

Date of issuance: 1 April 2022

# Product Highlights Sheet

## Principal DALI Opportunities Fund

### Responsibility Statement

This PHS has been reviewed by the authorised committee approved by the directors of Principal Malaysia. Having made all reasonable inquiries, they confirm to the best of their knowledge and belief, that there are no false or misleading statements, or omission of other facts which would make any statement in the PHS false or misleading.

### Statements of Disclaimer

The Securities Commission Malaysia has authorized the issuance of the Fund and a copy of this PHS has been lodged with the Securities Commission Malaysia.

The authorisation of the Fund and lodgement of this PHS, should not be taken to indicate that the Securities Commission Malaysia recommends the Fund or assumes responsibility for the correctness of any statement made or opinion or report expressed in this PHS.

The Securities Commission Malaysia is not liable for any non-disclosure on the part of Principal Malaysia responsible for the fund and takes no responsibility for the contents of this PHS. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this PHS, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.

### The Manager

Principal Malaysia holds a Capital Markets Services Licence for fund management and dealing in securities restricted to unit trusts under the Capital Markets and Services Act 2007 and specializes in managing and operating unit trusts for investors, both institutional and retail. Principal Malaysia's responsibilities include managing investment portfolios by providing fund management services to insurance companies, pension funds, unit trust companies, corporations and government institutions in Malaysia. In addition, Principal Malaysia is an approved private retirement scheme provider in Malaysia. Principal Malaysia originally commenced its operations as a unit trust company in November 1995.

**This PHS supersedes the PHS dated 1 April 2021.**

**This PHS only highlights the key features and risks of this unlisted capital market product. We recommend that you read this PHS together with the Fund's Replacement Prospectus dated 23 August 2019 and its supplementary (if any). You are advised to request, read and understand the Prospectus before deciding to invest.**

## Brief Information on Principal DALI Opportunities Fund

Principal DALI Opportunities Fund is a Shariah-compliant equity fund issued by Principal Malaysia. The Fund aims to provide investors with medium to long-term capital appreciation through investments in securities of Malaysian companies that will benefit from prevailing investment themes and that conform with Shariah principles. The Fund is established with a multi-class structure and is allowed to establish new Class(es) from time to time. As the Fund is a Qualifying CIS under the ASEAN CIS Framework, there are Classes of the Fund that may be offered to investors in other countries that participate in the ASEAN CIS Framework. For investors in Malaysia, currently, only Class MYR is available for sale.

This is neither a capital protected fund nor capital guaranteed fund.

## Product Suitability

The recommended investment timeframe for this Fund is three (3) years or more. This Fund is suitable for investors who:

- have a medium-term to long-term investment horizon;
- want a portfolio of investments that adhere to Shariah principles;
- want a diversified portfolio with thematic investment opportunities;
- can accept that investment returns may fluctuate significantly over the short-term and may even be negative; and
- seek capital appreciation over medium-term to long-term.

## Key Product Features

<b>Fund Category/Type</b>	Equity (Shariah-compliant) / Growth.
<b>Base currency</b>	Malaysia Ringgit (MYR).
<b>Benchmark</b>	FTSE Bursa Malaysia EMAS Shariah Index for performance comparison purpose only.
<b>Investment policy and principal investment strategy</b>	<p>The strategy of the Fund is to invest in sectors that are related to the prevailing domestic and/or global investment themes. In identifying the investment themes, we will consider prevailing and potential macroeconomic factors and trends, social and political developments as well as technological advances that may reveal specific thematic investment opportunities. We may revise our outlook on the investment themes during its monthly reviews. You will be informed of the prevailing investment themes that the Fund is focusing on via the Fund's monthly fact sheet which is available on our website at <a href="http://www.principal.com.my">http://www.principal.com.my</a>.</p> <p>The asset allocation strategy for this Fund is as follows:</p> <ul style="list-style-type: none"> <li>▪ at least 70% of the Fund's NAV will be invested in equities that conform with Shariah principles;</li> <li>▪ up to 28% of the Fund's NAV may be invested in other permissible Shariah-compliant investments; and</li> <li>▪ at least 2% of the Fund's NAV will be invested in Islamic liquid assets for liquidity purposes.</li> </ul>
<b>Launch date</b>	<b>Class MYR</b> : 28 February 2008.
<b>Financial year-end</b>	30 November.
<b>Distribution policy</b>	<b>Class MYR:</b> 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.
<b>Manager</b>	Principal Asset Management Berhad.
<b>Trustee</b>	HSBC (Malaysia) Trustee Berhad.
<b>Shariah Adviser</b>	Amanie Advisors Sdn Bhd.
<b>Solicitors</b>	Soon Gan Dion & Partners.

## Key Risks

General risks of investing in a unit trust fund	
<b>Returns not guaranteed</b>	The investment of the fund is subject to market fluctuations and its inherent risk. There is <b>NO GUARANTEE</b> on the investment returns, nor any assurance that the fund's investment objective will be achieved.
<b>General market environment risk</b>	Market risk refers to the possibility that an investment will lose value because of a general decline in financial markets, due to economic, political and/or other factors, which will result in a decline in the fund's NAV.

<b>Liquidity risk</b>	Liquidity risk refers to the ease of liquidating an asset depending on the asset's volume traded in the market. If the fund holds assets that are illiquid, or are difficult to dispose of, the value of the fund will be negatively affected when it has to sell such assets at unfavourable prices.
<b>Inflation risk</b>	This is the risk that your investment in the unit trust fund may not grow or generate income at a rate that keeps pace with inflation. This would reduce your purchasing power even though the value of the investment in monetary terms has increased.
<b>Manager's risk</b>	This risk refers to the day-to-day management of the fund by the manager which will impact the performance of the fund. For example, investment decisions undertaken by the manager, as a result of an incorrect view of the market or any non-compliance with internal policies, investment mandate, the deed, relevant law or guidelines due to factors such as human error or weaknesses in operational process and systems, may adversely affect the performance of the fund.
<b>Financing risk</b>	This risk occurs when you obtain financing to finance your investment. The inherent risk of investing with money obtained from financing includes investors unable to service the financing payments. In the event units are used as collateral, you may be required to top-up your existing instalment if the prices of units fall below a certain level due to market conditions. Failing which, the units may be sold at a lower NAV per unit as compared to the NAV per unit at the point of purchase towards settling the financing.
<b>Reclassification of Shariah non-compliant status risk</b>	<p>This refers to the risk that the currently held Shariah-compliant securities in the fund may be reclassified as Shariah non-compliant in the periodic review of the securities by the SAC of the SC, the Shariah Adviser or the Shariah advisers of the relevant Islamic indices or Shariah-compliant securities. If this occurs, we will take the necessary steps to dispose such securities. There may be opportunity loss to the fund due to the fund not being allowed to retain the excess capital gains derived from the disposal of the Shariah non-compliant securities.</p> <p>In the event that the Shariah non-compliant securities are disposed at a price lower than the investment cost, it may adversely affect the value of the fund. Thus, it may cause the NAV of the fund or prices of units to fall.</p>

#### Specific risks of the Fund

<b>Stock specific risk</b>	Prices of a particular stock may fluctuate in response to the circumstances affecting individual companies such as adverse financial performance, news of a possible merger or loss of key personnel of a company. Any adverse price movements of such stock will adversely affect the Fund's NAV.
<b>Sector risk</b>	Stock prices of companies within a sector move together due to sector-specific causal factors, examples of which include business cycle dynamics and demographic or consumer demand changes. As the Fund will focus its investments within specific sectors that are related to the prevailing investment themes, its returns are strongly dependent on the impact of such sector-specific causal factors. These causal factors that drive sector-specific returns lead to sector-specific risks.
<b>Risks associated with investment in Shariah-compliant warrants</b>	There are inherent risks associated with investment in Shariah-compliant warrants. The value of Shariah-compliant warrants is influenced by the current market price of the underlying security, the exercise price of the contract, the time to expiration of the contract and the estimate of the future volatility of the underlying security's price over the life of the contract. Generally, the erosion in value of Shariah-compliant warrants accelerates as it approaches its expiry date. Like securities, we will undertake fundamental research and analysis on these instruments with an aim to mitigate its risks.

**Note:** If your investments are made through an IUTA via a nominee system of ownership, you would not be deemed to be a Unit holder under the Deed and as a result, you may not exercise all the rights ordinarily conferred to a Unit holder (e.g. the right to call for Unit holders' meetings and the right to vote at a Unit holders' meeting).

## Fees & Charges

	Class MYR
<b>Application Fee</b>	Up to 6.50% of the NAV per unit.
<b>Withdrawal Fee</b>	Nil.
<b>Switching Fee</b>	Switching is treated as a withdrawal from Class MYR and an investment into another Class or Principal Malaysia's fund (or its class). As such, you may be charged a Switching Fee equal to the difference (if any) between the Application Fee of Class MYR and the Application Fee of the other Class or Principal Malaysia fund (or its class). Switching Fee will not be charged if the Class or Principal Malaysia fund (or its class) to be switched into has a lower Application Fee. In addition, we may impose MYR100 administrative fee for every switch. You may negotiate to lower the Switching Fee and/or administrative fees with us or our Distributors. We also have the discretion to waive the Switching Fee and/or administrative fees.
<b>Transfer Fee</b>	A maximum of MYR50 may be charged for each transfer.
<b>Management Fee</b>	Up to 1.50% per annum of the NAV of the Class in Malaysia.

<b>Trustee Fee</b>	Up to 0.05% per annum (including local custodian fee but excluding foreign sub-custodian fees and charges) on the NAV of the Fund.
<b>Other charges payable directly by you when purchasing or withdrawing the units</b>	Any applicable bank charges and other bank fees incurred as a result of an investment or withdrawal will be borne by you.
<b>Expenses directly related to the Fund</b>	Only expenses that are directly related to the Fund can be charged to the Fund. Examples of relevant expenses are audit fee and tax agent's fee.

**Note:** All fees and charges are subject to any applicable taxes and/or duties as may be imposed by the government or other authorities (if any) from time to time. As a result of changes in any rule, regulation, directive, notice and/or law issued by the government or relevant authority, there may be additional cost to the fees, expenses, charges and/or taxes payable to and/or by the Fund or you as disclosed in the PHS.

Despite the maximum Application Fee disclosed above, you may negotiate with us or our Distributors for lower fee or charges. However, you should note that we or our Distributors may, for any reason at any time, where applicable, accept or reject your request and without having to assign any reason, either generally (for all investors) or specifically (for any particular investor, a group of investors or investments made via any digital platform) without prior notice to you. If you invest via EPF-MIS (where available), you may be charged an Application Fee of up to 3.00% of the NAV per unit, or such other rate as may be determined by the EPF.

We may, for any reason at any time, where applicable, waive or reduce the amount of any fees (except the Trustee Fee) or other charges payable by you in respect of the Fund, either generally (for all investors) or specifically (for any particular investor, a group of investors or investments made via any digital platform) and for any period or periods of time at our absolute discretion.

## Transaction Information

<b>Fees/Charges</b>	<b>Class MYR</b>	
<b>Minimum initial investment*</b>	<b>Non-RSP</b>	: MYR500 or such other amount as we may decide from time to time.
	<b>RSP</b>	: MYR500 or such other amount as we may decide from time to time.
<b>Minimum additional investment</b>	<b>Non-RSP</b>	: MYR200 or such other amount as we may decide from time to time.
	<b>RSP</b>	: MYR200 or such other amount as we may decide from time to time.
<b>Minimum withdrawal</b>	800 units or such other number of units as we may decide from time to time.	
<b>Minimum balance</b>	1,000 units or such other number of units as we may decide from time to time.	
<b>Switching</b>	<p>Switching will be conducted based on the value of your investment in the Class. The minimum amount for a switch is subject to:</p> <ul style="list-style-type: none"> <li>▪ for switching out of the Class: <ul style="list-style-type: none"> <li>○ the minimum withdrawal applicable to the Class;</li> <li>○ the minimum balance required (after the switch) for the Class, unless you are withdrawing from the Class in entirety; and</li> <li>○ the Withdrawal Fee of the Class (if any);</li> </ul> </li> <li>▪ for switching into the Class: <ul style="list-style-type: none"> <li>○ the minimum initial investment amount or the minimum additional investment amount (as the case may be) applicable to the Class; and</li> <li>○ the Switching Fee applicable for the proposed switch (if any).</li> </ul> </li> </ul> <p>You may negotiate to lower the amount for your switch with us or our Distributors.</p>	
<b>Transfer</b>	We may, at our absolute discretion, allow or refuse you to transfer your units subject to such terms and conditions as may be stipulated by us from time to time	
<b>Cooling-off period</b>	<p>For first time investor investing with us or any of our Distributors, you have six (6) Business Days after your initial investment (i.e. from the date the complete application is received and accepted by us or our Distributors) to reconsider its appropriateness and suitability for your investment needs. Within this period, you may withdraw your investment at the same NAV per unit when the units were purchased. We will refund the investment amount including the Application Fee (if any) to you in MYR within seven (7) Business Day or ten (10) days whichever is lesser, from the date we receive the complete documentations. Please note that the cooling-off right is only given to first time investor investing with us or any of our Distributors. However, Principal Malaysia's staff and person(s) registered to deal in unit trust of Principal Malaysia or any Distributors are not entitled to the cooling-off right.</p> <p>In addition, if you have invested via the EPF-MIS (where available), your cooling-off right is subject to EPF's terms and conditions.</p>	

\* The minimum initial investment for EPF-MIS (where available) shall be MYR1,000 (or such other amount as may be determined by EPF). Please note that there may be changes to the status of the eligibility of the Fund under the EPF-MIS from time to time. Please refer to our website at [www.principal.com.my](http://www.principal.com.my) or [www.kwsp.gov.my](http://www.kwsp.gov.my) for updated information.

**Note:** You may request for a lower amount or number of units when purchasing units (or additional units) or withdrawing units, which will be at our sole and absolute discretion. However, you should note that we may, for any reason at any time, where applicable, accept or reject a lower amount or number of units and without having to assign any reason, either generally (for all investors) or specifically (for any particular investor, a group of investors or investments made via any digital platform) without prior notice to you. We may also, for any reason at any time, where applicable, reduce the minimum balance, either generally (for all investors) or specifically (for any particular investor, a group of investors or investments made via any digital platform) without prior notice to you. For increase in the number of units for minimum withdrawal and minimum balance, we will require concurrence from the Trustee and you will be notified of such changes before implementation.

**YOU SHOULD NOT MAKE PAYMENT IN CASH TO A UNIT TRUST SCHEME CONSULTANT/EMPLOYEE OF PRINCIPAL MALAYSIA OR ISSUE A CHEQUE IN THE NAME OF A UNIT TRUST SCHEME CONSULTANT/EMPLOYEE OF PRINCIPAL MALAYSIA WHEN PURCHASING UNIT TRUST FUND.**

## Valuations

We will value the Classes for a Business Day at the end of the same Business Day (T day). The NAV per unit for a Business Day is available on our website at [www.principal.com.my](http://www.principal.com.my) after 10:00 a.m. on the following Business Day (T+1).

Please refer to the “Unit Pricing” section of the Prospectus for more information.

## Avenues to Exit This Investment

To exit from this investment, you may withdraw, switch out or transfer your unit holdings to other investors. You may withdraw your investment at the NAV per unit of the Business Day.

Withdrawals can be made from a Class by completing a withdrawal form and sending it to the relevant Distributor or our head office. There is no restriction on the frequency of withdrawals and no Withdrawal Fee will be charged. Hence, the amount that you will receive is the withdrawal value. You will be paid in the currency of the Class (e.g. Class USD will be paid in USD) within seven (7) business days or ten (10) days, whichever is lesser, upon receipt of the complete withdrawal request. You will have to bear the applicable bank fees and charges, if any.

For more information on the withdrawals, switching, transfer facility and cooling-off period, please refer to the “Transaction Information” chapter of the Prospectus. For more information on the fees and charges incur when you exit from this investment, please refer to “Fees, Charges and Expenses” chapter of the Prospectus.

## Fund Performance

### Average total return of the Fund

FYE: 30 November 2021, in %	1-Year	3-Year	5-Year	10-Year	Since inception
Class MYR	(3.83)	1.27	(0.43)	2.84	3.42
Benchmark	(7.75)	1.40	0.38	2.10	1.43

**Note:** All performance figures have been extracted from Lipper.

### Annual total return of the Fund

FYE: 30 November, in %	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Class MYR	(3.83)	4.65	3.19	(10.61)	5.42	(4.21)	(0.82)	4.52	24.92	9.02
Benchmark	(7.75)	13.41	(0.35)	(9.96)	8.56	(4.84)	(4.06)	2.37	16.22	11.26

**Note:** All performance figures have been extracted from Lipper.

For the financial year under review, Class MYR recorded a loss of 3.83% while the benchmark declined 7.75%. As such, the Fund has outperformed the benchmark for the financial year under review.

### Basis of calculation and assumptions made in calculating the returns

Percentage growth	=	$\frac{\text{NAV on that day} - \text{NAV of previous day}}{\text{NAV of previous day}} * 100$	Average total return	=	$\frac{\text{Total returns of the years under review}}{\text{Number of years under review}}$
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### Portfolio Turnover Ratio (“PTR”)

FYE: 30 November	2021	2020	2019
Fund	0.91	0.55	0.38

For the financial year under review, the Fund’s PTR was increased from 0.55 times to 0.91 times due to higher trading activities.

### Distribution

FYE: 30 November	2021	2020	2019	
Fund	Gross distribution per unit (Sen)	0.73	-	
	Net distribution per unit (Sen)	0.73	-	

Distribution was in the form of cash or reinvested into additional units in the Fund at the NAV per unit on the distribution date.

**PAST PERFORMANCE OF THE FUND IS NOT AN INDICATION OF ITS FUTURE PERFORMANCE.**

### Contact for Further Information / Complaint

- (i) You may contact our Customer Care Centre at (03) 7723 7260 for further information or for any dispute resolution. Our Customer Care Centre is available during our business hour between 8:45 a.m. and 5:45 p.m. (Malaysian time) on Mondays to Fridays or you can e-mail us at [service@principal.com.my](mailto:service@principal.com.my).
- (ii) Alternatively, you may also contact:
- (a) If you are dissatisfied with the outcome of the dispute resolution process with us, please refer your dispute to Securities Industries Dispute Resolution Center (SIDREC):
- via phone to : 03-2282 2280
  - via fax to : 03-2282 3855
  - via e-mail to : [info@sidrec.com.my](mailto:info@sidrec.com.my)
  - via letter to : Securities Industry Dispute Resolution Center (SIDREC)  
Unit A-9-1, Level 9, Tower A, Menara UOA Bangsar  
No.5, Jalan Bangsar Utama 1, 59000 Kuala Lumpur
- (b) You can also direct your complaint to the SC even if you have initiated a dispute resolution process with SIDREC. To make a complaint, please contact the SC’s Consumer & Investor Office:
- via phone to Aduan Hotline at : 03-6204 8999
  - via fax to : 03-6204 8991
  - via e-mail to : [aduan@seccom.com.my](mailto:aduan@seccom.com.my)
  - via online complaint form available at [www.sc.com.my](http://www.sc.com.my)
  - via letter to : Consumer & Investor Office  
Securities Commission Malaysia  
No 3 Persiaran Bukit Kiara, Bukit Kiara, 50490 Kuala Lumpur
- (c) Federation of Investment Managers Malaysia’s Complaints Bureau:
- via phone to : 03-2092 3800
  - via fax to : 03-2093 2700
  - via e-mail to : [complaints@fimm.com.my](mailto:complaints@fimm.com.my)
  - via online complaint form available at [www.fimm.com.my](http://www.fimm.com.my)
  - via letter to : Legal, Secretarial & Regulatory Affairs  
Federation of Investment Managers Malaysia  
19-06-1, 6th Floor, Wisma Tune,  
No. 19, Lorong Dungun Damansara Heights, 50490 Kuala Lumpur

### Appendix: Glossary

Application Fee	-	Preliminary charge on each investment.
ASEAN	-	Association of Southeast Asian Nations.
ASEAN Framework	CIS	Framework for cross-border public offers of Qualifying CIS.
Business Day	-	Mondays to Fridays when Bursa Malaysia Securities Berhad is open for trading, and/or banks in Kuala Lumpur and/or Selangor are open for business.
Class	-	Any class of units representing similar interest in the assets of the Fund.
Class MYR	-	The Class of units issued by the Fund denominated in Malaysia Ringgit. This Class is only offered for sale in Malaysia.
DALI	-	Dana Al-Ihsan.

Deed	- The principal deed and any supplemental deed in respect of the Fund made between us and the Trustee, in which Unit holders agree to be bound by the provisions of the Deed.
Distributor	- Any relevant persons and bodies appointed by us from time to time, who are responsible for selling units of the Fund.
EPF	- Employees Provident Fund.
EPF-MIS	- EPF's Members Investment Scheme.
FTSE	- Financial Times Stock Exchange.
Fund or DALI3	- Principal DALI Opportunities Fund
Home Jurisdiction	- Means the jurisdiction in which the Qualifying CIS is constituted or established, and approved by the competent securities regulator of that jurisdiction for offer to the public in that jurisdiction.
Host Jurisdiction	- Means a jurisdiction (other than the Home Jurisdiction) in which the Qualifying CIS is offered or to be offered to the public in that jurisdiction.
Home Regulator	- Means the securities regulator of the Home Jurisdiction.
Host Regulator	- Means the securities regulator of the Host Jurisdiction.
Management Fee	- A percentage of the NAV of the Class that is paid to us for managing the portfolio of the Fund.
NAV	- Net Asset Value.
NAV of the Fund	- The NAV of the Fund is the value of all the Fund's assets less the value of all the Fund's liabilities, at the point of valuation. For the purpose of computing the annual Management Fee (if any) and annual Trustee Fee (if any), the NAV of the Fund should be inclusive of the Management Fee and Trustee Fee for the relevant day. The NAV of a Class is the NAV of the Fund attributable to a Class at the same valuation point.
NAV per unit	- The NAV attributable to a Class of units divided by the number of units in circulation for that Class, at the valuation point.
Principal Malaysia or the Manager	- Principal Asset Management Berhad.
PHS	- Refers to Product Highlights Sheet, a document issued by us that contains clear and concise information of the salient features of the Fund.
Prospectus	- Refers to the document issued by us describing the details of the Fund.
Qualifying CIS	- Means a CIS constituted or established in its Home Jurisdiction which has been approved by its Home Regulator for offer to the public in the Home Jurisdiction, and assessed by its Home Regulator as suitable to apply to a Host Regulator for its units to be offered to the public cross border in the Host Jurisdiction pursuant to the ASEAN CIS Framework.
MYR	- Malaysia Ringgit.
RSP	- Regular Savings Plan.
SAC	- Shariah Advisory Council.
SC	- Securities Commission Malaysia.
Shariah	- Islamic law, originating from the Qur'an (the holy book of Islam), and its practices and explanations rendered by the prophet Muhammad (pbuh) and ijtehad of ulamak (personal effort by qualified Shariah scholars to determine the true ruling of the divine law on matters whose revelations are not explicit).
Switching Fee	- A charge that may be levied when switching is done from one (1) fund or class to another.
Transfer Fee	- A nominal fee levied for each transfer of units from one (1) Unit holder to another.
Trustee Fee	- A percentage of the NAV of the Fund that is paid to the Trustee for its services rendered as trustee for the Fund.
Unit holder	- The registered holder for the time being of a unit of the Fund including persons jointly so registered.
Withdrawal Fee	- A charge levied upon withdrawal under certain terms and conditions (if applicable).

- Note:** *Unless the context otherwise requires,*
- *words importing the singular number should include the plural number and vice versa;*
  - *reference to any rules, regulations, guidelines, standards, directives, notices, legislation or statutes in this PHS shall be reference to those rules, regulations, guidelines, standards, directives, notices, legislations or statutes for the time being in force, as may be amended, varied, modified, updated, superseded and/or re-enacted, from time to time;*
  - *time, day or date disclosed in this PHS shall be a reference to that time, day or date in Malaysia; and*
  - *reference to "days" in this PHS will be taken to mean calendar days.*

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