

This Product Highlights Sheet is an important document.

- It highlights the key terms and risks of this investment product and complements the Singapore Prospectus¹.
- It is important to read the Singapore Prospectus before deciding whether to purchase units in the product. If you do not have a copy, please contact us to ask for one.
- You should not invest in the product if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the product, you will need to make an application in the manner set out in the Singapore Prospectus.

CIMB-PRINCIPAL MALAYSIA EQUITY FUND (THE “FUND”)

Product Type	Unit Trust	Launch Date	18 February 2016
Manager	CIMB-Principal Asset Management Berhad	Custodians	<u>In Malaysia:</u> The Hongkong and Shanghai Banking Corporation Ltd and assets held through HSBC Nominees (Tempatan) Sdn Bhd <u>Outside Malaysia:</u> The Hongkong And Shanghai Banking Corporation Limited
Trustee	HSBC (Malaysia) Trustee Berhad	Dealing Frequency	Every Dealing Day
Capital Guaranteed	No	Expense Ratio for financial year ending 31 October 2017	Class SGD: 1.67%

PRODUCT SUITABILITY

<p>WHO IS THE PRODUCT SUITABLE FOR?</p> <ul style="list-style-type: none"> • The Fund is <u>only</u> suitable for investors who: <ul style="list-style-type: none"> ○ have a long-term investment horizon ○ do not require regular income from their investment ○ are comfortable with a higher than average degree of volatility ○ seek capital appreciation over the long-term • The principal of the Fund will be at risk. • Investors should consult their financial advisers on the suitability of the Fund if they are in doubt. 	<p><u>Further Information</u> Refer to “Important Information” section and paragraph 7.1 of the Singapore Prospectus for further information on product suitability.</p>
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KEY PRODUCT FEATURES

<p>WHAT ARE YOU INVESTING IN?</p> <p>You are investing in an open-ended standalone unit trust fund established in Malaysia that aims to achieve maximum capital appreciation over the long term through all types of investments.</p> <p>The Fund is assessed by the SC as suitable to be a Qualifying CIS and is subject to the Standards of Qualifying CIS and any other law, regulation, rule, guidelines or directive enacted or issued pursuant to the ASEAN CIS Framework which are applicable to the Fund, as may be amended or re-enacted from time to time.</p> <p>The Manager is currently offering Units of Class SGD of the Fund for investment in Singapore.</p> <p>The Manager has the discretion to distribute part or all of the Class’ distributable income. The distribution (if any) may vary from period to period depending on the investment objective and the performance of the Fund.</p>	<p>Refer to paragraphs 1, 7.1 and 20.1 of the Singapore Prospectus for further information on features of the product.</p>
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¹ The Singapore Prospectus is available for collection at CIMB-Principal Asset Management (S) Pte. Ltd. (Company Registration No. 200607208K), 50 Raffles Place, #22-03A Singapore Land Tower, Singapore 048623 from Monday to Friday (9am to 5pm) or may be downloaded at www.cimb-principal.com.sg.

Investment Strategy	
<p>The Fund may invest at least 70% of its NAV in equities and up to 28% of the Fund's NAV in other permissible investments. In line with its objective, the investment policy and strategy of the Fund will focus on investment in shares of companies with growth potential.</p> <p>The asset allocation strategy for the Fund is as follows:</p> <ul style="list-style-type: none"> ▪ at least 70% of the Fund's NAV will be invested in equities; ▪ up to 28% of the Fund's NAV may be invested in other permissible investments; and ▪ at least 2% of the Fund's NAV in liquid assets. <p>The asset allocation will be reviewed periodically depending on the country's economic and stock market outlook. In a rising market, the 98% limit may be breached. However, the Manager will seek to adjust this within a time frame approved by the Trustee.</p> <p>The Fund will be managed with high tracking error by combining a top-down asset and sector allocation process with a bottom-up stock selection process. The asset allocation decision is made after a review of macroeconomic trends in Malaysia and other global economies. In particular, the Manager analyzes the direction of GDP growth, interest rates, inflation, currencies and government policies. The Manager will then assess their impact on corporate earnings and determine if there are any predictable trends. These trends form the basis for sector selection. For stock selection process, the investment strategy of the Fund will be predominantly based on bottom-up stock selection and the growth style of equity investing instead of investing mainly in the stocks represented in the benchmark. Consequently, the Fund's individual stock and sector weightage will deviate significantly from the benchmark, thus leading to high tracking error. The criteria for stock selection would include improving fundamentals and growth at reasonable valuations. Stock valuation fundamentals considered are earnings per share growth rate, return on equity, price earnings ratio and net tangible assets multiples. The strategy of the Fund also includes utilizing liquid assets dynamically in the changing market conditions.</p>	<p>Refer to paragraph 7.2 of the Singapore Prospectus for further information on the investment focus and approach.</p>
Parties Involved	
<p>WHO ARE YOU INVESTING WITH?</p> <p>The Manager is CIMB-Principal Asset Management Berhad. The Trustee is HSBC (Malaysia) Trustee Berhad. The Custodians are The Hongkong and Shanghai Banking Corporation Ltd and assets held through HSBC Nominees (Tempatan) Sdn Bhd (in Malaysia). The Singapore Representative is CIMB-Principal Asset Management (S) Pte. Ltd. The Auditors are PricewaterhouseCoopers, Malaysia.</p>	<p>Refer to paragraphs 2 to 5 of the Singapore Prospectus for further information on the role and responsibilities of these entities.</p>
KEY RISKS	
<p>WHAT ARE THE KEY RISKS OF THIS INVESTMENT?</p> <p>The value of the product and its dividends or coupons may rise or fall. These risk factors may cause you to lose some or all of your investment:</p>	<p>Refer to paragraphs 9.1 and 9.2 of the Singapore Prospectus for further information on risks of the product.</p>
Market and Credit Risks	
<ul style="list-style-type: none"> • You are exposed to 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 Risks	
<ul style="list-style-type: none"> • Liquidity risk can be defined as 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. This in turn would depress the NAV of the Fund. • The Fund is not listed and there is no secondary market for its Units. You can only redeem your investment on a Dealing Day. 	

- All redemption requests should be made to the Manager.
- The Manager may, with the approval of the Trustee, suspend the subscription, switching and redemption of Units during certain circumstances specified in the Singapore Prospectus and Principal Master Deed.

Product-Specific Risks

- **You are exposed to 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.
- **Risks associated with investment in warrants**
There are inherent risks associated with investment in warrants. The value of 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. Like securities, the Manager will undertake fundamental research and analysis on these instruments with an aim to mitigate the risks
- **You are exposed to Currency Risk**
Classes may be denominated in currencies other than the base currency (MYR) and changes in the exchange rate between the base currency and the denominated currency of the Class may lead to a depreciation of the value of the investor's holding as expressed in the base currency.

As such, investors should realise that currency risk is considered as one of the major risks due to the volatile nature of the foreign exchange market. The Manager does not seek to mitigate the currency risk. Hence, investors of the Fund should be prepared to assume the currency risk.
- **You are exposed to Single Country Risk**
The Fund may invest in securities of a single or a limited number of countries. Where the Fund invests in a single or a few, select countries, it will be exposed to fluctuations in the economies of these countries, and the market, currency, political, social environment and other risks related specifically to these countries, which may affect the market price of its investments in these countries. Exposure to a single or limited number of countries also increases the potential volatility of the Fund due to the increased concentration risk as they are less diversified compared to exposure to specific regional or global markets.

FEES AND CHARGES

WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?		Refer to paragraph 8 of the Singapore Prospectus for further information on the fees and charges of the product.
<u>Payable by Unit Holder</u>		
Application Fee	Currently up to 5%. Maximum 10%.	
Switching Fee	Currently up to 1%. Maximum 7%. Units of the Fund may be switched into units of any other funds managed by the Manager or managed by any entity within the CIMB-Principal Group, which is approved for investment in Singapore (whether such fund is authorised or recognised). Switching may be carried out only between Units of the same currency class, unless otherwise permitted by the Manager.	
Withdrawal Fee / Redemption Fee	Nil	
Investors should note that subscriptions for Units through any distributor appointed by the Manager may incur additional fees and charges. Investors are advised to check with the relevant distributor if such fees and charges are imposed by the distributor.		

Payable by the Fund to Manager and Trustee	
Annual management fee	Currently up to 1.5% p.a. Maximum 1.5% p.a.
Annual trustee fee	Currently up to 0.05% p.a. (including local custodian fees and charges but excluding foreign sub-custodian fees and charges). Maximum 0.05% p.a. The foreign sub-custodian fee is dependent on the country invested.
All fees and charges payable by the investor and the Fund are subject to any applicable taxes (including but not limited to GST) and/or duties as may be imposed under any applicable laws or by any other regulatory authorities from time to time.	

VALUATIONS AND EXITING FROM THIS INVESTMENT

<p>HOW OFTEN ARE VALUATIONS AVAILABLE?</p> <ul style="list-style-type: none"> The indicative Net Asset Value per Unit of the Class SGD of the Fund will be displayed daily on the Singapore Representative's website at www.cimb-principal.com.sg. The actual prices quoted will generally be published one (1) Business Day after the relevant Dealing Day on the Singapore Representative's website. <p>HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?</p> <ul style="list-style-type: none"> You may redeem your Units on any Dealing Day and Units are redeemed on a forward pricing basis. Redemption forms received and accepted by the appointed distribution agents on or before 4.00p.m. Singapore time on a Dealing Day will be redeemed at that Dealing Day's redemption price. Redemption forms received after 4.00p.m. Singapore time or on a day which is not a Dealing Day shall be treated as having been received on the next Dealing Day. Redemption proceeds shall normally be directly credited or be paid by cheque within seven (7) Business Days of receipt and acceptance of the Redemption Request by the Manager or ten (10) calendar days, whichever is lesser, unless the redemption of Units has been suspended in accordance with paragraph 15 of the Singapore Prospectus. The redemption proceeds that you will receive based on a redemption of 1,000 Units and a notional redemption price of SGD1.1000: <table border="1" style="margin-left: 20px;"> <tr> <td>e.g.</td> <td>1,000 Units</td> <td>x</td> <td>SGD1.1000</td> <td>=</td> <td>SGD1,100</td> </tr> <tr> <td></td> <td>Your redemption request</td> <td></td> <td>Redemption Price</td> <td></td> <td>Your Redemption Proceeds</td> </tr> </table> <ul style="list-style-type: none"> You may cancel your Units within 6 Business Days from the date of initial subscription without incurring any charges. Full details relating to the cancellation of Units can be found in the terms and conditions for cancellation of Units attached to the application form for the subscription of Units in the Fund. 	e.g.	1,000 Units	x	SGD1.1000	=	SGD1,100		Your redemption request		Redemption Price		Your Redemption Proceeds	<p>Refer to paragraphs 10.8, 12 and 14 of the Singapore Prospectus for further information on valuation and exiting from the product.</p>
e.g.	1,000 Units	x	SGD1.1000	=	SGD1,100								
	Your redemption request		Redemption Price		Your Redemption Proceeds								

CONTACT INFORMATION

<p>HOW DO YOU CONTACT US?</p> <p>If you have questions concerning the Fund or your investment in the Fund, you may call the Singapore Representative at telephone number (65) 6210 8488.</p>	
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APPENDIX: GLOSSARY OF TERMS

“ASEAN”	Association of Southeast Asian Nations.
“ASEAN CIS Framework”	Framework for cross-border public offers of Qualifying CIS.
“Business Day”	Mondays to Fridays on any day that (i) commercial banks in Singapore and Malaysia (including Kuala Lumpur and Selangor) are open for business; and (ii) the stock exchange of Malaysia (Bursa Malaysia) is open for trading.
“CIS”	Refers to collective investment schemes as defined under the SC Guidelines.
“Dealing Day”	In connection with the issuance and redemption of Units of a particular Class, means every Business Day or such other Business Day or Business Days or such other day or days at such intervals as the Manager may determine from time to time.
“GST”	Refers to the tax levied on goods and services pursuant to the Home Jurisdiction and/or a Host Jurisdiction (as the case may be).
“Long-term”	Refers to a period of five (5) years or more.
“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.
“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.
“SC”	Securities Commission Malaysia.
“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 collective investment schemes in ASEAN, as 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.

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