

Date: 15 January 2020

Dear valued Unit Holder,

Notification on Fund Name Change

Earlier this year, we sent a “Notification Letter” to share with you our new company name – Principal Asset Management Berhad. At that time, we also shared that our fund names would be updated at a later date to reflect our new company name and positioning.

We are pleased to share that the following funds have been renamed with the issuance of its Replacement Master Prospectus (Islamic Funds) and Product Highlights Sheet (“PHS”). Please note that there may be other changes made on the disclosure of the funds, kindly refer to the enclosed Appendix for a summary of key amendments. For complete details, please refer to the Replacement Master Prospectus (Islamic Funds).

| Master Prospectus (Islamic Funds) Issue No. 11 dated 31 December 2019 | | | |
|---|---|--|----------|
| | Former Name | New Fund Name | |
| 1 | CIMB Islamic DALI Equity Growth Fund | Principal DALI Equity Growth Fund | DALI1 |
| 2 | CIMB Islamic DALI Equity Fund | Principal DALI Equity Fund | DALI2 |
| 3 | CIMB Islamic Al-Azzam Equity Fund | Principal Islamic Malaysia Opportunities Fund | iOP-MO |
| 4 | CIMB Islamic DALI Asia Pacific Equity Growth Fund | Principal DALI Asia Pacific Equity Growth Fund | DALI4 |
| 5 | CIMB Islamic Equity Aggressive Fund | Principal Islamic Enhanced Opportunities Fund | iOP-EO |
| 6 | CIMB Islamic Small Cap Fund | Principal Islamic Small Cap Opportunities Fund | iOP-SCO |
| 7 | CIMB Islamic Asia Pacific Equity Fund | Principal Islamic Asia Pacific Dynamic Equity Fund | iDY-APDE |
| 8 | CIMB Islamic Balanced Fund | Principal Islamic Lifetime Balanced Fund | iLI-B |
| 9 | CIMB Islamic Balanced Growth Fund | Principal Islamic Lifetime Balanced Growth Fund | iLI-BG |
| 10 | CIMB Islamic Enhanced Sukuk Fund | Principal Islamic Lifetime Enhanced Sukuk Fund | iLI-ES |
| 11 | CIMB Islamic Sukuk Fund | Principal Islamic Lifetime Sukuk Fund | iLI-S |
| 12 | CIMB Islamic Money Market Fund | Principal Islamic Money Market Fund | iMMF |
| 13 | CIMB Islamic Deposit Fund | Principal Islamic Deposit Fund | iDF |

You can find updated documents on our website at: <http://www.principal.com.my>. Or, stop by any of our offices / branches to obtain copies of the Replacement Master Prospectus (Islamic Funds) and PHS.

We look forward to providing you with best-in-class wealth management services through a full range of investment products. Should you require clarification or further information, please contact our Customer Care Centre at 03-7718 3000.

Thank you.

Principal Asset Management Berhad (304078-K)
(formerly known as CIMB-Principal Asset Management Berhad)
10th Floor Bangunan CIMB
Jalan Semantan Damansara Heights
50490 Kuala Lumpur Malaysia
T +603 2084 8888/ F +603 2084 8899
www.principal.com.my



Yours faithfully

For **Principal Asset Management Berhad**,
(formerly known as CIMB-Principal Asset Management Berhad)

A handwritten signature in black ink, appearing to read 'Munirah'.

MUNIRAH KHAIRUDDIN
Chief Executive Officer/ Executive Director

Appendix

The table below show the key amendments made to Master Prospectus (Shariah-compliant Funds) dated 30 June 2017. Please refer to the Master Prospectus (Islamic Funds) dated 31 December 2019 for further information on the amendments on Investment Policy and Principal Investment Strategy of the Fund.

Investment Policy and Principal Investment Strategy

| Disclosure in Master Prospectus (Shariah-compliant Funds) dated 30 June 2017 | Disclosure in Master Prospectus (Islamic Funds) dated 31 December 2019 |
|--|--|
| For iOP-SCO, | |
| <i>#With effective 1st September 2017, the Fund may invest up to 20% of its NAV in companies with market capitalization above three (3) billion Malaysian Ringgit but not more than five (5) billion Malaysian Ringgit at the point of purchase.</i> | #With effective 1 March 2020, the Fund may invest up to 20% of its NAV in companies with market capitalization above three (3) billion Malaysian Ringgit at the point of purchase. |
| For DALI2, DALI4, iDY-APDE and iLI-B, | |
| The threshold for 'significant operations' would be if more than 30% of total group revenue derives from countries in Asia Pacific ex Japan. | The threshold for 'significant operations' would be if more than 25% of total group revenue derives from countries in Asia Pacific ex Japan. |
| For iMMF, | |
| The Fund may invest in foreign markets where the regulatory authorities are ordinary or associate members of the IOSCO. | The Fund may invest up to 30% of its NAV in foreign markets where the regulatory authorities are ordinary or associate members of the IOSCO. |
| For iDF, | |
| Up to 5% of the Fund's NAV may be invested in Shariah-compliant money market instruments, short-term Sukuk and/or notes with a minimum credit rating of "A3" or "P1" by RAM or equivalent rating by MARC or by local rating agency(ies) of the country of issuance or "BBB-" by S&P or equivalent rating by Moody's or Fitch, all of which have a remaining maturity period of less than 365 days. | Up to 5% of the Fund's NAV may be maintained in cash. |

Additional risk has been added:

| |
|---|
| For DALI1, DALI2 and iDY-APDE, |
| Interest rate risk Interest rate risk refers to the impact of interest rate changes on the valuation of Sukuk and Islamic money market instruments. When interest rates rise, Sukuk and Islamic money market instruments prices generally decline and this may lower the market value of the Fund's investment in Sukuk and Islamic money market instruments. In managing the Sukuk, we take into account the coupon rate and time to maturity of the Sukuk with an aim to mitigate the interest rate risk. As for Islamic money market instruments, the typical tenor of these instruments are less than 12-month maturity and unlike Sukuk, any change to interest rate will only have a minor impact to the prices of these instruments. |
| For all funds (except for iMMF and iDF), |
| Risk associated with investing in CIS Since the Fund may invest into Islamic CIS, there is a risk of concentration into Islamic CIS, in which the Islamic CIS's management company has absolute discretion over the Islamic CIS's investment technique and knowledge, operational controls and management. In the event of mismanagement of the Islamic CIS and/or the management company, the NAV of the Fund, which invests into those Islamic CIS would be affected negatively. Should the situation arise, we will seek for another Islamic CIS that is consistent with the objective of this Fund. |