

Prospectus

14 April 2023

Principal Institutional Bond Fund 2

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

Trustee : Maybank Trustees Berhad (196301000109 (5004-P))

THIS IS A REPLACEMENT PROSPECTUS. THIS PROSPECTUS IS ISSUED TO REPLACE AND/OR SUPERSEDE THE PROSPECTUS ISSUE NO. 10 FOR THE PRINCIPAL INSTITUTIONAL BOND FUND 2 DATED 21 APRIL 2020.

This Prospectus issue No. 11 for the Principal Institutional Bond Fund 2 is dated 14 April 2023.

This Fund was constituted on 16 January 2006.

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

FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE “RISK FACTORS” COMMENCING ON PAGE 4.

ABOUT THIS DOCUMENT

This is a Prospectus which introduces you to Principal Malaysia and the Principal Institutional Bond Fund 2 (“Fund”). This Prospectus outlines in general the information you need to know to make an informed decision as to whether the Fund best suits your financial needs.

If you have any questions about the information in this Prospectus or would like to know more about investing in the Principal Malaysia family of unit trust funds, please contact our Customer Care Centre under the “Corporate Directory” section during our business hour between 8:45 a.m. and 5:45 p.m. (Malaysian time) on Mondays to Fridays.

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notices, legislations or statutes for the time being in force, as may be amended, varied, modified, updated, superseded and/or re-enacted from time to time.

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

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

PROSPECTUS DETAILS

Issue No.	11
Prospectus Date	14 April 2023

RESPONSIBILITY STATEMENTS

This Prospectus has been reviewed and approved by the directors of Principal Malaysia and they collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable enquiries, they confirm to the best of their knowledge and belief, that there are no false or misleading statements, or omission of other facts which would make any statement in this Prospectus false or misleading.

STATEMENTS OF DISCLAIMER

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

The authorisation of the Fund, and registration of this Prospectus, 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 Prospectus.

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

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

ADDITIONAL STATEMENTS

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

DEFINITIONS

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

Application Fee	- Preliminary charge on each investment.
BNM	- Bank Negara Malaysia.
Business Day	- Mondays to Fridays when Bursa Malaysia Securities Berhad is open for trading, and/or banks in Kuala Lumpur and/or Selangor are open for business.
CIS	- Collective investment schemes.
CMSA	- Capital Markets and Services Act 2007.
Deed	- The principal deed and all supplemental deed in respect of the Fund made between us and the Trustee, in which Unit holders agree to be bound by the provisions of the Deed.
Deposit	- As per the definition of “deposit” in the Financial Services Act 2013 and “Islamic deposit” in the Islamic Financial Services Act 2013. Note: <i>To exclude structured deposits.</i>
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 IUTA.
Eligible Market	- An exchange, government securities market or an OTC market that is regulated by a regulatory authority of that 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 IBF2	- Principal Institutional Bond Fund 2.
GUTF	- SC Guidelines on Unit Trust Funds.
IMS	- Investment Management Standards issued by the Federation of Investment Managers Malaysia.
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 December 2022, in which all information provided herein shall remain current and relevant as at such date.
Management Fee	- A percentage of the NAV of the Fund that is paid to the Manager for managing the portfolio of the Fund.
MARC	- Malaysian Rating Corporation Berhad.
NAV	- Net Asset Value.
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 (if any) and annual Trustee Fee (if any), the NAV of the Fund should be inclusive of the Management Fee and Trustee Fee for the relevant day.
NAV per unit	- The NAV of the Fund divided by the number of units in circulation, at the valuation point.
OTC	- Over-the-counter.
PFG	- Principal Financial Group Inc..
Principal Malaysia, the Manager, we or us	- Principal Asset Management Berhad.
Principal Distributors	- Refers to the unit trust scheme consultants registered with Principal Malaysia.
Prospectus	- Refers to this document issued by us describing the details of the Fund.
RAM	- RAM Rating Services Berhad.
MYR	- Malaysian Ringgit.
S&P	- Standard & Poor’s.
SC	- Securities Commission Malaysia.
Special Resolution	- A resolution passed by a majority of not less than 3/4 of Unit holders voting at a meeting of Unit holders. For the purpose of terminating or winding up a fund, a Special Resolution is passed by a majority in number representing at least 3/4 of the value of the units held by Unit holders voting at the meeting.
Transfer Fee	- A nominal fee levied for each transfer of units from one (1) Unit holder to another.
Trustee	- Maybank Trustees 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 the Fund including persons jointly so registered.
USA	- United States of America.
Withdrawal Fee	- A charge levied upon withdrawal under certain terms and conditions (if applicable).

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

CORPORATE DIRECTORY

The Manager

Principal Asset Management Berhad

Business address

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

Registered address

8th Floor Bangunan CIMB
Jalan Semantan
Damansara Heights
50490 Kuala Lumpur MALAYSIA
Tel : (603) 2084 8888

Customer Care Centre

Ground Floor Bangunan CIMB
Jalan Semantan
Damansara Heights
50490 Kuala Lumpur MALAYSIA
Tel : (03) 7723 7260
Fax : (03) 7718 3003
Whatsapp : (6016) 299 9792

Website

www.principal.com.my

E-mail

service@principal.com.my

The Trustee

Maybank Trustees Berhad

Registered and business address:

8th Floor, Menara Maybank
100, Jalan Tun Perak
50050 Kuala Lumpur
Tel : 03-2078 8833/03-2074 8952
Fax : 03-2070 9387
Email : mtb.ut@maybank.com.my
Website : www.maybank2u.com.my

Note: You may refer to our website for an updated information on our details.

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1. FUND INFORMATION

1.1. PRINCIPAL INSTITUTIONAL BOND FUND 2

Fund Category/Type	: Bond / Income.
Fund Objective	: The Fund aims to provide income to investors. <i>We will require your approval if there is any material change to the Fund's objective.</i>
Benchmark	: 3-month Kuala Lumpur Interbank Offered Rate (KLIBOR) for performance comparison purpose only. Note: <i>Information on the benchmark can be obtained from local national newspapers.</i>
Distribution Policy	: Distributions, if any, will be made four (4) times per annum at the end of each quarter of the year, i.e. March, June, September and December. Such distributions will depend on the availability of realised income and/or realised gains and at our discretion. We have the right to make provisions for reserves in respect of distribution of the Fund. You may refer to page 14 for information on the distribution payment.
Launch Date	: 15 February 2006

Investment policy and Strategy

The Fund will invest in Deposits and debt securities primarily in bonds. Debt securities includes but not limited to bonds, fixed rate and floating rate debt securities and/or commercial papers issued by the government, statutory authorities and/or companies. The debt securities that are issued in Malaysia are required to have a short-term credit rating of "P2" or a long-term credit rating of "A" issued by RAM or MARC equivalent, or if issued outside of Malaysia, requires a short-term credit rating of "A-2" or a long-term credit rating of "BBB" issued by S&P or equivalent rating by other international rating agencies.

At least 70% of the Fund's NAV will be invested in Malaysia; and up to 30% of the Fund's NAV may be invested in the Asia Pacific region (excluding Malaysia) in the Eligible Market which includes but not limited to Australia, New Zealand, South Korea, Hong Kong SAR, Indonesia, the Philippines, Thailand, Singapore, Taiwan and India.

- At least 60% of the Fund's NAV will be invested in debt securities primarily in bonds; and
- Up to 40% of the Fund's NAV will be invested in liquid assets such as Deposits and/or money market instruments.

We will manage the portfolio actively with trading frequency that will depend on the view of the global economy, future interest rates and yield curve. For example, the tenure of the debt securities could vary depending on the view of future yield curve. We will also decide on the credit risk that is worth taking. Further, the debt securities may also be swapped with another debt securities of similar credit and tenure if they offer higher yield and also as part of managing duration especially in anticipation of a change in interest rate or credit upgrades.

We may take a temporary defensive position when we believe the markets or the economies are experiencing excessive volatility, a prolonged general decline or when other adverse conditions may exist. Under these circumstances, the Fund may be unable to pursue its investment goal. In response to such adverse conditions or as part of risk management strategy, we may reduce holdings in longer tenured assets and channel these monies into shorter-term interest-bearing Deposits. We may also invest in liquid assets such as Deposits and/or money market instruments to safeguard the investment portfolio of the Fund. When deemed necessary, we may also utilize derivative instruments, subject to the GUTF, for the purpose of hedging. In the event of a downgrade of a counter-party of an OTC derivative below the minimum long-term rating as per the GUTF, we reserve the right to deal with the OTC derivative in the best interest of the Unit holders.

In the event of a credit rating downgrade, we reserve the right to deal with the debt securities in your best interest. As an active fund manager, we have in place flexible tolerance limits to cater to such situations. We can for example, continue to hold the downgraded debt securities if the immediate disposal of the debt securities would not be in your best interest.

Further, risk management is at the core of our investment process. Every proposed decision made by the investment team is considered in the context of the overall portfolio risk-return trade-off.

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 including its liquidity profile.
- Periodic assessments are carried out on the Fund's liquidity profile (under both normal and stress market conditions) and on the concentration of Unit holders. 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 Unit holders' 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 3.12 for more information.

Our investment committee review the counterparties or the issuers of debt securities on a regular basis to ensure that the Fund is prudently managed. Hence, the Fund is constructed to be managed within the pre-determined guidelines such as risk-return trade-off, which will be monitored and reviewed regularly by the investment team.

1.2. PERMITTED INVESTMENTS

Subject to the Deed, the investment policy of the Fund and the requirements of the SC and any other regulatory body, we have the absolute discretion as to how the assets of the Fund are to be invested. The following types of investments permitted for the Fund, which are in line with the Fund's objective, include but are not limited to:

- Malaysian currency balances in hand, Malaysian currency Deposits with financial institutions, including Negotiable Certificates of Deposit and placements of money at call with financial institutions;
- Malaysian currency Deposits and placement of money at call with any bank having Islamic banking facilities;
- Cagamas bonds and bankers' acceptances;
- Islamic Accepted Bills, Mudharabah Cagamas Bonds and Islamic debt securities;
- Malaysian corporate bonds (conventional and Islamic) traded in the money market and private debt securities, which are either bank guaranteed or have a short-term credit rating of "P2" issued by RAM or MARC equivalent or a long-term credit rating of "A" issued by RAM or MARC equivalent;
- Malaysian Government Securities, Treasury Bills, BNM Certificates and Government Investment Certificates;
- Currencies;
- Futures contracts;
- Up to 30% in bonds and other debt securities may be invested in the Asia Pacific region (excluding Malaysia) in the Eligible Market which includes but not limited to Australia, New Zealand, South Korea, Hong Kong SAR, Indonesia, the Philippines, Thailand, Singapore, Taiwan and India. The bonds or other debt securities must carry a short-term credit rating of "A-2" or a long-term credit rating of "BBB" issued by S&P or equivalent rating by other international rating agencies;
- All types of CIS including unlisted and listed unit trust, which invests in bonds and fixed income securities;
- All types of convertible loan stocks and exchangeable bonds; and
- Any other form of investments as may be permitted by the SC from time to time that is in line with the Fund's objective.

The formulation of the investment policies and strategies of the Fund is based on the objectives of the Fund after taking into consideration the regulatory requirements outlined in the GUTF, with such exemptions or variations (if any) as permitted by the SC.

1.3. INVESTMENT RESTRICTIONS AND LIMITS

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

Exposure Limit

This exposure limit does not apply to:

- debt securities traded on an organized over-the-counter (OTC) market; and
- structured products.

- (1) The aggregate value of the Fund's investment in the following:
 - (a) transferable securities (debt securities) that are not traded or dealt in or under the rules of an Eligible Market; and
 - (b) CIS that do not comply with (6)(a), (b) and (c) under Investment Spread Limits;

must not exceed 15% of the Fund's NAV, subject to a maximum limit of 10% of the Fund's NAV in a single issuer or single CIS, as the case may be.

Investment spread limits

- (2) the value of the Fund's investment in transferable securities (debt securities) and money market instruments issued by any single issuer must not exceed 20% of the Fund's NAV ("single issuer limit"). In determining the single issuer limit, the value of the fund's investments in instruments in (1) by the same issuer must be included in the calculation.
- (3) the aggregate value of the Fund's investments in transferable securities (debt securities), money market instruments, deposits, underlying assets of derivatives and counterparty exposure arising from the use of OTC derivatives must not exceed 25% of the Fund's NAV ("single issuer aggregate limit"). In determining the single issuer aggregate limit, the value of the fund's investments in instruments in (1) issued by the same issuer must be included in the calculation. The single issuer in (2) may be increased to 30%, the aggregate value of the Fund's investment must not exceed 30% if the debt securities is rated by any Malaysian or global rating agency to have the highest long-term credit rating;
- (4) Where the single issuer limit is increased to 30% pursuant to paragraph (4), the single issuer aggregate limit of 25% in paragraph (3) may be raised to 30% of the Fund's NAV.
- (5) the value of the Fund's investments in transferable securities (debt securities) and money market instruments issued by any one group of companies must not exceed 30% of the Fund's NAV ("group limit"). In determining the group limit, the value

of the Fund's investments in instruments in (1) issued by the issuers within the same group of companies must be included in the calculation;

Exceptions to investment spread limits

Government and other public securities or money market instruments

- (6) The single issuer limit in (2) may be raised to 35% of the fund's NAV if the debt securities or money market instruments issuing entity is, or the issue is guaranteed by, either a foreign government, foreign government agency, foreign central bank or supranational, that has a minimum long-term credit rating of investment grade (including gradation and subcategories) by an international rating agency.
- (7) Where the single issuer limit is increased to 35% of the Fund's NAV, the single issuer aggregate limit in (3) may be raised, subject to the group limit in (5) not exceeding 35% of the Fund's NAV.
- (8) the value of the Fund's placement in deposits with any single institution must not exceed 20% of the Fund's NAV;
- (9) the value of the Fund's investment in units/shares of any CIS must not exceed 20% of the Fund's NAV, provided that the CIS complies with the following conditions:
 - (a) A CIS authorised or recognised by the SC; or
 - (b) A CIS that meets the following criteria:
 - (i) The CIS is constituted and regulated in a jurisdiction where the laws and practices provide the level of investor protection that is at least equivalent to that offered in Malaysia;
 - (ii) The rules on investments, borrowing and lending are substantially similar to the requirements in the GUTF. This would exclude hedge funds;
 - (iii) The assets of the CIS are managed by an entity which is approved, authorised or licensed by a securities regulator to conduct fund management activities; and
 - (iv) The business of the CIS is reported in half-yearly and annual reports to enable an assessment to be made of the assets and liabilities, income and operations over the reporting period; or
 - (c) A CIS that meets the following criteria:
 - (i) The CIS invests in permitted investments that comply with the GUTF,
 - (ii) The CIS meets the criteria imposed on transferable securities (debt securities) as following:
 - The maximum potential loss which the Fund may incur as a result of the investment is limited to the amount paid for it;
 - The investment is liquid, and will not impair the Fund's ability to satisfy its redemption and other payment commitments;
 - The investment is subject to reliable and verifiable valuation on a daily basis; and
 - There is appropriate information available to the market on the investment;
 - (iii) The units or shares in the CIS are listed for quotation and traded on a stock exchange that is an Eligible Market; and
 - (iv) The CIS is not an inverse or leveraged product; or
 - (d) A CIS that does not comply with the above, but subject to the exposure limit stipulated in this section;

Deposits

- (10) The single financial institution limit in (8) does not apply to placements of Deposits arising from:
 - (a) Subscription monies received prior to the commencement of investment by the Fund;
 - (b) Liquidation of investments prior to the termination or maturity of the Fund, where the placement of Deposits with various financial institutions would not be in the best interests of Unit holders; or
 - (c) Monies held for the settlement of redemption or other payment obligations, where the placement of Deposits with various financial institutions would not be in the best interests of Unit holders

Investment concentration limits

- (11) the Fund's investments in debt securities must not exceed 20% of the debt securities issued by any single issuer. This limit may be disregarded at the time of acquisition if at that time of acquisition the gross amount of debt securities in issue cannot be determined;
- (12) the Fund's investments in money market instruments must not exceed 10% of the instruments issued by any single issuer. This limit does not apply to money market instruments that do not have a pre-determined issue size;
- (13) the Fund's investments in CIS must not exceed 25% of the units/shares in the CIS; and
- (14) for investment in derivatives (for hedging purpose):
 - the Fund's global exposure from derivatives position should not exceed the Fund's NAV.
 - the exposure of the underlying assets must not exceed the investment spread limits stipulated in the GUTF;
 - the maximum exposure of the Fund's OTC derivative transaction with the counter-party calculated based on the method below must not exceed 10% of the Fund's NAV;
 - the counter-party of an OTC derivative is a financial institution with a minimum long-term credit rating of investment grade (including gradation and subcategories); and
 - where the underlying instrument of a derivative is a commodity, such derivative must be settled in cash at all times.

Equities: The Fund does not invest in equities.

Debt securities: the Fund will invest at least 60% of the Fund's NAV in debt securities primarily in bonds.

CISs: Investments in CISs may be made in such situations where it is either practical or desirable for us to gain exposure to a particular asset class by investing in another CISs.

Where the Fund invests in other CISs managed by us or related party, we will ensure that all initial charges are waived and that there is no double charging of management fees.

Derivatives and their use in the Fund: The term 'derivative' is used to describe any financial instrument whose value depends on, or is 'derived' from assets or liabilities or indices (the 'underlying' asset). The most commonly used derivatives include futures contract, options and forward rate agreements.

Derivatives can provide a similar exposure to an investment as the purchase or sale of the underlying physical asset. They can also be used in risk management to protect the Fund from detrimental movements in underlying markets or investments.

The GUTF restricts the use of derivatives in the Fund. The participation of the Fund in any derivative instruments such as futures contracts must be for purpose of hedging.

In any case, the Fund's net market exposure of the futures contracts positions must not exceed the Fund's NAV.

In respect of any restrictions and limits, the GUTF provides that any breach of the restrictions and limits due to appreciation or depreciation of the Fund's investments, repurchase of units or payment made out of the Fund, or change in capital of a corporation in which the Fund has invested in, or downgrade in or cessation of a credit rating need not be reported to the SC but we must rectify as soon as practicable within three (3) months from the date breach unless stated otherwise in the GUTF. However, the three-month period may be extended if it is in the best interest of Unit holders and Trustee's consent is obtained. Such extension must be subject to at least a monthly review by the Trustee.

1.4. APPROVALS AND CONDITIONS

There is no exemption and/or variation to the GUTF for this 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, subject to the requirements of GUTF.

1.6. SECURITIES LENDING

Not applicable for the Fund.

1.7. RISK FACTORS

1.7.1. GENERAL RISKS OF INVESTING IN A UNIT TRUST FUND

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

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 an incorrect view of the market or any non-compliance with internal policies, investment mandate, the deed, relevant law or guidelines due to factors such as human error or weaknesses in operational process and systems, may adversely affect the performance of the fund.

Financing risk

This risk occurs when you obtain financing to finance your investment. The inherent risk of investing with money obtained from financing includes 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 an 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, the value of the fund and consequently the value of unit holders' investment in the fund may be negatively affected.

1.7.2. SPECIFIC RISKS ASSOCIATED WITH THE INVESTMENT PORTFOLIO OF THE FUND

There are specific risks associated with the investment portfolio of the Fund. The key ones include but are not limited to the following:

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.

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 their expected ability to make timely payment of interest and/or principal. Any adverse situations faced by the issuer 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.

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.

Currency risk

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.

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

2. FEES, CHARGES AND EXPENSES

2.1. CHARGES

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

2.1.1. Application Fee

Nil.

If the Fund is an EPF-MIS approved fund and you have invested via EPF-MIS, you may be charged an Application Fee of up to 3.00% of the NAV per unit, or such other rate as the EPF may determine.

2.1.2. Withdrawal Fee

Nil.

2.1.3. Switching Fee

Not applicable as no switching facility is available for this Fund.

2.1.4. Transfer Fee

Not applicable as no transfer facility is available for this Fund.

2.2. FEES AND EXPENSES

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

2.2.1. Management Fee

The annual Management Fee for the Fund is as follows:

Fund Size (NAV of the Fund)	Management Fee
Up to and including MYR 500 million	0.20% per annum of the NAV of the Fund
Above MYR500 million and up to and including MYR1 billion	0.15% per annum of the NAV of the Fund
Above MYR1 billion and up to and including MYR1.5 billion	0.10% per annum of the NAV of the Fund
Above MYR1.5 billion	0.08% per annum of the NAV of the Fund (subject to maximum of MYR 1.5 million per annum)

The Fund will be charged at a rate based on tier structure according to its current fund size. For example, when the current fund size is MYR800 million, the Fund will be charged a Management Fee at 0.15% per annum of the NAV of the Fund. However, when the current fund size is MYR1.3 billion, the Management Fee will be changed from 0.15% to 0.10% per annum of the NAV of the Fund.

The Management Fee shall be accrued daily based on the NAV of the Fund and paid monthly.

Below is an illustration on how the Management Fee is calculated:

Management Fee for the day = NAV of the Fund x Management Fee rate for the Fund (%) / 365 days

If the NAV of the Fund is MYR500 million, then

Management Fee for the day = MYR500 million x 0.20% / 365
= MYR2,739.73

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

2.2.2. Trustee Fee

The Trustee is entitled to a fee of the following:

Fund Size (NAV of the Fund)	Trustee Fee (including local custodian fee but excluding foreign sub-custodian fees and charges)
Up to and including MYR 500 million	0.022% per annum of the NAV of the Fund

Above MYR500 million and up to and including MYR1 billion	0.016% per annum of the NAV of the Fund
Above MYR1.0 billion and up to and including MYR1.5 billion	0.011% per annum of the NAV of the Fund
Above MYR1.5 billion	0.009% per annum of the NAV of the Fund

The above fee structure is subject to a maximum Trustee Fee of MYR165,000 per annum in any financial year.

The Fund will be charged at a rate based on tier structure according to its current fund size. For example, when the current fund size is MYR800 million, the Fund will be charged a Trustee Fee at 0.016% per annum of the NAV of the Fund. However, when the current fund size is MYR1.3 billion, the Trustee Fee will be changed from 0.016% to 0.011% per annum of the NAV of the Fund.

The Trustee Fee shall be accrued daily based on the NAV of the Fund and paid monthly.

Below is an illustration on how the Trustee Fee is calculated:

Trustee Fee for the day = NAV of the Fund x Trustee Fee rate for the Fund (%) / 365 days

If the NAV of the Fund is MYR500 million, then

Trustee Fee for the day = MYR500 million x 0.022% / 365
= MYR301.37

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:

- expenses incurred in the sale, purchase, insurance, custody and any other dealings of investments including commissions/fees paid to brokers and costs involved with external specialists approved by the Trustee in investigating and evaluating any proposed investment;
- expenses incurred in the printing of, purchasing of stationery and postage for the annual and interim reports;
- costs associated with the custody of investments delegated by the Trustee (in respect of foreign custody only);
- tax and other duties imposed by the government and other authorities and bank fees;
- tax agent's and auditor's fees and expenses;
- remuneration and out of pocket expenses of the person(s) undertaking the oversight functions of the Fund, unless we decide to bear the same;
- fees incurred for the fund valuation and accounting of the Fund performed by a fund valuation agent;
- costs incurred in modifying the Deed for the benefit of Unit holders; and
- cost of convening and holding meetings of Unit holders (other than those meetings convened by, or for the benefit of the Manager or 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 stipulate the maximum rate in percentage terms that can be charged. Should the Fund invest into units of other CISs that are managed by us or our related corporation, we will ensure that all initial charges are waived and there is no double charging of management fees.

Subject always to the provisions of the Deed and GUTF, 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 Trustee Fee), whether payable by the Fund, payable by you to the Fund or payable by any other investors to the Fund.

We may for any reason at any time, waive or reduce: (a) any fees (except the Trustee Fee); (b) other charges payable by you in respect of 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.

2.3. REBATES AND SOFT COMMISSIONS

We 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 rebates or shared 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 bring 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 commissions is not the sole or primary purpose to perform or arrange transactions with brokers or dealer, and we will not enter into unnecessary trades in order to achieve a sufficient volume of transactions to qualify for soft commissions.

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 and/or you as disclosed or illustrated in the Prospectus.

We have the discretion to amend the amount, rate and/or terms and conditions for the above-mentioned fees, charges, expenses, and/or transaction information from time to time, subject to the requirements stipulated in the Deed of the Fund and/or GUTF. Where necessary, the amendments will be notified to the Trustee. We will communicate to you if there are any amendments to the fees, charges, and/or transaction information.

3. TRANSACTION INFORMATION

3.1. VALUATION OF INVESTMENTS PERMITTED BY THE FUND

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

- **Listed instruments**

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 instruments, then the instruments should 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 instruments 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 instruments have been suspended for a period exceeding fourteen (14) days or such shorter period as agreed by the Trustee, then the securities should be valued at fair value as determined in good faith by us based on the methods or bases approved by the Trustee after appropriate technical consultation.

- **Unlisted instruments**

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

The value of any unlisted non MYR-denominated bonds shall be calculated at least weekly by reference to the average of bid and offer prices quoted by three (3) independent and reputable financial institutions.

- **CIS**

The value of any investments 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 daily by reference to the last published net asset value per unit for that CIS.

- **Money market instruments**

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 BPA registered with the SC. 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, based on the methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.

- **Deposits**

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

If the value of the assets of the Fund is denominated in a foreign currency, the assets are translated on a daily basis to MYR based on the bid foreign exchange rate quoted by either Refinitiv or Bloomberg, at United Kingdom 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.

3.2. UNIT PRICING

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

The NAV per unit is based on the closing market price of the Fund’s investments as at the end of that Business Day (T). The NAV per unit for a Business Day is available on our website at www.principal.com.my after 10:00 a.m. on the following Business Day (T+1).

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

Illustration:

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

At the end of Business Day on 5 September 2022, your units will be based on the NAV per unit on 5 September 2022, which will be calculated on 5 September 2022. The NAV per unit will be available on our website after 10:00 a.m. on 6 September 2022.

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

At the end of Business Day on 5 September 2022, your units will be based on the NAV per unit on 6 September 2022, which will be calculated on 6 September 2022. The NAV per unit will be available on our website after 10:00 a.m. on 7 September 2022.

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

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

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 including any provisions that we and the Trustee consider should be made. For example, a provision may be made for possible future losses on an investment which cannot be fairly determined.

3.2.1. Calculation of investment amount and units entitlement

The number of units that you receive will be rounded to the second decimal place.

Illustrations:

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

Assumptions:

NAV per unit of for the Fund denominated in MYR	=	MYR0.5000 (truncated to 4 decimal places)
Application Fee	=	Nil

You wish to invest MYR10,000.00 in the Fund.

Calculation of number of units that you will receive

$$\begin{aligned} &= \text{Investment amount} / \text{NAV per unit} \\ &= \text{MYR}10,000.00 / \text{MYR}0.5000 \\ &= 20,000 \text{ units} \end{aligned}$$

Calculation of Application Fee you will incur (payable in addition to the investment amount)

$$\begin{aligned} &= \text{NAV per unit} \times \text{number of units received} \times \text{Application Fee rate} \\ &= \text{MYR}0.5000 \times 20,000 \text{ units} \times 0\% \\ &= \text{MYR}0 \end{aligned}$$

Calculation of total amount that you will have to pay

$$\begin{aligned} &= \text{Investment amount} + \text{Application Fee paid} \\ &= \text{MYR}10,000.00 + \text{MYR}0.00 \\ &= \text{MYR}10,000.00 \end{aligned}$$

Calculation of investment value

Assuming you have 20,000.00 units of the Fund and the NAV per unit (which will be made known on the following Business Day) is MYR0.5110 (truncated to 4 decimal places)

Calculation of investment value

$$\begin{aligned} &= \text{Number of units} \times \text{NAV per unit} \\ &= 20,000 \text{ units} \times \text{MYR}0.5110 \\ &= \text{MYR}10,220.00 \end{aligned}$$

Calculation of withdrawal value and amount payable to you

Assuming you request for a 50,000 units withdrawal. Your withdrawal request is received by us by 4:00 p.m. on a Business Day (which will be made known on the next Business Day) is MYR0.5230 (truncated to 4 decimal places).

Calculation of amount payable to you

$$\begin{aligned} &= \text{Number of units withdrawn} \times \text{NAV per unit} \\ &= 50,000.00 \text{ units} \times \text{MYR}0.5230 \\ &= \text{MYR}26,150 \end{aligned}$$

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

3.3. INCORRECT PRICING

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

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

- (i) is equal or more than 0.5% of the NAV per unit; and
- (ii) results in a sum total of MYR10.00 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 abovesaid limits or threshold from time to time, subject to any regulatory or governing body's requirements.

3.4. INVESTING

3.4.1. Who can invest?

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

- an individual who is at least eighteen (18) years of age and you are not an undischarged bankrupt. 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); or
- an institution including a company, corporation, co-operative, trust or pension fund.

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

Further, if we become aware of a USA person (i.e. someone who has a USA address (permanent or mailing)) or USA entity (i.e. a corporation, trust, partnership or other entity created or organised in or under the laws of the United States or any state thereof or any estate or trust the income of which is subject to United States Federal Income Tax regardless of source) holding units in the Fund, we may 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 office 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. On the application form, please indicate clearly the amount you wish to invest in the Fund. We may introduce other mode of investment from time to time, subject to the approval of the relevant authorities.

You may make a payment:

- by crossed cheque, banker's draft, or cashier's order (made payable as advised by us or our Distributors as the case may be). You will have to bear the applicable bank fees and charges, if any; or
- directly from your bank account 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. 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 holders. All applicants must be at least eighteen (18) years of age.

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

3.4.4. Who is distributing this Fund?

The Fund may be distributed via the following channels:

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

You may invest into the Fund via us or any of our Distributors or such other channels (where available). Please note that we have the discretion in determining the Distributors of the Fund, including its appointment and/or termination from time to time. You may contact our Customer Care Centre under the "Corporate Directory" section or refer to our website at www.principal.com.my for more information.

You should not make payment in cash to any individual agent or employee of Principal Malaysia or issue a cheque in the name of any individual agent or employee of Principal Malaysia when purchasing units of a fund.

- 3.4.5. 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 investment in the Fund is MYR 100,000 and the minimum additional investment in the Fund is MYR 10,000 or such other amount as we may decide from time to time.

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

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) your request for a lower amount when purchasing units (or additional units).

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 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 (T+1). We will only process completed applications with all the necessary and required information and/or documentations. The number of units you receive will be rounded to two (2) decimal place.

3.6. MINIMUM WITHDRAWALS

The minimum withdrawal for the Fund is MYR 10,000 subject to a minimum balance of 10,000 units in the account, unless you are withdrawing your entire investment. 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 the bank account number provided by you. If the Fund is an EPF-MIS approved fund and you have invested via EPF-MIS, your withdrawal proceeds will be paid to EPF.

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 withdrawing units. For increase in the number of units for minimum withdrawal, we will require concurrence from the Trustee and you will be notified of such changes.

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 (T+1). The amount that you will receive is calculated by the withdrawal value less the Withdrawal Fee, if any. That amount will be paid in MYR 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 the Fund is 10,000 units. If the balance of an investment drops below 10,000 units due to a withdrawal, distribution or fall in the unit price, further investment will be required until the balance of the

investment is restored to at least 10,000 units. Otherwise, we can withdraw the entire investment and forward the proceeds to you.

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) the minimum balance. For increase in the number of units for minimum balance, we will require concurrence from the Trustee and you will be notified of such changes.

3.8. COOLING-OFF PERIOD

For first time individual investor investing with us, you have six (6) Business Days after your initial investment (i.e. the date the complete application is received and accepted by us or any of our Distributors) to reconsider its appropriateness and suitability for your investment needs. Within this period, you may withdraw your investment at the NAV per unit on the day the units 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 in MYR within seven (7) Business Day from the date we receive the complete documentation. Please note that the cooling-off right is only given to first time investor investing with us or any of our Distributor. However, Principal Malaysia's staff and person(s) registered with a body approved by the SC to deal in unit trust funds are not entitled to the cooling-off right.

If the Fund is an EPF-MIS approved fund and you have invested via EPF-MIS, your cooling-off right is subject to EPF's terms and conditions.

3.9. SWITCHING

There is no switching facility for this Fund.

3.10. TRANSFER FACILITY

There is no transfer facility for this Fund.

3.11. MINIMUM SIZE FOR CONTINUED OPERATION OF THE FUND

The minimum size for continued operation of the Fund is MYR50 million. We may, subject to the Deed (please refer to the "Salient Terms of Deed" chapter) and the GUTF, terminate the Fund if at any time after the Commencement Date, the NAV of the Fund falls below the minimum fund size of MYR50 million for a continuous period of not less than six (6) months.

3.12. TEMPORARY SUSPENSION

Subject to the requirements in the GUTF and/or the Deed, we and the Trustee may temporarily suspend the dealing in units of the Fund when there is good and sufficient reason to do so.

After we have ensured all available approaches to avoid any suspension of the Fund have been fully deliberated and carried out, we may, in consultation with the Trustee and having considered the interests of the Unit Holders, suspend the sale (if applicable) and repurchase of Units where it is impractical for us to calculate the NAV of the Fund when material portion of the asset of the Fund is affected due to but not limited to the following:

- (i) the closure of a securities exchange or trading restrictions in the securities exchange; or
- (ii) an emergency or other state of affairs; or
- (iii) the declaration of a moratorium in a country where that Fund has assets; or
- (iv) for the purpose of conversion of any currency, a closure or restrictions on trading in the relevant foreign market exchange; or
- (v) the realisation of the assets of the Fund not being able to be effected at prices which would be realised if the assets of the Fund were realised in an orderly fashion over a reasonable period in a stable market.

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 applications, withdrawals, switches and/or transfers of units before the suspension is declared, please note that your request will only be processed on the next Business Day after the cessation of suspension of the Fund. You will be notified of the suspension and when the suspension is lifted.

3.13. DISTRIBUTION PAYMENT

Distributions, if any, will be made four (4) times per annum at the end of each quarter of the year, i.e. March, June, September and December. Such distributions will depend on the availability of realised income and/or realised gains and at our discretion. We have the right to make provisions for reserves in respect of distribution of the Fund. If the income available is too small or insignificant, any distribution may not be of benefit to you as the total cost to be incurred in any such distribution may be higher than the amount for distribution. We have the discretion to decide on the amount to be distributed to you. We also have the discretion to make income distribution on an ad-hoc basis, taking into consideration the level of its realised income and/or realised gains, as well as the performance of the Fund.

Each unit of the Fund will receive the same distribution for a particular 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 Fund with the distribution amount in cent per unit. Once a distribution has been paid, the NAV per unit will adjust accordingly.

All distributions (if any) will be automatically reinvested into additional units in the Fund at the NAV per unit of the Fund on the distribution date (the number of units is rounded to two (2) decimal places), unless written instructions to the contrary are communicated by you to us, in which case you shall have first furnished us with details of your valid and active bank account that all distribution payment shall be paid (the cost and expense will be borne by you). There will be no Application Fee 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 Fund, those additional units will then be automatically withdrawn by us if the number of units are below the minimum balance and the proceeds will be paid to you. Distribution payments will be made in MYR.

3.14. UNCLAIMED MONEYS

Any moneys payable to you which remain unclaimed after twelve (12) months 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 cheque, if any, which remain unclaimed for six (6) months will be reinvested into the Fund within thirty (30) Business Days after the expiry of the cheque’s validity period based on the prevailing NAV per unit of the Fund on the day of the reinvestment provided that you still hold units of the Fund. As for income distribution payout to you by bank transfer, if any, remained unsuccessful and unclaimed for six (6) months, it will be reinvested into the Fund 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 Fund. No Application Fee is payable for the reinvestment. In the event that you no longer hold any unit in the Fund, 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

31 March

4.2. INFORMATION ON YOUR INVESTMENT

We will send you the following:

- Your Principal Malaysia investor number;
- Confirmation on all your transactions and distributions (if any);
- The details of your investment each January; and
- Interim and audited annual report showing snapshots of the Fund and details of the portfolio for the respective period reported. Both the interim report and the audited annual report will be sent to you within two (2) months from the end of the period reported.

The Fund's printed annual report is available upon request.

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

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

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

If you have any questions about the information in this Prospectus or would like to know more about investing in the Principal Malaysia family of unit trust funds, please contact our **Customer Care Centre** under the "Corporate Directory" section during our business hour between 8:45 a.m. and 5:45 p.m. (Malaysian time) from Mondays to Fridays or you may email us at service@principal.com.my.

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

Principal Asset Management Berhad
Customer Care Centre
Ground Floor Bangunan CIMB
Jalan Semantan
Damansara Heights
50490 Kuala Lumpur, MALAYSIA

4.3. DEED

The Fund is governed by Deed dated 16 January 2006, Supplemental Deed dated 3 December 2007, Second Supplemental Deed dated 17 September 2013, Third Supplemental Deed dated 20 January 2015, Fourth Supplemental Deed dated 25 November 2019, and Fifth Supplemental Deed dated 25 November 2022.

4.4. DOCUMENTS AVAILABLE FOR INSPECTION

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

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

4.5. CONSENT

Ernst & Young Tax Consultants Sdn. Bhd and Maybank Trustees Berhad have given their written consent to act in their respective capacity. They have also given their consent for the inclusion of their names and/or statements and/or reports in this Prospectus in the form and context in which it appears and have not subsequently withdrawn their consent to the inclusion of their names and/or statements and/or reports in the form and context in which it appears in this Prospectus.

4.6. POTENTIAL CONFLICTS OF INTERESTS AND RELATED PARTY TRANSACTIONS

We (including our directors) will at all 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 so 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 principals 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 the CIMB Group and the PFG provided that the transactions are effected at market prices and are conducted at arm's lengths.

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

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

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 moneys, structured products etc);
- (2) where the Fund is being distributed by the related party of the Trustee;
- (3) where the assets of the Fund are being custodised 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 GUTF, 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 any local regulations, the Trustee and/or their related group of companies may deal with each other, the Fund or any Unit holder or enter into any contract or transaction with each other, the Fund or any form of such contract or transaction or act in the same and similar capacity in relation to any other scheme.

4.7. INTERESTS IN THE FUND

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

4.8. EMPLOYEES' SECURITIES DEALINGS

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

5. THE MANAGER

5.1. ABOUT PRINCIPAL ASSET MANAGEMENT BERHAD

Principal Malaysia 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 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. The name and designation of each of the directors can be found in our website at www.principal.com.my/en/about-us/leadership.

5.1.2. Designated Person Responsible for Fund Management Function

Name:	Patrick Chang Chian Ping
Designation:	Chief Investment Officer (CIO), Malaysia & Chief Investment Officer, Equities, ASEAN Region
Experience:	He was appointed as the Chief Investment Officer on 22 February 2016. He comes with an extensive 20 years of experience in asset management and is backed by numerous ASEAN awards from Malaysian pension funds in 2013 and 2015. He was previously the Head of ASEAN equities at BNP Paribas Investment Partners, Malaysia where he was overseeing ASEAN equities for both Malaysian and offshore clients from 2012. Prior to that, he served as Senior Vice President for CIMB-Principal Asset Management Berhad where he specialised in Malaysia, ASEAN and Asia specialist funds. He also worked as a portfolio manager at Riggs and Co International Private Banking in London specialising in managing global ETF portfolios
Qualifications:	MSc Finance from City University Business School and BSc Accounting and Financial Analysis from University of Warwick, UK.

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

6. THE TRUSTEE

6.1. ABOUT MAYBANK TRUSTEES BERHAD

Maybank Trustees Berhad (“MTB” or “the Trustee”) is the trustee of the Fund with its registered office at 8th Floor, Menara Maybank, 100 Jalan Tun Perak, 50050 Kuala Lumpur.

MTB was incorporated on 12 April 1963 and registered as a trust company under the Trust Companies Act 1949 on 11 November 1963. It was one of the first local trust companies to provide trustee services with the objective of meeting the financial needs of both individual and corporate clients.

Experience in the trustee business

MTB has acquired experience in the administration of unit trust funds/ schemes since 1991.

What are the roles, duties and responsibilities of the trustee?

The Trustee’s role is mainly to act as custodian of the Fund and to exercise all due diligence and vigilance in carrying out its functions and duties to safeguard the rights and interests of the Unitholders. The Trustee is the legal owner of the assets in the Fund. The Trustee will exercise oversight functions over the operation and management of the Fund by the management company to safeguard the interests of the Unitholders.

Trustee’s Disclosure of Material Litigation

As at LPD, save for the suit mentioned herein below, the Trustee is not engaged in any material litigation as plaintiff or defendant and the Trustee is not aware of any proceedings, pending or threatened or of any facts likely to give rise to any proceedings which might materially and adversely affect its financial position or business.

Several holders of the bonds (“Bondholders”) issued by Aldwich Berhad [In Receivership] (“Aldwich”) had sued Aldwich for its failure to settle its indebtedness to the Bondholders following the default of the said bonds in 2010 and named the Trustee as one of 6 co-defendants under Kuala Lumpur High Court Civil Suit No. D-22NCC-1622-11/2012 (“Aldwich Bondholders’ Suit”). The claim against the Trustee is for the sum of MYR177,248,747.31 or any other sum that the Court deems fit and proper. The other co-defendants are the holding company of Aldwich (“Holding Company”), the Chief Executive Officer of the holding company of Aldwich (“CEO”), the Security Agent and the Reporting Accountant. The Trustee denied all allegations and claimed trial.

The High Court had on 24 July 2017 delivered its judgement on the Aldwich Bondholders’ Suit (“Judgement”) that (a) all the defendants [i.e. Aldwich, Holding Company, CEO, Security Agent, Trustee and Reporting Accountant] are liable to the Bondholders for the sum of MYR177,248,747.31 (“Judgement Sum”); (b) Aldwich, Holding Company and CEO are 100% liable for the Judgement Sum; and (c) among Security Agent, Trustee and Reporting Accountant, liability is apportioned in the proportion of 50%, 30% and 20% of the Judgement Sum respectively.

The Trustee had filed an appeal against the Judgement (“Appeal”) at the Court of Appeal.

On 18 September 2019, the Court of Appeal dismissed the Appeals and affirmed the decision of the High Court and awarded further costs of MYR100,000.00 against the Trustee. On 16 October 2019, the Trustee had filed its Leave Motion to the Federal Court. The Leave Motion was partially heard on 21 January 2021, 3 September 2021 and 16 February 2022. The Leave Motion was unanimously dismissed by the Federal Court.

7. SALIENT TERMS OF DEED

Money invested by you in the Fund will purchase a number of units, which represents your interest in the Fund. Each unit held in 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 your details are entered onto the register of Unit holders.

7.1. RIGHTS, LIABILITIES AND LIMITATION OF UNIT HOLDERS

7.1.1. Rights

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

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

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

7.1.2. Liabilities

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

7.1.3. Limitations

You cannot:

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

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

7.2. MAXIMUM FEES AND CHARGES AND EXPENSES PERMITTED BY THE DEED

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

Charges	Descriptions
(1) Application Fee	Nil.
(2) Withdrawal Fee	Nil.
(3) Switching Fee	Any switching fee to be charged will be based on the difference between the application fee charged of the fund to be switched from and the fund to be switched into.

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

Fees	Descriptions
(1) Management Fee	Up to 1.00% per annum calculated daily based on the NAV of the Fund prior to any deduction for management fees and trustee fees for that particular day.
(2) Trustee Fee	Up to 0.10% per annum, calculated daily based on the NAV of the Fund prior to any deduction for management fees and trustee fees for that particular day subject to a maximum amount (inclusive of local custodian fees and charges) per annum as disclosed in this Prospectus.

A lower fee and/or charges than what is stated in the Deed may be charged, all current fees and/or charges will be disclosed in the Prospectus. Please refer to the "Fees, Charges and Expenses" chapter for further details.

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

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

7.2.1. Expenses permitted by the Deed

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

- commissions/fees paid to brokers/dealers in effecting dealings in the investments of the Fund, shown on the contract notes or confirmation notes or difference accounts;
- tax and other duties charged on the Fund by the government and other authorities if any and bank fees;
- the fees and other expenses properly incurred by the auditor;
- remuneration and out of pocket expenses of the independent members of the person(s) undertaking the oversight functions of the Fund or advisers (if any) of the Fund, unless we decide to bear the same;
- fees for valuation of any investment of the Fund by independent valuers for the benefit of the Fund;
- costs incurred for the modification of the Deed otherwise than for the benefit of the Manager;
- costs incurred for any meeting of Unit holders other than those convened by, or for the benefit of the Manager;
- the sale, purchase, insurance, custody and any other dealings of investments including commissions/fees paid to brokers;
- costs involved with external specialists approved by the Trustee in investigating and evaluating any proposed investment;
- the engagement of valuers, advisers and contractors of all kinds;
- preparation and audit of the taxation returns and accounts of the Fund;
- termination of the Fund and the retirement or removal of the Trustee or the Manager and the appointment of a new trustee or manager; and
- any proceedings, arbitration or other dispute concerning the Fund or any Asset, including proceedings against the Trustee or the Manager by the other of them for the benefit of the Fund (except to the extent that legal costs incurred for the defense of either of them are not ordered by the court to be reimbursed out of the Fund).

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

7.3. RETIREMENT, REMOVAL OR REPLACEMENT OF THE MANAGER

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

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

We shall retire under the following circumstances:

- if a Special Resolution is duly passed by the Unit holders that the Manager be removed; or
- if we cease to be approved by the SC to be the manager of the Fund.

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

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

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

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

7.4. RETIREMENT, REMOVAL OR REPLACEMENT OF THE TRUSTEE

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

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

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

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

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

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

7.5. TERMINATION OF THE FUND

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

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

Notwithstanding the above, the Fund may be terminated or wound-up, without the need to seek Unit Holders' prior approval, as proposed by the Manager with the consent of the Trustee (which consent shall not be unreasonably withheld) upon the occurrence of any of the following events, by giving a notice in writing to the Unit Holders of such period not less than that specified in the GUTF as hereinafter provided (i) if any law shall be passed which renders it illegal or (ii) if in the reasonable opinion of that Manager it is impracticable or inadvisable to continue the Fund, and in any case the termination of the Fund is in the best interest of the Unit Holders.

7.6. MEETINGS OF UNIT HOLDERS

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

Where we or the Trustee convenes a meeting, the notice of the time and place of the meeting and terms of resolution to be proposed shall be given to the Unit holders by sending by post a notice of the proposed meeting at least fourteen (14) days before the date of the proposed meeting, to each Unit holder at the Unit holder's last known address or, in the case of Joint holders, to the joint holder whose name stands first in our records at the joint holder's last known address.

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

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

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

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

time of the meeting. Where a Fund has only one (1) remaining Unit Holder, such Unit Holder, whether present in person or by proxy, at the meeting shall constitute a quorum.

Voting is by a show of hands, unless a poll is duly demanded or the resolution proposed is required by this Deed or by law to be decided by a percentage of all Units. Each Unit holder present in person or by proxy has one (1) vote on a show of hands. On a poll, each Unit holder present in person or by proxy has one (1) vote for each whole fully paid Unit held. In the case of joint Unit holders, any one of such joint Unit holder may vote either personally or by proxy as comprised in the joint holding but if more than one of such Joint Unit holder be present at any meeting either personally or by proxy, only the Joint Unit holder whose name appears first in the register may vote. Units held by the Manager or its nominees shall have no voting rights in any Unit holders' meeting of the Fund.

Nothing herein shall preclude us from convening any Unit Holders' meeting at more than one venue using any communication facility or technology or method available as we shall determine to enable the Unit Holders to participate and to exercise their right to speak and vote at that meeting. Where such meeting is convened, any reference to a Unit Holder being "present in person" in the Deed, meetings or resolutions shall include, where permitted by us, to that Unit Holder being present either remotely or virtually and for the avoidance of doubt it is hereby agreed that the participation by a Unit Holder in such meeting using the prescribed communication facility or technology or method shall be deemed as being present at that meeting notwithstanding that the Unit Holder is not physically present at the main venue of that meeting.

8. TAXATION REPORT

Ernst & Young Tax Consultants Sdn Bhd
Level 23A Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
50490 Kuala Lumpur

The Board of Directors
Principal Asset Management Berhad
10th Floor, Bangunan CIMB
Jalan Semantan
Damansara Heights
50490 Kuala Lumpur

31 December 2022

Dear Sirs

Taxation of the unit trust fund and unit holders

This letter has been prepared for inclusion in this Replacement Prospectus Issue No. 11 in connection with the offer of units in the unit trust known as Principal Institutional Bond Fund 2 (hereinafter referred to as “the Fund”).

The purpose of this letter is to provide prospective unit holders with an overview of the impact of taxation on the Fund and the unit holders.

Taxation of the Fund

The taxation of the Fund is subject to the provisions of the Malaysian Income Tax Act 1967 (MITA), particularly Sections 61 and 63B.

Subject to certain exemptions, the income of the Fund comprising profits and other investment income derived from or accruing in Malaysia after deducting tax allowable expenses, is subject to Malaysian income tax at the rate of 24% with effect from the year of assessment 2016.

Tax allowable expenses would comprise expenses falling under Section 33(1) and Section 63B of the MITA. Section 33(1) permits a deduction for expenses that are wholly and exclusively incurred in the production of gross income. In addition, Section 63B allows unit trusts a deduction for a portion of other expenses (referred to as ‘permitted expenses’) not directly related to the production of income, as explained below.

“Permitted expenses” refer to the following expenses incurred by the Fund which are not deductible under Section 33(1) of the MITA:

- the manager's remuneration,
- maintenance of the register of unit holders,
- share registration expenses,
- secretarial, audit and accounting fees, telephone charges, printing and stationery costs and postage.

These expenses are given a partial deduction under Section 63B of the MITA, based on the following formula:

$$A \times \frac{B}{4C}$$

- where
- A is the total of the permitted expenses incurred for that basis period;
 - B is gross income consisting of dividend¹, interest and rent chargeable to tax for that basis period; and
 - C is the aggregate of the gross income consisting of dividend¹ and interest (whether such dividend or interest is exempt or not) and rent, and gains made from the realisation of investments (whether chargeable to tax or not) for that basis period,

¹ Pursuant to Section 15 of the Finance Act 2011, with effect from the year of assessment 2011, dividend income is deemed to include income distributed by a unit trust which includes distributions from Real Estate Investment Trusts.

provided that the amount of deduction to be made shall not be less than 10% of the total permitted expenses incurred for that basis period.

Exempt income

The following income of the Fund is exempt from income tax:

- **Malaysian sourced dividends**

All Malaysian-sourced dividends should be exempt from income tax.

- **Malaysian sourced interest**

- (i) interest from securities or bonds issued or guaranteed by the Government of Malaysia;
- (ii) interest from debentures or *sukuk*, other than convertible loan stock, approved or authorized by, or lodged with, the Securities Commission;
- (iii) interest from Bon Simpanan Malaysia issued by Bank Negara Malaysia;
- (iv) interest derived from Malaysia and paid or credited by banks licensed under the Financial Services Act 2013 or the Islamic Financial Services Act 2013²;
- (v) interest derived from Malaysia and paid or credited by any development financial institution prescribed under the Development Financial Institutions Act 2002;
- (vi) interest from *sukuk* originating from Malaysia, other than convertible loan stock, issued in any currency other than Ringgit and approved or authorized by, or lodged with, the Securities Commission or approved by the Labuan Financial Services Authority (LFSA)³; and
- (vii) interest which is specifically exempted by way of statutory orders or any other specific exemption provided by the Minister.

- **Discount**

Tax exemption is given on discount paid or credited to any unit trust in respect of investments as specified in items (i), (ii) and (iii) above.

Foreign-sourced income

Pursuant to the Finance Act 2021, income derived by a resident person from sources outside Malaysia and received in Malaysia from 1 January 2022 will no longer be exempt from tax.

The Guidelines issued by the Malaysian Inland Revenue Board on 29 September 2022 define the term “received in Malaysia” to mean transferred or brought into Malaysia, either by way of cash⁴ or electronic funds transfer⁵.

Foreign-sourced income (FSI) received in Malaysia during the transitional period from 1 January 2022 to 30 June 2022 will be taxed at 3% of gross. From 1 July 2022 onwards, FSI received in Malaysia will be taxed at the prevailing tax rate(s) of the taxpayer and based on applicable tax rules. Bilateral or unilateral tax credits may be allowed if the same income has suffered foreign tax, and where relevant conditions are met.

Income Tax (Exemption) (No. 6) Order 2022 has been issued to exempt a “qualifying person”⁶ from the payment of income tax in respect of dividend income which is received in Malaysia from outside Malaysia, effective from 1 January 2022 to 31 December 2026. The exemption will however not apply to a person carrying on the business of banking, insurance or sea or air transport. As the definition of “qualifying person” does not include unit trust funds, it would mean that resident unit trust funds would technically not qualify for the exemption, unless there are further updates thereto.

Gains from the realisation of investments

Pursuant to Section 61(1) (b) of the MITA, gains from the realisation of investments will not be treated as income of the Fund and hence, are not subject to income tax. Such gains may be subject to real property gains tax (RPGT) under the Real Property Gains Tax Act 1976 (RPGT Act), if the gains are derived from the disposal of chargeable assets, as defined in the RPGT Act.

Implementation of Sales and Service Tax (“SST”)

² Effective from 1 January 2019, the income tax exemption for a unit trust fund, pursuant to Paragraph 35A, Schedule 6 of the MITA shall not apply to a wholesale fund which is a money market fund.

³ Effective from the year of assessment 2017, the exemption shall not apply to interest paid or credited to a company in the same group or interest paid or credited to a bank licensed under the Financial Services Act 2013 or the Islamic Financial Services Act 2013; or a development financial institution prescribed under the Development Financial Institutions Act 2002.

⁴ “Cash” in this context is defined as banknotes, coins and cheques.

⁵ “Electronic funds transfer” means bank transfers (e.g., credit or debit transfers), payment cards (debit card, credit card and charge card), electronic money, privately-issued digital assets (e.g., crypto-assets, stablecoins) and central bank digital currency.

⁶ “Qualifying person” in this context means a person resident in Malaysia who is:

(a) An individual who has dividend income received in Malaysia from outside Malaysia in relation to a partnership business in Malaysia;

(b) A limited liability partnership which is registered under the Limited Liability Partnerships Act 2012; or

(c) A company which is incorporated or registered under the Companies Act 2016.

Sales and Service Tax ("SST") was re-introduced effective 1 September 2018. Sales Tax of 10% (most common rate) or 5% is charged by Malaysian manufacturers of taxable goods or upon importation into Malaysia of such taxable goods, unless specifically exempted under the Sales Tax (Goods Exempted From Tax) Order 2018. Service Tax at the rate of 6% is charged on certain prescribed taxable services performed by taxable persons as stipulated under Service Tax Regulations 2018. The input tax recovery mechanism under the previous GST regime does not apply to SST. Therefore, any SST incurred is not recoverable and will form a cost element for businesses.

Based on the Service Tax Regulations 2018, a unit trust fund is neither regarded as a taxable person nor as providing taxable services and is therefore not liable for SST registration. Where the Fund incurs expenses such as management fees, the management services provided by asset and fund managers who are licensed or registered with Securities Commission Malaysia for carrying out the regulated activity of fund management under the Capital Markets and Services Act 2007, are specifically excluded from the scope of Service Tax. As for other fees, such as trustee fees and other administrative charges, these may be subject to 6% service tax provided they fall within the scope of service tax (i.e. are provided by a "taxable person", who exceeds the required annual threshold (in most cases RM 500,000 per annum) and the services qualify as "taxable services").

Taxation of unit holders

For Malaysian income tax purposes, unit holders will be taxed on their share of the distributions received from the Fund.

The income of unit holders from their investment in the Fund broadly falls under the following categories:

1. taxable distributions; and
2. non-taxable and exempt distributions.

In addition, unit holders may also realise a gain from the sale of units.

The tax implications of each of the above categories are explained below:

1. Taxable distributions

Distributions received from the Fund will have to be grossed up to take into account the underlying tax paid by the Fund and the unit holder will be taxed on the grossed up amount.

Such distributions carry a tax credit, which will be available for set-off against any Malaysian income tax payable by the unit holder. Should the tax deducted at source exceed the tax liability of the unit holder, the excess is refundable to the unit holder.

Please refer to the paragraph below for the income tax rates applicable to the grossed up distributions.

2. Non-taxable and exempt distributions

Tax exempt distributions made out of gains from the realisation of investments and exempt income earned by the Fund will not be subject to Malaysian income tax in the hands of the unit holders.

A retail money market fund is exempted from tax on its interest income derived from Malaysia, pursuant to Paragraph 35A of Schedule 6 of the ITA. Pursuant to the Finance Act 2021, with effect from 1 January 2022, distributions by a retail money market fund from such tax exempt interest income, to a unit holder other than an individual, will no longer be exempt from tax. The distribution to unit holders other than individuals will be subject to withholding tax at 24%. This would be a final tax for non-residents. Malaysian residents are required to include the distributions in their tax returns and claim a credit in respect of the withholding tax suffered. Individuals will continue to be exempt from tax on such distributions.

Rates of tax

The Malaysian income tax chargeable on the unit holders would depend on their tax residence status and whether they are individuals, corporations or trust bodies. The relevant income tax rates are as follows:

Unit holders	Malaysian income tax rates
<p>Malaysian tax resident:</p> <ul style="list-style-type: none"> Individual and non-corporate unit holders (such as associations and societies) Co-operatives⁷ Trust bodies 	<ul style="list-style-type: none"> Progressive tax rates ranging from 0% to 30% Progressive tax rates ranging from 0% to 24% 24%
<ul style="list-style-type: none"> Corporate unit holders <ul style="list-style-type: none"> (i) A company with paid up capital in respect of ordinary shares of not more than RM2.5 million (at the beginning of the basis period for the year of assessment) and gross income from a source or sources consisting of a business not exceeding RM50 million for the basis period for the year of assessment^{8 9} (ii) Companies other than (i) above 	<ul style="list-style-type: none"> First RM600,000 of chargeable income @ 17% Chargeable income in excess of RM600,000 @ 24% 24%
<p>Non-Malaysian tax resident (Note 1):</p> <ul style="list-style-type: none"> Individual and non-corporate unit holders Corporate unit holders and trust bodies 	<ul style="list-style-type: none"> 30% 24%

Note 1:

Non-resident unit holders may be subject to tax in their respective countries depending on the provisions of the tax legislation in the respective countries and any existing double taxation arrangements with Malaysia.

Gains from sale of units

Gains arising from the realisation of investments will generally not be subject to income tax in the hands of unit holders unless they are insurance companies, financial institutions or traders / dealers in securities.

Unit splits and reinvestment of distributions

Unit holders may also receive new units as a result of unit splits or may choose to reinvest their distributions. The income tax implications of these are as follows:

- Unit splits – new units issued by the Fund pursuant to a unit split will not be subject to income tax in the hands of the unit holders.
- Reinvestment of distributions – unit holders may choose to reinvest their income distribution in new units by informing the Manager. In this event, the unit holder will be deemed to have received the distribution and reinvested it with the Fund.

⁷ Pursuant to Paragraph 12(1), Schedule 6 of the MITA, the income of any co-operative society—
(a) in respect of a period of five years commencing from the date of registration of such co-operative society; and
(b) thereafter where the members' funds [as defined in Paragraph 12(2)] of such co-operative society as at the first day of the basis period for the year of assessment is less than seven hundred and fifty thousand ringgit, is exempt from tax.

⁸ A company would not be eligible for the 17% tax rate on the first RM600,000 of chargeable income if:-
(a) more than 50% of the paid up capital in respect of the ordinary shares of the company is directly or indirectly owned by a related company which has paid up capital in respect of ordinary shares of more than RM2.5 million at the beginning of a basis period for a year of assessment;
(b) the company owns directly or indirectly more than 50% of the paid up capital in respect of the ordinary shares of a related company which has paid up capital in respect of ordinary shares of more than RM2.5 million at the beginning of a basis period for a year of assessment;
(c) more than 50% of the paid up capital in respect of the ordinary shares of the company and a related company which has a paid up capital in respect of ordinary shares of more than RM2.5 million at the beginning of a basis period for a year of assessment is directly or indirectly owned by another company.

⁹ The above excludes a business trust and a company which is established for the issuance of asset-backed securities in a securitization transaction approved by the Securities Commission.

We hereby confirm that, as at the date of this letter, the statements made in this letter correctly reflect our understanding of the tax position under current Malaysian tax legislation and the related interpretation and practice thereof, all of which are subject to change, possibly on a retrospective basis. We have not been retained (unless specifically instructed hereafter), nor are we obligated to monitor or update the statements for future conditions that may affect these statements.

The statements made in this letter are not intended to be a complete analysis of the tax consequences relating to an investor in the Fund. As the particular circumstances of each investor may differ, we recommend that investors obtain independent advice on the tax issues associated with an investment in the Fund.

Yours faithfully

Ernst & Young Tax Consultants Sdn Bhd

Bernard Yap
Partner

Ernst & Young Tax Consultants Sdn Bhd has given its consent to the inclusion of the Taxation Adviser's Letter in the form and context in which it appears in this Replacement Prospectus Issue No. 11 and has not withdrawn such consent before the date of issue of this Replacement Prospectus Issue No. 11.

9. DISTRIBUTORS OF THE FUND

9.1. OUR BRANCHES

Main Branch
Northern Branch
Southern Branch
Sarawak Branch
Sabah Branch
Melaka Branch
Kuantan Branch
Kota Bharu Branch

For information and updates on our branches, please contact our Customer Care Centre under the “Corporate Directory” section during business hour between 8:45 a.m. and 5:45 p.m. (Malaysian time) from Mondays to Fridays or refer to our website at www.principal.com.my.

9.2. PRINCIPAL DISTRIBUTORS

Nsg Wealth Advisors

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

Platinum

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

Dynamics Wealth Advisors

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

Megas

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

Amg Synergy Multiresources Sdn Bhd

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

Elite Group Consultants

No 6-2 Jalan Dagang 1/1A
Taman Dagang
68000 Ampang

Charisma Legacy

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

AAAAA Wealth Builders

(formerly known as O-tye Group Consultants)
Lot C-615 & Lot C-616
Level 6 Block C Kelana Square
17 Jalan SS7/26
Kelana Jaya
47301 Petaling Jaya Selangor
Tel: (603) 7880 6893

My Financial Freedom Advisors

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

Preferred Wealth Advisors

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

Otye Xcellence Consultants

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

Prestige Wealth Advisors

I-91-2 Block I
Jalan Teknologi 3/9
Kota Damansara

Selangor
Tel: (603) 4251 1129

Success Concepts Life Planners

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

Aces Advisors

Unit D5-6 Ritze Perdana 1
Jalan PJU 8/2
Damansara Perdana
47820 Petaling Jaya, Selangor
Tel: (6016) 2292 342

GVG Solution Agency

No. 12-01 Jalan Setia Tropika 1/29
Taman Setia Tropika
Johor Bahru
81200 Johor
Tel: (607) 2326 976

Tremendous Wealth Advisors

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

Soha Barakah Wealth Consultancy

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

Evoque Wealth Advisors

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

Premierone Wealth

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

Charisma Legacy 1

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

Nrich Wealth Advisory Group

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

47810 Petaling Jaya
Selangor
Tel: (603) 6140 7275

Magnificent Champion Agency Office

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

Premier Wealth Advisors

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

My IFP Kemaman

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

Wealth Resources Group Advisors

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

GVG Pasir Gudang Solution

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

KPG Management Resources

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

Victorious Agency

33-01 Jalan Tampoi Susur 1
81200 Johor Bahru
Johor
Tel: (6011) 1211 840

KPG Elite Billionaire

No 15-1 Jalan Adenium 2g/9
Adenium Business Centre
48300 Bukit Beruntung
Rawang Selangor
Tel: (603) 6021 7188

Charisma Legacy 3

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

Synergy Wealth Entrepreneur

98-2 Jalan Dwitasiik
Dataran Dwitasiik
Bandar Sri Permaisuri
Cheras
56000 Kuala Lumpur
Tel: (603) 9226 5344

KPG Capital Growth Solution

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

NZ Group

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

Zenith Premier Wealth Advisors

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

Millionaire Empire Group

23-1 Jalan Rejang 4
Setapak Jaya
53300 Kuala Lumpur
Tel: (603) 4141 6644

Charisma Legacy Kota Bharu

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

Global Amazing Entrepreneur

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

Charisma Legacy 2

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

Sa@7

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

Finaims

Suite 3a Level 4 Starling Mall
Damansara Uptown
47400 Petaling Jaya
Selangor
Tel: (6013) 3257 653

9.3. IUTA

CIMB Investment Bank Berhad

Note: We have the discretion in determining the Distributors of the Fund, including its appointment and/or termination from time to time. For updated information on the Distributors of the Fund, please contact our **Customer Care Centre** under the "Corporate Directory" section during business hour between 8:45 a.m. and 5:45 p.m. (Malaysian time) from Mondays to Fridays or refer to our website at www.principal.com.my.

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Principal Asset Management Berhad (199401018399 (304078-K))

Enquiries:

Customer Care Centre **+603 7723 7260**

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

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