

Prospectus

23 August 2019

Principal DALI Opportunities Fund

(formerly known as CIMB Islamic DALI Equity Theme Fund)

Manager : **Principal Asset Management Berhad** (304078-K)
(formerly known as CIMB-Principal Asset Management Berhad)

Trustee : **HSBC (Malaysia) Trustee Berhad** (1281-T)

THIS IS A REPLACEMENT PROSPECTUS. THIS PROSPECTUS IS ISSUED TO REPLACE AND/OR SUPERSEDE THE PROSPECTUS ISSUE NO. M3 OF THE CIMB ISLAMIC DALI EQUITY THEME FUND DATED 30 JUNE 2017.

This Prospectus Issue No.M4 for the Principal DALI Opportunities Fund is dated 23 August 2019.

This Fund was constituted on 16 January 2008.

INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THE PROSPECTUS. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER.

FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE “RISK FACTORS” COMMENCING ON PAGE 5.

THIS FUND IS A MULTI-CLASS FUND AND IS ALLOWED TO ESTABLISH NEW CLASS(ES) FROM TIME TO TIME AS MAY BE DETERMINED BY THE MANAGER.

AS THIS FUND IS A QUALIFYING CIS UNDER THE ASEAN CIS FRAMEWORK, INVESTORS SHOULD NOTE THAT THERE ARE CLASSES OF THE FUND THAT MAY BE OFFERED TO INVESTORS IN OTHER COUNTRIES THAT PARTICIPATE IN THE ASEAN CIS FRAMEWORK.

ABOUT THIS DOCUMENT

This is a Prospectus which introduces you to Principal Asset Management Berhad (“Principal Malaysia”) (formerly known as CIMB-Principal Asset Management Berhad) and the Principal DALI Opportunities Fund (“Fund”). This Prospectus outlines in general the information you need to know to make an informed decision as to whether the Fund best suits your financial needs.

If you have any questions about the information in this Prospectus or would like to know more about investing in the Principal Malaysia family of unit trust funds, please call our Customer Care Centre at (603) 7718 3000 between 8:45 a.m. and 5:45 p.m. (Malaysian time) on Mondays to Thursdays and between 8:45 a.m. and 4:45 p.m. (Malaysian time) on Fridays (except on Selangor public holidays).

Unless otherwise indicated, any reference in this Prospectus to any rules, regulations, guidelines, standards, directives, notices, legislations or statutes 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notices, legislations or statutes for the time being in force, as may be amended, varied, modified, updated, superseded and/or re-enacted from time to time.

Any reference to a time, day or date in this Prospectus shall be a reference to that time, day or date in Malaysia, unless otherwise stated. Reference to “days” in this Prospectus will be taken to mean calendar days unless otherwise stated.

Please note that all references to currency amounts and NAV per unit in this Prospectus are in MYR unless otherwise indicated.

PROSPECTUS DETAILS

Issue No.	M4
Prospectus Date	23 August 2019

RESPONSIBILITY STATEMENTS

This Prospectus has been reviewed and approved by the directors of Principal Malaysia and they collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable enquiries, 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 this Prospectus false or misleading.

STATEMENTS OF DISCLAIMER

The Securities Commission Malaysia has authorised the Fund and a copy of this Prospectus has been registered with the Securities Commission Malaysia.

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

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

YOU SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IF YOU ARE UNABLE TO MAKE YOUR OWN EVALUATION, YOU ARE ADVISED TO CONSULT PROFESSIONAL ADVISERS.

ADDITIONAL STATEMENTS

You should note that you may seek recourse under the *Capital Markets and Services Act 2007* for breaches of securities laws including any statement in the Prospectus that is false, misleading, or from which there is a material omission; or for any misleading or deceptive act in relation to the Prospectus or the conduct of any other person in relation to the Fund.

The Fund has been certified as being Shariah-compliant by the Shariah Adviser appointed for the Fund.

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Prospectus:

Application Fee	- Preliminary charge on each investment.
ASEAN	- Association of Southeast Asian Nations.
ASEAN CIS Framework	- Framework for cross-border public offers of Qualifying CIS.
BNM	- Bank Negara Malaysia.
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.
CIMB Group	- CIMB Group Sdn. Bhd.
CIS	- Refers to collective investment schemes as defined under the SC Guidelines.
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.
CMSA	- Capital Markets and Services Act 2007.
DALI	- Dana Al-Ihsan.
Deed	- The principal deed and all 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 respective Deed.
Distributor	- Any relevant persons and bodies appointed by us from time to time, who are responsible for selling units of the Fund.
Eligible Market	- A market which is regulated by a regulatory authority, operates regularly, is open to the public and has adequate liquidity for the purposes 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 (<i>formerly known as CIMB Islamic DALI Equity Theme Fund</i>).
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.
IMS	- Investment Management Standards issued by the Federation of Investment Managers Malaysia.
Islamic Deposits	- As per the definition of "Islamic deposit" in the Islamic Financial Services Act 2013. Note: To exclude Islamic structured deposits.
IUTAs	- Institutional Unit Trust Scheme Advisers.
LPD	- Latest Practicable Date i.e. 31 May 2019, in which all information provided herein shall remain current and relevant as at such date.
Long-term	- Refers to a period of five (5) years or more.
Management Fee	- A percentage of the NAV of the Class that is paid to us for managing the portfolio of the Fund.
MCR	- Multi-class ratio, being the apportionment of the NAV of each Class over the Fund's NAV based on the size of each Class. The MCR is calculated by dividing the NAV (in MYR) of the respective Class by the NAV of the Fund before income and expenses for the day, save and except for Management Fee and those that is related to the specific Class only. The apportionment is expressed as a ratio and calculated as a percentage.
Medium-term	- Refers to a period of three (3) years.
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.
Organised Market	-	Refers to an exchange, government securities market or an OTC market: (a) that is regulated by the relevant competent regulatory authority of that jurisdiction; (b) that is of good repute; (c) that is open to the public or a substantial number of market participants; and (d) on which financial instruments are regularly traded.
OTC	-	Over-the-counter.
PIA	-	Principal International (Asia) Ltd.
PFG	-	Principal Financial Group and its affiliates.
Principal Malaysia or the Manager	-	Principal Asset Management Berhad <i>(formerly known as CIMB-Principal Asset Management Berhad)</i> .
Principal Distributors	-	Refers to the unit trust scheme consultants of Principal Malaysia (authorised Principal Malaysia distributors).
Prospectus	-	Refers to this disclosure 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.
RM or MYR	-	Malaysia Ringgit.
RSP	-	Regular Savings Plan.
SAC	-	Shariah Advisory Council.
SC	-	Securities Commission Malaysia.
SC Guidelines	-	Guidelines on Unit Trust Funds issued by the SC.
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 ijhtihad of ulamak (personal effort by qualified Shariah scholars to determine the true ruling of the divine law on matters whose revelations are not explicit).
Shariah Adviser or Amanie	-	Amanie Advisors Sdn Bhd.
Signatory Countries	-	Any countries that participate in the ASEAN CIS Framework.
S&P	-	Standard & Poor's.
Special Resolution	-	A resolution passed by a majority of not less than 3/4 of Unit holders voting at a meeting of Unit holders. For the purpose of terminating or winding up a fund, a Special Resolution is passed by a majority in number representing at least 3/4 of the value of the units held by Unit holders voting at the meeting.
Standards of Qualifying CIS	-	Means the set of common standards set out under the Standards of Qualifying CIS which will govern cross border offering of CIS in ASEAN, as may be amended from time to time and shall include any handbook, practice notes, regulations, directive or requirement issued pursuant thereto or by the regulators and signatories of the said common standards and includes any amendment, modification, alteration, consolidation or re-enactment made thereto or for the time being in force.
Sukuk	-	Refers to certificates of equal value which evidence undivided ownership or investment in the assets using Shariah principles and concepts. Note: For local Sukuk, it must also comply with Shariah principles and concepts endorsed by the SAC of SC
Switching Fee	-	A charge that may be levied when switching is done from one fund or class to another.
Transfer Fee	-	A nominal fee levied for each transfer of units from one Unit holder to another.
Transferable Securities	-	Refer to: (a) Shariah-compliant equities and other Shariah-compliant securities equivalent to Shariah-compliant equities; and (b) Sukuk and other forms of Shariah-compliant securitised debt; but do not include money market instruments or any security the title to which can be transferred only with the consent of a third party.

Trustee	- HSBC (Malaysia) Trustee Berhad.
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.
UK	- United Kingdom.
Unit holder	- The registered holder for the time being of a unit of the Fund including persons jointly so registered.
US or USA	- United States of America.
USD	- United States Dollar.
Withdrawal Fee	- A charge levied upon redemption 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.

CORPORATE DIRECTORY

The Manager

Principal Asset Management Berhad
(formerly known as CIMB-Principal Asset Management Berhad)

Business address

10th Floor Bangunan CIMB
Jalan Semantan
Damansara Heights
50490 Kuala Lumpur MALAYSIA
Tel : (603) 2084 8888

Registered address

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Jalan Semantan
Damansara Heights
50490 Kuala Lumpur MALAYSIA
Tel : (603) 2084 8888

Postal address

Principal Asset Management Berhad
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50718 Kuala Lumpur MALAYSIA

Customer Care Centre

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Damansara Utama
47400 Petaling Jaya
Selangor Darul Ehsan MALAYSIA
Tel : (603) 7718 3000
Fax : (603) 7718 3003

Website

<http://www.principal.com.my>

E-mail

service@principal.com.my

Shariah Adviser of the Fund

Amanie Advisors Sdn Bhd

Business address

Level 13A-2, Menara Tokio Marine Life,
189 Jalan Tun Razak,
50400 Kuala Lumpur
Tel : (603) 2161 0260
Fax : (603) 2161 0262
[http:// www.amanieadvisors.com](http://www.amanieadvisors.com)

Registered address

Unit 11-3A,
3rd Mile Square, No. 151,
Jalan Klang Lama Batu 3 ½,
58100 Kuala Lumpur

The Trustee

HSBC (Malaysia) Trustee Berhad

Business/Registered address

13th Floor, Bangunan HSBC, South Tower
No. 2, Leboh Ampang
50100 Kuala Lumpur MALAYSIA
Tel : (603) 2075 7800
Fax : (603) 2179 6511

Note: You may contact our **Customer Care Centre** at **(03) 7718 3000** for more information.

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1. FUND INFORMATION

1.1. PRINCIPAL DALI OPPORTUNITIES FUND

- Fund Category/Type** : Equity (Shariah-compliant) / Growth.
- Investment Objective** : 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.
- We will require your approval if there is any material change to the Fund's investment objective.*
- Benchmark** : FTSE Bursa Malaysia EMAS Shariah Index.
- Note:** *The Fund's benchmark is for performance comparison purpose only. You should note that the risk profile of the Fund is not the same as the risk profile of the benchmark. Information on the benchmark can be obtained from <http://www.bursamalaysia.com>.*
- Distribution Policy** : The distribution policy of each of the Class may differ. Please refer to the Annexure of the respective Class for more information. You may also refer to page 16 for information on the distribution payment.

Base Currency and Classes

The base currency of the Fund is MYR.

Please note that the Fund is established with a multi-class structure where the Deed allows for the establishment of more than one (1) Class with similar interests in the assets of the Fund. You should note that the Fund is allowed to establish new Class(es) from time to time without your prior consent.

Under the Deed, Unit holders of each Class have materially the same rights and obligations. Each Class may be different in terms of currency denomination, fees and charges, and hence, will have its respective NAV per unit, denominated in its respective currency taking into account the aforementioned features. Although the Fund has multiple Classes, Unit holders should note that the assets of the Fund are pooled for investment purpose.

As this 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. Application for investment in certain Classes may only be made available to investors in certain countries. We have the discretion to decide on the offering of any Classes in any participating countries.

Currently, the Classes below are available for sale in Malaysia. Please refer to the Annexure for further details on the Class(es). You should note that we have the discretion to decide on the offering of other Classes for sale in the future. This information will be communicated to you via our website at <http://www.principal.com.my>. When in doubt, you should consult your professional advisers for better understanding of the multi-class structure before investing in the Fund.

Name of Class	Launch Date
Class MYR	28 February 2008

Investment Policy and Principal Investment Strategy

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 <http://www.principal.com.my>.

The Fund's sector allocation will be actively managed by us, where we have the option to aggressively overweight preferred sectors to take advantage of our market outlook. Sector analysis is done through quantitative and qualitative approaches. In determining the sector allocation and stock selection, we will focus on the following:

- identify the potential sector(s) in light of the prevailing domestic and/or global investment themes;
- study impact of the prevailing economic and political conditions;
- select particular sectors based on the growth prospects and valuation of that sector. The most promising sectors will be chosen according to their rating levels as per the sector analysis;
- invest in stocks of Malaysian companies in the chosen sectors based on the stocks' potential for appreciation relative to the outlook for that sector. However, we may, at its discretion, overweight or underweight at stock level if it is beneficial to the Fund; and
- review sector and stock picks monthly. Depending on prevailing market conditions, we may revise the sector allocation and maintain, add or omit certain stocks during its monthly review.

We will only select securities that conform with Shariah principles and may opt to invest in these Shariah-compliant securities either directly or via Islamic CIS.

The asset allocation strategy for this Fund is as follows:

- at least 70% of the Fund's NAV will be invested in equities that conform with Shariah principles;
- up to 28% of the Fund's NAV may be invested in other permissible Shariah-compliant investments; and
- at least 2% of the Fund's NAV will be invested in Islamic liquid assets for liquidity purposes.

As part of its risk management strategy, the Fund is constructed and managed within guidelines. We employ an active asset allocation strategy depending upon the equity market expectations. Where appropriate, we will also employ an active trading strategy with frequency that will depend on the market conditions and the market outlook.

We may lower down the equity exposure when we feel that the equity market is close to its peak in term of valuations, and/or the market condition is unfavourable. In such circumstances, we may take a temporary defensive position by either (1) reducing its proportion of higher risk assets, such as Shariah-compliant equities and increase the asset allocation to lower risk assets, such as Sukuk and Islamic liquid assets, to safeguard the investment portfolio of the Fund and/or (2) investing in Shariah-compliant stocks that have low correlation to market movements. When deemed necessary, we may also utilize Islamic derivative instruments, subject to the SC Guidelines and Standards of Qualifying CIS, for the purpose of hedging. In the event of a downgrade of a counter-party of a OTC Islamic derivative below the minimum long-term rating as per the SC Guidelines and Standards of Qualifying CIS, we reserve the right to deal with the OTC Islamic derivative in the best interest of the Unit holders.

If the Fund is eligible to be invested via the EPF-MIS, investments made by the Fund will be subject to the EPF's requirements. 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 <http://www.principal.com.my> or <http://www.kwsp.gov.my> for updated information.

1.2. PERMITTED INVESTMENTS

Subject to the Deed, the investment policy for the Fund and the requirements of the SC and any other regulatory body, we have the absolute discretion as to how the assets of the Fund are to be invested. Under the Deed, provided always that there are no inconsistencies with the objective of the Fund, the Fund can invest in a wider range of securities, including but not limited to the following:

- Shariah-compliant equities and Sukuk dealt in an Organised Market and traded in or under the rules of an Eligible Market;
- Shariah-compliant warrants that carry the right in respect of a security traded in or under the rules of an Eligible Market;
- Unlisted Shariah-compliant equities including equities not listed or quoted on a stock exchange but have been approved by the relevant regulatory authority for such listing or quotation and are offered directly to the Fund by the issuer;
- Islamic Deposits and Islamic money market instruments;
- Islamic derivative instruments, including but not limited to Islamic options, Islamic futures contracts, Islamic forward contracts and Islamic swaps;
- All types of Islamic CIS which comply with the requirements of the SC Guidelines and the Standard of Qualifying CIS; and
- Any other form of Shariah-compliant investments as may be permitted by the SC from time to time that is in line with the Fund's objectives.

Provided always that the permitted investments as set out above shall at all times conform with the requirements of the Shariah principles and the advice of the Shariah Adviser for the time being appointed by us.

The formulation of the investment policies and strategies of the Fund is based on the objective of the Fund after taking into consideration the regulatory requirements outlined in the SC Guidelines and the ASEAN CIS Framework (with such exemptions/variations (if any) as approved by the SC), with the approval of the Shariah Adviser where applicable.

1.3. INVESTMENT RESTRICTIONS AND LIMITS

The Fund is subject to the following investment restrictions and limits:

- 1) Shariah-compliant Transferable Securities and Islamic money market instruments held by the Fund must be dealt in an Organised Market and traded in or under the rules of an Eligible Market;
- 2) The aggregate value of the Fund's investment in Shariah-compliant Transferable Securities or Islamic money market instruments issued by a single issuer must not exceed 10% of the Fund's NAV;
- 3) The value of the Fund's placement in Islamic Deposits with any single investment grade financial institution must not exceed 20% of the Fund's NAV;
- 4) In the case where the Fund invested in the following assets, the limit in clause 2 and clause 3 above is lowered to 5%:
 - (a) Islamic Deposits placed with unrated or non-investment grade financial institution;
 - (b) Sukuk or Islamic money market instruments not dealt in on Organised Market or issued by an unrated or non-investment grade issuing body; and
 - (c) unlisted Shariah-compliant equities.Notwithstanding clause 4(b), we may rely on the rating of an unrated or non-investment grade issuer's parent company or guarantor provided that an explicit guarantee by the parent company or the guarantor for the issuer is in place.
- 5) The aggregate value of the Fund's investment in Shariah-compliant Transferable Securities, Islamic money market instruments, Islamic Deposit and OTC Islamic derivatives issued by or placed with (as the case may be) any single business group, must not exceed 20% of the Fund's NAV. For the purpose of this clause, a business group refers to a body, its subsidiaries, fellow subsidiaries, holding body, and ultimate holding body;

- 6) The Fund may invest up to 15% of the Fund's NAV in aggregate in Sukuk or Islamic money market instruments issued by a single body if the issuing body or the guarantor of the Sukuk or Islamic money market instruments is a government or sovereign or central bank with at least a BBB rating by an international rating agency as prescribed under the Standard of Qualifying CIS or its equivalent by other international rating agencies. However, if the issuing body or the guarantor of the Sukuk or Islamic money market instruments is Malaysian government or BNM, the Fund may invest up to 35% of the Fund's NAV in aggregate in Sukuk or Islamic money market instruments;
- 7) The value of a Fund's investments in unlisted Shariah-compliant equities must not exceed 10% of the Fund's NAV;
- 8) The aggregate value of the Fund's investment in Islamic Deposits placed with unrated or non-investment grade financial institution, Sukuk or Islamic money market instruments not dealt in an Organised Market or issued by an unrated or non-investment grade issuing body, unlisted Shariah-compliant equities and OTC Islamic derivatives with non-investment grade or unrated counterparty must not exceed 15% of the Fund's NAV. For the purpose of this clause, the limit does not apply to Islamic Deposits, Sukuk or Islamic money market instruments or OTC Islamic derivatives where the:
 - (a) financial institution, issuing body or counterparty is rated investment grade only with a national rating scale; and
 - (b) the jurisdiction in which the issuing body or counterparty is domiciled has a sovereign credit rating that is at least investment grade;
- 9) The value of the Fund's investment in units of each Qualifying CIS or non-Qualifying CIS authorised in Signatory Countries for public offers must not exceed 10% of the Fund's NAV;
- 10) The value of the Fund's investment in units of all non-Qualifying CIS (excluding investment in units of non-Qualifying CIS with underlying assets of real estate and/or real estate-related) must not exceed 20% of the Fund's NAV;
- 11) The Fund's investments in Islamic CIS must not exceed 25% of the units in any one Islamic CIS. Where the Fund invests in units in other Islamic CIS operated by the same Manager or its related corporation, we must ensure that-
 - (a) there is no cross-holding between the Fund and the target fund;
 - (b) all initial charges on the target fund is waived; and
 - (c) the management fee must only be charged once, either at the Fund or the target fund;
- 12) The aggregate value of the Fund's financing for the purpose of meeting repurchase request for units and for short-term bridging requirements should not exceed 10% of the Fund's NAV at the time the financing is incurred. For the purpose of this clause, the management company should ensure that-
 - (a) the Fund's cash financing is only on a temporary basis and that financings are not persistent;
 - (b) the financing period should not exceed one month; and
 - (c) the Fund may only obtain financing from financial institutions;
- 13) The Fund's investments in Shariah-compliant equities or Shariah-compliant securities equivalent to equities must not exceed 10% of the Shariah-compliant equities or Shariah-compliant securities equivalent to equities issued by any single issuer;
- 14) The Fund's investments in Sukuk must not exceed 10% of the Sukuk issued by any single issuer; and
- 15) The Fund's investments in Islamic money market instruments must not exceed 10% of the Islamic money market instruments issued by any single issuer; and
- 16) For investments in Islamic derivatives (including for hedging purpose):
 - (a) the exposure of the underlying assets must not exceed the investment spread limits stipulated in the SC Guidelines;
 - (b) the value of the Fund's OTC Islamic derivative transaction with any single counter-party must not exceed 10% of the Fund's NAV;
 - (c) the Fund's exposure from Islamic derivatives position should not exceed the Fund's NAV at all times; and
 - (d) the counter-party of an OTC Islamic derivative is a financial institution with a minimum long-term rating provided by any domestic or global rating agency that indicates strong capacity for timely payment of financial obligations.

In respect of the above investment restrictions and limits, the SC Guidelines provide for an allowance of 5% from the restrictions and limits due to appreciation or depreciation of the NAV of the Fund (whether as a result of an appreciation or depreciation in value of the Fund's investments, or as a result of repurchase of units or payment made out of the Fund). If the Fund is not within the investments restrictions and limits, we should not make any further acquisitions and we must rectify as soon as practicable (maximum three (3) months from the date of occurrence). In addition, we should inform the SC and the Trustee within three (3) Business Days after we become aware of such occurrence, except where such occurrence is due to appreciation or depreciation of the NAV of the Fund.

Note: Subject to the investment limit (9) and (10), the Fund may invest into non-Qualifying CIS authorised or recognised for public offer in a Signatory Country, provided:

- a) the level of protection for unit holders of the non-Qualifying CIS is at least equivalent to that provided for unit holders in a Qualifying CIS. The non-Qualifying CIS should originate from countries that either:
 - (i) have been assessed by World Bank/ International Monetary Fund at least "broadly implemented" on the principles relevant to CIS; or
 - (ii) does not comply with (a)(i) but the Home Regulator of the Qualifying CIS is satisfied with the relevant reason/ explanation on the weak points and how equivalence of protection can still be achieved;
- b) semi-annual and annual reports are published by the non-Qualifying CIS; and
- c) the investment policy of the non-qualifying CIS is such that the:
 - (i) invested assets are similar to the types and categories that a Qualifying CIS may invest in and the non-qualifying CIS is subject to investment limits that are in line with those applicable to a Qualifying CIS; or
 - (ii) invested assets are real estate and/or real estate-related, provided that the units of the non-qualifying CIS are listed for quotation and traded on an organised exchange in a Signatory country.

Minimum requirement for Islamic liquid assets

Islamic liquid assets include cash, Islamic Deposits with licensed Islamic financial institutions, Islamic money market instruments and Sukuk with a remaining maturity of less than one (1) year. The Fund is required to hold a minimum of 2% of Fund's NAV (or such other amount agreed by both us and the Trustee from time to time) in Islamic liquid assets.

1.4. APPROVALS AND CONDITIONS

There is no exemption and/or variation to the SC Guidelines for this Fund.

1.5. SHARIAH INVESTMENT GUIDELINES

At all times, the Funds shall invest in activities and instruments that are permissible under Shariah principles and shall not invest in activities and instruments that are prohibited under Shariah principles based on Shariah Adviser's established parameters as below, where applicable:

Screening process

1. For securities listed on Bursa Malaysia, the Fund shall invest in securities listed under the List of Shariah-compliant Securities by the SAC of the SC.
2. For initial public offering, the Fund shall invest in securities that are approved by SC's SAC and/or Shariah Adviser.
3. For foreign securities, the Fund shall invest in securities which are listed under the List of Shariah-compliant Securities by index providers or service providers subject to approval from Shariah Adviser.
4. For Shariah-compliant fixed income, the Fund shall invest in Malaysian's Shariah-compliant fixed income approved by SC whereas for Shariah-compliant foreign fixed income or Shariah-compliant fixed income that do not require SC approval, those must be approved by the Shariah Adviser upon review of the Shariah-compliant fixed income's offering documents and/or relevant documents of the said Shariah-compliant fixed income, e.g. Shariah pronouncement/approval of the said Shariah-compliant fixed income.
5. The Fund shall invest in domestic and foreign Islamic CIS.
6. Islamic Deposits shall be placed with financial institutions licensed under the Islamic Financial Services Act 2013 and/or Financial Services Act 2013, whichever is appropriate. For the avoidance of doubt, only Islamic account is permitted for placement of deposit with institutions licensed under the Financial Services Act 2013. The Fund is also prohibited from investing in interest-bearing deposits and recognising any interest income.
7. Islamic money market instruments issued in Malaysia must be approved by SAC of BNM and/or the SAC of the SC. Islamic money market instruments that are endorsed by other Shariah adviser or committee must be approved by the Shariah Adviser upon review of the relevant documents e.g. principal terms and conditions and Shariah pronouncements or approvals.
8. Any other Shariah-compliant securities or Shariah-compliant instruments that are not being mentioned in items 1 to 7 above, the Fund should seek approval from Shariah Adviser pre-investment being made.

Rules on divestment of Shariah non-compliant securities

In the event the following investment instances occur in the Fund, the rules below shall be executed by Manager or its fund management delegate:

1. "Shariah-compliant "securities" which are subsequently classified as "Shariah non-compliant".

These refer to securities which were earlier classified as Shariah-compliant but due to certain factors, such as changes in the companies' business operations and financial positions, are subsequently reclassified as Shariah non-compliant. In this regard, if on the date the securities turned Shariah non-compliant, the respective market price of Shariah non-compliant securities exceeds or is equal to the investment cost, Fund that hold such Shariah non-compliant securities must dispose them off. Any dividends received up to the date of the announcement/review and capital gains arising from the disposal of the Shariah non-compliant securities on the date of the announcement/review can be kept by the Fund.

However, any dividends received and excess capital gain from the disposal of Shariah non-compliant securities after the date of the announcement/review at a market price that is higher than the closing price on the date of the announcement/review should be channeled to baitulmal and/or charitable bodies approved by the Shariah Adviser.

On the other hand, Fund is allowed to hold their investment in the Shariah non-compliant securities if the market price of the said securities is below the Fund's investment costs. It is also permissible for the Fund to keep the dividends received during the holding period until such time when the total amount of dividends received and the market value of the Shariah non-compliant securities held equal the investment cost. At this stage, they are advised to dispose of their holding.

In addition, during the holding period, Fund is allowed to subscribe to:

- (a) any issue of new securities by a company whose Shariah non-compliant securities are held by the Fund, for example rights issues, bonus issues, special issues and warrants (excluding securities whose nature is Shariah non-compliant e.g. loan stocks); and
- (b) Shariah-compliant securities of other companies offered by the company whose Shariah non-compliant securities are held by the Fund.

on condition that they expedite the disposal of the Shariah non-compliant securities.

Where the Fund invests in securities (save for money market instruments, deposit and equities or equities related i.e. warrants, right issue etc) earlier classified as Shariah-compliant but considered to have become non-compliant (by the Shariah adviser appointed by the issuer of that security) then guidance from the Shariah Adviser should be obtained.

Where the Fund invests in money market instruments or deposits earlier classified as Shariah-compliant that are subsequently determined, regarded or deemed to be Shariah non-compliant as a result of a new or previously unknown fatwa/ruling and/or upon advice by the Shariah Adviser, the Manager would be required to sell such money market instruments or withdraw such deposits, as soon as practicable of having notice, knowledge or advice of the status of the money market instruments or deposits. Any profit received from such money market instruments or such deposits prior to the occurrence of the aforesaid event shall be retained by the Fund. Any profit received subsequent to the occurrence of the aforesaid event shall be channelled to baitulmal and/or charitable bodies, as endorsed by the Shariah Adviser.

2. Shariah non-compliant securities.

If the Manager or its fund management delegate mistakenly invests in Shariah non-compliant securities, fixed income, money market or deposit, the Manager or its fund management delegate needs to dispose of any Shariah non-compliant securities or mentioned instruments, within a month of becoming aware of the status of the securities. Any gain, dividend and/or return received before or after the disposal of the securities or mentioned instruments has to be channelled to baitulmal and/or charitable bodies, approved by the Shariah Adviser. The Fund has a right to retain only the investment cost, which may include brokerage fees and other related transaction costs. If the disposal of the Shariah non-compliant securities or mentioned instruments causes losses to the Fund, the Manager must bear the losses by ensuring the loss portion be restored and returned to the Fund.

Cleansing process

Under the Shariah principles, any income or distribution received by the Fund from investments in their portfolios which relates to income from Shariah non-compliant investments as set out above are considered impure income. This impure income is subject to an income purification process as determined by the Shariah Adviser, from time to time and without limitation, where the impure income will be distributed to baitulmal and/or charitable bodies approved by the Shariah Adviser.

Periodic review

The Shariah Adviser will review the Fund twice a year (for unit trust funds) or quarterly (for wholesale funds) to ensure the Fund's operating procedures and investments comply with the Shariah principles. Upon completion of each review, the Shariah Adviser will deliver its opinion on the Shariah compliancy.

The Fund's compliance to the Shariah principles

The Shariah Adviser is of the view that, given the prevailing circumstances, the Fund and its respective investments as disclosed and presented are acceptable and within the principles of Shariah, subject to proper execution of the legal documents and other transactions related to the Fund.

The investment portfolio of the Fund comprises instruments which have been classified as Shariah-compliant by the SAC of the SC or the SAC of BNM. For instruments that are not classified as Shariah-compliant by the SAC of the SC or the SAC of BNM, the status of the instruments has been determined in accordance with the ruling issued by the Shariah Adviser.

1.6. FINANCING

The Fund may not obtain cash financing or borrow other assets in connection with its activities. However, the Fund may obtain cash financing for the purpose of meeting withdrawal requests for units and for short-term bridging requirements provided always that all the financing complied with the Shariah requirements.

1.7. SECURITIES LENDING

The Fund is currently not allowed to participate in lending of securities pursuant to the Standards of Qualifying CIS.

1.8. RISK FACTORS

1.8.1 GENERAL RISKS OF INVESTING IN A UNIT TRUST FUND

Any investment carries with it an element of risk. Therefore, prior to making an investment, you should consider the following risk factors in addition to the other information set out elsewhere in this Prospectus.

Returns not guaranteed

The investment of the fund is subject to market fluctuations and its inherent risk. There is **NO GUARANTEE** on the investment returns, nor any assurance that the fund's investment objective will be achieved.

General market environment risk

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.

Liquidity risk

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.

Inflation risk

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.

Manager's risk

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.

Financing risk

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.

Reclassification of Shariah non-compliant status risk

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.

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.

Please refer to page 4 for more information on Shariah Investment Guidelines.

1.8.2 SPECIFIC RISKS ASSOCIATED WITH THE INVESTMENT PORTFOLIO OF THE FUND

There are specific risks associated with the investment portfolio of the Fund, which include but are not limited, to the following:

Stock specific risk

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.

Sector risk

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.

Risks associated with investment in Shariah-compliant warrants

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.

The above summary of risks does not purport to be an exhaustive list of all the risk factors relating to investments in the Fund and are not set out in any particular order of priority. You should be aware that an investment in a unit trust fund may be exposed to other risks from time to time. If in doubt, you should consult professional advisers for a better understanding of the risks.

2. FEES, CHARGES AND EXPENSES

2.1. CHARGES

The following describes the charges that you may **directly** incur when you buy or withdraw units of the Classes.

2.1.1. Application Fee

When applying unit of a Class, you may be charged an Application Fee based on the NAV per unit of the respective Class. Please refer to the Annexure of the respective Class for further information.

If you invest via EPF-MIS (where applicable), 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.

Below is an illustration on how the Application Fee is calculated:-

	Class ABC (Denominated in USD)	Class XYZ (Denominated in MYR)
Investment amount	USD 10,000	MYR 10,000
NAV per unit	USD 1.0000	MYR 1.0000
Application Fee (NAV per unit)	6.5%	6.5%
Units issued to Unit holder = $\frac{\text{Investment amount}}{\text{NAV per unit}}$	= $\frac{\text{USD 10,000.00}}{\text{USD 1.0000}}$ = 10,000 units	= $\frac{\text{MYR 10,000.00}}{\text{MYR 1.0000}}$ = 10,000 units
Application Fee per unit = NAV per unit x Application Fee (%)	= USD 1.0000 x 6.5% = USD 0.065	= MYR 1.0000 x 6.5% = MYR 0.065
Total Application Fee	= 10,000 units x USD 0.065 = USD 650.00	= 10,000 units x MYR 0.065 = MYR 650.00

Note: Please note that the above example is for illustration purpose only. The Application Fee imposed will be rounded to two (2) decimal places.

2.1.2. Withdrawal Fee

Nil.

2.1.3. Dilution Fee

Nil.

2.1.4. Switching Fee

Switching is treated as a withdrawal from a Class and an investment into another Class or Principal Malaysia's fund (or its class). You may be charged a Switching Fee equal to the difference (if any) between the Application Fee of the Class and the Application Fee of the other Class or Principal Malaysia's fund (or its class). Switching Fee will not be charged if the Class or Principal Malaysia's fund (or its class) to be switched into has a lower Application Fee. In addition, you may be charged administrative fee for each switch. Please refer to the Annexure of the respective Class for further information.

2.1.5. Transfer Fee

You may be charged Transfer Fee for each transfer. Please refer to the Annexure of the respective Class for further information.

2.2. FEES AND EXPENSES

All expenses of the Fund will generally be apportioned to each Class currently available for sale based on the MCR except for Management Fee and those that are related to the specific Class only, such as, the cost of Unit holders meeting held in relation to the respective Class. If in doubt, you should consult professional advisers for better understanding.

The following describes the fees that you may **indirectly** incur when you invest in a Class.

2.2.1. Management Fee

Please note that the Management Fee is charged to the respective Class at the Class level, based on the NAV of the Class. Please refer to the Annexure of the respective Class for further information. The Management Fee shall be accrued daily and paid monthly.

Below is an illustration on how the Management Fee is calculated, assuming Management Fee of 1.50% per annum and MYR 150 million each for both Class ABC and Class XYZ:-

	Class ABC (Denominated in USD) (MYR)	Class XYZ (Denominated in MYR) (MYR)
Annual Management Fee	1.50% per annum	1.50% per annum
NAV of the Class	MYR150 million	MYR 150 million
Management Fee for the day = NAV of the Class x Management Fee rate for the Class (%)/365 days	= MYR 150 million x 1.50%/365 = MYR 6,164.38	= MYR 150 million x 1.50%/365 = MYR 6,164.38

Note: In the event of a leap year, the computation will be based on 366 calendar days.

2.2.2. Trustee Fee

Please note that the Trustee Fee (including local custodian fee but excluding foreign sub-custodian fee and charges) charged to the Fund is based on the NAV of the Fund. The Trustee Fee shall be accrued daily and paid monthly.

The Trustee Fee is 0.05% per annum for the Fund.

Below is an illustration on how the Trustee Fee is calculated, assuming the NAV of the Fund is MYR 150 million:-

Trustee Fee for the Fund	=	0.05% per annum
Trustee Fee for the day	=	NAV of the Fund x annual Trustee Fee rate for the Fund (%) / 365 days
	=	MYR 150 million x 0.05% per annum / 365 days
	=	MYR 205.48

Note: In the event of a leap year, the computation will be based on 366 calendar days.

2.2.3. Other expenses

The Deed also provides for payment of other expenses. The major expenses recoverable directly from the Fund include:

- expenses incurred in the sale, purchase, insurance/Takaful, custody and any other dealings of investments including commissions/fees paid to brokers and costs involved with external specialists approved by the Trustee in investigating and evaluating any proposed investment;
- (where the foreign custodial function is delegated by the Trustee), charges/fees paid to the sub-custodian;
- expenses incurred in the printing of, purchasing of stationery and postage for the annual and interim (if any) reports;
- tax and other duties imposed by the government and other authorities, and bank fees;
- Shariah Adviser's fee and expenses;
- tax agent's and auditor's fees, and expenses in relation to the Fund;
- valuation fees paid to independent valuers for the benefit of the Fund;
- costs incurred in modifying the Deed otherwise than for our benefit or the Trustee's;
- costs of convening and holding meetings of Unit holders (other than those meetings convened for our benefit or the Trustee's);
- all costs, bank charges and expenses related to income distribution of the Fund; for example, postage and printing of all cheques, statements and notices to you; and
- remuneration and out of pocket expenses of the independent members of the investment committee unless we decide to bear the same.

Expenses not authorised by the Deed must be paid by us or the Trustee out of our own funds if incurred for our own benefit.

2.2.4. We and the Trustee are required to ensure that any fees or charges payable are reasonable and in accordance with the Deed which stipulates the maximum rate in percentage terms that can be charged. Should the Fund invest into units of other CIS that are managed by us or our related corporation, we will ensure that all initial charges are waived and there is no double charging of management fees. All expenses of the Fund will generally be apportioned to each Class currently available for sale based on the MCR except for Management Fee and those that are related to the specific Class only, such as, the cost of Unit holders meeting held in relation to the respective Class. If in doubt, you should consult professional advisers for better understanding.

You should note that we may alter the fees and charges (other than the Trustee Fee) within such limits, and subject to such provisions, as set out in the Deed and the SC Guidelines.

You should note that 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.

2.3. REBATES AND SOFT COMMISSIONS

We and the Trustee will not retain any form of rebate or soft commission from, or otherwise share in any commission with, any broker in consideration for directing dealings in the investments of the Fund unless the soft commission received is retained in the form of goods and services such as research and advisory services that assist in the decision making process relating to the Fund's investments. All dealings with brokers are executed on most favourable terms available for the Fund. Any rebates will be directed to the account of the Fund.

There are fees and charges involved and you are advised to consider them before investing in the Fund.

All fees and charges payable by you and/or the Fund 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 or illustrated in the Prospectus.

We have the discretion to amend the amount, rate and/or terms and conditions for the above-mentioned fees, charges and expenses from time to time, subject to the requirements stipulated in the Deed. Where necessary, we will notify the Trustee and communicate to you or seek your approval on the amendments to the fees and charges.

3. TRANSACTION INFORMATION

3.1. VALUATION OF INVESTMENTS PERMITTED BY THE FUND

We will carry out the valuation of the Fund in a fair manner in accordance with applicable law and guidelines. The valuation bases for the investments permitted by the Fund are as below:

- **Listed Shariah-compliant securities**

The value of any Shariah-compliant permitted investments, which are quoted on an approved exchange, shall be calculated daily by reference to the last transacted price on that approved exchange. If the last transacted price does not represent the fair value of the Shariah-compliant securities, then the Shariah-compliant securities shall be valued at fair price as determined in good faith by us, based on the methods or bases approved by the Trustee after appropriate technical consultation, such as the mean of bid and offer prices at the close of trading. Suspended Shariah-compliant securities will be valued at their last done price unless there is conclusive evidence to show that the value has gone below the suspended price or where the quotation of the Shariah-compliant securities has been suspended for a period exceeding fourteen (14) days or such shorter period as agreed by the Trustee, whereupon their fair value will be determined in good faith by us based on the methods or bases approved by the Trustee after appropriate technical consultation.

- **Unlisted Shariah-compliant equities**

The valuation of Shariah-compliant equities not listed or quoted on a stock exchange but have been approved by the relevant regulatory authority for such listing or quotation and are offered directly to the Fund by the issuer shall be valued at the issue price of such Shariah-compliant equities. The value will be determined by the financial institution that issued the instrument.

- **Unlisted Sukuk**

The value of any unlisted RM-denominated Sukuk shall be calculated on a daily basis using prices quoted by a bond pricing agency (BPA) registered with the SC. Where such prices are not available or where we are of the view that the price quoted by the BPA for a specific Sukuk differs from the market price by more than twenty (20) basis points, we may use the market price by reference to the last available quote provided such quote was obtained within the previous thirty (30) days and we record its basis for using a non-BPA price, obtained necessary internal approvals to use the non-BPA price and keep an audit trail of all decisions and basis for adopting the market yield.

The value of any unlisted non RM-denominated Sukuk shall be valued daily by reference to the average indicative yield quoted by three (3) independent and reputable financial institutions. However, where quotations are not available, such unlisted non RM-denominated Sukuk will be valued daily at a fair price determined in good faith by us, based on the methods or bases, which have been verified by the auditor of the Fund and approved by the Trustee.

- **Unlisted Islamic derivative instruments**

For unlisted Islamic derivative instruments, we shall ensure that the valuation of the investment is valued daily at fair value as determination in good faith by us, on methods and bases which have been verified by the auditor of the Fund and approved by the Trustee.

- **Islamic CIS**

The value of any investment in Islamic CIS which are quoted on an approved exchange shall be calculated daily in the same manner as other listed Shariah-compliant securities described above. When investing in unlisted Islamic CIS, the value shall be determined daily by reference to the last published repurchase/redemption price for that Islamic CIS.

- **Islamic Money market instruments**

Valuation of Islamic money market instruments such as Islamic repurchase agreements shall be determined each day by reference to the principal value of such Shariah-compliant permitted investments and the accrued income for the relevant period.

- **Islamic Deposits**

The value of Islamic Deposits shall be determined each day by reference to the principal value of such Shariah-compliant permitted investments and the profit accrued thereon for the relevant period.

3.2. UNIT PRICING

We adopt a single pricing method for any transactions (i.e. applications, withdrawals, switches and/or transfers) based on forward prices. This means that we will process your transactions request based on the NAV per unit at the next valuation point after we receive the completed relevant transaction forms from you.

If the transactions are made by 4:00 p.m. on a Business Day, we will process the transactions using the NAV per unit for that Business Day. For transactions made after 4:00 p.m., we will process the transactions using the NAV per unit on the next Business Day.

We will value the Fund 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 <http://www.principal.com.my> after 10:00 a.m. on the following Business Day (T+1).

Illustration:-For transaction request received by us by 4:00 p.m. on a Business Day

At the end of the Business Day on 6 August 2019, your units will be based on the NAV per unit on 6 August 2019, which will be calculated on 6 August 2019. The NAV per unit will be available on our website after 10:00 a.m. on 7 August 2019.

For transaction request received by us after 4:00 p.m. on a Business Day

At the end of the Business Day on 6 August 2019, your units will be based on the NAV per unit on 7 August 2019, which will be calculated on 7 August 2019. The NAV per unit will be available on our website after 10:00 a.m. on 8 August 2019.

The Fund must be valued at least once for every Business Day. The method of determining NAV per unit is calculated as follows:

$$\text{NAV per unit} = \frac{\text{NAV of the Class}}{\text{Number of units in issue of the Class}}$$

The NAV of the Fund is the sum of the value of all investments and cash held by the Fund (calculated in accordance with the Deed) including income derived by the Fund which has not been distributed to you, less all amounts owing or payable in respect of the Fund which also includes any provisions that may be made by us and the Trustee. For example, a provision may be made for possible future losses on an investment which cannot be fairly determined.

The valuation of the Fund is in the base currency i.e. MYR. The NAV per unit of each Class will be the NAV of the Fund attributable to each Class divided by the number of units in circulation of that Class, at the same valuation point.

Note: We will ensure the accuracy of the prices to the Federation of Investment Managers Malaysia - Funds Malaysia System.

3.2.1. Multi-class Ratio (MCR)

MCR is the apportionment of the NAV of each Class over the Fund's NAV based on the size of each Class. The MCR is calculated by dividing the NAV (in MYR) of the respective Class by the NAV of the Fund before income and expenses for the day. The apportionment is expressed as a ratio and calculated as a percentage.

Below is an illustration on computation of the NAV of the Fund:-

	Fund (MYR)	Class ABC (Denominated in USD) (MYR)	Class XYZ (Denominated in MYR) (MYR)
NAV of the Fund before income and expenses	185,942,897	173,342,897	12,600,000
% MCR	100%	⁽¹⁾ 93.22%	⁽¹⁾ 6.78%
Add: Income	30,000	⁽²⁾ 27,966	⁽²⁾ 2,034
Less: Expenses	(10,000)	⁽²⁾ (9,322)	⁽²⁾ (678)
Benefits or costs of hedging (if any)*		900	-
NAV of the Fund before management and trustee fee	185,963,797	173,362,441	12,601,356
Less: Management fee	(7,642)	1.50% p.a. (7,124)	1.50% p.a. (518)
Less: Trustee fee	(254)	0.05% p.a. (237)	(17)
NAV of the Fund	185,955,901	173,355,080	12,600,821
Units in Circulation	200,000,000 units	170,000,000 units	30,000,000 units
NAV per unit		1.0197	0.4200
Currency exchange rate		(MYR/USD) 3.6000	N/A
NAV per unit		USD 0.2832	MYR 0.4200

	Fund (MYR)	Class ABC (Denominated in USD) (MYR)	Class XYZ (Denominated in MYR) (MYR)
NAV of the Fund before creation of units for the day	185,955,901	173,355,080	12,600,821
⁽³⁾ Creation of units	4,600,000	3,600,000	1,000,000
Closing NAV	190,555,901	176,955,080	13,600,821
Units in Circulation	205,912,025.82 units	173,531,073.44 units	32,380,952.38 units
NAV per unit		1.0197	0.4200
Currency exchange rate		(MYR/USD) 3.6000	N/A
NAV per unit		USD 0.2832	MYR 0.4200

Note:

⁽¹⁾ MCR computation

	Class ABC (Denominated in USD)	Class XYZ (Denominated in MYR)
$\frac{\text{NAV of the Class} \times 100}{\text{NAV of the Fund before income and expenses}}$	$\frac{173,342,897 \times 100}{185,942,897}$	$\frac{12,600,000 \times 100}{185,942,897}$
	= 93.22%	= 6.78%

⁽²⁾Apportionment based on MCR is as follows:

	(USD)	Class ABC (Denominated in USD) (MYR)	Class XYZ (Denominated in MYR) (MYR)
Add: Income	30,000	MCR x Income = Income for Class ABC = 93.22% x MYR 30,000 = MYR 27,966	MCR x Income = Income for Class XYZ = 6.78% x MYR 30,000 = MYR 2,034
Less: Expenses	(10,000)	MCR x Expenses = Expenses for Class ABC = 93.22% x MYR 10,000 = MYR 9,322	MCR x Expenses = Expenses for Class XYZ = 6.78% x MYR 10,000 = MYR 678

⁽³⁾Creation of units

	Class ABC (Denominated in USD)	Class XYZ (Denominated in MYR)
Creation of units	USD 1,000,000	MYR 1,000,000
NAV per unit	USD 0.2832	MYR 0.4200
Number of units	3,531,073.44 units	2,380,952.38 units
Currency exchange rate	(MYR/USD) 3.6000	N/A
Creation of units	MYR 3,600,000	MYR 1,000,000

Note: Please note the above is for illustration purpose only. NAV per unit is truncated to four (4) decimal places.

3.2.2. Calculation of investment amount and units entitlement

The calculation below is for illustration only and does not represent the actual percentage/ amount that you may incur for each Class. Please refer to the Annexure of the respective Class for the actual percentage/ amount of charges.

Calculation of number of units received, Application Fee and total amount payable by you

Assumptions:

NAV per unit of Class XYZ denominated in MYR = RM0.5000 (truncated to 4 decimal places)

Application Fee = 6.50%

You wish to invest RM10,000 in the Fund.

Calculation of total number of units that you will receive

= Investment amount / NAV per unit of Class XYZ
= RM10,000.00 / RM0.5000
= 20,000.00 units

Calculation of Application Fee that you will incur (to be payable in addition to the amount invested)

= NAV per unit of Class XYZ x number of units received x Application Fee rate
= RM0.5000 x 20,000.00 units x 6.50%
= RM650.00

Calculation of total amount that you will have to pay

= Investment amount + Application Fee paid
= RM10,000.00 + RM650.00
= RM10,650.00

Calculation of investment value

Assuming you have 40,000 units Class XYZ of the Fund and the NAV per unit of Class XYZ for the day is RM0.2630 (truncated to 4 decimal places).

Calculation of investment value

= Number of units x NAV per unit of Class XYZ
= 40,000.00 x RM0.2630
= RM10,520.00

Calculation of withdrawal value and amount payable to you

Assuming you have 80,000 units of Class XYZ of the Fund, you wish to withdraw RM10,000.00 from your investment. Your withdrawal request is received by us by 4:00 p.m. on a Business Day. The NAV per unit for that Business Day is RM0.2686 (truncated to 4 decimal places).

Calculation of number of units withdrawn

= Withdrawal value / NAV per unit
= RM10,000.00 / RM0.2686
= 37,230.08 units

Calculation of number of your remaining units

= Units held before withdrawal - Units withdrawn
= 80,000.00 - 37,230.08
= 42,769.92 units

Calculation of amount payable to you

= Withdrawal value - Withdrawal Fee* paid
= RM10,000.00 - RM0.00
= RM10,000.00

*There is no Withdrawal Fee for Class XYZ of the Fund. Hence, the amount payable to you is the withdrawal value.

3.3. INCORRECT PRICING

We shall take immediate remedial action to rectify any incorrect valuation and/or pricing of the Fund or units of the Fund. Where such error has occurred, we shall reimburse the money in the following manner:

- (a) in the event of over valuation and/or pricing, we shall reimburse:
 - (i) the Fund for any withdrawal of units; and/or
 - (ii) you, if you have purchase units of the Fund at a higher price; or
- (b) in the event of under valuation and/or pricing, we shall reimburse:
 - (i) the Fund for any subscription of units; and/or
 - (ii) you, if you have withdrawn units of the Fund at a lower price.

Notwithstanding the above, unless the Trustee otherwise directs, we shall make the reimbursement as per the IMS, only where an incorrect pricing:

- (i) is equal or more than 0.50% of the NAV per unit; and
- (ii) results in a sum total of RM10.00 or more to be reimbursed to a Unit holder for each sale or repurchase transaction.

We shall have the right to amend, vary or revise the abovesaid limits or threshold from time to time, subject to any regulatory or governing body's requirements.

3.4. INVESTING

3.4.1. Who can invest?

You are eligible to invest in the Fund if you are:

- an individual who is at least eighteen (18) years of age and you are not an undischarged bankrupt with a bank account (or foreign currency bank account, as the case may be) in the currency of the Class applied for (e.g. Class USD investors are required to have a USD bank account). As an individual investor, you may also opt to invest in joint names (i.e. as a joint Unit holder and both applicants must be at least eighteen (18) years of age).
- an institution including a company, corporation, co-operative, trust or pension fund with a bank account (or foreign currency bank account, as the case may be) in the currency of the Class applied for (e.g. Class USD investors are required to have a USD bank account).

However, we have the right to reject an application on reasonable grounds.

Further, if we become aware of a US person (i.e. someone who has a USA address (permanent or mailing)) or US entity (i.e. a corporation, trust, partnership or other entity created or organised in or under the laws of the United States or any state thereof or any estate or trust the income of which is subject to United States Federal Income Tax regardless of source) holding units in the Fund, we will issue a notice to that Unit holder requiring him/her to, within thirty (30) days, either withdraw the units or transfer the units to a non-US person or non-US entity.

We also have the right to withdraw all units held by you in the event we are of the opinion that such withdrawal is necessary to ensure that we comply with any relevant laws, regulations and guidelines. We will first notify you before making any such compulsory withdrawal of your units.

3.4.2. How to invest?

You may invest through any of our Distributors or our head office after completing the relevant application forms and attaching a copy of your identity card, passport or any other identification document. We may request for additional supporting document(s) or information from you. On the application form, please indicate clearly the amount you wish to invest in the Fund. We may introduce other mode of investment from time to time, subject to the approval of the relevant authorities.

You may invest:

- by crossed cheque, banker's draft, money order or cashier's order (made payable as advised by us or our Distributors as the case may be). You will have to bear the applicable bank fees and charges, if any;
- directly from your bank account (or foreign currency bank account, as the case may be) held with our Distributors, where applicable; or
- by such other mode of payment that we and/or the relevant authorities approve from time to time. Any charges, fees and expenses incurred in facilitating such mode of payment shall be borne by you. Such mode of payment is subject to further limit(s), restriction(s) and/or terms and conditions that we and/or the relevant authorities may impose from time to time.

3.4.3. Regular Savings Plan

RSP may be made available for certain Class. Please refer to the Annexure of the respective Class for further information. Where available, the RSP allows you to make regular monthly investments, direct from your account held with a bank approved by us or our Distributors. We will process the monthly investments made via the RSP when we receive your application and/or your monthly contribution. You can also arrange a standing instruction with our Distributors to invest a pre-determined amount in the Class each month. You can cancel your RSP at any time by providing written instructions to the relevant Distributors to cancel your standing instruction.

3.4.4. Can the units be registered in the name of more than one (1) Unit holder?

We may register units in the name of more than one (1) Unit holder but we have the discretion not to allow registration of more than two (2) joint Unit holders. All applicants must be at least eighteen (18) years of age.

In the event of the demise of a joint Unit holder, whether Muslim or non-Muslim, only the surviving joint Unit holder will be recognized as the rightful owner. His/her units will be dealt with in accordance with the Deed and applicable laws and regulations.

3.4.5. Who is distributing this Fund?

The Fund may be distributed via the following channels:

- Principal Malaysia's offices;
- Principal Distributors;
- IUTAs; and
- such other channels as we may decide from time to time.

You may invest into the Fund via us or any of our Distributors. Please refer to the "Distributors of the Fund" chapter for further details. Please note that we have the discretion in determining the Distributors of the Fund, including its appointment and/or termination from time to time. You may contact our **Customer Care Centre** at **(03) 7718 3000** or refer to our website at <http://www.principal.com.my> for more information.

You are advised not to make payment in cash to any individual agent when purchasing units of a fund.

- 3.4.6. Please take note that 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, 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).

3.5. MINIMUM INVESTMENTS

The minimum initial and additional investment for each Class may differ and may be determined by us from time to time. Please refer to the Annexure of the respective Class for further information.

3.5.1. Processing an application

If we receive a complete application by 4:00 p.m. on a Business Day, we will process it using the NAV per unit for that Business Day. If we receive the application after 4:00 p.m., we will process it using the NAV per unit for the next Business Day (T+1). We will only process the completed applications with all the necessary information. The number of units you receive will be rounded down to two (2) decimal places.

3.6. MINIMUM WITHDRAWALS

The minimum withdrawal for each Class may differ and may be determined by us from time to time, unless you are withdrawing your entire investment. Please refer to the Annexure of the respective Class for further information. You may withdraw 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. We will transfer the withdrawal proceeds to the bank account number (or foreign currency bank account, as the case may be) provided by you. Please note that for EPF-MIS (where available), your withdrawal proceeds will be paid to EPF.

3.6.1. Processing a withdrawal

If we receive a complete withdrawal request by 4:00 p.m. on a Business Day, we will process it using the NAV per unit for that Business Day. If we receive the withdrawal request after 4:00 p.m., we will process it using the NAV per unit for the next Business Day (T+1). The amount that you will receive is calculated by the withdrawal value less the Withdrawal Fee, if any. 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) calendar days whichever is lesser, upon receipt of the complete withdrawal request. You will have to bear the applicable bank fees and charges, if any.

3.7. MINIMUM BALANCE

The minimum balance that must be maintained in your account for each Class may differ and may be determined by us from time to time. Please refer to the Annexure of the respective Class for further information. If the balance (i.e. number of units) of an investment drops below the minimum balance units, further investment will be required until the balance of the investment is restored to at least the stipulated minimum balance. Otherwise, we can withdraw the entire investment and forward the proceeds to you.

3.8. COOLING-OFF PERIOD

You have six (6) Business Days after your initial investment (i.e. 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 NAV per unit on the day the units were first purchased. We will refund the investment amount including Application Fee (if any) to you in the currency of the respective Class within seven (7) Business Days 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 our Distributors. However, Principal Malaysia's staff and person(s) registered to deal in unit trust of Principal Malaysia or any of our Distributors are not entitled to the cooling-off right. In addition, if you have invested via the EPF-MIS (where available), your cooling-off right is subject to EPF's terms and conditions.

3.9. SWITCHING

Switching is available between the Classes of the Fund or between a Class and other Principal Malaysia's fund, which should be denominated in the same currency. You may contact our **Customer Care Centre** at **(03) 7718 3000** for more information on the availability of switching. Please also refer to the Annexure of the respective Class for further information.

To switch, simply complete a switch request form and send to the relevant Distributor or our head office. Currently, there is no restriction on the frequency of switches. However, we have the discretion to allow or to reject any switching into (or out of) the

Fund or Class, either generally (for all investors) or specifically (for any particular investor, a group of investors or investments made via any digital platform).

3.9.1. Processing a switch

We process a switch as a withdrawal from one fund or class and an investment into another fund or class within Principal Malaysia's fund. If we receive a complete switch request by 4:00 p.m. on a Business Day, we will process the switch-out using the NAV per unit for that Business Day. If we receive the request after 4:00 p.m., the switch-out will be processed using the NAV per unit for the next Business Day.

However, you should note that switch-in may be processed at a later Business Day, generally within one (1) to four (4) Business Days.

3.10. TRANSFER FACILITY

You may transfer your units to another investor subject to terms and conditions as may be stipulated in the Deed. You may be charged a Transfer Fee for each transfer. However, we may refuse to register any transfer of unit at our absolute discretion. Please refer to the Annexure the respective Class for further information.

3.11. TEMPORARY SUSPENSION

We and the Trustee may temporarily suspend the dealing in units of the Class or Fund, subject to the requirements in the SC Guidelines and/or the Deed. Please note that during the suspension period, there will be no NAV per unit available and hence, we will not accept any transactions for the applications, withdrawals, switches and/or transfers of units. If we have earlier accepted your request for withdrawals and switches of units, please note that there may be delay in processing those transactions and you will be notified accordingly. You will also be notified once the suspension is lifted.

3.12. DISTRIBUTION PAYMENT

Depending on the distribution policy of the respective Class, distribution (if any) will be made at the end of each distribution period to the Class(es) according to its distribution policy. Each unit of the Class will receive the same distribution for a distribution period regardless of when those units were purchased. The distribution amount you will receive is calculated by multiplying the total number of units held by you in the Class with the distribution amount in cent per unit. On the distribution date, the NAV per unit will adjust accordingly. For more information on the distribution policy of each Class, please see Annexure of the respective Class.

All distributions (if any) will be automatically reinvested into additional units in the Class at the NAV per unit of the Class on the distribution date (the number of units is rounded down to two (2) decimal places), unless written instructions to the contrary are communicated to us, in which you should have first furnished us with details of your bank account in the currency denomination of that Class, that all distribution payment shall be paid into (the cost and expense will be borne by you). No Application Fee is payable for the reinvestment.

If units are issued as a result of the reinvestment of a distribution or other circumstance after you have withdrawn your investment from the Class, those additional units will then be withdrawn and the proceeds will be paid to you.

You should note that distribution payments, if any, will be made in the respective currency for the Class(es). As such, the distribution amount may be different for each Class as a result of exchange rate movement between the base currency of the Fund and the denominated currency of the Class(es). The distribution will be paid into your bank account (which shall be in the respective currency of the Class(es)) in our records (at your cost and expense).

Note: Please note that for Class(es) that provide distribution, we have the right to make provisions for reserves in respect of distribution of the Class. If the income available is too small or insignificant, any distribution may not be of benefit to you as the total cost to be incurred in any such distribution may be higher than the amount for distribution. We have the discretion to decide on the amount to be distributed to you. We also have the discretion to make income distribution on an ad-hoc basis, taking into consideration the level of its realised income and/or realised gains, as well as the performance of the Fund.

3.13. UNCLAIMED MONEYS

Any moneys payable to you which remain unclaimed after twelve (12) months as prescribed by Unclaimed Moneys Act 1965 ("UMA"), will be surrendered to the Registrar of Unclaimed Moneys by us in accordance with the requirements of the UMA. Thereafter, all claims need to be made by you with the Registrar of Unclaimed Moneys.

However, for income distribution payout to you by cheque, if any, which remains unclaimed for six (6) months will be reinvested into the Class within thirty (30) Business Days after the expiry of the cheque's validity period based on the prevailing NAV per unit on the day of the reinvestment in circumstances where you still hold units of the Class. As for income distribution payout by bank transfer, if any, shall be transmitted to your valid and active bank account. If the bank transfer remained unsuccessful and unclaimed for six (6) months, it will be reinvested into the Class within thirty (30) Business Days after the six (6) months period

based on the prevailing NAV per unit on the day of the reinvestment in circumstances where you still hold units of the Class. No Application Fee is payable for the reinvestment. In the event that you no longer hold any unit in the Class, the distribution money would be subject to the treatment mentioned in the above paragraph as prescribed by the UMA.

Unit prices and distributions payable, if any, may go down as well as up.

We have the discretion to amend the amount, rate and/or terms and conditions of the transaction information herein, subject to the requirements stipulated in the Deed. Where necessary, we will notify the Trustee and communicate to you on the amendments to the transaction information.

4. ADDITIONAL INFORMATION

4.1. FINANCIAL YEAR-END

30 November.

4.2. INFORMATION ON YOUR INVESTMENT

We will send you the following:

- Your Principal Malaysia investor number;
- Confirmation on all your transactions and distributions (if any);
- Confirmation on any changes to your address if you have written to us to make the changes; and
- Quarterly statement showing details of your transactions and distributions (if any); and
- Interim and audited annual report showing snapshots of the Fund and details of the portfolio for the respective period reported. Both the interim report and the audited annual report will be sent to you within two (2) months of the end of the period reported.

The Fund's annual report is available upon request.

In the case of joint Unit holders, all correspondences and payments will be made and sent to the first registered Unit holder.

Please take note that if you have invested through an IUTA via a nominee system of ownership, you would not be deemed to be a Unit holder under the Deed. As such, you may obtain the above-mentioned information from that IUTA.

You may obtain up-to-date fund information and NAV per unit from our monthly fund fact sheets and our website at www.principal.com.my.

If you have any questions about the information in this Prospectus or would like to know more about investing in this Fund, please contact our **Customer Care Centre** at **(603) 7718 3000** between 8:45 a.m. to 5:45 p.m. (Malaysian time) on Mondays to Thursdays and between 8:45 a.m. to 4:45 p.m. (Malaysian time) on Fridays (except on Selangor public holidays) or you may email us at service@principal.com.my.

If you wish to write-in, please address your letter to:

Principal Asset Management Berhad
Customer Care Centre
50, 52 & 54 Jalan SS 21/39
Damansara Utama
47400 Petaling Jaya
Selangor Darul Ehsan MALAYSIA

4.3. DEED

The Fund is governed by the Deed dated 10 April 2015 and the First Supplemental Master Deed dated 31 May 2019.

4.4. DOCUMENTS AVAILABLE FOR INSPECTION

You may inspect the following documents or copies thereof in relation to the Fund (upon request) at our principal place of business and/or the business address of the Trustee (where applicable) without charge:

- The Deed and supplemental deed(s), if any;
- Current Prospectus and supplementary or replacement prospectus, if any;
- The latest annual and interim reports of the Fund, which includes the audited financial statements of the Fund (where available) for the current financial year and for the last three (3) financial years or if less than three (3) years, from the date of launch of the Fund;
- Material contract or documents referred to in this Prospectus;
- The audited financial statements of the Manager for the current financial year and for the last three (3) financial years or if less than three (3) years, from the date of incorporation or commencement;
- Any reports, letters or other documents, valuations and statements by any expert, any part of which is extracted or referred to in this Prospectus;
- Writ and relevant cause papers for all material litigation and arbitration disclosed in this Prospectus; and
- Consents given by experts disclosed in this Prospectus, if any.

4.5. CONSENT

PricewaterhouseCoopers Taxation Services Sdn Bhd, HSBC (Malaysia) Trustee Berhad and Amanie Advisors Sdn Bhd have given their written consent to act in their respective capacity. They have also given their consent for the inclusion of their names and/or statements and/or reports in this Prospectus in the form and context in which it appears and have not subsequently withdrawn their consent to the inclusion of their names and/or statements and/or reports in the form and context in which it appears in this Prospectus.

4.6. POTENTIAL CONFLICTS OF INTERESTS AND RELATED PARTY TRANSACTIONS

We (including our directors) will at all time act in your best interest and will not conduct ourselves in any manner that will result in a conflict of interest or potential conflict of interest. In the unlikely event that any conflict of interest arises, such conflict shall be resolved such that the Fund is not disadvantaged. In the unlikely event that we face conflicts in respect of our duties as the Manager to the Fund and to other Principal Malaysia's funds that we manage, we are obliged to act in the best interests of our investors and will seek to resolve any conflicts fairly and in accordance with the Deed.

We shall not act as principal in the sale and purchase of any securities or investments to and from the Fund. We shall not make any investment for the Fund in any securities, properties or assets in which we or our officer have financial interest in or from which we or our officer derive a benefit, unless with the prior approval of the Trustee. We (including our directors) who hold substantial shareholdings or directorships in public companies shall refrain from any decision making relating to that particular investment of the Fund.

As at LPD, none of our directors and substantial shareholders has either direct or indirect interest in other corporations that carry on a similar business with Principal Malaysia, except for the following:

Director / Shareholder	Position	Shareholding (Direct / Indirect)	Name of corporation
CIMB Group Sdn Bhd	Shareholder	Direct	Principal Islamic Asset Management Sdn Bhd <i>(formerly known as CIMB-Principal Islamic Asset Management Sdn Bhd)</i>
		Indirect	CIMB-Mapletree Management Sdn Bhd

The Fund may maintain Shariah-compliant Deposits with CIMB Islamic Bank Berhad and CIMB Investment Bank Berhad. We may enter into transactions with other companies within the CIMB Group and the PFG provided that the transactions are effected at market prices and are conducted at arm's lengths.

We generally discourage cross trades and prohibit any transactions between client(s) accounts and fund accounts. Any cross trade activity require prior approval with the relevant supporting justification(s) to ensure the trades are executed in the best interest of both funds and such transactions were executed at arm's length. Cross trades will be reported to the Investment Committee to ensure compliance to the relevant regulatory requirements.

Trustee

As the Trustee for the Fund, there may be related party transactions involving or in connection with the Fund in the following events:

- (1) where the Fund invests in instrument(s) offered by the related party of the Trustee (e.g. placement of moneys, structured products, etc);
- (2) where the Fund is being distributed by the related party of the Trustee;
- (3) where the assets of the Fund are being custodied by the related party of the Trustee both as sub-custodian and/or global custodian of the Fund (i.e. Trustee's delegate); and
- (4) where the Fund obtains financing as permitted under the SC Guidelines, from the related party of the Trustee.

The Trustee has in place policies and procedures to deal with any conflict of interest situation. The Trustee will not make improper use of its position as the owner of the Fund's assets to gain, directly or indirectly, any advantage or cause detriment to the interests of Unit holders. Any related party transaction is to be made on terms which are best available to the Fund and which are not less favourable to the Fund than an arms-length transaction between independent parties.

Subject to local regulations, the Trustee and/or its related group of companies may deal with each other, the Fund or any Unit holder or enter into any contract or transaction with each other, the Fund or any form of such contract or transaction or act in the same and similar capacity in relation to any other scheme.

4.7. INTERESTS IN THE FUND

Subject to any legal requirement, we or any of our related corporation, or any of our officers or directors, may invest in the Fund. Our directors will receive no payments from the Fund other than distributions that they may receive as a result of investment in the Fund. No fees other than the ones set out in this Prospectus have been paid to any promoter of the Fund, or the Trustee (either to become a trustee or for other services in connection with the Fund), or us for any purpose.

4.8. EMPLOYEES' SECURITIES DEALINGS

We have in place a policy contained in its Rules of Business Conduct, which regulates its employees' securities dealings. All of our employees are required to declare their securities trading annually to ensure that there is no potential conflict of interest between the employees' securities trading and the execution of the employees' duties to us and our customers.

5. THE MANAGER

5.1. ABOUT PRINCIPAL ASSET MANAGEMENT BERHAD

Principal Malaysia holds a Capital Markets Services License for fund management and dealing in securities restricted to unit trust under the CMSA and specialises 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. It originally commenced its operations as a unit trust company in November 1995. As at LPD, Principal Malaysia has more than 21 years of experience in the unit trust industry. The shareholders of Principal Malaysia are PIA and CIMB Group.

PIA is a private company incorporated in Hong Kong and its principal activity is the provision of consultancy services to other PFG group of companies. PIA is a subsidiary of the PFG, which was established in 1879 and is a diversified global financial services group servicing more than 15 million customers.

CIMB Group is one of ASEAN's leading universal banking groups and is Malaysia's second largest financial services provider, by assets. It offers consumer banking, commercial banking, investment banking, Islamic banking and asset management products and services. Headquartered in Kuala Lumpur, CIMB Group is present in all 10 ASEAN nations and has market presence in China, Hong Kong, India, Sri Lanka, Korea, US and UK. CIMB Group is listed on Bursa Malaysia and has a market capitalisation of approximately RM54.6 billion, around 36,000 employees and around 800 branches, as at 31 December 2018.

The primary roles, duties and responsibilities of Principal Malaysia as the Manager of the Fund include:

- maintaining a register of Unit holders;
- implementing the appropriate investment strategies to achieve the Fund's investment objective;
- ensuring that the Fund has sufficient holdings in liquid assets;
- arranging for the sale and repurchase of units;
- calculating the amount of income to be distributed to Unit holders, if any; and
- maintaining proper records of the Fund.

As at LPD, there is no litigation or arbitration proceeding current, pending or threatened against or initiated by Principal Malaysia nor is there any facts likely to give rise to any proceeding which might materially affect the business/financial position of Principal Malaysia.

5.1.1. The Board of Directors

As at LPD, the Board of Directors consists of eight (8) members including three (3) Independent Directors. The Board of Directors oversees the management and operations of the Principal Malaysia and meets at least four (4) times a year.

Effendy bin Shahul Hamid	- Non-independent director	Juan Ignacio Eyzaguirre Baraona	- Non-independent director
Pedro Esteban Borda	- Non-independent director	Wong Joon Hian	- Independent director
Munirah binti Khairuddin	- Non-independent director	A.Huzaima bin Dato' Abdul Hamid	- Independent director
Paul Wong Chee Kin	- Non-independent director	Hisham bin Zainal Mokhtar	- Independent director

5.1.2. The Investment Committee

As at LPD, the Investment Committee consists of five (5) members including three (3) independent members. Generally, the Investment Committee meets once a month and is responsible for ensuring that the investment management of the Fund is consistent with the objectives of the Fund, the Deed, the SC Guidelines and relevant securities laws, our internal investment restrictions and policies, as well as acceptable and efficacious investment management practices within the unit trust industry. In this role, the powers and duties of the Investment Committee include formulating and monitoring our implementation of appropriate investment management strategies for the Fund and the measurement and evaluation of our performance.

5.1.3. Designated Person Responsible for Fund Management Function

Name:	Patrick Chang Chian Ping
Designation:	Chief Investment Officer, Malaysia & Chief Investment Officer, Equities, ASEAN Region
Experience:	Patrick Chang joined Principal Malaysia on 22 February 2016 and currently holds the positions of CIO for Malaysia and CIO Equities, ASEAN region effective 1 October 2018. He comes with more than 18 years of experience in asset management and is backed by numerous ASEAN awards from Malaysian pension funds in 2013 and 2015. He was previously the Head of ASEAN equities at BNP Paribas Investment Partners, Malaysia where he oversees ASEAN equities for both Malaysian and offshore clients from 2012. Prior to that, he served as Senior Vice President for Principal Malaysia where he specialized in Malaysia, ASEAN and Asia specialist funds. He also worked as a portfolio manager at Riggs and Co International Private Banking in London specializing in managing global ETF portfolios and holds the Capital Markets Services Representative Licence.
Qualifications:	MSc Finance from City University Business School and BSc Accounting and Financial Analysis from University of Warwick, UK.

Note: For more and/or updated information, please refer to our website at <http://www.principal.com.my>.

6. SHARIAH ADVISER OF THE FUND

6.1. ABOUT AMANIE ADVISORS SDN BHD

Amanie Advisors Sdn Bhd is a Shariah advisory, consultancy, training and research and development boutique for institutional and corporate clientele focusing on Islamic financial services. It has been established with the aim of addressing the global needs for experts and Shariah scholars' pro-active input. One of the first global boutique Shariah advisory houses for Islamic Finance, Amanie was founded in 2005 by internationally renowned Shariah scholar Datuk Dr Mohd Daud Bakar. The company is led by Datuk Dr. Mohd Daud Bakar and teamed by an active and established panel of consultants covering every aspect related to the Islamic banking and finance industry both in Malaysia and the global market. Currently, the team comprises of eight (8) full-time consultants who represent dynamic and experienced professionals with a mixture of Shariah law, corporate finance, accounting, product development, and education. Amanie is also a registered Shariah Adviser (Corporation) with the SC. As at LPD, Amanie has acquired more than fourteen (14) years of experience in the advisory role of unit trusts and has advised more than 170 funds locally and globally.

As the appointed Shariah Adviser for the Fund, the roles and responsibilities of Amanie include:

- Review and provide Shariah expertise and professional guidance as well as suggest relevant changes to all relevant documents relating to Shariah principles including the Fund's deed, prospectus and/or other relevant submission documents submitted by us for purposes of submission to any relevant authority to ascertain compliance to Shariah principles.
- Where relevant, prepare a report to be included in the Fund's report interim and annual report certifying whether the Fund has been managed and administered in accordance with Shariah principles for the period concerned.
- To advise on the breach of Shariah investment guidelines and purification/cleansing of cash dividends.
- To advise on any other matter pertaining to Shariah issues in relation to the Fund.
- Ensure that the Fund is managed and administered in accordance with the Shariah principles at all times by reviewing the investment process and other operational matters.
- Review the relevant Fund marketing and promotional documents submitted by us with the view to ascertain compliance to Shariah principles.
- To review and scrutinize the Fund's compliance report as provided by the compliance officer, and investment transaction reports provided by, or approved by the relevant responsible party to ensure that the Fund's investment are in line with Shariah principles.
- To undertake an annual compliance review of the Fund for purpose of issuance of an annual compliance report.

Amanie will meet us every quarterly to address Shariah advisory matters pertaining to the Islamic funds. An annual Shariah certificate will also be issued for the Fund at the financial year end. Also, Amanie reviews our portfolio based on the frequency as follows:

- Equity fund on a monthly basis
- Money market/ fixed income fund on a quarterly basis
- ETF on a quarterly basis

The designated person responsible for Shariah advisory matters of the Fund is Datuk Dr. Mohd Daud Bakar as the Executive Chairman. Currently, other consultants are:

- Suhaida Mahpot
- Ahmad Anas Fadzil
- Nurul Liyana Kasman
- Muhammad Hafizuddin Abd. Hamid

6.1.1. Designated Person Responsible for Shariah Adviser Function

Name:	Datuk Dr. Mohd Daud Bakar
Designation:	Executive Chairman, Amanie Advisors Sdn Bhd
Experience:	<p>Datuk Dr. Mohd Daud Bakar is the Founder and Executive Chairman of Amanie Group. One of its flagship companies namely Amanie Advisors, is operating in few cities globally. He currently serves as the Chairman of the Shariah Advisory Council at the Central Bank of Malaysia, the Securities Commission of Malaysia, the Labuan Financial Services Authority, the First Abu Dhabi Bank, and Permodalan Nasional Berhad. He is also a Shariah board member of various global financial institutions, including the National Bank of Oman (Oman), Amundi Asset Management (France), Bank of London and Middle East (London), BNP Paribas Najma (Bahrain), Natixis Bank (Dubai), Oasis Asset Management (South Africa), Noor Islamic Bank (Dubai), Morgan Stanley (Dubai), Sedco Capital (Saudi and Luxembourg), and Dow Jones Islamic Market Index (New York) amongst many others.</p> <p>In the corporate world, Datuk sits as a Board Director at Sime Darby Property Berhad and a member of the PNB Investment Committee. He was recently appointed as a Chairman to Malaysia Islamic Economic Development Foundation (YaPEIM). He is also the third Chair Professor in Islamic Banking and Finance of Yayasan Tun Ismail Mohamed Ali Berdaftar (YTI) PNB at Faculty of Economics and Muamalat, Universiti Sains Islam Malaysia (USIM). In addition, he is the co-founder of Experts Analytics Centre Sdn Bhd and MyFinb, as well as the Editor-in-Chief of Malaysian Business.</p>
Qualifications:	Prior to this, Datuk was the Deputy Vice-Chancellor at the International Islamic University Malaysia. He received his first degree in Shariah from University of Kuwait in 1988 and obtained his PhD from University of

St. Andrews, United Kingdom in 1993. In 2002, he completed his external Bachelor of Jurisprudence at University of Malaya.

Note: We have obtained the necessary consent and confirmation from the Shariah Adviser with regards to the information disclosed in this section. For more and/or updated information, please refer to our website at <http://www.principal.com.my> and/or Shariah Adviser's website at <http://amanieadvisors.com>.

7. THE TRUSTEE

7.1. ABOUT HSBC (MALAYSIA) TRUSTEE BERHAD

HSBC (Malaysia) Trustee Berhad (1281-T) is a company incorporated in Malaysia since 1937 and registered as a trust company under the Trust Companies Act 1949, with its registered address at 13th Floor, Bangunan HSBC, South Tower, No. 2, Leboh Ampang, 50100 Kuala Lumpur. Since 1993, the Trustee has acquired experience in the administration of trusts and has been appointed as trustee for unit trust funds, exchange traded funds, wholesale funds and funds under private retirement scheme.

The Trustee's main functions are to act as trustee and custodian of the assets of the Fund and to safeguard the interests of Unit holders of the Fund. In performing these functions, the Trustee has to exercise all due care, diligence and vigilance and is required to act in accordance with the provisions of the Deed, Capital Markets and Services Act 2007 and the SC Guidelines. Apart from being the legal owner of the Fund's assets, the Trustee is also responsible for ensuring that the Manager performs its duties and obligations in accordance with the provisions of the Deed, Capital Markets and Services Act 2007 and the SC Guidelines. In respect of moneys paid by an investor for the application of units, the Trustee's responsibility arises when the moneys are received in the relevant account of the Trustee for the Fund and in respect of redemption, the Trustee's responsibility is discharged once it has paid the redemption amount to the Manager.

The Trustee has in place anti-money laundering and anti-terrorism financing policies and procedures across the HSBC Group, which may exceed local regulations. Subject to any local regulations, the Trustee shall not be liable for any loss resulting from compliance of such policies, except in the case of negligence, wilful default or fraud of the Trustee.

The Trustee is not liable for doing or failing to do any act for the purpose of complying with law, regulation or court orders.

The Trustee shall be entitled to process, transfer, release and disclose from time to time any information relating to the Fund, Manager and Unit holders for purposes of performing its duties and obligations in accordance to the Deed, the Capital Markets and Services Act 2007, SC Guidelines and any other legal and/or regulatory obligations such as conducting financial crime risk management, to the Trustee's parent company, subsidiaries, associate companies, affiliates, delegates, service providers, agents and any governing or regulatory authority, whether within or outside Malaysia (who may also subsequently process, transfer, release and disclose such information for any of the above mentioned purposes) on the basis that the recipients shall continue to maintain the confidentiality of information disclosed, as required by law, regulation or directive, or in relation to any legal action, or to any court, regulatory agency, government body or authority.

7.1.1. Trustee's Delegate

The Trustee has appointed the Hongkong and Shanghai Banking Corporation Ltd as the custodian of both the local and foreign assets of the Fund. For quoted and unquoted local investments of the Fund, the assets are held through their nominee company, HSBC Nominees (Tempatan) Sdn Bhd. The Hongkong and Shanghai Banking Corporation Ltd is a wholly owned subsidiary of HSBC Holdings Plc, the holding company of the HSBC Group. The custodian's comprehensive custody and clearing services cover traditional settlement processing and safekeeping as well as corporate related services including cash and security reporting, income collection and corporate events processing. All investments are registered in the name of the Trustee or to the order of the Trustee. The custodian acts only in accordance with instructions from the Trustee.

The Trustee shall be responsible for the acts and omissions of its delegate as though they were its own acts and omissions.

However, the Trustee is not liable for the acts, omissions or failure of third party depository such as central securities depositories, or clearing and/or settlement systems and/or authorised depository institutions, where the law or regulation of the relevant jurisdiction requires the Trustee to deal or hold any asset of the Fund through such third parties.

7.1.2. Trustee's Disclosure of Material Litigation

As at LPD, the Trustee is not engaged in any material litigation and arbitration, including those pending or threatened, and is not aware of any facts likely to give rise to any proceedings which might materially affect the business/financial position of the Trustee and any of its delegates.

7.1.3. Trustee's Statement of Responsibility

The Trustee has given its willingness to assume the position as Trustee of the Fund and all the obligations in accordance with the Deed, all relevant laws and rules of law. The Trustee shall be entitled to be indemnified out of the Fund against all losses, damages or expenses incurred by the Trustee in performing any of its duties or exercising any of its powers under this Deed in relation to the Fund. The right to indemnity shall not extend to loss occasioned by breach of trust, wilful default, negligence, fraud or failure to show the degree of care and diligence required of the Trustee having regard to the provisions of the Deed.

Note: We have obtained the necessary consent and confirmation from each of the relevant parties with regards to the information disclosed in this section.

8. SALIENT TERMS OF DEED

Money invested by you in the Fund will purchase a number of units, which represents your interest in the Fund. Each unit held in a Class represents an equal undivided beneficial interest in the assets of that Class. However, the unit does not give you an interest in any particular part of the Class or a right to participate in the management or operation of the Fund (other than through Unit holders' meetings).

You will be recognised as a registered Unit holder in the Class on the Business Day your details are entered onto the register of Unit holders.

8.1. RIGHTS, LIABILITIES AND LIMITATIONS OF UNIT HOLDERS

8.1.1. Rights

As a Unit holder, you have the right, among others, to the following:

- (i) to inspect the register, free of charge, at any time at our registered office, and obtain such information pertaining to its units as permitted under the Deed and the SC Guidelines;
- (ii) to receive the distribution of the Fund (if any), participate in any increase in the capital value of the units and to other rights and privileges as set out in the Deed;
- (iii) to call for Unit holders' meetings;
- (iv) to vote for the removal of the Trustee or the Manager through a Special Resolution;
- (v) to receive annual reports, interim reports or any other reports of the Fund; and
- (vi) to exercise the cooling-off right for qualified investors.

Unit holders' rights may be varied by changes to the Deed, the SC Guidelines or judicial decisions or interpretation.

8.1.2. Liabilities

- (i) Your liability is limited to the purchase price per unit and the Application Fee paid or agreed to be paid for a unit. You need not indemnify the Trustee or us if there is a deficiency in the assets of the Fund to meet the claim of any creditor of the Trustee or us in respect of the Fund.
- (ii) The recourse of ours, the Trustee and any creditor is limited to the assets of the Fund.

8.1.3. Limitations

You cannot:

- (i) interfere with any rights or powers of ours and/or Trustee's under the Deed;
- (ii) exercise a right in respect of an asset of the Fund or lodge a caveat or other notice affecting the asset of the Fund or otherwise claim any interest in the asset of the Fund; or
- (iii) require the asset of the Fund to be transferred to you.

Note: For full details of the rights of a registered Unit holder of the Fund, please refer to the Deed.

8.2. MAXIMUM FEES, CHARGES AND EXPENSES PERMITTED BY THE DEED

This table describes the maximum charges permitted by the Deed for Class MYR and payable directly you.

Charges	Descriptions
(1) Application Fee	Up to 7.00% is charged on the NAV per unit.
(2) Withdrawal Fee	Up to 5.00% of the NAV per unit.
(3) Switching Fee	A fee not exceeding 7.00% of the NAV per unit is chargeable on the number of units to be switched. An administrative fee in relation to switching may be charged as set out in the Prospectus.

This table describes the maximum fees permitted by the Deed and payable indirectly by you.

Fees	Descriptions
(1) Management Fee	Up to 3.00% per annum, calculated daily on the NAV.
(2) Trustee Fee	Up to 0.07% per annum, calculated daily on the NAV (including local custodian fee but excluding foreign sub-custodian fees and charges).

A lower fee and/or charges than what is stated in the Deed may be charged, all current fees and/or charges will be disclosed in the Prospectus.

Any increase of the fees and/or charges above that stated in the Prospectus may be made provided that a supplemental prospectus is issued and the maximum stated in the Deeds shall not be breached.

Any increase of the fees and/or charges above the maximum stated in the Deeds shall require your approval.

8.2.1. Expenses permitted by the Deed

The Deed also provides for payment of other expenses, which include (without limitation) expenses connected with:

- commissions/fees paid to brokers/dealers in effecting dealings in the investments of the Fund, shown on the contract notes or confirmation notes or difference accounts;
- (where the foreign custodial function is delegated by the Trustee), charges and/or fees paid to the sub-custodian;
- tax and other duties charged on the Fund by the government and other authorities if any and bank fees;
- the fees and other expenses properly incurred by the auditor and tax agent;
- remuneration and out of pocket expenses of the independent members of the investment committee and/or the members of the Shariah committee or advisers (if any) of that Fund, unless we decide to bear the same;
- fees for valuation of any investment of the Fund by independent valuers for the benefit of the Fund;
- costs incurred for the modification of the Deed otherwise than for our benefit or Trustee's;
- costs incurred for any meeting of Unit holders other than those convened for our benefit or Trustee's;
- the sale, purchase, takaful, custody and any other dealings of investments including commissions/fees paid to brokers;
- costs involved with external specialists approved by the Trustee in investigating and evaluating any proposed investment;
- the engagement of valuers, advisers and contractors of all kinds;
- preparation and audit of the taxation returns and accounts of the Fund;
- termination of the Fund or that Class and the retirement or removal of the Trustee or the Manager and the appointment of a new trustee or manager;
- any proceedings, arbitration or other dispute concerning the Fund, Class or any asset, including proceedings against us or the Trustee by the other of them for the benefit of the Fund or Class (except to the extent that legal costs incurred for the defense of either of them are ordered by the court not to be reimbursed out of the Fund);
- all costs and/or expenses associated with the distributions declared pursuant to this Deed and the payment of such distribution including without limitation fees, costs and/or expenses for the revalidation or reissuance of any distribution cheque or distribution warrant or telegraphic transfer; and
- costs of obtaining experts opinion by us or the Trustee for the benefit of the Fund or Class.

The Trustee and us are required to ensure that any fees or charges payable are reasonable and in accordance with the Deed.

8.3. RETIREMENT, REMOVAL OR REPLACEMENT OF THE MANAGER

We must retire as the manager when required to retire by law.

We may retire upon giving twelve (12) months' notice to the Trustee of our desire to do so, or such lesser time as we and the Trustee may agree, in favour of another corporation.

We shall retire under the following circumstances:

- if a Special Resolution is duly passed by the Unit holders that we are to be removed; or
- if we cease to be approved by the SC to be the management company of unit trust schemes.

We may be removed by the Trustee under certain circumstances outlined in the Deed. These include:

- if we shall have gone into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Trustee) or cease to carry on business or if a receiver shall be appointed in respect of the undertaking or assets of the Manager or if any encumbrances shall take possession of any of its assets; or
- if we cease to carry on business; or
- if the Trustee is of the opinion that we have, to the prejudice of the Unit holders, failed to comply with any provision or covenant under the Deed or contravened any of the provisions of the CMSA; or
- if we have failed or neglected to carry out our duties to the satisfaction of the Trustee and the Trustee considers that it would be in the interests of the Unit holders for it to do so, after the Trustee has given notice to it of that opinion and the reasons for that opinion, and has considered any representations made by us in respect of that opinion, and after consultation with the SC; or
- if a petition has been presented for the winding up against us (other than for the purpose of and followed by a reconstruction, unless during or following such reconstruction, we become or is declared insolvent).

In any of above said circumstances, we for the time being shall upon receipt of such notice by the Trustee cease to be the manager and the Trustee shall by writing under its seal appoint another corporation to be the manager of the Fund subject to such corporation entering into a deed(s) with the Trustee and thereafter act as manager during the remaining period of the Fund.

We may be replaced by another corporation appointed as manager by a Special Resolution of the Unit holders at a Unit holder's meeting convened in accordance with the Deed either by the Trustee or the Unit holders.

8.4. RETIREMENT, REMOVAL OR REPLACEMENT OF THE TRUSTEE

We and the Trustee may agree, and may by Deed appoint in its stead a new trustee approved by the SC.

The Trustee must retire as trustee of the Fund when required to retire by law. The Trustee may retire by giving twelve (12) months' notice to us or any shorter notice we accept.

We may remove the Trustee and the Trustee covenants that it will retire or be removed from the Fund constituted by or pursuant to the Deed if and when requested so to do by us if:

- the Trustee shall go into liquidation;

- the Trustee is placed under receivership, ceases to exist, fails or neglects its duties;
- the Trustee ceases to be approved by the SC to be a trustee for unit trust schemes; or
- a Special Resolution is duly passed by the Unit holders that the Trustee be removed.

Additionally, we are legislatively empowered under Section 299 of the CMSA to remove the Trustee under specific circumstances set out therein.

The Trustee may be replaced by another corporation appointed as trustee by a Special Resolution of the Unit holders at a Unit holders' meeting convened in accordance with the Deed either by us or the Unit holders.

8.5. TERMINATION OF THE FUND

The Fund or any of the Classes may be terminated or wound-up upon the occurrence of any of the following events:

- (a) the SC's authorization is withdrawn under Section 256E of the CMSA; or
- (b) a Special Resolution is passed at a Unit holders' meeting of all the Unit holders of the Fund or the relevant Class to terminate or wind-up the Fund or that Class as the case may be, following the occurrence of events stipulated under Section 301(1) of the CMSA and the court has confirmed the resolution, as required under Section 301(2) of the CMSA; or
- (c) a Special Resolution is passed at a Unit holders' meeting of all the Unit holders of the Fund or the relevant Class to terminate or wind-up the Fund or that Class as the case may be; or
- (d) on reaching the Fund's or that Class' maturity date (if any); or
- (e) the effective date of an approved transfer scheme, as defined under the SC Guidelines, has resulted in the Fund, which is the subject of the transfer scheme, being left with no asset/property.

A Class of a Fund may be terminated if a Special Resolution is passed at a Unit holders' meeting of that Class to terminate or wind-up that Class provided always that such termination or winding-up of that Class does not materially prejudice the interest of any other Class in that Fund.

8.6. MEETINGS OF UNIT HOLDERS

A Unit holders' meeting may be called by us, the Trustee and/or Unit holders.

Where we or the Trustee convenes a meeting, the notice of the time and place of the meeting and terms of resolution to be proposed shall be given to the Unit holders in the following manner:

- (a) by sending by post a notice of the proposed meeting at least fourteen (14) days before the date of the proposed meeting, to each Unit holder of the Fund or that Class, as the case may be, at the last known address or, in the case of joint Unit holders, to the joint Unit holder of the Fund or that Class, as the case may be, whose name stands first in our records at the joint Unit holder's last known address; and
- (b) by publishing, at least fourteen (14) days before the date of the proposed meeting, an advertisement giving notice of the meeting in a national language newspaper published daily and circulating generally throughout Malaysia, and in one other newspaper as may be approved by the SC.

We shall within twenty-one (21) days after an application is delivered to us at our registered office, being an application by not less than fifty (50), or one-tenth (1/10) in number, whichever is less, of the Unit holders of the Fund or a Class, as the case may be, to which the Deed relates, summon a meeting of the Unit holders:

- (a) by sending a notice by post of the proposed meeting at least seven (7) days before the date of the proposed meeting to each of those Unit holders of the Fund or that Class, as the case may be, at his/her last known address or in the case of joint Unit holder, to the joint Unit holder of the Fund or that Class, as the case may be, whose name stands first in the our records at the joint Unit holder's last known address; and
- (b) by publishing at least fourteen (14) days before the date of the proposed meeting, an advertisement giving notice of the meeting in a national language national daily newspaper and in one other newspaper as may be approved by the SC,

for the purpose of considering the most recent financial statements of the Fund or relevant Class, or for the purpose of requiring the retirement or removal of the Manager or the Trustee, or for the purpose of giving to the Trustee such directions as the meeting thinks proper, or for the purpose of considering any other matter in relation to the Deed.

The quorum for a meeting of Unit holders of the Fund or Class, as the case may be, is five (5) Unit holders of the Fund (irrespective of the Class) or Class, as the case may be, present in person or by proxy, provided that for a meeting which requires a Special Resolution the quorum for that meeting shall be five (5) Unit holders of the Fund (irrespective of the Class) or Class, as the case may be, whether present in person or by proxy, holding in aggregate at least twenty five per centum (25%) of the Units in issue of the Fund (irrespective of the Class) or Class, as the case may be, at the time of the meeting. If the Fund or Class, as the case may be, has five (5) or less Unit holders, the quorum required shall be two (2) Unit holders of the Fund (irrespective of the Class) or Class, as the case may be, whether present or by proxy and if the meeting requires a Special Resolution the quorum for that meeting shall be two (2) Unit holders of the Fund (irrespective of the Class) or Class, as the case may be, whether present in person or by proxy, holding in aggregate at least twenty five per centum (25%) of the units in issue for the Fund (irrespective of the Class) or Class, as the case may be, at the time of the meeting.

All voting shall be carried out by poll. On a poll, the votes of each Unit holder present in person or by proxy shall be proportionate to the number or value of units held. In the case of joint Unit holders, only the person whose name appears first in the register may vote. Units held by the Manager or its nominees shall have no voting rights in any Unit holders' meeting of the Fund.

9. TAXATION REPORT

PricewaterhouseCoopers Taxation Services Sdn Bhd

Level 10, 1 Sentral
Jalan Rakyat
Kuala Lumpur Sentral
P.O.Box 10192
50706 Kuala Lumpur

The Board of Directors

Principal Asset Management Berhad
(formerly known as CIMB-Principal Asset Management Berhad)
10th Floor Bangunan CIMB
Jalan Semantan
Damansara Heights
50490 Kuala Lumpur

31 May 2019

Dear Sirs,

TAXATION OF THE TRUST OFFERED UNDER THE PRINCIPAL DALI OPPORTUNITIES FUND (FORMERLY KNOWN AS CIMB ISLAMIC DALI EQUITY THEME FUND) AND UNIT HOLDERS

This letter has been prepared for inclusion in the Prospectus Issue No. M4 (“hereinafter referred to as “the Prospectus”) in connection with the offer of units in the Principal DALI Opportunities Fund (formerly known as CIMB Islamic DALI Equity Theme Fund) (“the Trust”).

The taxation of income for both the Trust and the unit holders are subject to the provisions of the Malaysian Income Tax Act, 1967 (“the Act”). The applicable provisions are contained in Section 61 of the Act, which deals specifically with the taxation of trust bodies in Malaysia.

TAXATION OF THE TRUST

The Trust will be regarded as resident for Malaysian tax purposes since the trustee of the Trust is resident in Malaysia.

(1) Foreign Investments

Income of the Trust in respect of overseas investment is exempt from Malaysian tax by virtue of Paragraph 28 of Schedule 6 of the Act and distributions from such income will be tax exempt in the hands of the unit holders. Such income from foreign investments may be subject to taxes or withholding taxes in the specific foreign country. However, any foreign tax suffered on the income in respect of overseas investment is not tax refundable to the Trust in Malaysia.

The foreign income exempted from Malaysian tax at the Trust level will also be exempted from tax upon distribution to the unit holders.

(2) Domestic Investments

(i) General taxation

The income of the Trust consisting of dividends, interest or profit¹ (other than interest and profit¹ which is exempt from tax) and other investment income derived from or accruing in Malaysia, after deducting tax allowable expenses, is liable to Malaysian income tax at the rate of 24 per cent.

Gains on disposal of investments by the Trust will not be subject to income tax.

¹ Section 2(7) of the Income Tax Act 1967, any reference to interest shall apply, mutatis mutandis, to gains or profits received and expenses incurred, in lieu of interest, in transactions conducted in accordance with the principles of Shariah.

(ii) Dividend and other exempt income

Effective 1 January 2014, all companies would adopt the single-tier system. Hence, dividends received would be exempted from tax and the deductibility of expenses incurred against such dividend income would be disregarded. There will no longer be any tax refunds available for single-tier dividends received. Dividends received from companies under the single-tier system would be exempted.

The Trust may receive Malaysian dividends which are tax exempt. The exempt dividends may be received from investments in companies which had previously enjoyed or are currently enjoying the various tax incentives provided under the law. The Trust will not be taxable on such exempt income.

Interest income or profit¹ or discount income derived from the following investments is exempt from tax:

- a) Securities or bonds issued or guaranteed by the Government of Malaysia;
- b) Debentures or sukuk, other than convertible loan stocks, approved or authorized by, or lodged with, the Securities Commission Malaysia; and
- c) Bon Simpanan Malaysia issued by Bank Negara Malaysia.

As such, provided the investment in structured products is seen to be “debentures” under Capital Markets and Services Act 2007, the income received will be exempted. Otherwise, tax implications could arise.

Interest income or profit¹ derived from the following investments is exempt from tax:

- a) Interest or profit¹ paid or credited by any bank or financial institution licensed under the Financial Services Act 2013 or Islamic Financial Services Act 2013;
- b) Interest or profit¹ paid or credited by any development financial institution regulated under the Development Financial Institutions Act 2002;
- c) Bonds, other than convertible loan stocks, paid or credited by any company listed in Bursa Malaysia Securities Berhad ACE Market; and
- d) Interest or profit¹ paid or credited by Malaysia Building Society Berhad².

With effect from 1 January 2019, the exemption shall not apply to interest income paid or credited to a unit trust that is a wholesale fund which is a money market fund.

The interest income or profit¹ or discount income exempted from tax at the Trust level will also be exempted from tax upon distribution to the unit holders.

(3) Hedging Instruments

The tax treatment of hedging instruments would depend on the particular hedging instruments entered into.

Generally, any gain / loss relating to the principal portion will be treated as capital gain / loss. Gains / losses relating to the income portion would normally be treated as revenue gains / losses. The gain / loss on revaluation will only be taxed or claimed upon realisation. Any gain / loss on foreign exchange is treated as capital gain / loss if it arises from the revaluation of the principal portion of the investment.

(4) Other Income

The Trust may be receiving income such as exit fee which will be subject to tax at the rate of 24 per cent.

(5) Tax Deductible Expenses

Expenses wholly and exclusively incurred in the production of gross income are allowable as deductions under Section 33(1) of the Act. In addition, Section 63B of the Act provides for tax deduction in respect of managers' remuneration, expenses on maintenance of the register of unit holders, share registration expenses, secretarial, audit and accounting fees, telephone charges, printing and stationery costs and postages. The deduction is based on a formula subject to a minimum of 10 per cent and a maximum of 25 per cent of the expenses.

² Pursuant to the letters from Ministry of Finance Malaysia dated 11 June 2015 and 16 June 2015 with effect from year of assessment (“YA”) 2015.

(6) Real Property Gains Tax (“RPGT”)

With effect from 1 January 2019, any gains on disposal of real properties or shares in real property companies³ would be subject to RPGT at the following rates: -

Disposal time frame	RPGT rates
Within 3 years	30%
In the 4 th year	20%
In the 5 th year	15%
In the 6 th year and subsequent years	10%

(7) Sales and Service Tax (“SST”)

Effective from 1 September 2018, SST has been reintroduced to replace the Goods and Services Tax (“GST”). Both the Sales Tax Act 2018 and Services Tax Act 2018 have been gazetted on 28 August 2018. The rates for sales tax are nil, 5 per cent, 10 per cent or a specific rate whereas the rate for service tax is at 6 per cent.

Sales tax will be chargeable on taxable goods manufactured in or imported into Malaysia, unless specifically exempted by the Minister. Whereas, only specific taxable services provided by specific taxable persons will be subject to service tax. Sales tax and service tax are single stage taxes. As such, SST incurred would generally form an irrecoverable costs to the business.

Generally, the Trust, being a collective investment vehicle, should not be caught under the service tax regime. Certain brokerage, professional, consultancy or management services paid by the Trust may be subject to service tax at 6 per cent including services acquired from a foreign service provider.

TAXATION OF UNIT HOLDERS

Unit holders will be taxed on an amount equivalent to their share of the total taxable income of the Trust to the extent of the distributions received from the Trust. The income distribution from the Trust will carry a tax credit in respect of the Malaysian tax paid by the Trust. Unit holders will be entitled to utilise the tax credit against the tax payable on the income distribution received by them. No additional withholding tax will be imposed on the income distribution from the Trust.

Non-resident unit holders may also be subject to tax in their respective jurisdictions. Depending on the provisions of the relevant country’s tax legislation and any double tax treaty with Malaysia, the Malaysian tax suffered may be creditable against the relevant foreign tax.

Corporate unit holders, resident⁴ and non-resident, will generally be liable to income tax at 24 per cent on distribution of income received from the Trust. The tax credits attributable to the distribution of income can be utilised against the tax liabilities of these unit holders.

Individuals and other non-corporate unit holders who are tax resident in Malaysia will be subject to income tax at graduated rates ranging from 1 per cent to 28 per cent. Individuals and other non-corporate unit holders who are not resident in Malaysia will be subject to income tax at 28 per cent. The tax credits attributable to the distribution of income can be utilised against the tax liabilities of these unit holders.

The distribution of exempt income and gains arising from the disposal of investments by the Trust will be exempted from tax in the hands of the unit holders.

³ A real property company is a controlled company which owns or acquires real property or shares in real property companies with a market value of not less than 75 per cent of its total tangible assets. A controlled company is a company which does not have more than 50 members and is controlled by not more than 5 persons.

⁴ Resident companies with paid up capital in respect of ordinary shares of RM2.5 million and below will pay tax at 17* per cent for the first RM500,000 of chargeable income with the balance taxed at 24 per cent, with effective from 1 January 2019.

With effect from YA 2009, the above shall not apply if more than –

- (a) 50 per cent of the paid up capital in respect of ordinary shares of the company is directly or indirectly owned by a related company;
- (b) 50 per cent of the paid up capital in respect of ordinary shares of the related company is directly or indirectly owned by the first mentioned company;
- (c) 50 per cent of the paid up capital in respect of ordinary shares of the first mentioned company and the related company is directly or indirectly owned by another company.

“Related company” means a company which has a paid up capital in respect of ordinary shares of more than RM2.5 million at the beginning of the basis period for a YA.

Any gains realised by unit holders (other than dealers in securities, insurance companies or financial institutions) on the sale or redemption of the units are treated as capital gains and will not be subject to income tax. This tax treatment will include gains in the form of cash or residual distribution in the event of the winding up of the Trust.

Unit holders electing to receive their income distribution by way of investment in the form of new units will be regarded as having purchased the new units out of their income distribution after tax.

Unit splits issued by the Trust are not taxable in the hands of unit holders.

We hereby confirm that the statements made in this report correctly reflect our understanding of the tax position under current Malaysian tax legislation. Our comments above are general in nature and cover taxation in the context of Malaysian tax legislation only and do not cover foreign tax legislation. The comments do not represent specific tax advice to any investors and we recommend that investors obtain independent advice on the tax issues associated with their investments in the Trust.

Yours faithfully,

for and on behalf of
PRICEWATERHOUSECOOPERS TAXATION SERVICES SDN BHD

Jennifer Chang
Partner

PricewaterhouseCoopers Taxation Services Sdn Bhd have given their written consent to the inclusion of their report as tax adviser in the form and context in which it appears in the Prospectus and have not, before the date of issue of the Prospectus, withdrawn such consent.

10. DISTRIBUTORS OF THE FUND

For Malaysia, currently only Class MYR of the Fund is available for sale. As at LPD, Class MYR is available from the following:

10.1. OUR BRANCHES

Main Branch

50, 52 & 54, Jalan SS21/39
Damansara Utama
47400 Petaling Jaya
Selangor Darul Ehsan MALAYSIA
Tel: (603) 7718 3000

Northern Branch

No.5, Jalan Todak 4
Bandar Sunway
Seberang Jaya
13700 Perai
Penang MALAYSIA
Tel: (604) 370 2155/2156

Southern Branch

23 & 23A Jalan Harimau Tarum
Taman Century
80250 Johor Bahru
Johor MALAYSIA
Tel: (607) 334 1748

Central Branch

46, 2nd Floor, Jalan SS 21/39
Damansara Utama
47400 Petaling Jaya
Selangor MALAYSIA
Tel: (603) 7712 2888

Sarawak Branch

5B Lot 414 Section 10
KTLD Jalan Rubber
93400 Kuching
Sarawak MALAYSIA
Tel: (6082) 259 777

Sabah Branch

1 Jalan Pasar Baru Kampung Air
88000 Kota Kinabalu
Sabah MALAYSIA
Tel: (6088) 239 951/952

Ampang Branch

13B 2nd Floor Jalan Mamanda 7/1
Off Jalan Ampang
68000 Ampang
Selangor MALAYSIA
Tel: (603) 4270 2970

Sri Petaling Branch

169-2, Jalan Radin Bagus
Bandar Baru Sri Petaling
57000 Kuala Lumpur MALAYSIA
Tel: (603) 9059 2333

Melaka Branch

21 Jalan Melaka Raya 24
Taman Melaka Raya
75000 Melaka MALAYSIA
Tel: (606) 281 1111

Ipoh Branch

30 Ground Floor
Persiaran Greentown 1
Greentown Business Centre
30450 Ipoh
Perak MALAYSIA
Tel: (605) 243 9001/9002

Kuantan Branch

No 44 & 44A Jalan Putra Square 6,
Putra Square,
25000 Kuantan,
Pahang MALAYSIA
Tel: (609) 513 4400

Kota Bharu Branch

Ground Floor No 298-B
Jalan Tok Hakim
15000 Kota Bharu
Kelantan MALAYSIA
Tel: (609) 747 1172/1190

10.2. PRINCIPAL DISTRIBUTORS

Nsg Wealth Advisors

No 8 Jalan BM 7/19
Seksyen 7
Bandar Bukit Mahkota
Kajang 43000 Selangor
Tel: (603) 8920 8277

Platinum

E5-03 Empire Damansara
Jalan PJU 8/8
Damansara Perdana
47820 Petaling Jaya
Tel: (603) 7843 0506

Dynamics Wealth Advisors

(formerly known as Star Pesona Advisors)
(secondly known as Professional 5 star wealth advisors)
Unit B-3A-1 Setiawangsa Business Suites
Jalan Setiawangsa 11
Taman Setiawangsa
54200 Kuala Lumpur
Tel: (603) 4256 6277

Megas

2-6A Jalan PJU 8/3A
Bandar Damansara Perdana
47820 Petaling Jaya
Selangor
Tel: (603) 7725 6320

Amg Synergy Multiresources Sdn Bhd

3rd Floor
No 45 Jalan Teluk Sisek
25000 Kuantan Pahang
Tel: (609) 5161 430

Elite Group Consultants

No 6-2 Jalan Dagang 1/1A
Taman Dagang
68000 Ampang
Selangor
Tel: (603) 4251 1129

Success Concepts Life Planners

J-06-01 Level 6 Block J
Solaris Mont' Kiara
Jalan Solaris
50480 Kuala Lumpur
Tel: (603) 6204 0113

Diamond Star Agency Office

Block E-1-03A & E-2-03A
Jalan SS6/20A
Dataran Glomac
47301 Kelana Jaya
Selangor
Tel: (603) 7880 7082

Charisma Legacy

B-1-22 & B-2-22 & B-2-21
Block B 10 Boulevard
Jalan Cempaka Sungai Kayu Ara
47400 Petaling Jaya
Selangor
Tel: (603) 7722 3895

AAAAA Wealth Builders

(formerly known as O-tye Group Consultants)
Lot C-615 & Lot C-616
Level 6 Block C Kelana Square
17 Jalan Ss7/26
Kelana Jaya
47301 Petaling Jaya Selangor
Tel: 03-7880 6893

My Financial Freedom Advisors

(formerly known as M\$G Prominent Consultants)
No.3A, Jalan Hentian 3
Pusat Hentian Kajang
43000 Kajang
Selangor
Tel: (603) 8741 4382

Preferred Wealth Advisors

(formerly known as Titan Empire)
No 12-01 D'bayu Business Center
Jalan Serambi U8/24
Bukit Jelutong
40150 Shah Alam
Selangor
Tel: (603) 6142 8382

Otye Xcellence Consultants

Lot No 35-2 2nd Floor
Jalan Sepah Puteri 5/1B
Pusat Dagangan Seri Utama
PJU 5 Kota Damansara
47410 Selangor
Tel: (603) 6140 3046

Prestige Wealth Advisors

I-91-2 Block I
Jalan Teknologi 3/9
Kota Damansara
47810 Petaling Jaya
Selangor
Tel: (603) 6140 7275

Magnificent Champion Agency Office

47A, Tingkat 1
Jalan Badminton 13/29
Seksyen 13, Shah Alam
40100 Selangor
Tel: (603) 5523 2693

Jat Xo Group

2nd Floor Lot 156
Jalan Haji Taha
Kuching 93400 Sarawak
Tel: (6019) 2713 269

Aces Advisors

37-2, Jalan Cecawi 6/33
PJU 5, Kota Damansara
47810 Petaling Jaya
Tel: (603) 6142 2970

Premier Wealth Advisors

No 18-1 S2 B18
Biz Avenue Seremban 2
70300 Seremban
Negeri Sembilan
Tel: (606) 6015 749

GVG Solution Agency

24-1, Jalan Padi Emas 4/1
Pusat Bandar Tampoi
Johor Bahru
81200 Johor
Tel: (607) 2326 976

JAT XO Group Bintulu

SL No2, Blk49, of Parent Lot2646
Parkcity Commerce Square
Jln Kamar, Off Jln Tun Ahmad
Zaidi, Bintulu 97000 Sarawak
Tel: (6012) 2172 269

The One Asia Advisors

No B-3A-23 Merchant Square
Jalan Tropicana Selatan 1
Tropicana Golf & Country Resort
47410 Petaling Jaya
Selangor
Tel: (603) 7887 4408

Soha Barakah Wealth Consultancy

No 55-2, 57-2, 59-2
Jalan Tu 49A Taman Tasik Utama
Ayer Keroh
75450 Melaka
Tel: (606) 2533 289

Evoque Wealth Advisors

2nd Floor No 32A-2 Jalan PJU 5/20d The Strand
Pusat Perdagangan Kota Damansara
Kota Damansara PJU 5
47810 Petaling Jaya
Selangor
Tel: (603) 6151 9512

KPG Management

19-1 Jalan Adenium 2G/9
Adenium Business Center
Bukit Beruntung
48300 Rawang
Selangor
Tel: (603) 6021 7385

Victorious Agency

98-02 Jalan Pertama 1
Pusat Perdagangan Danga Utama
81200 Johor Bahru
Johor
Tel: (6011) 1211 840

Monalisa Private Wealth Advisors

No. 41B, 43B, Jalan Wan Kadir 2
Taman Tun Dr Ismail
60000, Kuala Lumpur
Tel: (603) 7733 5778

Sa@7

No. 35B-2 (2nd Floor)
Jalan Keluli Am 7/AM
Pusat Perniagaan Bukit Raja Seksyen 7
400000 Shah Alam
Selangor
Tel: (603) 3341 4978

My IFP Kemaman

PT 10725, Ground Floor
Jalan Kubang Kurus
Taman Cukai Utama Fasa 4
24000 Kemaman
Terengganu
Tel: (609) 8589 911

Tremendous Agency

No 11 Level 2
Jalan Pelabur B 23/B
Section 23
40300 Shah Alam
Selangor Darul Ehsan
Tel: (603) 5480 0296

Wealth Resources Group Advisors

No 41B 3B Curve Business Park
Medan Pusat Bandar 2D Seksyen 9
43650 Bandar Baru Bangi
Selangor
Tel: (603) 8926 4155

GVG Pasir Gudang Solution

No 38-01 Jalan Serangkai 18
Taman Bukit Dahlia
81700 Pasir Gudang
Johor
Tel: (6012) 7076 107

Kyzan Jaguar Agency

16-01 Jalan Padi Emas 1/5
UDA Business Centre
81200 Johor Bahru
Johor
Tel: (607) 3009 350

Premierone Wealth

No 527-1 Jalan Pusat Bandar Senawang
Pusat Bandar Senawang
70450 Senawang
Negeri Sembilan
Tel: (606) 6718 253

Charisma Legacy 1

B-3-21 Block Bougainvillea
10 Boulevard Lebuhraya Sprint PJU 6A
47400 Petaling Jaya
Selangor
Tel: (603) 7733 5009

KPG Capital Growth Solution
No 15-1 Jalan Adenium 2G/9
Adenium Business Centre
48300 Bukit Beruntung
Rawang Selangor
Tel: (603) 6021 7188

Nrich Wealth Advisory Group
ZP-02-12 Zest Point
Lebuhraya Bukit Jalil
Bandar Kinrara
47180 Puchong
Selangor
Tel: (603) 8074 8485

SWM Advisors Group
Block E-13-2 2nd Floor
Jalan Serai Wangi M/16M
Alam Avenue 2 Seksyen 16
40200 Shah Alam
Selangor

Charisma Legacy Kota Bharu
PT1671 & 1672 Tingkat 2
Jalan Raja Perempuan Zainab 2
Kubang Kerian
16150 Kota Bharu
Kelantan
Tel: (6016) 2236 343

Charisma Legacy 2
B-3-25 Blok Bougainvillea
10 Boulevard Lebuhraya Sprint
PJU 6A
47400 Petaling Jaya
Selangor
Tel: (603) 7733 2460

KPG Capital Growth Solution
No 4 Tingkat 1
Taman Desa Lunas
Lunas
09600 Kedah
Tel: (6019) 3571 472

Abraham Hanef Group PLT
D-25-1 & D-25-2
Pusat Komercial Arena Bintang
Jln Zuhail U5/179 Seksyen U5
Shah Alam
40150 Selangor
Tel: (603) 7832 2402

Global Amazing Entrepreneur
C-10-2 & C-11-2
Bangi Gateway Shopping Complex
Persiaran Pekililing Seksyen 15
43650 Bandar Baru Bangi
Selangor
Tel: (603) 8920 9038

Charisma Legacy 3
B-3-17 Blok Bouganvilla 10 Boulevard
Lebuhraya Sprint Pju 6A Kayu Ara
Damansara Jaya
47400 Petaling Jaya
Selangor
Tel: (603) 7733 4211

Synergy Wealth Entrepreneur
98-2 Jalan Dwitasik
Dataran Dwitasik
Bandar Sri Permaisuri
Cheras
56000 Kuala Lumpur
Tel: (603) 9226 5344

NZ Group
PT 650 1st & 2nd Floor
Jalan Sri Cemerlang
Seksyen 27
15300 Kota Bharu
Kelantan
Tel: (609) 7476 932

Zenith Premier Wealth Advisors
No 98 Second Floor
Jalan Legenda 1
Legenda Heights
08000 Sungai Petani
Kedah
Tel: (604) 4246 042

KPG Capital Growth Solution
No 4A (Tingkat Atas) Susuran KPJ 2
Kompleks Perniagaan Jitra 2
Jitra
06000 Kedah
Tel: (6019) 3571 472

10.3. IUTAs

CIMB Bank Berhad
Menara CIMB
Jalan Stesen Sentral 2
Kuala Lumpur Sentral,
50470 Kuala Lumpur
Malaysia
(03) 6204 7788

CIMB Islamic Bank Berhad
Menara CIMB
Jalan Stesen Sentral 2
Kuala Lumpur Sentral,
50470 Kuala Lumpur
Malaysia
(03) 6204 7788

Kenanga Investment Bank Berhad
8th Floor Kenanga International,
Jalan Sultan Ismail
50250 Kuala Lumpur MALAYSIA
Tel: (603) 2164 9080

Note: We have the discretion in determining the Distributors of the Classes of the Fund, including its appointment and/or termination from time to time. For updated information on the Distributors of the Classes of the Fund, please call our **Customer Care Centre** at **(603) 7718 3000** between 8:45 a.m. and 5:45 p.m. (Malaysian time) on Mondays to Thursdays and between 8:45 a.m. and 4:45 p.m. (Malaysian time) on Fridays (except on Selangor public holidays) or refer to our website at <http://www.principal.com.my>.

ANNEXURE - CLASS MYR

This section is only a summary of the salient information about Class MYR. You should read and understand the entire Prospectus before investing and keep the Prospectus for your records. In determining which investment is right for you, we recommend you speak to professional advisers. Principal Asset Management Berhad (formerly known as CIMB-Principal Asset Management Berhad), member companies of PFG, CIMB Group and the Trustee do not guarantee the repayment of capital.

CLASS INFORMATION

The Fund is a multi-class fund and is allowed to establish new Class(es) from time to time without your prior consent. As this 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.

Class MYR	Page
Currency denomination	MYR
Distribution policy	Given the Fund's investment objective, the Fund is not expected to pay any distribution. Distributions, if any, will be incidental and will vary from period to period depending on market conditions and performance of the Fund. 16

FEES & CHARGES

This table describes the charges that you may **directly** incur when you buy or withdraw units.

Charges	Class MYR	Page
Application Fee	Up to 6.50% of the NAV per unit.	7
Withdrawal Fee	Nil.	7
Dilution fee	Nil.	
Switching Fee	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's fund (or its class). Switching Fee will not be charged if the Class or Principal Malaysia's fund (or its class) to be switched into has a lower Application Fee. In addition, we may impose RM100 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.	7
Transfer Fee	A maximum of MYR50.00 may be charged for each transfer.	7
Other charges payable directly by you when purchasing or withdrawing the units	Any applicable bank charges and other bank fees incurred as a result of an investment or withdrawal will be borne by you.	

All fees and charges payable by you 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 or illustrated in the Prospectus.

This table describes the fees that you may **indirectly** incur when you invest.

Fees	Class MYR	Page
Management Fee	Up to 1.50% per annum of the NAV of the Class in Malaysia.	7
Trustee Fee	Up to 0.05% per annum (including local custodian fee but excluding foreign sub-custodian fees and charges) on the NAV of the Fund.	7
Expenses directly related to Fund	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.	8
Other fees payable indirectly by you	Nil.	

Note: 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.

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.

All fees and charges payable by the Fund 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 or illustrated in the Prospectus.

We have the discretion to amend the amount, rate and/or terms and conditions for the above-mentioned fees and charges from time to time, subject to the requirements stipulated in the Deed. Where necessary, we will notify the Trustee and communicate to you or seek your approval on the amendments to the fees and charges.

TRANSACTION INFORMATION

	Class MYR	Page
Minimum initial investment[#]	RM500 or such other amount as we may decide from time to time.	15
Minimum additional investment	RM200 or such other amount as we may decide from time to time.	15
Minimum withdrawal	800 units or such other amount as we may decide from time to time.	15
Minimum balance	1,000 units or such other amount as we may decide from time to time.	15
Regular Savings Plan	RSP is available. It allows you to make regular monthly investments [#] of RM200 or more, direct from your account held with a bank approved by us or our Distributors. The minimum initial investment for the RSP is RM500 or such other amount as we may decide from time to time.	15
Cooling-off period	Six (6) Business Days from the date the complete application is received and accepted by us or our Distributors from the first time investor. 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.	15
Switching	Switching will be conducted based on the value of your investment in the Class. The minimum amount for a switch is subject to: <ul style="list-style-type: none"> ▪ for switching out of the Class: <ul style="list-style-type: none"> ○ the minimum withdrawal applicable to the Class; ○ the minimum balance required (after the switch) for the Class, unless you are withdrawing from the Class in entirety; and ○ the Withdrawal Fee of the Class (if any); ▪ for switching into the Class: <ul style="list-style-type: none"> ○ the minimum initial investment amount or the minimum additional investment amount (as the case may be) applicable to the Class; and ○ the Switching Fee applicable for the proposed switch (if any). You may negotiate to lower the amount for your switch with us or our Distributors.	15
Transfer	We may, at our absolute discretion, allow or refuse transfer of units subject to such terms and conditions as may be stipulated in the Deed.	16

[#]The minimum initial investment for EPF-MIS (where available) shall be RM1,000.00 (or such other amount as may be determined by EPF) or as per the amount stated above, whichever is higher. 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 <http://www.principal.com.my> or <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 the 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.

There are fees and charges involved and you are advised to consider them before investing in the Fund.

We have the discretion to amend the amount, rate and/or terms and conditions of the transaction information herein, subject to the requirements stipulated in the Deed. Where necessary, we will notify the Trustee and communicate to you on the amendments to the transaction information.

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Principal Asset Management Berhad (304078-K)
(formerly known as CIMB-Principal Asset Management Berhad)

Enquiries:

Customer Care Centre **(603) 7718 3000**

Email **service@principal.com.my**

Website **www.principal.com.my**