

## Information Memorandum

22 August 2024

# Principal Strategic Global Growth Fund

**Manager** : Principal Asset Management Berhad (199401018399 (304078-K))

**Trustee** : HSBC (Malaysia) Trustee Berhad (193701000084 (1281-T))

This Information Memorandum Issue No. 1 for the Principal Strategic Global Growth Fund is dated 22 August 2024.

The Fund was constituted on 12 June 2024.

The Securities Commission Malaysia has not authorised or recognised the Fund and a copy of this Information Memorandum has not been registered with the Securities Commission Malaysia.

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

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

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

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

# ABOUT THIS DOCUMENT

This is an information memorandum which introduces you to Principal Malaysia and the Fund, which is a wholesale fund. This Information Memorandum outlines in general the information you need to know about the Fund and is intended for the exclusive use by prospective Sophisticated Investors (as defined herein) who should ensure that all information contained herein remains confidential. The Fund is established with multi-class structure and has more than one (1) class.

This Information Memorandum is strictly private and confidential and solely for your own use. It is not to be circulated to any third party. No offer or invitation to purchase the units of the Fund, the subject of this Information Memorandum, may be made to anyone who is not a Sophisticated Investor.

If you have any questions about the Fund, please call our Customer Care Centre during business hour at (03) 7723 7260 or whatsapp at +6016 299 9792 between 8:45 a.m. and 5:45 p.m. (Malaysian time) on Mondays to Fridays.

Unless otherwise indicated, any reference in this Information Memorandum 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 Information Memorandum shall be a reference to that time, day or date in Malaysia, unless otherwise stated. Reference to “days” in this Information Memorandum will be taken to mean calendar days unless otherwise stated.

As the base currency of the Fund is USD, please note that all references to currency amounts and NAV per unit in the Information Memorandum are in USD unless otherwise indicated.

**YOU SHOULD RELY ON YOUR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IF YOU ARE IN DOUBT, PLEASE CONSULT YOUR PROFESSIONAL ADVISERS IMMEDIATELY.**

**INVESTORS SHOULD BE AWARE THAT THE CAPITAL OF THE FUND WILL BE ERODED WHEN THE FUND DECLARES DISTRIBUTION OUT OF CAPITAL AS THE DISTRIBUTION IS ACHIEVED BY FORGOING THE POTENTIAL FOR FUTURE CAPITAL GROWTH AND THIS CYCLE MAY CONTINUE UNTIL ALL CAPITAL IS DEPLETED.**

# DEFINITIONS

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

Application Fee	- Preliminary charge on each investment.
AUD	- Australian Dollar.
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	- Collective investment scheme.
Class	- Any class of units representing similar interest in the assets of the Fund.
Class AUD	- The Class issued by the Fund denominated in AUD.
Class GBP	- The Class issued by the Fund denominated in GBP.
Class MYR	- The Class issued by the Fund denominated in MYR.
Class MYR-Hedged	- The Class issued by the Fund denominated in MYR that aims to minimize the effect of exchange rate fluctuations between the base currency of the Fund (i.e. USD) and MYR.
Class SGD	- The Class issued by the Fund denominated in SGD.
Class USD	- The Class issued by the Fund denominated in USD.
CMSA	- Capital Markets and Services Act 2007.
Commencement Date	- The next Business Day immediately following the end of the initial offer period of the respective Class.
Deed	- The principal 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 Deed.
Deposit	- As per the definition of “deposit” in the Financial Services Act 2013 and “Islamic deposit” in the Islamic Financial Services Act 2013.
Distributor	- Any relevant persons and bodies appointed by Principal Malaysia from time to time, who are responsible for selling units of the Fund, including Principal Distributors and IUTAs.
Eligible Market	- An exchange, government securities market or an over-the-counter market that is regulated by a regulatory authority of the jurisdiction, that is open to the public or to a substantial number of market participants, and on which financial instruments are regularly traded.
Fund or SGGF	- Principal Strategic Global Growth Fund.
GLOLA	- SC Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework.
GBP	- Great British Pound.
IMS	- Investment Management Standards issued by the Federation of Investment Managers Malaysia.
Information Memorandum	- Refers to the information memorandum in respect of the Fund and includes any supplemental information memorandum or replacement information memorandum, as the case may be.
IUTA	- Refers to “Institutional Unit Trust Schemes Adviser”, a corporation registered with Federation of Investment Managers Malaysia and authorised to market and distribute unit trust schemes of another party.
LPD	- Latest Practicable Date, i.e. 31 May 2024, in which all information provided herein, shall remain current and relevant as at such date.
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 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.
MYR	- Malaysian Ringgit.
NAV	- Net Asset Value.
NAV of the Class	- The NAV of a Class is the NAV of the Fund attributable to a Class at the same valuation point.
NAV of the Fund	- 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 and annual Trustee Fee, the NAV of the Fund should be inclusive of the Management Fee and Trustee Fee for the relevant day.
NAV per unit	- The NAV attributable to a Class divided by the number of units in circulation for that Class, at the valuation point.
OTC	- Over-the-counter.

PFG	-	Principal Financial Group, Inc..
Principal Distributors	-	Refers to the authorised unit trust scheme consultants registered with Principal Malaysia.
Principal Malaysia, the Manager, we or us	-	Principal Asset Management Berhad.
RSP	-	Regular Savings Plan.
SC	-	Securities Commission Malaysia.
SGD	-	Singapore Dollar.
Sophisticated Investor	-	Refers to investors as we determine as qualified or eligible to invest in the Fund and that fulfil any laws, rules, regulations, restrictions or requirements imposed by the respective country's regulators where the Fund is open for sale. For investors in Malaysia, this refers to any person who: <ul style="list-style-type: none"> <li>(i) is determined to be a sophisticated investor under the SC's Guidelines on Categories of Sophisticated Investors, as amended from time to time; or</li> <li>(ii) acquires any capital market products specified under the GLOLA where the consideration is not less than MYR250,000 or its equivalent in foreign currencies for each transaction whether such amount is paid for in cash or otherwise.</li> </ul> and/or any other category(ies) of investors as may be permitted by the SC from time to time. <b>Note:</b> For more information, please refer to our website at <a href="http://www.principal.com.my">www.principal.com.my</a> for the current and/or updated the definition and categories of "Sophisticated Investor".
Special Resolution	-	A resolution passed by a majority of not less than three-fourth (3/4) of the Unit holders of the Fund or a Class, as the case may be, voting at a meeting of Unit holders duly convened and held in accordance with the provisions of the Deed.
Sub-Manager	-	A fund management company/asset management company that assumes all/or part of the investment function role of Principal Malaysia. Currently, the Sub-Manager for the Fund is Principal Global Investors, LLC.
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.
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.
Unit holder	-	The registered holder for the time being of a unit of any Class including persons jointly registered.
USA	-	United States of America.
USD	-	United States Dollar.
Wholesale Fund	-	A unit trust scheme established in Malaysia where the units are to be issued, offered for subscription or purchase, or for which invitations to subscribe for or purchase the units are to be made, exclusively to Sophisticated Investor.
Withdrawal Penalty	-	A penalty levied upon withdrawal under certain terms and conditions (if applicable).

**Note:** Unless the context otherwise requires, words importing the singular number should include the plural number and vice versa.

# TABLE OF CONTENTS

DEFINITIONS .....	ii
<b>1. FUND INFORMATION .....</b>	<b>1</b>
1.1. PRINCIPAL STRATEGIC GLOBAL GROWTH FUND.....	1
1.2. PERMITTED INVESTMENTS.....	2
1.3. INVESTMENT RESTRICTIONS AND LIMITS .....	2
1.4. APPROVALS AND CONDITIONS.....	2
1.5. FINANCING .....	2
1.6. SECURITIES LENDING .....	3
1.7. RISK FACTORS .....	3
<b>2. FEES, CHARGES AND EXPENSES .....</b>	<b>5</b>
2.1. CHARGES .....	5
2.2. FEES AND EXPENSES .....	5
2.3. REBATES AND SOFT COMMISSIONS .....	7
<b>3. TRANSACTION INFORMATION .....</b>	<b>8</b>
3.1. VALUATION OF INVESTMENTS PERMITTED BY THE FUND .....	8
3.2. UNIT PRICING .....	9
3.3. INCORRECT PRICING.....	11
3.4. INVESTING.....	11
3.5. MINIMUM INVESTMENTS.....	12
3.6. MINIMUM WITHDRAWALS.....	12
3.7. MINIMUM BALANCE .....	12
3.8. COOLING-OFF PERIOD .....	13
3.9. SWITCHING.....	13
3.10. TRANSFER FACILITY.....	13
3.11. TEMPORARY SUSPENSION .....	13
3.12. DISTRIBUTION PAYMENT .....	13
3.13. UNCLAIMED MONEYS .....	14
<b>4. ADDITIONAL INFORMATION .....</b>	<b>15</b>
4.1. FINANCIAL YEAR-END.....	15
4.2. INFORMATION ON YOUR INVESTMENT.....	15
4.3. TERMINATION OF FUND AND/OR ANY OF THE CLASSES.....	15
4.4. RIGHTS, LIABILITIES AND LIMITATIONS OF UNIT HOLDERS.....	15
4.5. DOCUMENTS AVAILABLE FOR INSPECTION .....	16
4.6. POTENTIAL CONFLICTS OF INTERESTS AND RELATED-PARTY TRANSACTIONS .....	16
4.7. INTERESTS IN THE FUND.....	17
4.8. EMPLOYEES' SECURITIES DEALINGS.....	17
<b>5. THE MANAGER .....</b>	<b>18</b>
5.1. ABOUT PRINCIPAL ASSET MANAGEMENT BERHAD.....	18
<b>6. SUB-MANAGER OF THE FUND .....</b>	<b>19</b>
6.1. ABOUT PRINCIPAL GLOBAL INVESTORS, LLC.....	19
<b>7. THE TRUSTEE .....</b>	<b>20</b>
7.1. ABOUT HSBC (MALAYSIA) TRUSTEE BERHAD .....	20
<b>ANNEXURE – CLASS USD .....</b>	<b>21</b>
<b>ANNEXURE – CLASS MYR .....</b>	<b>24</b>
<b>ANNEXURE – CLASS MYR-HEDGED .....</b>	<b>27</b>

# 1. FUND INFORMATION

## 1.1. PRINCIPAL STRATEGIC GLOBAL GROWTH FUND

<b>Fund Category/Type</b>	: Mixed Asset / Growth & Income
<b>Fund Objective</b>	: The Fund aims to provide long term capital appreciation and income through investments that invests in the global markets. <i>We will require your approval if there is any material change to the Fund's investment objective.</i>
<b>Benchmark</b>	: 70% of MSCI ACWI Index and 30% of Bloomberg Global Aggregate USD unhedged. <b>Note:</b> <i>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.</i>
<b>Distribution Policy</b>	: 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 13 for information on the distribution payment.

### Base Currency and Classes

The base currency of the Fund is USD.

Please note that the Fund is established as a multi-class fund 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 shall have 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, you should note that the assets of the Fund are pooled for investment purpose.

Currently, the Classes below are available for sale. Please refer to the Annexure for further details on the Classes. 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 [www.principal.com.my](http://www.principal.com.my). When in doubt, you should consult professional advisers for a better understanding of the multi-class structure before investing in the Fund.

### Initial Offer Period and Initial Offer Price

Name of Class	Launch Date*	Initial offer period	Initial offer price per unit
Class USD	22 August 2024	Up to 21 days	USD 1.0000
Class MYR	22 August 2024	Up to 21 days	MYR 1.0000
Class MYR-Hedged	22 August 2024	Up to 21 days	MYR 1.0000
Class AUD	Effective Date <sup>1</sup>	Up to 21 days	AUD 1.0000
Class GBP	Effective Date <sup>1</sup>	Up to 21 days	GBP 1.0000
Class SGD	Effective Date <sup>1</sup>	Up to 21 days	SGD 1.0000

\* We have the discretion to determine the launch date, which shall be the same date as stated above or such other date as may be determined by us.

**Note 1:** The Effective Date will be a date to be advised in the future through the issuance of a supplemental information memorandum.

For more details, you may contact our Customer Care Centre or Distributors; or visit our website at [www.principal.com.my](http://www.principal.com.my).

### Investment Policy and Strategy

The Fund will be actively managed with the aim of maximising the Fund's investment return. To achieve this, the Fund will invest in a diversified mix of asset classes such as equities, fixed income securities, exchange-traded funds, money market instruments and Deposit. The allocation into each asset class is determined by taking into consideration market views and the Manager's assessments. Generally, the Fund will seek investment exposure by investing into instruments such as collective investment schemes, exchange-traded funds and real estate investment trusts. The Fund may also invest directly in equity, equity-related securities, fixed income securities, money market instruments and Deposit.

The Fund's investment in fixed income securities will generally be restricted to fixed income instruments rated at least a minimum credit rating of "BBB-" by S&P or its equivalent rating by other international rating agencies and/or at least "A3" by RAM or equivalent rating by MARC or by local rating agency(ies) of the country ("Investment Grade Securities"). Nonetheless, up to 20% of the Fund's NAV may be invested in non-investment grade and/or unrated fixed income securities. We may utilize derivative instruments for hedging purposes.

The asset allocation strategy for this Fund is as follows:

- Up to 90% of the Fund's NAV may be invested in equities;
- Up to 60% of the Fund's NAV may be invested in fixed income securities; and
- Up to 5% of the Fund's NAV may be invested in liquid assets.

The Fund may take temporary defensive positions during adverse market conditions such as excessive volatility in the market or prolonged declines by gradually reducing its allocation in higher risk assets, such as equities and increase its allocation in lower risk assets such as Deposit to safeguard the Fund.

We have appointed Principal Global Investors, LLC ("PGI") as the Sub-Manager of the Fund. The Sub-Manager specializes in the global multi asset investment strategies and will be responsible for the investment management function of the Fund in accordance with the Fund's objective and within the investment parameters, restrictions, and limits of the Fund. All costs of this appointment will be borne by us to ensure no additional fee is levied on the Unit holders. For more information on the Sub-Manager, please refer to "Sub-Manager of the Fund" chapter on page 19.

The Fund adopts a liquidity risk management framework which sets out the governance standards, methodology and process for the oversight and management of liquidity risk. The framework outlines the responsibilities to assess and monitor liquidity risk of the Fund, and to ensure appropriate measures are taken to mitigate the risk. The liquidity risk management framework that we have put in place is as follows:

- Regular review by the designated fund manager on the Fund's investment portfolio to maintain healthy liquidity level.
- Periodic assessments are carried out on the Fund's liquidity profile (under both normal and stress market conditions) and on the concentration of unitholders. These assessments allow the Fund to be proactively managed to mitigate liquidity concerns that may arise in the ordinary course of portfolio management as well as in relation to the Fund's ability to meet unitholders' withdrawal requests.
- Suspension of withdrawal requests due to exceptional circumstances. During the suspension period, withdrawal requests will not be accepted and in the event we have earlier accepted the withdrawal requests prior to the suspension is declared, the withdrawal requests will be dealt on the next Business Day once the suspension is lifted. The action to suspend withdrawal requests from Unit holders shall be exercised only as a last resort by the Manager.

*Note: Please refer to Section 3.11 for more information.*

## **1.2. PERMITTED INVESTMENTS**

The Fund will invest in the following investments:

- Equities and fixed income securities traded in or under the rules of an Eligible Market;
- Unlisted equities, fixed income securities and unrated fixed income securities not listed or quoted on a stock exchange but have been approved by the relevant regulatory authority or government;
- Deposit and money market instruments;
- All types of CIS that is in line with the Fund's objective;
- Derivative instruments, including but not limited to options, futures contracts, forward contracts and swaps for hedging purposes; and
- Any other form of investments as may be determined by the Manager from time to time that is in line with the Fund's objectives.

## **1.3. INVESTMENT RESTRICTIONS AND LIMITS**

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

- Up to 90% of the Fund's NAV may be invested in equities;
- Up to 60% of the Fund's NAV may be invested in fixed income securities; and
- Up to 5% of the Fund's NAV may be invested in liquid assets.

## **1.4. APPROVALS AND CONDITIONS**

There is no exemption and/or variation to the GLOLA for the Fund.

## **1.5. FINANCING**

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

## 1.6. SECURITIES LENDING

Not applicable to the Fund.

## 1.7. RISK FACTORS

### 1.7.1 GENERAL RISKS OF INVESTING IN A FUND

Before investing, you should consider the following risk factors in addition to the other information set out in this Information Memorandum.

#### **Returns and capital not guaranteed**

The investment of the fund is subject to market fluctuations and its inherent risk. There is **NO GUARANTEE** on the investment which includes your investment capital and returns, nor any assurance that the fund's objective will be achieved. You should also note that the fund is neither a capital guaranteed fund nor a capital protected fund. However, we reduce this risk by ensuring diligent management of the assets of the fund based on a structured investment process.

#### **Market risk**

This 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.

#### **Inflation risk**

This is the risk that your investment in the 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 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 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 you being unable to service the financing payments. In the event units are used as collateral and if the prices of units fall below a certain level due to market conditions, you may be required to pay additional amount on top of your existing instalment. If you fail to do so within the time prescribed, your units may be sold at an unfavourable price and the proceeds thereof will be used towards the settlement of your financing.

#### **Liquidity risk**

Liquidity risk refers to the ease of liquidating an asset without causing market dislocation. This depends on the supply and demand as well as the asset's volume or amount traded in the market. If the fund holds assets that are illiquid or difficult to dispose of, the value of the fund and consequently the value of unitholders' investment in the fund may be negatively affected when the fund has to sell such assets at unfavourable prices.

### 1.7.2 SPECIFIC RISKS RELATED TO THE FUND

#### **Currency risk**

There are 2 levels of currency risk associated with the investment of this Fund:

- Currency risk at the Fund's portfolio level

As the investments of the Fund may be denominated in currencies other than the base currency of the Fund, any fluctuation in the exchange rate between the base currency of the Fund and the currencies in which the investments are denominated may have an impact on the value of these investments. You should be aware that if the currencies in which the investments are denominated depreciate against the base currency of the Fund, this will have an adverse effect on the NAV of the Fund and vice versa. You should note that any gains or losses arising from the fluctuation in the exchange rate may further increase or decrease the returns of the investment.

As currency risk is considered one of the major risks due to the volatile nature of the foreign exchange market, when deemed necessary, derivative instruments may be used to hedge the risk. If the Fund utilizes derivative instrument for hedging against the base currency of the Fund, you should note that as a result of hedging, the Fund will not be able to enjoy the full benefits in the event of a favorable currency movement.

- Currency risk at the Class level

You should be aware that currency risk is applicable to Class(es) which is denominated in a different currency than the base currency of the Fund. The impact of the exchange rate movement between the base currency of the Fund and the currency denomination of the respective Class(es) may result in a depreciation of the value of your holdings as expressed in the currency denomination of the respective Class(es).

As for a hedged Class, the hedged Class itself provides mitigation to the currency risk arising from the difference between the currency denomination of the Class and the base currency of the Fund. While we aim to fully hedge the currency risk for a hedged



Class, you should note that it may not entirely eliminate currency risk. In addition, you should note that, as a result of hedging, a hedged Class will not be able to enjoy the full benefits of the currency movement in the event of a favourable movement of the currency denomination of the hedged Class against the base currency of the Fund. You should also note that hedging incurs costs, in which will impact the NAV of a hedged Class.

#### **Country risk**

Investments of the Fund in any country may be affected by changes in the economic and political climate, restriction on currency repatriation or other developments in the law or regulations of the countries in which the Fund invests in. For example, the deteriorating economic condition of such countries may adversely affect the value of the investments undertaken by the Fund in those affected countries. This in turn may cause the NAV of the Fund to fall.

#### **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.

#### **Credit and default risk**

The Fund will be exposed to a certain degree of credit and default risk of issuers or counterparties when the Fund invests in debt securities, money market instruments and/or places in Deposits. Credit risk relates to the creditworthiness of an issuer or counterparty and its expected ability to make timely payment of interest and/or principal. Any adverse situations faced by the issuers or counterparties may impact the value as well as liquidity of the investments. In the case of rated debt securities and money market instruments, this may lead to a credit downgrade. Default risk relates to the risk that an issuer or counterparty either defaulting on payments or failing to make payments in a timely manner which will in turn adversely affect the value of the investments. This could adversely affect the value of the Fund. We aim to mitigate this risk by performing bottom-up and top-down credit research and analysis to determine the creditworthiness of the issuers or counterparties, and impose investment limits on exposures to issuers or counterparties with different credit profiles as a precautionary step to limit any loss that may arise directly or indirectly as a result of a defaulted exposure.

#### **Interest rate risk**

Interest rate risk refers to the impact of interest rate changes on the valuation of debt securities and money market instruments. When interest rates rise, debt securities and money market instruments prices generally decline and this may lower the market value of the Fund's investment in debt securities and money market instruments. In managing the debt securities, we take into account the coupon rate and time to maturity of the debt securities with an aim to mitigate the interest rate risk. As for money market instruments, the typical tenor of these instruments are less than 12-month maturity and unlike debt securities, any change to interest rate will only have a minor impact to the prices of these instruments.

#### **Risk associated with investing in CIS**

The Fund may invest into CIS, in which the CIS's management company has absolute discretion over the CIS's investment technique and knowledge, operational controls and management. In the event of mismanagement of the CIS and/or the management company, the NAV of the Fund, which invests into those CIS would be affected negatively. Should the situation arise, we will seek for another CIS that is consistent with the objective of this Fund.

**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 investments in the Fund may be exposed to other risks from time to time. Please consult your 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.

#### 2.1.1. Application Fee

When applying for units 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.

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)	3.00%	3.00%
Units issued to Unit holder		
= $\frac{\text{Investment amount}}{\text{NAV per unit}}$	= $\frac{\text{USD 10,000.00}}{\text{USD 1.0000}}$	= $\frac{\text{MYR 10,000.00}}{\text{MYR 1.0000}}$
	= 10,000 units	= 10,000 units
Application Fee per unit		
= NAV per unit x Application Fee (%)	= USD 1.0000 x 3.00%	= MYR 1.0000 x 3.00%
	= USD 0.0300	= MYR 0.0300
Total Application Fee	= 10,000 units x USD 0.0300 = <b>USD 300.00</b>	= 10,000 units x MYR 0.0300 = <b>MYR 300.00</b>

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

#### 2.1.2. Withdrawal Penalty

Withdrawal Penalty is chargeable if a withdrawal is made within three (3) months from the Commencement Date. Thereafter, no Withdrawal Penalty will be charged. All Withdrawal Penalty will be retained by the Fund. Please refer to the Annexure of the respective Class for further information.

#### 2.1.3. 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(es)). 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(es)). Switching Fee will not be charged if the Class or Principal Malaysia's fund (or its class(es)) 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.

#### 2.1.4. Transfer Fee

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

### 2.2. FEES AND EXPENSES

All fees and 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 and/or benefits from currency hedging of the respective Class(es) and the cost of Unit holders' meeting held in relation to the respective Class. If in doubt, you should consult professional advisers for a 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 the below Management Fee of 1.80% per annum and USD 150 million each for both Class ABC and Class XYZ:-

	Class ABC (Denominated in USD) (USD)	Class XYZ (Denominated in MYR) (USD)
Management Fee	1.50% per annum	1.50% per annum
NAV of the class	USD 150 million	USD 150 million
Management Fee for the day = NAV of the class x Management Fee rate for the class (%) / 365 days	= USD 150 million x 1.50% / 365 = USD 6,164.38	= USD 150 million x 1.50% / 365 = USD 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 fees 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 up to 0.045% per annum for the Fund.

Below is an illustration on how the Trustee Fee is calculated, assuming the NAV of the Fund is USD 300 million:-

Trustee Fee for the Fund = 0.045% per annum  
 Trustee Fee for the day = NAV of the Fund x annual Trustee Fee rate for the Fund (%) / 365 days  
 = USD 300 million x 0.045% / 365  
 = USD 369.86

**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. Other expenses which are directly related and necessary to the operation and administration of the Fund may be charged to the Fund. These would include (but are not limited to) the following:

- commissions or fees paid to brokers or dealers (if any) in effecting dealings in the investments of the Fund, shown on the contract notes or confirmation notes or difference account;
- taxes and other duties charged on the Fund by the government and other authorities (if any) and bank fees;
- fees and other expenses properly incurred by the auditor and tax agent of the Fund;
- fees incurred for the fund valuation and accounting of the Fund performed by a fund valuation agent;
- costs incurred for the modification of the Deed otherwise than for our benefit or the Trustee's;
- costs incurred for any meeting of the Unit holders other than those convened for our benefit or the Trustee's;
- the sale, purchase, insurance and any other dealing of investment including commissions or fees paid to brokers;
- costs involved with external specialist approved by the Trustee in investigating or evaluating any proposed investment;
- the engagement of valuer, adviser or contractor of all kinds;
- preparation and audit of the taxation returns and accounts of the Fund;
- termination of the Fund or 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 the Trustee or the Manager, or commenced by either of them for the benefit of the Fund or that Class (except to the extent that legal costs incurred for the defence of either of them are ordered by the court not to be reimbursed out of the Fund);
- remuneration and out of pocket expenses of the person(s) or members of a committee undertaking the oversight function of the Fund, unless we decide to bear the same;
- expenses incurred in the printing of and postage of the annual and quarterly (if any) reports, including the purchase of stationery;
- (where the custodial function is delegated by the Trustee to a foreign sub-custodian), charges or fees paid to the foreign sub-custodian;
- all costs and/or expenses associated with the distributions 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;
- cost of obtaining experts opinion by the Trustee and us for the benefit of the Fund or Class; and
- costs of printing and dispatching to Unit holders the accounts of the Fund, tax certificates, distribution warrants, notices of meeting of Unit holders, newspaper advertisement and such other similar costs as may be approved by the Trustee.

Expenses not authorised by the Deed must be borne by us or the Trustee, 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. We will ensure that there is no double charging of management fee. All expenses of the Fund will generally be apportioned to each Class based on the MCR except for those that are related to the specific Class only, such as, the cost and/or benefits from currency hedging of

the respective Classes and the costs of Unit holders meeting held in relation to the respective Class. If in doubt, you should consult professional advisers for a better understanding.

Subject always to the provisions of the Deed and GLOLA, we reserve our sole and absolute discretion without providing any reason whatsoever and at any time to amend, vary, waive and/or reduce the fees and charges (except for the Trustee Fee), whether payable by the Fund or Class, payable by you to the Fund or Class or payable by any other investors to the Fund.

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 Sophisticated Investors) or specifically (for any particular Sophisticated Investor, a group of Sophisticated 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, the Sub-Manager and the Trustee will not retain any form of rebate from, or otherwise share in any commission with, any broker or dealer in consideration for directing dealings in the investments of the Fund. Accordingly, any rebate or shared commission will be directed to the account of the Fund.

We may retain goods and services (soft commission) provided by any broker or dealer if the following conditions are met:

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

**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 this Information Memorandum.**

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

# 3. TRANSACTION INFORMATION

## 3.1. VALUATION OF INVESTMENTS PERMITTED BY THE FUND

We will ensure that all the assets of the Fund are valued in a fair manner. The assets of the Fund are valued as follows:

- **Listed securities**

The value of any 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 securities, then the 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 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 securities has been suspended for a period exceeding fourteen (14) days or such shorter period as determined 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 securities**

The valuation of 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 equities. The value will be determined by the financial institution that issued the instrument.

- **Unlisted fixed income securities**

Where we are of the view that the price quoted by BPA for a specific unquoted fixed income security differs from the market price by more than 20 basis points, we may propose a fair value price, provided that we obtain necessary internal approvals to use non-BPA price and keep an audit trail of the basis and decisions made for using a non-BPA price. Furthermore, we will ensure that the basis for determining the fair value of the investment is approved by the Trustee (after appropriate technical consultation) and is documented.

The value of any unlisted non MYR-denominated bonds shall be calculated daily using prices quoted by ICE, Refinitiv, IHS Markit Ltd or Bloomberg, dependent on the asset class and market using their proprietary methodology. The bond prices are calculated using prices contributed by financial institutions and other market inputs, including benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data (e.g. corporate action announcements and ratings). Where the prices are not available on any Business Day, these bonds will be valued by reference to the average indicative yield quoted by three (3) independent and reputable financial institutions. However, where quotations are still not available, such unlisted non MYR-denominated bonds 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.

- **CIS**

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

- **Money market instruments**

Valuation of money market instruments such as negotiable instrument of deposits and commercial papers shall be valued by reference to the quotes provided by independent and reputable pricing source(s), which is deemed fair value, includes but not limited to Bond Pricing Agency (“BPA”) registered by the Securities Commission. Where the quotes are provided by financial institutions, the valuation of the money market instruments will be based on the average of bid and offer prices quoted by three (3) independent and reputable financial institutions of similar standing at the close of trading. The valuation method is verified by the auditor and approved by the Trustee.

- **Deposits**

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

- **Unlisted derivative instruments**

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

If the value of the Fund’s assets is denominated in a currency other than USD, the assets are translated on a daily basis to USD based on the bid foreign exchange rate quoted by either Refinitiv or Bloomberg, at UK time 4:00 p.m. on the same day (Malaysian time 11:00 p.m. or 12:00 a.m.), or such other time as we may determine or as per the IMS.

### 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 application 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 on the same Business Day. For transactions made after 4:00 p.m. on a Business Day, we will process the transactions using the NAV per unit on the next Business Day.

We will carry out the valuation for the Classes for a Business Day on the next Business Day (T+1) by 4:00 p.m. This is to cater for the currency translation of the foreign securities or instruments to the Fund's base currency based on the bid exchange rate quoted by Bloomberg or Refinitiv at UK time 4:00 p.m. on the same day (Malaysian time 11:00 p.m. or 12:00 a.m.), or such other time as stipulated in the IMS. The NAV per unit for a Business Day is available on our website at [www.principal.com.my](http://www.principal.com.my) after 5:30 p.m. on the following Business Day (T+1).

After the initial offer period, the Fund must be valued at least once every Business Day. The method of determining NAV per unit of the Class is calculated as follows:

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

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. USD. As such, all the assets and liabilities of each Class will be translated into USD for valuation purposes. The foreign exchange rate used for this purpose shall be the bid exchange rate quoted by Bloomberg or Refinitiv at UK time 4:00 p.m. (Malaysian time 11:00 p.m. or 12:00 a.m.), or such other time as stipulated in the IMS. 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.

#### 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 USD) 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 (USD)	Class ABC (Denominated in USD) (USD)	Class XYZ (Denominated in MYR) (USD)
NAV of the Fund before income and expenses	185,942,897.00	173,342,897.00	12,600,000.00
% MCR	100%	<sup>(1)</sup> 93.22%	<sup>(1)</sup> 6.78%
Add: Income	30,000.00	<sup>(2)</sup> 27,966.00	<sup>(2)</sup> 2,034.00
Less: Expenses	(10,000.00)	<sup>(2)</sup> (9,322.00)	<sup>(2)</sup> (678.00)
Benefits or costs of hedging (if any)	900.00	-	900.00
NAV of the Fund before Management Fee and Trustee Fee	185,963,797.00	173,361,541.00	12,602,256.00
Less: Management Fee	(7,642.35)	1.50% p.a. (7,124.45)	1.50% p.a. (517.90)
Less: Trustee fee	(229.27)	0.045% p.a. (213.73)	(15.54)
NAV of the Fund	185,955,925.38	173,354,202.82	12,601,722.56
Units in circulation	200,000,000.00 units	170,000,000.00 units	30,000,000.00 units
<b>NAV per unit</b>		<b>1.0197</b>	<b>0.4201</b>
Currency exchange rate		N/A	(USD/MYR) 0.3000
NAV per unit		<b>USD 1.0197</b>	<b>MYR 1.4002</b>

	Fund (USD)	Class ABC (Denominated in USD) (USD)	Class XYZ (Denominated in MYR) (USD)
NAV of the Fund before creation of units for the day	185,955,925.38	173,354,202.82	12,601,722.56
<sup>(3)</sup> Net subscription amount	1,300,000.00	1,000,000.00	300,000.00
Closing NAV	187,255,925.38	174,354,202.82	12,901,722.56
Units in circulation	201,694,966.30 units	170,980,680.59 units	30,714,285.71 units
NAV per unit		<b>1.0197</b>	<b>0.4201</b>
Currency exchange rate		N/A	(USD/MYR) 0.3000
NAV per unit		<b>USD 1.0197</b>	<b>MYR 1.4002</b>

**Note:**

<sup>(1)</sup> MCR computation

	Class ABC (Denominated in USD) (USD)	Class XYZ (Denominated in MYR) (USD)
<u>NAV of the Class x 100</u>	<u>173,342,897 x 100</u>	<u>12,600,000 x 100</u>
NAV of the Fund before income and expenses	185,942,897.00	185,942,897.00
	= 93.22%	= 6.78%

<sup>(2)</sup> Apportionment based on MCR is as follows:

	(USD)	Class ABC (Denominated in USD) (USD)	Class XYZ (Denominated in MYR) (USD)
Add: Income	30,000.00	MCR x Income = Income for Class ABC = 93.22% x USD 30,000.00 = USD 27,966.00	MCR x Income = Income for Class XYZ = 6.78% x USD 30,000.00 = USD 2,034.00
Less: Expenses	(10,000.00)	MCR x Expenses = Expenses for Class ABC = 93.22% x USD 10,000.00 = USD 9,322.00	MCR x Expenses = Expenses for Class XYZ = 6.78% x USD 10,000.00 = USD 678.00

<sup>(3)</sup> Net subscription amount

	Class ABC (Denominated in USD) (USD)	Class XYZ (Denominated in MYR) (USD)
Net subscription amount	USD 1,000,000.00	MYR 1,000,000.00
NAV per unit	USD 1.0197	MYR 1.4002
Number of units	980,680.59 units	714,285.71 units
Currency exchange rate	N/A	(USD/MYR) 0.3000
Net subscription amount*	USD 1,000,000	USD 300,000

\*Subscription amount net of any withdrawal amount.

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

### 3.3. INCORRECT PRICING

We shall take immediate remedial action to rectify any incorrect valuation and/or pricing of the Class. 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 Class for any withdrawal of units; and/or
  - (ii) you, if you have purchased units of the Class at a higher price; or
- b) in the event of under valuation and/or pricing, we shall reimburse:
  - (i) the Class for any subscription of units; and/or
  - (ii) you, if you have withdrawn units of the Class at a lower price.

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

- a) is equal to or more than 0.50% of the NAV per unit; and
- b) results in a sum total of MYR10.00 (or in the case of a foreign currency Class, 10.00 denominated in the foreign currency denomination of the Class) or more to be reimbursed to a Unit holder for each sale or withdrawal transaction.

We shall have the right to amend, vary or revise the aforesaid limits 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 a Sophisticated Investor who is:

- an individual who is at least eighteen (18) years of age and 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).

Notwithstanding the above, we have the right to accept or reject an application in whole or in part thereof without assigning any reason in respect thereof.

Further, if we become aware of a USA person (i.e. someone who has a USA address (permanent or mailing) or contact number) or USA entity (i.e. a corporation, trust, partnership or other entity created or organised in or under the laws of the USA 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-USA person or non-USA 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 Principal Malaysia's offices after completing the relevant application and attaching a copy of your identity card, passport or any other identification document (where applicable). We may request for additional supporting document(s) or information from you. Your application should 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 make a payment:

- by crossed cheque (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 us or our Distributors, where applicable; or
- by such other mode of payment that we and/or the relevant authorities may 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”)

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, directly 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 us or our Distributors to invest a pre-determined amount in the Class each month. You may cancel your RSP at any time by providing written instructions to us or our 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 and are Sophisticated Investor.

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.

**You should not make any payment directly or indirectly to any individual agent or employee of the Manager or issue a cheque in the name of an individual agent or employee of the Manager when purchasing this Fund.**

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

## 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 and accepted 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 and accepted the application after 4:00 p.m. on a Business Day, we will process it using the NAV per unit for the next Business Day. We will only process the complete applications, i.e. when we have received all the necessary and required information and/or documentations. The number of units you receive will be rounded to two (2) decimal places.

## 3.6. MINIMUM WITHDRAWALS

The minimum withdrawal amount 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 application and submit it to the relevant Distributor or Principal Malaysia’s offices. There is no restriction on the frequency of withdrawals. We will transfer the withdrawal proceeds to your bank account (or foreign currency bank account, as the case may be) provided by you.

### 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. on a Business Day, we will process it using the NAV per unit for the next Business Day. The amount that you will receive is calculated by the withdrawal value less the Withdrawal Penalty, if any. You will have to bear the applicable bank fees and charges, if any.

Under normal circumstances, you will be paid in the currency of the Class (e.g. Class USD Unit holders will be paid in USD) within seven (7) Business Days upon our 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 your entire investment and forward the proceeds to you.

### **3.8. COOLING-OFF PERIOD**

Individual Sophisticated Investors 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 same NAV per unit when the units were purchased or prevailing NAV per unit at the point of cooling-off (whichever is lower) ("Refund amount"). We will pay the Refund amount to you in the currency of the respective Class within seven (7) Business Days from the date we receive the completed 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 or a person registered with a body approved by the SC to deal in unit trust funds are not entitled to the cooling-off right.

### **3.9. SWITCHING**

We process a switch between the Classes of the Fund or between a Class and other Principal Malaysia's fund (or its classes), which should be denominated in the same currency. You may contact our Customer Care Centre for more information on the availability of switching. For information on the availability of switching, please refer to the Annexure of the respective Class.

To switch, simply complete a switch application and send to our Distributors or Principal Malaysia's offices. 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 and other Principal Malaysia's funds (or its classes).

#### **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 funds. 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. on a Business Day, 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) Business Day 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. However, we may refuse to register any transfer of unit at our absolute discretion. You may be charged a Transfer Fee for each transfer. Please refer to the Annexure of the respective Class for further information.

### **3.11. TEMPORARY SUSPENSION**

We may temporarily suspend the dealing in units of the Classes or Fund, subject to the GLOLA 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 Classes 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 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 on the distribution date (the number of units will be rounded 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 valid and active 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).

The Fund may distribute from realised income, realised capital gains, unrealised income, unrealised capital gains, capital or a combination of any of the above. Distributions are at our discretion and are not guaranteed, and the making of any distribution does not imply that further distributions will be made and we reserve the right to vary the frequency and/or amount of distributions. Distribution out of capital is to allow the Fund the ability to distribute income according with the Fund's defined frequency or to pursue the investment objective of the Fund. The effects of making distribution out of capital has a risk of eroding the capital of the Fund.

After taking into consideration the level of capital and performance of the Fund and subject to healthy cash flow of the Fund, any distribution out of capital we make, we will ensure that proper decisions can be made in reducing cost and to ensure stability and sustainability of distribution of income for the Fund without generating any additional risk to the Fund.

Distribution out of capital represent a return or withdrawal of part of the amount of your original investment and/or capital gains attributable to the original investment and will result in a reduction in the NAV per unit of the Classes and reduce the capital available for future investment and capital growth. Future capital growth may therefore be constrained and the value of future returns would be diminished.

**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, realised gains and/or capital, as well as the performance of the Fund.

### 3.13. UNCLAIMED MONEYS

Any moneys payable to you which remain unclaimed after two (2) years as prescribed by the 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.

For income distribution payout to you by bank transfer, if any which 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 provided that 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 same 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 September.

### 4.2. INFORMATION ON YOUR INVESTMENT

We will send you the following:

- Monthly statement of your account showing details of transactions and distributions (if any); and
- Quarterly report and audited annual report showing snapshots of the Fund and details of the portfolio for the respective period reported. Both the quarterly 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.**

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](http://www.principal.com.my).

Please take note that if your investments are made through the 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 information from the IUTA.

### 4.3. TERMINATION OF FUND AND/OR ANY OF THE CLASSES

Subject to the provision set out below, the Fund and/or any of the Classes may be terminated or wound-up without the need to seek Unit holders' prior approval as proposed by us with the consent of the Trustee (whose consent shall not be unreasonably withheld) upon the occurrence of any of the following events, by giving not less than one (1) months' notice in writing to the Unit holders as hereinafter provided (i) if any law shall be passed which renders it illegal or (ii) if in our reasonable opinion it is impracticable or inadvisable to continue the Fund and/or Class. A Class may be terminated by Unit holders 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.

### 4.4. RIGHTS, LIABILITIES AND LIMITATIONS OF UNIT HOLDERS

The money you have invested in the Fund will purchase a certain number of units, which represents your interest in the Fund. Each unit held by you in the Fund represents an equal undivided beneficial interest in the assets of the Fund. However, the unit does not give you an interest in any particular part of the Fund 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 Fund on the Business Day the details are entered onto the register of Unit holders.

Please take note that if your investments are made through the Distributor (i.e. the 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).

#### **Rights**

As a Unit holder, you have the right, among others, 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 GLOLA;
- receive the distribution of the Class (if any), participate in any increase in the value of the units and to other rights and privileges as set out in the Deed;
- call for Unit holders' meetings under the following circumstances:
  - (i) to consider the most recent audited financial statements of the Fund;
  - (ii) to require the retirement or removal of the Manager or the Trustee;
  - (iii) to give to the Trustee such directions as the meeting thinks proper; or
  - (iv) to consider any other matter in relation to the Deed.
- vote for the removal of the Trustee or the Manager through a Special Resolution;
- receive annual and quarterly reports of the Fund; and
- exercise cooling-off right.

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

#### **Liabilities**

- Your liability is limited to the purchase price paid or agreed to be paid for a unit. You do not need to indemnify the Trustee or us in the event that the liabilities incurred by us and/or the Trustee in the name of or on behalf of the Fund pursuant to and/or in the performance of the provisions of the Deed exceed the value of the assets of the Fund.
- Any right of indemnity of us and/or the Trustee shall be limited to recourse to the Fund.

#### **Limitations**

You cannot:

- interfere with or question the exercise by the Trustee, or us on its behalf, of the rights of the Trustee as the registered owner of the assets of the Fund;
- claim any interest in the asset of the Fund; or
- require the asset of the Fund to be transferred to you.

**Note:** You may refer to the Deed for full details of your rights.

### **4.5. 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, if any;
- Information Memorandum and supplementary or replacement information memorandum, if any;
- The latest annual and quarterly 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; and
- Material contracts or documents disclosed in this Information Memorandum;

### **4.6. POTENTIAL CONFLICTS OF INTERESTS AND RELATED-PARTY TRANSACTIONS**

We (including our directors) will at all times act in your best interests 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 has financial interest in or from which we or our officer derives 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.

The Fund may maintain Deposits with CIMB Bank Berhad, CIMB Islamic Bank Berhad and CIMB Investment Bank Berhad. We may enter into transactions with other companies within PFG and CIMB Group 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 person(s) or members of a committee undertaking the oversight function of the Fund to ensure compliance to the relevant regulatory requirements.

Distributors may be our related party. We will ensure that any arrangement made with the Distributors will be at arm's length.

#### **The Trustee**

As the trustee and service provider 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 monies, transferable securities, etc);
- (2) where the Fund is being distributed by the related party of the Trustee as IUTA;
- (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's 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 the above and any 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 Unit holder or retain for its own benefit any profits or benefits derived from any such contract or transaction or act in the same or 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 Information Memorandum 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 Personal Account Dealing Policy, which regulates our 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 was incorporated on 13 June 1994 and is a joint venture between PFG and CIMB Group. Principal Malaysia has experience operating unit trust funds since 1994.

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 objectives;
- ensuring that the Fund has sufficient holdings in liquid assets;
- arranging for the sale and withdrawal 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 are there any facts likely to give rise to any proceedings which might materially affect the business/financial position of Principal Malaysia.

### 5.1.1. Designated person responsible for fund management function

<b>Name:</b>	Lee Chun Hong
<b>Designation:</b>	Chief Investment Officer, Equities – Malaysia
<b>Experience:</b>	Chun Hong has more than 19 years of experience in fund management and equity research. He joined Principal Malaysia in 2017 to manage unit trust funds and institutional mandates covering Malaysian and ASEAN markets. Prior to that, he was attached to Libra Invest Bhd managing and supervising Unit Trust and Research divisions that covered ASEAN and China-Hong Kong markets. He commenced his career in fund management industry at Public Mutual Bhd. He had research responsibilities for regional plantation and consumer sectors, as well as research country coverage of ASEAN markets. Subsequently, he moved on to portfolio management specialising on ASEAN markets. He started covering ASEAN markets since 2010. He was also previously with PricewaterhouseCoopers as an auditor. Chun Hong holds a Bachelor of Commerce (Accounting & Finance), Monash University, Clayton Campus. He is a Chartered Financial Analyst (CFA) charterholder.
<b>Qualifications:</b>	<ul style="list-style-type: none"><li>▪ Bachelor of Commerce (Accounting &amp; Finance) - Monash University, Clayton Campus.</li><li>▪ A CFA Charterholder.</li><li>▪ Ex-member of CPA Australia.</li></ul>

**Note:** For more information and/or updated information, please refer to our website at [www.principal.com.my](http://www.principal.com.my).

# 6. SUB-MANAGER OF THE FUND

## 6.1. ABOUT PRINCIPAL GLOBAL INVESTORS, LLC

We have appointed Principal Global Investors, LLC (“PGI”) as the Sub-Manager for the Fund. As the Sub-Manager, PGI is responsible for the investment management function of the Fund, which granted it with the discretion to manage, realize, invest, reinvest or howsoever deal with the Fund in accordance with the objective of the Fund. The Sub-Manager’s discretionary authority over the investments of the Fund is subject to the GLOLA and the internal policies and procedures. Principal Malaysia shall be responsible for the review, monitoring and oversight of PGI in the performance of its duties and obligations in respect of the Fund.

PGI is a global investment management leader and wholly-owned subsidiary of the Principal Financial Group® (“The Principal®”), a public company listed on the New York Stock Exchange under ticker symbol PFG. The Principal® was founded in 1879, began managing retirement assets in 1941, and today operates four primary business segments: Principal Global Investors, Retirement and Investor Services, Principal International, and Insurance Solutions.

PGI was formed as a Delaware Limited Liability Company in 1998 and became a registered investment advisor with the U.S. Securities and Exchange Commission on October 26, 1998 bringing together more than six decades of asset management experience of the company into a single organization. There have been no major organizational or ownership changes to the firm since inception.

The multi-boutique strategy of PGI enables it to provide comprehensive investment solutions for its clients and encompasses a growing network of specialized investment boutiques and teams with focused expertise in equities, fixed income, real estate, and asset allocation, as well as currency management, stable value management, and other structured investment strategies.

Given the size and scope of PGI’s operations, it is not uncommon for PGI to be involved in litigation, both as a defendant and as a plaintiff. However, PGI’s management does not believe that any pending litigation will have a material adverse effect on its business, financial position or net income.

### 6.1.1. Key person responsible for investment management function of the Fund

#### **Todd Jablonski – Portfolio Manager**

Todd Jablonski is the chief investment officer and head of multi-asset investment strategies and solutions for Principal Asset Management. He is responsible for the business, research, and investment management of Principal Asset Allocation. Jablonski oversees specialized multi-asset investment strategies and solutions, including target date, dynamic risk, outcome-oriented solutions, and bespoke multi-asset investments on behalf of global clients. He leads portfolio management, product development, and research capabilities, which include macro insights, manager research, and investment risk & analytics. He also serves as a Portfolio Manager on U.S. dynamic risk asset allocation strategies. In addition, Jablonski is a member of Principal Global Investors’ Operating Committee. In this capacity, he contributes to the overall vision and management of Principal Global Investors, including strategic planning and execution. He also serves on the board of directors of AFP Cuprum S.A. in Santiago, Chile. Jablonski joined Principal® in 2010. Previously, he was an Executive Director and Portfolio Manager at UBS, and prior to that, a Vice President and Portfolio Manager at Credit Suisse. He has an MBA with concentration in quantitative finance from New York University, a bachelor’s degree in economics from the University of Virginia and has earned the right to use the Chartered Financial Analyst designation.

#### **Yesim Tokat-Acikel – Portfolio Manager**

Yesim is a Managing Director, Portfolio Manager at Principal Asset Allocation and serves as the Head of Dynamic Risk Multi-Asset Strategies. Yesim joined the firm in 2023. Prior to her current role, Yesim served as a Managing Director, Head of Multi-Asset Research, Co-head of ESG, Portfolio Manager at PGIM. Prior to that, Yesim worked as a Vice President, Senior Quantitative Analyst at AllianceBernstein and as a Manager, Senior Investment Analyst for the Vanguard Group. She received a PhD in Economics from University of California, Santa Barbara, a master’s degree in Industrial Engineering from University of Arizona and a bachelor’s degree in Industrial Engineering from Bilkent University, Turkey.

#### **Raj Singh – Portfolio Manager**

Raj is a Hong Kong based Portfolio Manager at Principal Asset Allocation. He is responsible for the management of asset allocation portfolios and previously also managed fixed income portfolios. He joined Principal in 2016. Raj has extensive expertise in global cross asset investments and portfolio management encompassing multi-asset and fixed income. He has been in the financial industry since 2006. Previously, he was a Director, Portfolio Management, with Sun Life Hong Kong where he managed and developed solutions for general account funds. Prior to that, he worked at BEA Union Investment Management, helping to manage Multi-Asset and Pension portfolios. He has also worked with Credit Suisse, Singapore where he focused on building cross-asset trading systems. Raj received an M.B.A. from The Hong Kong University of Science & Technology with an International Exchange Program at the London Business School and a Bachelor of Engineering (Computer Science) from The Institute of Technology & Management, India. Raj has earned the right to use the Chartered Financial Analyst designation and is a member of the CFA Institute.

**Note:** For more information, updated information and/or change in sub-management arrangement (if any), please refer to our website at [www.principal.com.my](http://www.principal.com.my).



# 7. THE TRUSTEE

## 7.1. ABOUT HSBC (MALAYSIA) TRUSTEE BERHAD

HSBC (Malaysia) Trustee Berhad (the “Trustee”) 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 Level 19, Menara IQ, Lingkaran TRX, 55188 Tun Razak Exchange, Kuala Lumpur.

Since 1993, the Trustee has acquired experience in the administration of unit trusts and has been appointed as trustee for unit trust funds, exchange-traded funds, wholesale funds and funds under private retirement scheme.

### **Duties and Responsibilities of the Trustee**

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. 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, the CMSA and the GLOLA. 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, the CMSA and the GLOLA. In respect of monies paid by an investor for the application of units, the Trustee’s responsibility arises when the monies 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 (including personal data of the Unit holders, where applicable) for the purposes of performing its duties and obligations in accordance to the Deed, the CMSA, the GLOLA 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.

### **Trustee’s Delegate**

The Trustee has appointed The Hongkong and Shanghai Banking Corporation Ltd as 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 HSBC Bank Malaysia Berhad and/or 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 including central securities depositories or clearing and/or settlement systems in any circumstances.

### **Trustee’s Disclosure of Material Litigation**

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.

### **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 the Deed. 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.

# **ANNEXURE – CLASS USD**

This section is only a summary of the salient information about Class USD. You should read and understand the entire Information Memorandum before investing and keep the Information Memorandum for your records. In determining which investment is right for you, we recommend you speak to professional advisers. Principal Malaysia, member companies of the PFG, CIMB Group and the Trustee do not guarantee the repayment of your capital.

## CLASS INFORMATION

	Class USD	Page
Currency denomination	USD	
Distribution policy	<p>Depending on market conditions, performance of the Fund and level of income (if any) that the Fund generates, the Class will distribute on an annual basis. If the distribution available is too small or insignificant, any distribution may not be of benefit to the Unit holders 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 the Unit holders.</p> <p><b>Note:</b> The Fund may distribute income from realised income, realised capital gains, unrealised income, unrealised capital gains, capital and/or a combination of any of the above. We reserve the right to vary the frequency and/or amount of distributions.</p>	13

## FEES & CHARGES

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

Charges	Class USD	Page
Application Fee	Up to 3.00% of the NAV per unit.	5
Withdrawal Penalty	<p>Up to 1.00% of the NAV per unit.</p> <p>Withdrawal Penalty is chargeable if a withdrawal is made within three (3) months from the Commencement Date. Thereafter, no Withdrawal Penalty will be charged. All Withdrawal Penalty will be retained by the Fund.</p>	5
Switching Fee	<p>Switching is treated as a withdrawal from the Class and an investment into another Class or Principal Malaysia's fund (or its class). As such, you will 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, we may impose AUD35 administrative fee for every switch. You may negotiate to lower the Switching Fee and/or administrative fee with us or our Distributors. We also have the discretion to waive the Switching Fee and/or administrative fee.</p>	5
Transfer Fee	A maximum of AUD15 may be charged for each transfer.	5
Other charges payable directly by you when purchasing or withdrawing units	Any applicable bank charges and other bank fees incurred as a result of an investment or withdrawal will be borne by you.	6

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

Fees	Class USD	Page
Management Fee	Up to 1.50% per annum of the NAV of the Class.	5
Trustee Fee	Up to 0.045% per annum of the NAV of the Fund (including local custodian fees and charges but excluding foreign sub-custodian fees and charges).	6
Fund expenses	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.	6
Other fees payable indirectly by you when investing in the Fund	Nil	6

**Note:** Subject always to the provisions of the Deed and GLOLA, we reserve our sole and absolute discretion without providing any reason whatsoever and at any time to amend, vary, waive and/or reduce the fees and charges (except for the Trustee Fee), whether payable by the Fund or Class, payable by you to the Fund or payable by any other investors to the Fund.

## TRANSACTION INFORMATION

	Class USD	Page
<b>Minimum initial investment</b>	USD1,000 or such other amount as we may decide from time to time.	12
<b>Minimum additional investment</b>	USD100 or such other amount as we may decide from time to time.	12
<b>Minimum withdrawal</b>	100 units or such other number of units as we may decide from time to time.	12
<b>Minimum balance</b>	100 units or such other number of units as we may decide from time to time.	12
<b>Regular Savings Plan</b>	Currently, RSP is not available for this Class.	12
<b>Switching</b>	<p>Switching will be conducted based on the value of your investment in the Class. The minimum amount for a switch is subject to:</p> <ul style="list-style-type: none"> <li>▪ for switching out of the Class: <ul style="list-style-type: none"> <li>○ the minimum withdrawal applicable to the Class;</li> <li>○ the minimum balance required (after the switch) for the Class, unless you are withdrawing from the Class in entirety; and</li> <li>○ the Withdrawal Penalty of the Class (if any);</li> </ul> </li> <li>▪ for switching into the Class: <ul style="list-style-type: none"> <li>○ the minimum initial investment amount or the minimum additional investment amount (as the case may be) applicable to the Class; and</li> <li>○ the Switching Fee applicable for the proposed switch (if any).</li> </ul> </li> </ul> <p>You may negotiate to lower the amount for your switch with us or our Distributors.</p>	13
<b>Transfer facility</b>	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.	13

**Note:** We reserve our sole and absolute discretion without providing any reason whatsoever and at any time to accept, reject, amend, vary, waive and/or reduce (as the case maybe): (i) Your request for a lower amount or number of units when purchasing units (or additional units) or withdrawing units; and/or (ii) the minimum balance. 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.

We may for any reason and at any time, waive or reduce: (a) any fees (except for the Trustee Fee); (b) other charges payable by you to the Fund; and/or (c) transactional values including but not limited to the units or amount, for any Unit holder and/or investments made via any distribution channels or platform.

**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 you and/or the Fund as disclosed or illustrated in the Information Memorandum.**

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

# **ANNEXURE – CLASS MYR**

This section is only a summary of the salient information about Class MYR. You should read and understand the entire Information Memorandum before investing and keep the Information Memorandum for your records. In determining which investment is right for you, we recommend you speak to professional advisers. Principal Malaysia, member companies of the PFG, CIMB Group and the Trustee do not guarantee the repayment of your capital.

## CLASS INFORMATION

	Class MYR	Page
Currency denomination	MYR	
Distribution policy	Depending on market conditions, performance of the Fund and level of income (if any) that the Fund generates, the Class will distribute on an annual basis. If the distribution available is too small or insignificant, any distribution may not be of benefit to the Unit holders 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 the Unit holders.  <i>Note: The Fund may distribute income from realised income, realised capital gains, unrealised income, unrealised capital gains, capital and/or a combination of any of the above. We reserve the right to vary the frequency and/or amount of distributions.</i>	13

## FEES & CHARGES

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

Charges	Class MYR	Page
Application Fee	Up to 3.00% of the NAV per unit.	5
Withdrawal Penalty	Up to 1.00% of the NAV per unit. Withdrawal Penalty is chargeable if a withdrawal is made within three (3) months from the Commencement Date. Thereafter, no Withdrawal Penalty will be charged. All Withdrawal Penalty will be retained by the Fund.	5
Switching Fee	Switching is treated as a withdrawal from the Class and an investment into another Class or Principal Malaysia's fund (or its class). As such, you will 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, we may impose MYR100 administrative fee for every switch. You may negotiate to lower the Switching Fee and/or administrative fee with us or our Distributors. We also have the discretion to waive the Switching Fee and/or administrative fee.	5
Transfer Fee	A maximum of MYR50 may be charged for each transfer.	5
Other charges payable directly by you when purchasing or withdrawing units	Any applicable bank charges and other bank fees incurred as a result of an investment or withdrawal will be borne by you.	6

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

Fees	Class MYR	Page
Management Fee	Up to 1.50% per annum of the NAV of the Class.	5
Trustee Fee	Up to 0.045% per annum of the NAV of the Fund (including local custodian fees and charges but excluding foreign sub-custodian fees and charges).	6
Fund expenses	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.	6
Other fees payable indirectly by you when investing in the Fund	Nil.	

**Note:** Subject always to the provisions of the Deed and GLOLA, we reserve our sole and absolute discretion without providing any reason whatsoever and at any time to amend, vary, waive and/or reduce the fees and charges (except for the Trustee Fee), whether payable by the Fund or Class, payable by you to the Fund or payable by any other investors to the Fund.

## TRANSACTION INFORMATION

	Class MYR	Page
<b>Minimum initial investment</b>	MYR1,000 or such other amount as we may decide from time to time.	12
<b>Minimum additional investment</b>	MYR100 or such other amount as we may decide from time to time.	12
<b>Minimum withdrawal</b>	100 units or such other number of units as we may decide from time to time.	12
<b>Minimum balance</b>	100 units or such other number of units as we may decide from time to time.	12
<b>Regular Savings Plan</b>	RSP is available. The RSP allows you to make regular monthly investments of MYR100 or more, direct from your account held with a bank approved by us or our Distributors. The minimum initial investment for the RSP is MYR100 or such other amount as we may decide from time to time.	12
<b>Switching</b>	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"> <li>▪ for switching out of the Class: <ul style="list-style-type: none"> <li>○ the minimum withdrawal applicable to the Class;</li> <li>○ the minimum balance required (after the switch) for the Class, unless you are withdrawing from the Class in entirety; and</li> <li>○ the Withdrawal Penalty of the Class (if any);</li> </ul> </li> <li>▪ for switching into the Class: <ul style="list-style-type: none"> <li>○ the minimum initial investment amount or the minimum additional investment amount (as the case may be) applicable to the Class; and</li> <li>○ the Switching Fee applicable for the proposed switch (if any).</li> </ul> </li> </ul> <p>You may negotiate to lower the amount for your switch with us or our Distributors.</p>	13
<b>Transfer facility</b>	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.	13

**Note:** We reserve our sole and absolute discretion without providing any reason whatsoever and at any time to accept, reject, amend, vary, waive and/or reduce (as the case maybe): (i) Your request for a lower amount or number of units when purchasing units (or additional units) or withdrawing units; and/or (ii) the minimum balance. 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.

We may for any reason and at any time, waive or reduce: (a) any fees (except for the Trustee Fee); (b) other charges payable by you to the Fund; and/or (c) transactional values including but not limited to the units or amount, for any Unit holder and/or investments made via any distribution channels or platform.

**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 you and/or the Fund as disclosed or illustrated in the Information Memorandum.**

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

# **ANNEXURE – CLASS MYR-HEDGED**



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

## CLASS INFORMATION

	Class MYR-Hedged	Page
Currency denomination	MYR	
Distribution policy	Depending on market conditions, performance of the Fund and level of income (if any) that the Fund generates, the Class will distribute on an annual basis. If the distribution available is too small or insignificant, any distribution may not be of benefit to the Unit holders 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 the Unit holders.  <i>Note: The Fund may distribute income from realised income, realised capital gains, unrealised income, unrealised capital gains, capital and/or a combination of any of the above. We reserve the right to vary the frequency and/or amount of distributions.</i>	13

## FEES & CHARGES

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

Charges	Class MYR-Hedged	Page
Application Fee	Up to 3.00% of the NAV per unit.	5
Withdrawal Penalty	Up to 1.00% of the NAV per unit. Withdrawal Penalty is chargeable if a withdrawal is made within three (3) months from the Commencement Date. Thereafter, no Withdrawal Penalty will be charged. All Withdrawal Penalty will be retained by the Fund.	5
Switching Fee	Switching is treated as a withdrawal from the Class and an investment into another Class or Principal Malaysia's fund (or its class). As such, you will 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, we may impose MYR100 administrative fee for every switch. You may negotiate to lower the Switching Fee and/or administrative fee with us or our Distributors. We also have the discretion to waive the Switching Fee and/or administrative fee.	5
Transfer Fee	A maximum of MYR50 may be charged for each transfer.	5
Other charges payable directly by you when purchasing or withdrawing units	Any applicable bank charges and other bank fees incurred as a result of an investment or withdrawal will be borne by you.	6

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

Fees	Class MYR-Hedged	Page
Management Fee	Up to 1.50% per annum of the NAV of the Class.	5
Trustee Fee	Up to 0.045% per annum of the NAV of the Fund (including local custodian fees and charges but excluding foreign sub-custodian fees and charges).	6
Fund expenses	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.	6
Other fees payable indirectly by you when investing in the Fund	Nil.	

**Note:** Subject always to the provisions of the Deed and GLOLA, we reserve our sole and absolute discretion without providing any reason whatsoever and at any time to amend, vary, waive and/or reduce the fees and charges (except for the Trustee Fee), whether payable by the Fund or Class, payable by you to the Fund or payable by any other investors to the Fund.

## TRANSACTION INFORMATION

	Class MYR-Hedged	Page
<b>Minimum initial investment</b>	MYR1,000 or such other amount as we may decide from time to time.	12
<b>Minimum additional investment</b>	MYR100 or such other amount as we may decide from time to time.	12
<b>Minimum withdrawal</b>	100 units or such other number of units as we may decide from time to time.	12
<b>Minimum balance</b>	100 units or such other number of units as we may decide from time to time.	12
<b>Regular Savings Plan</b>	RSP is available. The RSP allows you to make regular monthly investments of MYR100 or more, direct from your account held with a bank approved by us or our Distributors. The minimum initial investment for the RSP is MYR100 or such other amount as we may decide from time to time.	12
<b>Switching</b>	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"> <li>▪ for switching out of the Class: <ul style="list-style-type: none"> <li>○ the minimum withdrawal applicable to the Class;</li> <li>○ the minimum balance required (after the switch) for the Class, unless you are withdrawing from the Class in entirety; and</li> <li>○ the Withdrawal Penalty of the Class (if any);</li> </ul> </li> <li>▪ for switching into the Class: <ul style="list-style-type: none"> <li>○ the minimum initial investment amount or the minimum additional investment amount (as the case may be) applicable to the Class; and</li> <li>○ the Switching Fee applicable for the proposed switch (if any).</li> </ul> </li> </ul> <p>You may negotiate to lower the amount for your switch with us or our Distributors.</p>	13
<b>Transfer facility</b>	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.	13

**Note:** We reserve our sole and absolute discretion without providing any reason whatsoever and at any time to accept, reject, amend, vary, waive and/or reduce (as the case maybe): (i) Your request for a lower amount or number of units when purchasing units (or additional units) or withdrawing units; and/or (ii) the minimum balance. 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.

We may for any reason and at any time, waive or reduce: (a) any fees (except for the Trustee Fee); (b) other charges payable by you to the Fund; and/or (c) transactional values including but not limited to the units or amount, for any Unit holder and/or investments made via any distribution channels or platform.

**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 you and/or the Fund as disclosed or illustrated in the Information Memorandum.**

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

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