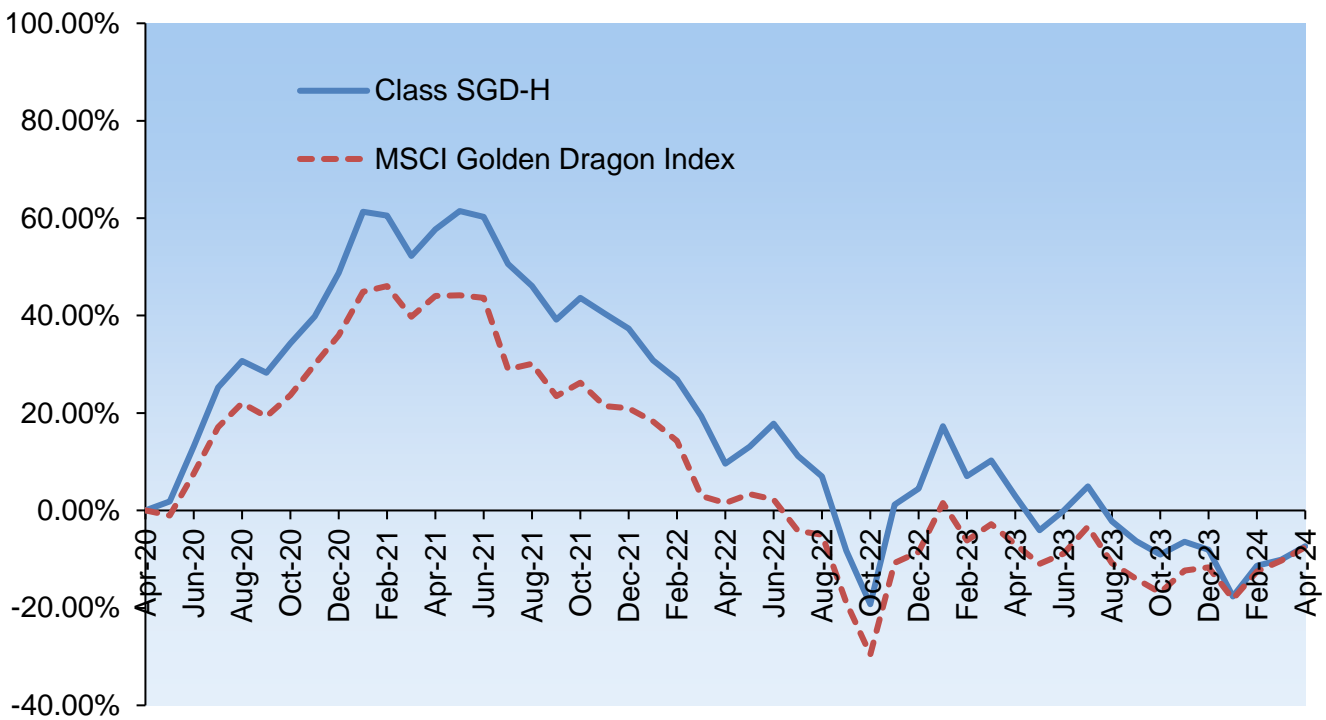
FUND PERFORMANCE (CONTINUED)

Since Inception

CLASS RMB-H



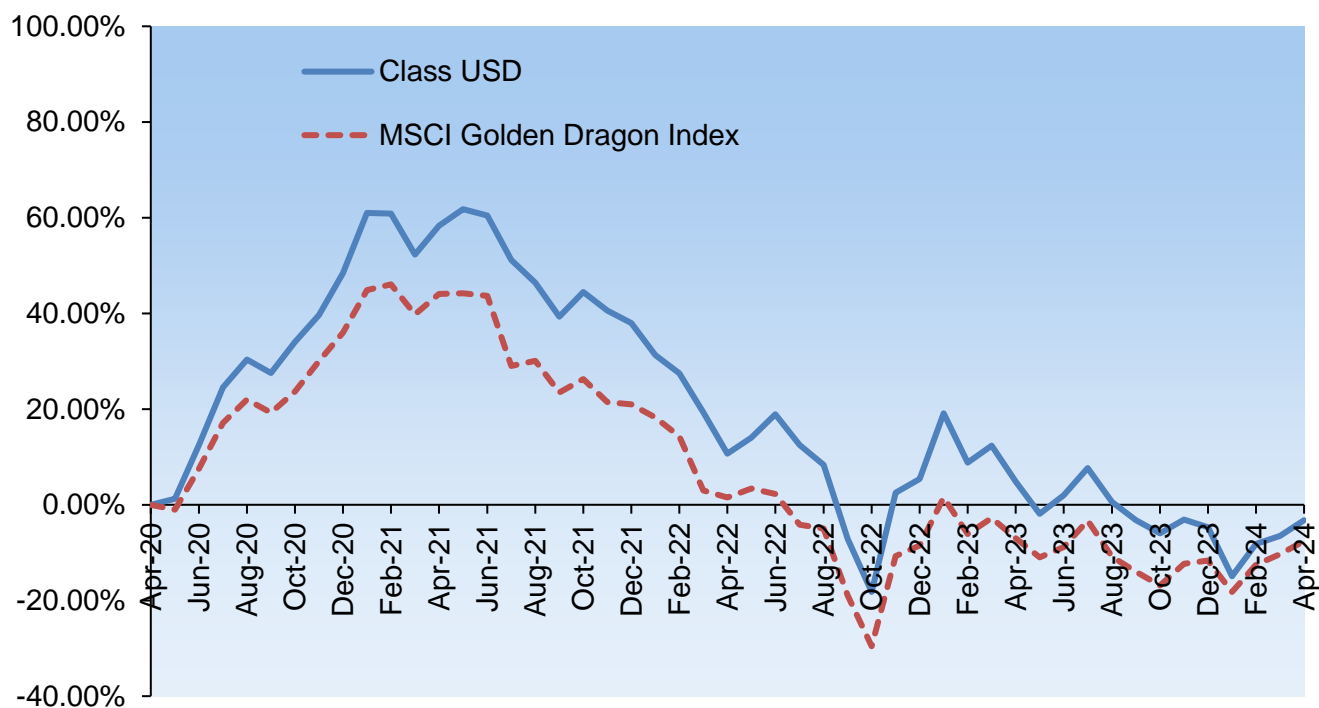
CLASS SGD-H



FUND PERFORMANCE (CONTINUED)

Since Inception

CLASS USD



Changes in NAV

	30.04.2024	30.04.2023	Changes %
CLASS AUD-H			
NAV (USD Million)	9.05	11.95	(24.27)
NAV/Unit (USD)	0.5583	0.6302	(11.41)
CLASS MYR			
NAV (USD Million)	403.90	488.95	(17.39)
NAV/Unit (USD)	0.2016	0.2185	(7.73)
CLASS MYR-H			
NAV (USD Million)	31.95	37.14	(13.97)
NAV/Unit (USD)	0.1901	0.2279	(16.59)
CLASS RMB-H			
NAV (USD Million)	8.90	10.13	(12.14)
NAV/Unit (USD)	0.1243	0.1448	(14.16)
CLASS SGD-H			
NAV (USD Million)	6.98	8.86	(21.22)
NAV/Unit (USD)	0.6609	0.7473	(11.56)
CLASS USD			
NAV (USD Million)	12.34	16.50	(25.21)
NAV/Unit (USD)	0.9339	1.0119	(7.71)

FUND PERFORMANCE (CONTINUED)

Changes in NAV (continued)

For the financial year under review, the fund's NAV for Class AUD-H, Class MYR, Class MYR-H, Class RMB-H, Class SGD-H, and Class USD decreased by 24.27%, 17.39%, 13.97%, 12.14%, 21.22%, and 25.21% respectively.

In addition, the NAV per unit for all classes decreased due to the negative investment performance during the same period.

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

PORTFOLIO STRUCTURE

Asset allocation

(% of NAV)	30.04.2024	30.04.2023
Collective investment scheme	99.16	97.70
Cash and other assets	2.63	3.06
Liabilities	(1.79)	(0.76)
TOTAL	100.00	100.00

The fund was fully invested during the year under review with minimal cash kept for redemption purposes.

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

	% of NAV
Top 10 holdings *	30.04.2024
Tencent Holdings Ltd	9.77
Taiwan Semiconductor Manufacturing	9.38
Alibaba Group Holdings Ltd	6.68
AIA Group Ltd	4.34
Mediatek Inc	2.77
Shenzhen International Group Holdings Ltd	2.54
Meituan	2.52
Petrochina Co Ltd	2.50
Zijin Mining Group Co Ltd	2.43
Hong Kong Exchanges & Clearing Ltd	2.38

	% of NAV
Top 10 holdings *	30.04.2023
Taiwan Semiconductor Manufacturing	9.10
Tencent Holdings Ltd	8.30
Alibaba Group Holdings Ltd	6.70
AIA Group Ltd	4.60
Meituan	2.70
Zijin Mining Group Co Ltd	2.30
Hong Kong Exchanges and Clearing	2.30
Galaxy Entertainment Group Ltd	2.20
Contemporary Amperex Technology	2.00
LONGi Green Energy Technology	1.90

MARKET OUTLOOK*

Valuation for Chinese stocks have remained attractive despite recent rally. A more meaningful turning points in key economic data and corporate guidance are required for a more substantial and sustainable recovery. At the same time, a friendlier US-China relationship will also be helpful to sustain the positive market momentum. The compelling valuations, better shareholder returns and the improving economic trends in China should prompt investors to reconsider Chinese assets. Given investors' very light positioning in China, there is scope for more inflows if the momentum persists.

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

INVESTMENT STRATEGY

The fund will continue to be fully invested in target fund (Schroder International Selection Fund Greater China) with minimal liquid asset maintained for liquidity purposes.

SOFT COMMISSIONS AND REBATES

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

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

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

SECURITIES FINANCING TRANSACTIONS

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

STATE OF AFFAIR OF THE FUND

In relation to this Fund, the Fund had issued the Replacement Prospectus dated 3 July 2023.

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

CIRCUMSTANCES THAT MATERIALLY AFFECT ANY INTEREST OF UNIT HOLDERS

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

CROSS TRADE

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

UNIT SPLIT

No unit split exercise has been carried out during the financial year.

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

We, being the Directors of Principal Asset Management Berhad (the “Manager”), do hereby state that, in the opinion of the Manager, the accompanying audited financial statements set out on pages 7 to 34 are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial position of the Fund as at 30 April 2024 and of its financial performance, changes in net assets attributable to unit holders and cash flows for the financial year then ended in accordance with the provisions of the Malaysian Financial Reporting Standards (“MFRS”) and International Financial Reporting Standards (“IFRS”).

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
14 June 2024

TRUSTEE'S REPORT

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

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

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

For HSBC (Malaysia) Trustee Berhad

Yap Lay Guat
Manager, Investment Compliance Monitoring

Kuala Lumpur
13 June 2024

**INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF
PRINCIPAL GREATER CHINA EQUITY FUND**

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Principal Greater China Equity Fund (the "Fund") which comprise the statement of financial position of the fund as at 30 April 2024 of the Fund, and statement of comprehensive income, statement of changes in net assets attributable to unit holders and statement of cash flows of the Fund for the financial year ended, and notes to the financial statements, including material accounting policy information, as set out on pages 7 to 34.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 30 April 2024, and of its financial performance and cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

Basis for opinion

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

Independence and other ethical responsibilities

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

**INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF
PRINCIPAL GREATER CHINA EQUITY FUND (cont'd.)**

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

Information other than the financial statements and auditors' report thereon

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

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

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

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

Responsibilities of the Manager and the Trustee for the financial statements

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

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

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

**INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF
PRINCIPAL GREATER CHINA EQUITY FUND (cont'd.)**

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

Auditors' responsibilities for the audit of the financial statements

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

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

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

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

**INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF
PRINCIPAL GREATER CHINA EQUITY FUND (cont'd.)**

Other matters

This report is made solely to the Unit Holders of the Fund, as a body, in accordance with the Guidelines on Unit Trust Funds issued by the Securities Commission Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

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

Yeo Beng Yean
No. 03013/10/2024 J
Chartered Accountant

Kuala Lumpur, Malaysia
14 June 2024

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024**

	Note	2024 USD	2023 USD
INCOME/(LOSS)			
Interest income from deposit placement with licensed financial institutions		74,362	115,199
Net loss on financial assets at fair value through profit or loss	7	(37,593,639)	(23,271,361)
Net loss on derivative liabilities at fair value through profit or loss	8	(4,842,146)	(2,906,999)
Net foreign exchange loss		<u>(393,553)</u>	<u>(806,261)</u>
		<u>(42,754,976)</u>	<u>(26,869,422)</u>
EXPENSES			
Management fee	4	9,405,087	9,776,863
Trustee fee	5	228,763	434,527
Audit fee		1,570	1,608
Tax agent's fee		1,951	1,310
Other expenses		<u>13,345</u>	<u>16,932</u>
		<u>9,650,716</u>	<u>10,231,240</u>
LOSS BEFORE TAXATION		(52,405,692)	(37,100,662)
Taxation	6	<u>-</u>	<u>-</u>
LOSS AFTER TAXATION, REPRESENTING TOTAL COMPREHENSIVE LOSS FOR THE FINANCIAL YEAR		<u>(52,405,692)</u>	<u>(37,100,662)</u>
Loss after taxation is made up as follows:			
Realised amount		(34,285,447)	(50,806,879)
Unrealised amount		<u>(18,120,245)</u>	<u>13,706,217</u>
		<u>(52,405,692)</u>	<u>(37,100,662)</u>

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

**STATEMENT OF FINANCIAL POSITION
AS AT 30 APRIL 2024**

	Note	2024 USD	2023 USD
ASSETS			
Cash and cash equivalents	9	5,685,346	9,134,305
Financial assets at fair value through profit or loss	7	469,125,356	560,344,043
Derivative assets at fair value through profit or loss		82,332	-
Amount due from Manager		5,474,961	4,964,940
Amount due from dealer		569,544	1,183,090
Amount due from Manager of collective investment scheme			
- sale of collective investment scheme		-	1,500,000
- management fee rebate		641,088	792,062
TOTAL ASSETS		<u>481,578,627</u>	<u>577,918,440</u>
LIABILITIES			
Derivative liabilities at fair value through profit or loss	8	-	573,904
Amount due to Manager of collective investment scheme			
- purchase of collective investment scheme		-	1,181,209
Amount due to dealer		570,464	-
Amount due to Manager		7,181,419	1,716,917
Accrued management fee		686,969	875,105
Amount due to Trustee		11,450	38,894
Other payables and accruals		7,493	4,654
TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS)		<u>8,457,795</u>	<u>4,390,683</u>
NET ASSET VALUE OF THE FUND		<u>473,120,832</u>	<u>573,527,757</u>
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS		<u>473,120,832</u>	<u>573,527,757</u>
FAIR VALUE OF OUTSTANDING UNITS (USD)			
- Class AUD-H		9,052,575	11,950,088
- Class MYR		403,896,668	488,946,581
- Class MYR-H		31,955,161	37,140,273
- Class RMB-H		8,900,492	10,134,071
- Class SGD-H		6,975,381	8,855,930
- Class USD		12,340,555	16,500,814
		<u>473,120,832</u>	<u>573,527,757</u>

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

STATEMENT OF FINANCIAL POSITION
AS AT 30 APRIL 2024 (CONTINUED)

	2024	2023
Note	USD	USD
REPRESENTED BY:		
NUMBER OF UNITS IN CIRCULATION (UNITS)		
- Class AUD-H	16,214,733	18,960,972
- Class MYR	2,003,207,802	2,238,062,132
- Class MYR-H	168,131,991	162,943,218
- Class RMB-H	71,619,639	70,000,483
- Class SGD-H	10,553,788	11,850,756
- Class USD	13,213,708	16,305,959
10	<u>2,282,941,661</u>	<u>2,518,123,520</u>
NET ASSET VALUE PER UNIT (USD)		
- Class AUD-H	0.5583	0.6302
- Class MYR	0.2016	0.2185
- Class MYR-H	0.1901	0.2279
- Class RMB-H	0.1243	0.1448
- Class SGD-H	0.6609	0.7473
- Class USD	<u>0.9339</u>	<u>1.0119</u>
NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES		
- Class AUD-H	AUD0.8548	AUD0.9576
- Class MYR	RM0.9616	RM0.9745
- Class MYR-H	RM0.9063	RM1.0164
- Class RMB-H	CNH0.9015	CNH1.0041
- Class SGD-H	SGD0.8995	SGD0.9994
- Class USD	<u>USD0.9339</u>	<u>USD1.0119</u>

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

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024**

	2024	2023
	USD	USD
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE BEGINNING OF THE FINANCIAL YEAR	<u>573,527,757</u>	<u>534,046,833</u>
Movement due to units created and cancelled during the financial year:		
Creation of units from applications		
- Class AUD-H	4,079,018	4,436,781
- Class MYR	94,309,220	142,409,127
- Class MYR-H	27,790,378	26,859,977
- Class RMB-H	1,291,293	2,955,153
- Class SGD-H	2,474,048	1,952,066
- Class USD	1,346,913	4,123,720
	<u>131,290,870</u>	<u>182,736,824</u>
Cancellation of units		
- Class AUD-H	(5,586,522)	(1,105,990)
- Class MYR	(138,647,415)	(87,903,432)
- Class MYR-H	(26,479,489)	(13,174,772)
- Class RMB-H	(1,089,906)	(641,292)
- Class SGD-H	(3,293,068)	(1,103,464)
- Class USD	(4,195,703)	(2,226,288)
	<u>(179,292,103)</u>	<u>(106,155,238)</u>
Total comprehensive loss for the financial year	<u>(52,405,692)</u>	<u>(37,100,662)</u>
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE END OF THE FINANCIAL YEAR	<u><u>473,120,832</u></u>	<u><u>573,527,757</u></u>

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

**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024**

	Note	2024 USD	2023 USD
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from disposal of collective investment scheme		76,150,000	20,800,000
Purchase of collective investment scheme		(29,931,209)	(84,705,305)
Interest income received from deposits with licensed financial institutions		74,362	115,199
Management fee paid		(9,593,223)	(11,960,674)
Management fee rebate received		7,876,021	8,666,534
Trustee fee paid		(256,207)	(531,597)
Payment for other fees and expenses		(14,029)	(19,620)
Net realised loss on forward foreign currency contracts		(4,314,370)	(3,730,465)
Payment on foreign exchange loss		(146,464)	(169,151)
Net cash generated from/(used in) operating activities		<u>39,844,881</u>	<u>(71,535,079)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash proceeds from units created		130,780,846	185,778,063
Payments for cancellation of units		(173,827,598)	(109,664,664)
Net cash (used in)/generated from financing activities		<u>(43,046,752)</u>	<u>76,113,399</u>
Net (decrease)/increase in cash and cash equivalents		(3,201,871)	4,578,320
Effects of foreign exchange differences		(247,088)	(637,112)
Cash and cash equivalents at the beginning of the financial year		<u>9,134,305</u>	<u>5,193,097</u>
Cash and cash equivalents at the end of the financial year	9	<u><u>5,685,346</u></u>	<u><u>9,134,305</u></u>
Cash and cash equivalents comprised of:			
Deposits with licensed financial institutions		5,621,614	7,240,426
Bank balances		<u>63,732</u>	<u>1,893,879</u>
Cash and cash equivalents at the end of the financial year	9	<u><u>5,685,346</u></u>	<u><u>9,134,305</u></u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2024**

1. THE FUND, THE MANAGER AND ITS PRINCIPAL ACTIVITIES

Principal Greater China Equity Fund (the “Fund”) is now governed by a Principal Master Deed dated 15 May 2008, a Fourth Supplemental Master Deed dated 18 March 2009, a Fifth Supplemental Master Deed dated 16 July 2009, a Thirteenth Supplemental Master Deed dated 26 June 2012, an Eighteenth Supplemental Master Deed dated 25 March 2015, a Twentieth Supplemental Master Deed dated 21 October 2019, a Twenty First Supplemental Master Deed dated 4 December 2019, a Twenty Third Supplemental Master Deed dated 27 June 2022 and Twenty Fourth Supplemental Master Deed dated 13 January 2023 (collectively referred to as the “Deeds”), made between Principal Asset Management Berhad (the “Manager”) and HSBC (Malaysia) Trustee Berhad (the “Trustee”).

The Fund is a feeder fund that invests at least 95% of the Fund’s NAV in the Target Fund, a fund of the Schroder ISF, an open-ended investment company registered in Luxembourg. The Target Fund invests primarily in equity securities of the People’s Republic of China, Hong Kong SAR and Taiwan companies.

The asset allocation strategy for this Fund is as follows:

- at least 95% of the Fund’s NAV will be invested in the Schroder ISF Greater China; and
- up to 5% of the Fund’s NAV will be invested in liquid assets for liquidity purposes.

Information on the Target Fund:

Management Company: Schroder Investment Management (Europe) S.A.

Investment Manager: Schroder Investment Management (Hong Kong) Limited

Regulatory Authority: Luxembourg – Commission de Surveillance du Secteur Financier (“CSSF”).

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

The Fund had issued the Replacement Prospectus dated 3 July 2023.

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 POLICIES

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 year.

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

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

There are no other standards, amendments to standards or interpretations that are effective for financial year beginning on 1 May 2023 that have a material effect on the financial statements of the Fund.

None of the standards, amendments to standards or interpretations that are effective for the financial year beginning on/after 1 May 2024 to the financial statements of 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 contractual cash flows of the Fund's debt securities are solely payment of principal and interest ("SPPI"). However, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Fund's business model's objective. Consequently, all investments are measured at fair value through profit or loss.

Investments in collective investment scheme have contractual cash flows that do not represent SPPI, and therefore are classified as fair value through profit or loss.

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

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

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(b) Financial assets and financial liabilities (continued)

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

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 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.

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 average of the last published price of such unit or share (excluding any sales charge included in such selling price).

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

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 loss ("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 year.

(c) Income recognition

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

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

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

(d) Foreign currencyFunctional and presentation currencies

Items included in the financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates (the "functional currency"). The financial statements are presented in 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; and
- ii) 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.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)**(e) Cash and cash equivalents**

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

(f) Taxation

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

Tax on income from foreign collective investment scheme 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.

(g) Amount due from/to Manager of collective investment scheme (sales and purchase of collective investment scheme)

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

(h) Management fee rebate

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

(i) Distribution

Distributions to unit holders are recognised in the statement of comprehensive income as the unit holders' contribution are classified as financial liability. Distribution is reinvested into the Fund on the ex-date. Reinvestment of units is based on the NAV per unit on the ex-date, which is also the time of creation. Proposed distributions are recognised as a liability in the financial year in which it is approved by the Trustee.

(j) Unit holders' contributions

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

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

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.

2. MATERIAL ACCOUNTING POLICIES (CONTINUED)**(j) Unit holders' contributions (continued)**

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.

(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 unfavorable.

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

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

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).

(l) 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.

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

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

Estimates and 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
2024			
Cash and cash equivalents (Note 9)	-	5,685,346	5,685,346
Collective investment scheme (Note 7)	469,125,356	-	469,125,356
Derivative assets at fair value through profit or loss	-	82,332	82,332
Amount due from Manager	-	5,474,961	5,474,961
Amount due from dealer	-	569,544	569,544
Amount due from Manager of collective investment scheme - management fee rebate	-	641,088	641,088
	<u>469,125,356</u>	<u>12,453,271</u>	<u>481,578,627</u>
2023			
Cash and cash equivalents (Note 9)	-	9,134,305	9,134,305
Collective investment scheme (Note 7)	560,344,043	-	560,344,043
Amount due from Manager	-	4,964,940	4,964,940
Amount due from dealer	-	1,183,090	1,183,090
Amount due from Manager of collective investment scheme - sales of collective investment scheme	-	1,500,000	1,500,000
- management fee rebate	-	792,062	792,062
	<u>560,344,043</u>	<u>17,574,397</u>	<u>577,918,440</u>

All liabilities are financial liabilities which are carried at amortised cost (except for derivatives).

The Fund aims to achieve medium to long-term capital growth primarily through investment in a portfolio of equity securities with exposure to the Greater China region consisting of the People's Republic of China, Hong Kong SAR and Taiwan.

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

(a) Market risk

(i) Price risk

Price risk is the risk that the fair value of the Fund's investment in collective investment scheme will fluctuate because of changes in market prices (other than those arising from interest rate risk and 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.

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

(a) Market risk (continued)

(i) Price risk (continued)

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

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

	2024	2023
	USD	USD
Financial assets at fair value through profit or loss:		
- Collective investment scheme	<u>469,125,356</u>	<u>560,344,043</u>

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

% Change in price of collective investment scheme	Market value USD	Impact on profit or loss/NAV USD
2024		
-5%	445,669,088	(23,456,268)
0%	469,125,356	-
5%	<u>492,581,624</u>	<u>23,456,268</u>
2023		
-5%	532,326,841	(28,017,202)
0%	560,344,043	-
5%	<u>588,361,245</u>	<u>28,017,202</u>

(ii) Interest rate risk

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

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

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

(a) Market risk (continued)

(ii) Interest rate risk (continued)

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

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

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

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

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

	2024 %	2023 %
Deposits with licensed financial institutions	3.20	1.82

(iii) Currency risk

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

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

Financial assets

	Cash and cash equivalents USD	Derivative assets at fair value through profit or loss USD	Amount due from dealer USD	Amount due from Manager USD	Total USD
2024					
AUD	130,038	75,365	139,973	19,210	364,586
CNH	16,371	3,671	-	12,239	32,281
MYR	503,528	19,954	324,743	5,438,399	6,286,624
SGD	71,665	(16,067)	61,371	187	117,156
	721,602	82,923	526,087	5,470,035	6,800,647

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

(a) Market risk (continued)

(iii) Currency risk (continued)

Financial assets (continued)

	Cash and cash equivalents USD	Amount due from Manager USD	Total USD
2023			
AUD	144,321	522,828	667,149
CNH	11,601	186,872	198,473
MYR	4,787	7,779,274	7,784,061
SGD	98,451	74,228	172,679
	<u>259,160</u>	<u>8,563,202</u>	<u>8,822,362</u>

Financial liabilities

	Amount due to dealer USD	Amount due to Manager USD	Net assets attributable to unitholders USD	Total USD
2024				
AUD	19,210	145,744	9,052,575	9,217,439
CNH	24,162	1,903	8,900,492	8,926,557
MYR	-	6,925,765	435,851,829	442,777,594
SGD	-	61,441	6,975,381	7,036,822
	<u>43,372</u>	<u>7,134,853</u>	<u>460,780,277</u>	<u>467,958,412</u>

Derivative liabilities at fair value through profit or loss
USD

	Amount due to Manager USD	Accrued management fee USD	Amount due to Trustee USD	Other payables and accruals USD	Net assets attributable to unitholders USD	Total USD
2023						
AUD	222,391	17,781	790	-	11,950,088	12,191,050
CNH	77,279	15,411	685	-	10,134,071	10,246,791
MYR	5,216,452	802,909	35,685	4,654	526,086,854	532,409,727
SGD	76,111	13,578	603	-	8,855,930	8,960,631
	<u>5,311,908</u>	<u>849,679</u>	<u>37,763</u>	<u>4,654</u>	<u>557,026,943</u>	<u>563,808,199</u>

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

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

(a) Market risk (continued)

(iii) Currency risk (continued)

	Change in foreign exchange rate		Impact on profit or loss/NAV	
		%	2024 USD	2023 USD
AUD	-/+5		-/+441,687	-/+576,195
CNH	-/+5		-/+443,506	-/+502,416
MYR	-/+5		-/+21,824,562	-/+26,231,283
SGD	-/+5		-/+345,983	-/+439,398
			<u>-/+23,055,738</u>	<u>-/+27,749,292</u>

(b) Credit risk

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

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

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

	Cash and cash equivalents USD	Amount due from Manager USD	Amount due from Manager of collective investment scheme - management fee rebate USD	Derivative assets at FVTPL USD	Amount due from dealer USD	Total USD
2024						
- AAA	5,685,346	-	-	-	-	5,685,346
- Not rated	-	5,474,961	641,088	82,332	569,544	6,767,925
	<u>5,685,346</u>	<u>5,474,961</u>	<u>641,088</u>	<u>82,332</u>	<u>569,544</u>	<u>12,453,271</u>

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

(b) Credit risk (continued)

	Cash and cash equivalents USD	Amount due from Manager USD	Amount due from Manager of collective investment scheme - management fee rebate USD	Amount due from Manager of collective investment scheme – sale of collective investment scheme USD	Amount due from dealer USD	Total USD
2023						
- AAA	9,134,305	-	-	-	-	9,134,305
- Not rated	-	4,964,940	792,062	1,500,000	1,183,090	8,440,092
	<u>9,134,305</u>	<u>4,964,940</u>	<u>792,062</u>	<u>1,500,000</u>	<u>1,183,090</u>	<u>17,574,397</u>

All deposits with licensed financial institutions of the Fund have an average remaining maturity of 3 days (2023: 3 days).

(c) Liquidity risk

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

The Manager manages this risk by maintaining sufficient level of liquid assets to meet anticipated payments and cancellations of the units by unit holders. Liquid assets comprise bank balances, deposits with licensed financial institutions and other instruments, which are capable of being converted into cash within 7 business days. Generally, all investments are subject to a certain degree of liquidity risk depending on the nature of the investment instruments, market, sector and other factors. For the purpose of the Fund, the fund Manager will attempt to balance the entire portfolio by investing in a mix of assets with satisfactory trading volume and those that occasionally could encounter poor liquidity. This is expected to reduce the risks for the entire portfolio without limiting the Fund's growth potentials.

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

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

(b) Liquidity risk (continued)

	Less than 1 month USD	Between 1 month to 1 year USD	Total USD
2024			
Amount due to Dealer	570,464	-	570,464
Amount due to Manager	7,181,419	-	7,181,419
Accrued management fee	686,969	-	686,969
Amount due to Trustee	11,450	-	11,450
Other payables and accruals	-	7,493	7,493
Net assets attributable to unit holders*	<u>473,120,832</u>	<u>-</u>	<u>473,120,832</u>
Contractual undiscounted cash flows	<u><u>481,571,134</u></u>	<u><u>7,493</u></u>	<u><u>481,578,627</u></u>
2023			
Derivative liabilities at fair value through profit or loss	573,904	-	573,904
Amount due to Manager of collective investment scheme - purchase of collective investment scheme	1,181,209	-	1,181,209
Amount due to Manager	1,716,917	-	1,716,917
Accrued management fee	875,105	-	875,105
Amount due to Trustee	38,894	-	38,894
Other payables and accruals	-	4,654	4,654
Net assets attributable to unit holders*	<u>573,527,757</u>	<u>-</u>	<u>573,527,757</u>
Contractual undiscounted cash flows	<u><u>577,913,786</u></u>	<u><u>4,654</u></u>	<u><u>577,918,440</u></u>

* 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 of USD473,120,832 (2023: USD573,527,757). 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).

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

(e) Fair value estimation (continued)

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

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.

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

(e) Fair value estimation (continued)

(i) Fair value hierarchy (continued)

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
2024				
Financial assets at fair value through profit or loss:				
- Collective investment scheme	469,125,356	-	-	469,125,356
Derivative liabilities at fair value through profit or loss:				
- Forward foreign currency contracts	-	82,332	-	82,332
	<u>469,125,356</u>	<u>82,332</u>	<u>-</u>	<u>469,207,688</u>
2023				
Financial assets at fair value through profit or loss:				
- Collective investment scheme	560,344,043	-	-	560,344,043
Derivative liabilities at fair value through profit or loss:				
- Forward foreign currency contracts	-	(573,904)	-	(573,904)
	<u>560,344,043</u>	<u>(573,904)</u>	<u>-</u>	<u>559,770,139</u>

Investment whose values are based, on quoted market prices in active markets, and are therefore classified within Level 1 include 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 forward foreign currency contracts.

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.

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

(e) Fair value estimation (continued)

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

4. MANAGEMENT FEE

In accordance with the Deeds, the Manager is entitled to a fee of up to 3.00% per annum calculated and accrued daily based on the NAV of the Fund.

For the financial year ended 30 April 2024 and 30 April 2023, the management fee for the respective classes are recognised at the following rates:

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

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

5. TRUSTEE FEE

In accordance with the Deeds, the Trustee is entitled to a fee not exceeding 1.00% per annum calculated daily based on the NAV of the Fund. The Trustee fee includes the local custodian fee but excludes the foreign sub-custodian fee (if any). The foreign sub-custodian fee is dependent on the country invested and is charged monthly in arrears.

For the financial period from 1 May 2023 to 31 July 2023, the Trustee fee for the respective classes are recognised at the following rates:

Class AUD-H	Class MYR	Class MYR-H	Class RMB-H	Class SGD-H	Class USD
0.08%	0.08%	0.08%	0.08%	0.08%	0.08%

Effective 1 August 2023, the Trustee fee for the respective classes are recognised at the following rates:

Class AUD-H	Class MYR	Class MYR-H	Class RMB-H	Class SGD-H	Class USD
0.03%	0.03%	0.03%	0.03%	0.03%	0.03%

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

6. TAXATION

	2024 USD	2023 USD
Tax charged for the financial year:		
- Current taxation	-	-

6. TAXATION (CONTINUED)

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

	2024 USD	2023 USD
Loss before taxation	<u>(52,405,691)</u>	<u>(37,100,662)</u>
Taxation at Malaysian Statutory rate of 24% (2023: 24%)	(12,577,366)	(8,904,159)
Tax effects of:		
Investment income not subject to tax	10,261,194	6,448,661
Expenses not deductible for tax purposes	58,575	108,665
Restriction on tax deductible expenses for Unit Trust Funds	<u>2,257,597</u>	<u>2,346,833</u>
Taxation	<u>-</u>	<u>-</u>

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2024 USD	2023 USD
Financial assets at fair value through profit or loss:		
- Collective investment scheme	<u>469,125,356</u>	<u>560,344,043</u>
Net loss on financial assets at fair value through profit or loss:		
- Realised (loss)/gain on disposals	(26,542,205)	(5,846,760)
- Unrealised fair value loss	(18,776,481)	(25,448,340)
- Management fee rebate #	<u>7,725,047</u>	<u>8,023,739</u>
	<u>(37,593,639)</u>	<u>(23,271,361)</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 year ended 30 April 2024, the rebate is recognised at a rate of 1.50% per annum (2023: 1.50% 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 %
2024				
COLLECTIVE INVESTMENT SCHEME				
LUXEMBOURG				
Schroder ISF Greater China	<u>6,992,926</u>	<u>613,792,516</u>	<u>469,125,356</u>	<u>99.16</u>
TOTAL COLLECTIVE INVESTMENT SCHEME	<u>6,992,926</u>	<u>613,792,516</u>	<u>469,125,356</u>	<u>99.16</u>

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 %
2024				
COLLECTIVE INVESTMENT SCHEME (CONTINUED)				
ACCUMULATED UNREALISED LOSS ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		(144,667,160)		
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		<u>469,125,356</u>		
2023				
COLLECTIVE INVESTMENT SCHEME				
LUXEMBOURG				
Schroder ISF Greater China	<u>7,733,502</u>	<u>686,234,722</u>	<u>560,344,043</u>	<u>97.70</u>
TOTAL COLLECTIVE INVESTMENT SCHEME	<u>7,733,502</u>	<u>686,234,722</u>	<u>560,344,043</u>	<u>97.70</u>
ACCUMULATED UNREALISED LOSS ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		<u>(125,890,679)</u>		
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		<u>560,344,043</u>		

8. DERIVATIVE LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

	2024 USD	2023 USD
Forward foreign currency contracts	<u>82,332</u>	<u>573,904</u>

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

	2024	2023
	USD	USD
Net loss on derivative liabilities at fair value through profit or loss:		
- Realised loss on forward foreign currency contracts	(5,498,382)	(3,736,159)
- Unrealised fair value gain/(loss) on forward foreign currency contracts	656,236	829,160
	<u>(4,842,146)</u>	<u>(2,906,999)</u>

As at 30 April 2024, there were 10 outstanding USD/Australian Dollar (“AUD”), USD/Malaysian Ringgit (“MYR”), USD/Renminbi (“RMB”) and USD/Singapore Dollar (“SGD”) forward foreign currency contracts (2023: 12) respectively. The notional principal amount of the outstanding forward foreign currency contracts amounted to USD249,566,596 (2023: USD289,420,089).

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

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

9. CASH AND CASH EQUIVALENTS

	2024	2023
	USD	USD
Deposits with licensed financial institutions	5,621,614	7,240,426
Bank balances	63,732	1,893,879
	<u>5,685,346</u>	<u>9,134,305</u>

10. NUMBER OF UNITS IN CIRCULATION (UNITS)

	2024	2023
	No. of units	No. of units
Class AUD-H (i)	16,214,733	18,960,972
Class MYR (ii)	2,003,207,802	2,238,062,132
Class MYR-H (iii)	168,131,991	162,943,218
Class RMB-H (iv)	71,619,639	70,000,483
Class SGD-H (v)	10,553,788	11,850,756
Class USD (vi)	13,213,708	16,305,959
	<u>2,282,941,661</u>	<u>2,518,123,520</u>

(i) Class AUD-H

At the beginning of the financial year	18,960,972	14,295,780
Add : Creation of units from applications	7,051,336	6,372,775
Add : Creation of units from distributions	-	-
Less : Cancellation of units	(9,797,575)	(1,707,583)
At the end of the financial year	<u>16,214,733</u>	<u>18,960,972</u>

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

	<u>2024</u>	<u>2023</u>
	No. of units	No. of units
(ii) Class MYR		
At the beginning of the financial year	2,238,062,132	2,007,745,413
Add : Creation of units from applications	461,390,662	619,552,113
Add : Creation of units from distributions	-	-
Less : Cancellation of units	<u>(696,244,992)</u>	<u>(389,235,394)</u>
At the end of the financial year	<u>2,003,207,802</u>	<u>2,238,062,132</u>
(iii) Class MYR-H		
At the beginning of the financial year	162,943,218	108,340,506
Add : Creation of units from applications	142,230,202	108,126,900
Add : Creation of units from distributions	-	-
Less : Cancellation of units	<u>(137,041,429)</u>	<u>(53,524,188)</u>
At the end of the financial year	<u>168,131,991</u>	<u>162,943,218</u>
(iv) Class RMB-H		
At the beginning of the financial year	70,000,483	55,486,839
Add : Creation of units from applications	10,306,284	18,718,322
Add : Creation of units from distributions	-	-
Less : Cancellation of units	<u>(8,687,128)</u>	<u>(4,204,678)</u>
At the end of the financial year	<u>71,619,639</u>	<u>70,000,483</u>
(v) Class SGD-H		
At the beginning of the financial year	11,850,756	10,988,982
Add : Creation of units from applications	3,589,306	2,465,590
Add : Creation of units from distributions	-	-
Less : Cancellation of units	<u>(4,886,274)</u>	<u>(1,603,816)</u>
At the end of the financial year	<u>10,553,788</u>	<u>11,850,756</u>
(vi) Class USD		
At the beginning of the financial year	16,305,959	14,645,137
Add : Creation of units from applications	1,468,484	3,827,037
Add : Creation of units from distributions	-	-
Less : Cancellation of units	<u>(4,560,735)</u>	<u>(2,166,215)</u>
At the end of the financial year	<u>13,213,708</u>	<u>16,305,959</u>

11. TOTAL EXPENSE RATIO ("TER")

	<u>2024</u>	<u>2023</u>
	%	%
TER	<u>0.37</u>	<u>0.41</u>

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

TER is derived based on the following calculation (continued):

TER	=	$\frac{(A + B + C + D + E) \times 100}{F}$
A	=	Management fee (exclude management fee rebate)
B	=	Trustee fee
C	=	Audit fee
D	=	Tax agent’s fee
E	=	Other expenses excluding withholding taxes
F	=	Average NAV of the Fund calculated on a daily basis

The average NAV of the Fund for the financial year calculated on daily basis is USD520,422,401 (2023: USD543,603,902).

12. PORTFOLIO TURNOVER RATIO (“PTR”)

	2024	2023
PTR (times)	0.10	0.10

PTR is derived based on the following calculation:

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

where:

total acquisitions for the financial year	=	USD28,750,000 (2023: USD85,560,000)
total disposals for the financial year	=	USD74,650,000 (2023: USD22,300,000)

13. UNITS HELD BY THE MANAGER, 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 shareholder of the Manager

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

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

<u>Related parties</u>	<u>Relationship</u>
CIMB Bank Bhd	Fellow related party to the Manager
CIMB Islamic Bank Bhd	Fellow related party to the Manager

Units held by the Manager and parties related to the Manager

	<u>2024</u>		<u>2023</u>	
	<u>No. of units</u>	<u>USD</u>	<u>No. of units</u>	<u>USD</u>
Manager				
Principal Asset Management Berhad				
- Class AUD-H	45	25	1,045	659
- Class MYR	60,514	12,201	144,502	31,574
- Class MYR-H	2,129	405	61	14
- Class RMB-H	57	7	1,057	153
- Class SGD-H	34	22	1,033	772
- Class USD	42	39	1,042	1,054

In the opinion of the Manager, the above units were transacted at the prevailing market price which is at arm's length basis.

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 are no significant related party transactions and balances for the financial year ended 30 April 2024.

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

14. TRANSACTIONS WITH BROKER

Details of transactions with the broker for the financial year ended 30 April 2024 are as follows:

Broker	Value of trades USD	Percentage of total trades %	Brokerage fees USD	Percentage of total brokerage fees %
Schroder Investment Management (S) Limited	<u>103,400,000</u>	<u>100.00</u>	<u>-</u>	<u>-</u>

14. TRANSACTIONS WITH BROKER

Details of transactions with the broker for the financial year ended 30 April 2023 are as follows:

Broker	Value of trades USD	Percentage of total trades %	Brokerage fees USD	Percentage of total brokerage fees %
Schroder Investment Management (S) Limited	<u>107,860,000</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 14 June 2024.

DIRECTORY

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Trustee for the Principal Greater China Equity Fund

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Auditors of the Fund and of the Manager

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