

Date of issuance: 22 April 2021

# Product Highlights Sheet

## Principal Islamic PRS Plus\*

### - Principal Islamic PRS Plus Asia Pacific Ex Japan Equity

\* The name "PRS Plus" is the name of the PRS solution by Principal Malaysia. It does not in any way connote or warrant that this Scheme will necessarily outperform other PRS or have additional features that may be lacking in other PRS solutions.

#### Responsibility Statement

This PHS has been reviewed and approved by the authorised committee approved by the directors of Principal Malaysia and they have collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable inquiries, 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 the PHS false or misleading.

#### Statement of Disclaimer

The Securities Commission Malaysia has approved the Principal Islamic PRS Plus and authorized the Principal Islamic PRS Plus Asia Pacific Ex Japan Equity, and a copy of this PHS has been lodged with the Securities Commission Malaysia. The approval and authorisation, as well as the lodgement of this PHS, should not be taken to indicate that the Securities Commission Malaysia recommends the Principal Islamic PRS Plus or Principal Islamic PRS Plus Asia Pacific Ex Japan Equity, or assumes responsibility for the correctness of any statement made or opinion or report expressed in this PHS.

The Securities Commission Malaysia is not liable for any non-disclosure on the part of Principal Malaysia, responsible for the Principal Islamic PRS Plus and Principal Islamic PRS Plus Asia Pacific Ex Japan Equity, and takes no responsibility for the contents of this PHS. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this PHS, and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.

#### The PRS Provider

Principal Malaysia holds a Capital Markets Services Licence for fund management and dealing in securities restricted to unit trust under the Capital Markets and Services Act 2007 and specializes in managing and operating unit trusts for investors, both institutional and retail. Principal Malaysia's responsibilities include managing investment portfolios by providing fund management services to insurance companies, pension funds, unit trust companies, corporations and government institutions in Malaysia. In addition, Principal Malaysia is an approved private retirement scheme provider in Malaysia. Principal Malaysia originally commenced its operations as a unit trust company in November 1995.

**This PHS supersedes the PHS dated 1 January 2021.**

**This PHS only highlights the key features and risks of this Principal Islamic PRS Plus and Principal Islamic PRS Plus Asia Pacific Ex Japan Equity. You are advised to request, read and understand the Second Replacement Disclosure Document dated 22 April 2020, First Supplemental Disclosure Document dated 6 August 2020 and Second Supplemental Disclosure Document dated 22 April 2021 before deciding to invest.**

## Brief Information on Principal Islamic PRS Plus

Principal Islamic PRS Plus is an Islamic investment Scheme designed to facilitate Members to accumulate savings\* for retirement. The Scheme comprises of a range of Islamic retirement funds, which Members may choose to invest based on their retirement needs, risk appetite and age profile.

\* The Funds are neither capital guaranteed nor capital protected funds.

The Scheme consists of the following Funds:

Funds		Fund Category
<b>Core Funds</b>		
Principal Islamic PRS Plus Conservative	iPRS-C	Core (Conservative)
Principal Islamic PRS Plus Moderate	iPRS-M	Core (Moderate)
Principal Islamic PRS Plus Growth	iPRS-G	Core (Growth)
<b>Non-Core Funds</b>		
Principal Islamic PRS Plus Equity	iPRS-DALI	Feeder Fund - Equity (Shariah-compliant)
Principal Islamic PRS Plus Asia Pacific Ex Japan Equity	iPRS-iDYAPDE	Feeder Fund - Equity (Shariah-compliant)

This PHS only provides information on Principal Islamic PRS Plus Asia Pacific Ex Japan Equity.

## Product Suitability

This Fund is suitable for Members who:

- want a Shariah-compliant investment;
- are seeking for capital appreciation;
- are willing to accept significant fluctuation in the value of his/her investment; and/or
- want investments in the Asia Pacific ex Japan region.

## Key Product Features

Principal Islamic PRS Plus																
<b>PRS Provider</b>	Principal Asset Management Berhad															
<b>Sub-Adviser</b>	Principal Asset Management (S) Pte. Ltd															
<b>Trustee</b>	Deutsche Trustees Malaysia Berhad															
<b>Shariah Adviser</b>	Amanie Advisors Sdn Bhd															
<b>Solicitor</b>	Soon Gan Dion & Partners															
Principal Islamic PRS Plus Asia Pacific Ex Japan Equity																
<b>Fund category</b>	Feeder Fund – Equity (Shariah-compliant)															
<b>Investment objective</b>	The Fund seeks to provide capital growth over the long-term by investing in a target fund with investments in the emerging and developed markets of Asia Pacific ex Japan region that comply with the Shariah principles.															
<b>Benchmark</b>	The Fund adheres to the benchmark of the Target Fund. The benchmark of the Target Fund is MSCI AC Asia ex Japan Islamic Index for performance comparison purpose only.															
<b>Investment policy and principal investment Strategy</b>	<p>The Fund will invest at least 85% of its NAV in the Principal Islamic Asia Pacific Dynamic Equity Fund (<i>formerly known as CIMB Islamic Asia Pacific Equity Fund</i>) (“Target Fund”), a Malaysian domiciled fund established on 2 June 2006, which invests in Shariah-compliant equities listed on the stock exchanges in the emerging and developed markets of Asia Pacific ex Japan. The Fund may also maintain up to 15% of its NAV in Islamic liquid assets.</p> <p><u>Information on the Target Fund</u></p> <table border="1"> <tbody> <tr> <td>Target Fund</td> <td>:</td> <td>Principal Islamic Asia Pacific Dynamic Equity Fund</td> </tr> <tr> <td>Target Fund Manager</td> <td>:</td> <td>Principal Asset Management Berhad</td> </tr> <tr> <td>Target Fund Sub-Manager</td> <td>:</td> <td>Principal Asset Management (S) Pte Ltd</td> </tr> <tr> <td>Regulatory authority</td> <td>:</td> <td>Securities Commission Malaysia</td> </tr> <tr> <td>Country of domicile</td> <td>:</td> <td>Malaysia</td> </tr> </tbody> </table>	Target Fund	:	Principal Islamic Asia Pacific Dynamic Equity Fund	Target Fund Manager	:	Principal Asset Management Berhad	Target Fund Sub-Manager	:	Principal Asset Management (S) Pte Ltd	Regulatory authority	:	Securities Commission Malaysia	Country of domicile	:	Malaysia
Target Fund	:	Principal Islamic Asia Pacific Dynamic Equity Fund														
Target Fund Manager	:	Principal Asset Management Berhad														
Target Fund Sub-Manager	:	Principal Asset Management (S) Pte Ltd														
Regulatory authority	:	Securities Commission Malaysia														
Country of domicile	:	Malaysia														

	With effect from 1 June 2020, Principal Singapore will be appointed as the Sub-Adviser of the Fund. Principal Singapore will provide investment research and recommendation to us in accordance with the investment objective and within the investment restrictions of the Fund.		
<b>Asset allocation</b>	<ul style="list-style-type: none"> <li>▪ At least 85% of the Fund's NAV will be invested in the Target Fund; and</li> <li>▪ Up to 15% of the Fund's NAV may be invested in Islamic liquid assets for liquidity purpose.</li> </ul>		
<b>Launch date</b>	12 November 2012		
<b>Financial year-end</b>	31 August		
<b>Distribution policy</b>	The Fund is not expected to pay any distribution. All income earned by you will automatically be reinvested into the Fund.		
<b>Minimum initial contribution</b>	<b>Class A</b>	<b>Class C</b>	<b>Class X</b>
	RM100	RM100	Not applicable
<b>Minimum additional investment</b>	<b>Class A</b>	<b>Class C</b>	<b>Class X</b>
	RM50	RM50	Not applicable
<b>Minimum withdrawal</b>	<b>Class A</b>	<b>Class C</b>	<b>Class X</b>
	RM50 or 100 Units	RM50 or 100 Units	RM100 or 200 Units

## How Does the Scheme Work?

It is basically an alternative savings plan meant for your retirement. With the Scheme, you decide how much, how often and what types of investment. You may choose to contribute RM100 this month and/or decide to add another RM50 two weeks later – it is entirely up to you. You can also pick different Funds for your contributions.

You may contribute to the Scheme by selecting any one or a combination of the Funds. However, if you choose to have us determine the Fund for you, we will allocate your contributions into the Default Option that corresponds to your age as listed in the table below. A Member Statement will be sent to you to notify that you have been allocated to the Default Option.

### **Before 31 December 2021<sup>#</sup>**

Age	Funds
50 years and above	Principal Islamic PRS Plus Conservative
40 years and above but have not yet reached 50 years*	Principal Islamic PRS Plus Moderate
Below 40 years*	Principal Islamic PRS Plus Growth

*\*Should you become a Member and have made your first contribution to the Scheme a month before you attain the age of 40 or 50 years old, we will allocate such contribution to the Principal Islamic PRS Plus Moderate or the Principal Islamic PRS Plus Conservative as the case may be.*

Where you are in the Default Option, we will:

- a) withdraw the Units in the Principal Islamic PRS Plus Growth and purchase Units in the Principal Islamic PRS Plus Moderate before the end of the next calendar month from the day you attain the age of 40 years old; and
- b) withdraw the Units in the Principal Islamic PRS Plus Moderate and purchase Units in the Principal Islamic PRS Plus Conservative before the end of the next calendar month from the day you attain the age of 50 years old.

We will notify you one (1) month prior to you attaining the age specified above that your investments in the Fund will be switched in accordance with the rules of the Default Option and SC Guidelines unless you instruct otherwise.

### **With effect from 31 December 2021<sup>#</sup>**

Age	Funds
55 years and above	Principal Islamic PRS Plus Conservative
45 years and above but have not yet reached 55 years*	Principal Islamic PRS Plus Moderate
Below 45 years*	Principal Islamic PRS Plus Growth

*\*Should you become a Member and have made your first contribution to the Scheme a month before you attain the age of 45 or 55 years old, we will allocate such contribution to the Principal Islamic PRS Plus Moderate or the Principal Islamic PRS Plus Conservative as the case may be.*

Where you are in the Default Option, we will:

- a) withdraw the Units in the Principal Islamic PRS Plus Growth and purchase Units in the Principal Islamic PRS Plus Moderate before the end of the next calendar month from the day you attain the age of 45 years old; and
- b) withdraw the Units in the Principal Islamic PRS Plus Moderate and purchase Units in the Principal Islamic PRS Plus Conservative before the end of the next calendar month from the day you attain the age of 55 years old.

We will notify you one (1) month prior to you attaining the age specified above that your investments in the Fund will be switched in accordance with the rules of the Default Option and SC Guidelines unless you instruct otherwise.

**Note:** The age limit above may be subject to changes as may be determined by the relevant authorities from time to time.

You have six (6) Business Days after your initial contribution (i.e. the date the complete application is received and accepted by us or our Distributors) to reconsider the appropriateness and suitability for your investment needs. Within this period, you may withdraw your investment at the same NAV per Unit when the units were purchased. We must obtain prior authorization of the PPA before proceeding with the refund. We will refund the investment amount including the Sales Charge (if any) to you in RM within ten (10) calendar days of receiving the authorization of the PPA. Please note that this cooling-off right is only given to a first time Member registered with PPA who is investing with any PRS provider. However, Principal Malaysia's staff, person(s) registered by a body approved by the SC to deal in PRS and contributions made to PRS by an employer on behalf of the employee are not entitled to the cooling-off right.

All contributions made by or on behalf of you will be split upon each contribution being made and maintained in two (2) separate sub-accounts by us as follows:

- Sub-account A which refers to a sub-account maintained for you which holds 70% of all contributions made to any of the Funds.
- Sub-account B which refers to a sub-account maintained for you which holds 30% of all contributions made to any of the Funds.

Subject to permitted reasons for withdrawals, you may not make a withdrawal from any of the Funds until you reach the Retirement Age. Upon reaching the Retirement Age, you shall be entitled to withdraw the full amount accumulated in the Funds held by you as Accrued Benefits without payment of any tax penalty.

Request for payment for withdrawals from any of the Funds may be made for the following circumstances and as follows:

No	Circumstances for withdrawal	Sub-account	Extend of withdrawals	Subject to tax penalty
(a)	Upon reaching Retirement Age	A & B	Partial or full	No
(b)	Pre-retirement withdrawals	B	Partial or full	Yes
(c)	Death of Member	A & B	Partial or full	No
(d)	Permanent departure of a member from Malaysia	A & B	Full	No
(e)	Due to permanent total disablement, serious disease or mental disability of a member	A & B	Full	No
(f)	For healthcare purpose	B	Partial or full	No
(g)	For housing purpose	B	Partial or full	No

Upon receiving the Member's request to withdraw some or all of the Accrued Benefits in any of the Fund, we and/or PPA may require you to provide evidence of the facts necessary to establish your right to withdraw moneys from any of the Fund. In relation to item (c), for withdrawal following the death of a Member, we must obtain prior authorization from the PPA before issuing instructions to the Trustee to cancel Units. In relation to item (b), (f) and (g) above, withdrawals may be requested by the member once every calendar year from each PRS provider (from one or multiple funds under any scheme(s) managed by that PRS provider) provided that the individual has been a member of that scheme (whether via member contribution or employer contribution) for at least one (1) year. In relation to item (b), we will deduct an 8% tax penalty (or such other applicable tax penalty) from the withdrawn amount before making payment to you. In relation to item (f), the withdrawal is only permitted for member's ownself or immediate family on certain illnesses. Please refer to our website at [www.principal.com.my](http://www.principal.com.my) for the list of illnesses. Unless the context stated otherwise, all withdrawal transaction are only allowed for Vested Units.

Subject to our absolute discretion, you have the option to switch into any of the Funds under the Scheme or funds under Principal PRS Plus. Switching is limited to once a month only regardless of whether it is switching of funds under the Scheme or switching between funds of different PRS managed by Principal Malaysia and switching is not allowed between different classes. There is no Switching Fee charged for switching of Funds under the Scheme or switching between funds of different PRS managed by us.

**Note:** Muslim Members are encouraged to switch into any other Islamic fund rather than into any other conventional fund as investment in the conventional fund is not permitted from the Shariah perspective.

#### What other taxes apply?

- (i) Tax relief up to RM3,000 per annum will be given for an individual's contribution to the PRS.\*
- (ii) Employers will also be given tax deduction on contributions to PRS made on behalf of their employees of up to 19% of the employees' remuneration.

Prior to reaching the Retirement Age, you are allowed to transfer your accrued benefits of any amount from one (1) or multiple funds under the scheme(s) managed by that PRS provider once every calendar year to another PRS provider provided that:

- you have been a member of the scheme (whether via member contribution or employer contribution) for at least one (1) year; and

- all the accrued benefit to be transferred from a fund must be transferred to one (1) other fund.

The above also applies if you transfer from any funds under schemes of other PRS providers into any Funds under the Scheme. All information required by the PPA is to be provided in the application for the transfer. Unless the context stated otherwise, all withdrawal transaction are only allowed for Vested Units.

*\*For contributions into the PRS and deferred annuities effective from years of assessment 2012 to 2025 and is subject to terms and conditions and/or any amendment/modifications as may be imposed/required by the government or relevant authorities from time to time.*

*#Or such other date as may be permitted by the SC. This information will be communicated to you via our website at [www.principal.com.my](http://www.principal.com.my).*

## Key Risks

General risks of investing in the fund	
<b>Returns not guaranteed</b>	The investment of the fund is subject to market fluctuations and its inherent risk. There is <b>NO GUARANTEE</b> on the investment returns, nor any assurance that the fund's investment 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.
<b>Legal and regulatory risk</b>	The value of the fund may be affected by uncertainties in the legal and regulatory environment. A change in law or regulation made by government or regulatory body will materially impact the value of securities, business, sector or even market as a whole. You should also note that laws and guidelines relating to PRS may change and this may affect your PRS account and/or your ability to access your account balance.
<b>Market risk</b>	Market risk refers to the possibility that an investment will lose value because of a general decline in financial markets, due to economic, political and/or other factors, which will result in a decline in the fund's NAV.
<b>Risk associated with Default Option</b>	If you are in the Default Option, your current investments will be automatically switched into another Fund upon attaining the next age group. The NAV per Unit may be lower at the point of switching than the NAV per Unit when you initially contributed into the Fund. Hence, you may have to suffer losses relating to your investment costs upon disposal.
<b>Liquidity risk</b>	Liquidity risk refers to the ease of liquidating an asset depending on the asset's volume traded in the market. If the fund holds assets that are illiquid, or are difficult to dispose of, the value of the fund will be negatively affected when it has to sell such assets at unfavourable prices.
<b>Inflation risk</b>	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. This risk can be mitigated by investing in securities that can provide a positive real rate of return.
<b>Manager risk</b>	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.
(i) Specific risks for the Fund	
<b>Risks associated with investment in the Target Fund</b>	As the Fund invests predominantly in the Target Fund, the Fund is therefore subject to the management risk of the management company and investment manager of the Target Fund. Should there be a substantial change in the Target Fund's structure which is not in line with the Fund's objective, we reserve the right to seek for alternative Islamic CIS that is consistent with the objective of the Fund, subject to your approval. During this transition period, we may liquidate the Fund's holdings from the Target Fund and hold up to 100% of its NAV in cash, which will deviate from the Fund's stipulated investment strategies.
(ii) Specific risks for the Target Fund	
<b>Reclassification of Shariah status risk</b>	This risk refers to the risk that the currently held Shariah-compliant securities in the fund may be reclassified as Shariah non-compliant in the periodic review of the securities by the SAC of the SC, the Shariah Adviser or the Shariah boards of the relevant Islamic indices or Shariah-compliant securities. If this occurs, we will take the necessary steps to dispose such Shariah non-compliant securities. There may be opportunity loss to the fund due to the fund not being allowed to retain the capital excess gains derived from the disposal of the Shariah non-compliant securities.
<b>Stock specific risk</b>	Prices of a particular stock may fluctuate in response to the circumstances affecting individual companies such as adverse financial performance, news of a possible merger or loss of key personnel of a company. Any adverse price movements of such stock will adversely affect The Target Fund's NAV.

<b>Interest rate risk</b>	Interest rate risk refers to the impact of interest rate changes on the valuation of Sukuk and Islamic money market instruments. When interest rates rise, Sukuk and Islamic money market instruments prices generally decline and this may lower the market value of The Target Fund's investment in Sukuk and Islamic money market instruments.
<b>Risk associated with investing in Islamic CIS</b>	Since the Target Fund may invest into Islamic CIS, there is a risk of concentration into Islamic CIS, in which the Islamic CIS's management company has absolute discretion over the Islamic CIS's investment technique and knowledge, operational controls and management. In the event of mismanagement of the Islamic CIS and/or the management company, the NAV of The Target Fund, which invests into those Islamic CIS would be affected negatively.
<b>Country risk</b>	Investments of the Target 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 Target Fund invests in. For example, the deteriorating economic condition of such countries may adversely affect the value of the investments undertaken by The Target Fund in those affected countries. This in turn may cause the NAV of The Target Fund or price of units to fall.
<b>Currency risk</b>	As the investments of The Target Fund may be denominated in currencies other than the base currency of The Target Fund, any fluctuation in the exchange rate between the base currency of The Target 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 Target Fund, this will have an adverse effect on the NAV of The Target Fund in the base currency of The Target 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.
<b>Risks associated with investment in Shariah-compliant warrants and/or Islamic options</b>	There are inherent risks associated with investment in Shariah-compliant warrants and/or Islamic options. The value of Shariah-compliant warrants and/or options are influenced by the current market price of the underlying security, the exercise price of the contract, the time to expiration of the contract and the estimate of the future volatility of the underlying security's price over the life of the contract. Generally, the erosion in value of Shariah-compliant warrants accelerates as it approaches its expiry date.
<b>Credit and default risk</b>	The Target Fund will be exposed to a certain degree of credit and default risk of issuers or counterparties when The Target Fund invests in Sukuk and/or place Islamic Deposits. Credit risk relates to the creditworthiness of the securities issuers or counterparties and their expected ability to make timely payment of profit 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 Sukuk, this may lead to a credit downgrade. Default risk relates to the risk that a securities issuer or counterparties 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 Target Fund.

**You should be aware that an investment in a PRS may be exposed to other risks from time to time. If in doubt, please refer to the Replacement Disclosure Document or consult professional advisers for a better understanding of the risks.**

## Fees & Charges

There are fees and charges involved and you are advised to consider them before contributing to the Scheme.

### What will I be charged by Principal Malaysia?

Principal Islamic PRS Plus Asia Pacific Ex Japan Equity			
Class	Class A	Class C	Class X
Sales Charge (% of the NAV per Unit) #	3.00%	0.50%	Nil
Redemption Charge	Nil		
Switching Fee	There is no Switching Fee charged for switching of Funds under the Scheme or switching between funds of different PRS managed by Principal Malaysia. Switching is not allowed between different classes.		
Transfer Fee (to another PRS provider)	A maximum of RM25 may be charged for each transfer to another PRS provider. <b>Note:</b> All transaction on the transfer between PRS provider are only allowed for Vested Units.		

# Despite the maximum Sales Charge disclosed above, you may negotiate with us or our Distributors for lower charges. However, you should note that we or our Distributors may, for any reason at any time, where applicable, accept or reject your request and without having to assign any reason, either generally (for all investors) or specifically (for any particular investor or a group of investors) without prior notice to you.

### What will I be charged by the PPA?

Principal Islamic PRS Plus Asia Pacific Ex Japan Equity			
Class	Class A	Class C	Class X
PPA account opening fee	RM10	RM10	RM10
PPA annual fee <sup>^</sup>	RM8		
PPA pre-retirement withdrawal fee	RM25 per transaction		
PPA transfer fee (to another PRS provider)	RM25 per transaction		
PPA administration fee <sup>#</sup>	0.04% p.a. of the Fund's NAV		

<sup>^</sup> Not payable for the year the account is opened and on the year where there was no contribution.

<sup>#</sup> The annual PPA administration fee is accrued daily based on the NAV of the Fund and paid monthly.

### What are the key ongoing fees charged to the Fund?

Principal Islamic PRS Plus Asia Pacific Ex Japan Equity			
Class	Class A	Class C	Class X
Management Fee* (% p.a. of the Fund's NAV)	1.40%	1.50%	1.40%
Trustee Fee <sup>^</sup> (% p.a. of the Fund's NAV)	0.04%	0.04%	0.04%

\* The annual Management Fee is accrued daily based on the NAV of the Fund and paid monthly.

<sup>^</sup> The annual Trustee Fee is accrued daily based on the NAV of the Fund and paid monthly. The Trustee Fee includes local custodian fees and charges but excludes foreign sub-custodian fees and charges.

You can also compare the fees and charges of other PRS by visiting the PPA's website, [www.ppa.my](http://www.ppa.my).

<p>The above-mentioned fees and charges payable to us and/or the Funds are subject to:</p> <ol style="list-style-type: none"> <li>1) any amendments as may be required/imposed by the regulatory authorities such as the SC and the PPA;</li> <li>2) any waiver during promotional period that may be determined by the PRS Provider and/or its Approved Distributors from time to time. For information on the promotions, please contact the PRS Provider and/or its Approved Distributors; and</li> <li>3) any applicable taxes and/or duties as may be imposed by the government and/or the relevant authorities from time to time.</li> </ol>
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<p><b>YOU SHOULD NOT MAKE A PAYMENT IN CASH WHEN PURCHASING UNITS OF PRS FUNDS TO A PRS CONSULTANT/ EMPLOYEE OF PRINCIPAL MALAYSIA OR ISSUE A CHEQUE IN THE NAME OF A PRS CONSULTANT/ EMPLOYEE OF PRINCIPAL MALAYSIA.</b></p>
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### How will I be notified of any increase in fees and charges?

All the fees and charges above may be increased. You will be notified via:

- A supplementary or replacement disclosure document disclosing the new fees and charges; and
- A notice period of ninety (90) days prior to the effective date of the new fees and charges, which is in accordance with the SC Guidelines.

## Valuations

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

Please refer to the "Unit Pricing" section of the Replacement Disclosure Document for more information.

## Fund Performance

### Average total return of the Fund

FYE: 31 August 2020 in %	1-Year	3-Year	5-Year	10-Year	Since inception
Class A	25.35	4.76	7.45	-	7.77
Class C	25.35	4.76	7.44	-	7.77
Class X	25.34	4.76	7.44	-	7.78
Benchmark	24.17	3.59	9.32	-	8.46

**Note:** All performance figures have been extracted from Lipper.

### Annual total return of the Fund

FYE: 31 August, in %	2020	2019	2018	2017	2016	2015	2014	Since inception to 2013
Class A	25.35	(6.08)	(2.35)	22.23	1.90	16.87	6.41	0.74
Class C	25.35	(6.06)	(2.36)	22.23	1.88	16.88	6.41	0.76
Class X	25.34	(6.06)	(2.35)	22.23	1.88	16.88	6.41	0.76
Benchmark	24.17	(6.77)	2.22	25.36	9.89	8.77	13.34	3.24

**Note:** All performance figures have been extracted from Lipper.

For the 1-year period under review, all classes, Class A, Class C, and Class X recorded an increase of 25.35%. Meanwhile, the benchmark increased by 24.17% over the same reporting period. The outperformance of the Fund relative to its benchmark was due to stock selection in the Target Fund.

The slight variation in the performance of Class C vs Class X and Class A was due to different timing of units created for each class.

### Basis of calculation and assumptions made in calculating the returns

Percentage growth	=	$\frac{\text{NAV on that day} - \text{NAV of previous day}}{\text{NAV of previous day}} * 100$	Average total return	=	$\frac{\text{Total returns of the years under review}}{\text{Number of years under review}}$
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### Portfolio Turnover Ratio ("PTR")

FYE: 31 August	2020	2019	2018
Fund	0.10	0.19	0.39

The Fund's PTR decreased to 0.10 times from 0.19 times as there were less trading activities during the financial year under review.

### Distribution

FYE: 31 August	2020			2019			2018			
	Distribution (Sen)	Class A	Class C	Class X	Class A	Class C	Class X	Class A	Class C	Class X
Fund	Gross distribution per unit	-	-	-	-	-	-	-	-	-
	Net distribution per unit	-	-	-	-	-	-	-	-	-

**PAST PERFORMANCE OF THE FUND OR SCHEME IS NOT AN INDICATION OF ITS FUTURE PERFORMANCE.**

### Contact for Further Information / Complaint

- (i) You may contact our **Customer Care Centre** at **(03) 7718 3000** for further information or for any dispute resolution. Our Customer Care Centre is available between 8:45 a.m. and 5:45 p.m. (Malaysian time) on Mondays to Thursdays and between 8:45 a.m. and 4:45 p.m. (Malaysian time) on Fridays (except on Selangor and/or Kuala Lumpur public holidays) or you can e-mail us at [service@principal.com.my](mailto:service@principal.com.my).
- (ii) Alternatively, you may also contact:
  - (a) If you are dissatisfied with the outcome of the dispute resolution process with us, please refer your dispute to Securities Industry Dispute Resolution Center (SIDREC):
    - via phone to : 03-2282 2280
    - via fax to : 03-2282 3855
    - via e-mail to : [info@sidrec.com.my](mailto:info@sidrec.com.my)
    - via letter to : Securities Industry Dispute Resolution Center (SIDREC)  
Unit A-9-1, Level 9, Tower A  
Menara UOA Bangsar, No.5, Jalan Bangsar Utama 1, 59000 Kuala Lumpur
  - (b) You can also direct your complaint to the SC even if you have initiated a dispute resolution process with SIDREC. To make a complaint, please contact the SC's Consumer & Investor Office:
    - via phone to the Aduan Hotline at : 03-6204 8999
    - via fax to : 03-6204 8991
    - via e-mail to : [aduan@seccom.com.my](mailto:aduan@seccom.com.my)
    - via online complaint form available at [www.sc.com.my](http://www.sc.com.my)
    - via letter to : Consumer & Investor Office  
Securities Commission Malaysia



- (c) Federation of Investment Managers Malaysia's Complaints Bureau:
- via phone to : 03-2092 3800
  - via fax to : 03-2093 2700
  - via e-mail to : [complaints@fimm.com.my](mailto:complaints@fimm.com.my)
  - via online complaint form available at [www.fimm.com.my](http://www.fimm.com.my)
  - via letter to : Legal, Secretarial & Regulatory Affairs  
Federation of Investment Managers Malaysia  
9-06-1, 6<sup>th</sup> Floor, Wisma Tune  
No. 19, Lorong Dungun, Damansara Heights, 50490 Kuala Lumpur

## Appendix: Glossary

- Accrued Benefits - The amount of a Member's beneficial interest in the Scheme.
- Business Day - A day on which the Bursa Malaysia Securities Berhad is open for trading and banks in Kuala Lumpur and/or Selangor are open for business.  
**Note:** We may declare certain Business Days to be a non-Business Day for a Fund, if the Fund's investment in foreign markets (if any) which are closed for business or suspended is at least 50% of the Fund's NAV. This information will be communicated to you via our website at <http://www.principal.com.my>. Alternatively, you may contact our Customer Care Centre at 603- 7718 3000.
- CIS - Collective investment scheme.
- Class A - Subject to our absolute discretion, Class A is for an individual who has attained the age 18 years as of the date of opening a private pension account. Class A and Class C have different Sales Charge and Management Fee.
- Class C - Subject to our absolute discretion, Class C is for an individual who has attained the age 18 years as of the date of opening a private pension account. Class A and Class C have different Sales Charge and Management Fee.
- Class X - Subject to our absolute discretion, Class X is for a Member who participates via his/her employer. Class X has no Sales Charge.
- CMSA - Capital Markets and Services Act 2007.
- Conditionally Vested Unit - It means a Unit which accords a Member with entitlement to the Unit that is conditional upon fulfilment of condition(s) stipulated in a Vesting Schedule.
- Core Funds - Principal Islamic PRS Plus Conservative, Principal Islamic PRS Plus Moderate and Principal Islamic PRS Plus Growth.
- Disclosure Document - Refers to the Second Replacement Disclosure Document in respect of the Funds and includes any supplemental disclosure document or replacement disclosure document, as the case may be.
- Deed - The principal and all supplemental deed in respect of the Scheme made between us and the Trustee, in which the Members agree to be bound by the provisions of the deed.
- Default Option - Core Funds that will be selected automatically for a Member who does not specify his or her Fund option upon participating in the Scheme.
- Deposit - As per the definition of "deposit" in the Financial Services Act 2013 and "Islamic deposit" in the Islamic Financial Services Act 2013.  
**Note:** To exclude structured deposits.
- Distributor - Any relevant persons and bodies appointed by Principal Malaysia from time to time, who are responsible for selling Units of the Scheme, including Principal Distributors and Institutional PRS Advisers.
- Funds - It refers to the following funds under the Scheme:

Principal Islamic PRS Plus Conservative (formerly known as CIMB Islamic PRS Plus Conservative)	iPRS-C
Principal Islamic PRS Plus Moderate (formerly known as CIMB Islamic PRS Plus Moderate)	iPRS-M
Principal Islamic PRS Plus Growth (formerly known as CIMB Islamic PRS Plus Growth)	iPRS-G
Principal Islamic PRS Plus Equity (formerly known as CIMB Islamic PRS Plus Equity)	iPRS-DALI
Principal Islamic PRS Plus Asia Pacific Ex Japan Equity (formerly known as CIMB Islamic PRS Plus Asia Pacific Ex Japan Equity)	iPRS-iDYAPDE

Management Fee	- A fee that is paid to the PRS Provider for managing the portfolio of the Fund.
Member	- An individual who has a beneficial interest under the Scheme.
NAV	- Net Asset Value.
NAV of the Fund	- The NAV of the Fund is the value of all the Fund's assets less the value of all the Fund's liabilities, at the point of valuation. For the purpose of computing the annual Management Fee (if any), annual Trustee Fee (if any) and annual PPA fee (if any), the NAV of the Fund must be inclusive of the Management Fee, Trustee Fee and PPA fee for the relevant day.
NAV per Unit	- The NAV of the Class divided by the number of Units in circulation for that Class, at the valuation point.
Non-Core Funds	- Principal Islamic PRS Plus Equity and Principal Islamic PRS Plus Asia Pacific Ex Japan Equity.
OTC	- Over-the-counter.
Pre-retirement withdrawal	- It refers to the withdrawals from any of the Funds that occurs prior to a Member reaching the Retirement Age and it is for the following reasons: a) Pre-retirement withdrawal from Sub-account B that would incur a tax penalty; b) Death of Member; c) Permanent departure of a member from Malaysia; d) Due to permanent total disablement, serious disease or mental disability of a Member; e) For healthcare purpose; and f) For housing purpose.
Principal Malaysia or PRS Provider	- Principal Asset Management Berhad.
PPA	- Refers to Private Pension Administrator; the PRS administrator who is approved under section 139C to perform the function of record keeping, administration and customer service for Members and contributors in relation to contributions made in respect of a PRS and such other duties and functions as may be specified by the SC.
PHS	- Refers to Product Highlights Sheet, the document issued by the PRS Provider that contains clear and concise information of the salient features of the Fund under a Scheme.
PRS	- Private Retirement Scheme.
Redemption Charge	- A charge levied upon redemption of Units from the Fund under certain terms and conditions (if applicable).
Retirement Age	- It means the age of 55 years or any other age may be specified by the SC.
RM	- Ringgit Malaysia.
Sales Charge	- Preliminary charge on each investment made into the Fund.
SC	- Securities Commission Malaysia.
SC Guidelines	- Guidelines on Private Retirement Schemes issued by the SC.
Scheme	- Principal Islamic PRS Plus* ( <i>formerly known as CIMB Islamic PRS Plus</i> ). <b>*The name "PRS Plus" is the name of the PRS solution by us. It does not in any way connote or warrant that this Scheme will necessarily outperform other PRS or have additional features that may be lacking in other PRS solutions.</b>
Scheme Trustee or Trustee	- Deutsche Trustees Malaysia Berhad.
Shariah	- Islamic law, originating from the Qur'an (the holy book of Islam), and its practices and explanations rendered by the prophet Muhammad (pbuh) and ijtehad of ulamak (personal effort by qualified Shariah scholars to determine the true ruling of the divine law on matters whose revelations are not explicit).
Switching Fee	- A charge that may be levied when switching is done from the Fund to any of the Funds under the Scheme or funds under other schemes managed by the PRS Provider.
Target Fund	- Principal Islamic Asia Pacific Dynamic Equity Fund ( <i>formerly known as CIMB Islamic Asia Pacific Equity Fund</i> ).
Transfer Fee (to another PRS provider)	- A nominal fee levied for each transfer of Accrued Benefits from the PRS Provider to another PRS provider.
Trustee Fee	- A fee that is paid to the Trustee for its services rendered as Trustee of the Scheme.
Units or Unit	- It means in relation to a Class or Fund, an undivided proportionate share in the beneficial interest in that Class or Fund as provided by the Deed and in relation to the Scheme, an undivided proportionate share in the beneficial interest in any of the Funds under the Scheme and shall include both Vested Unit and Conditionally Vested Unit.
Vested Unit	- It means a Unit which accords a Member with unconditional entitlement to such Unit.

Vesting Schedule - Refers to the schedule that determines the entitlement of an employee's accrued benefits based on terms of service.

**Note:** *Unless the context otherwise requires,*

- *words importing the singular number should include the plural number and vice versa;*
- *reference to any rules, regulations, guidelines, standards, directives, notices, legislation or statutes in this PHS 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;*
- *time, day or date disclosed in this PHS shall be a reference to that time, day or date in Malaysia; and*
- *reference to "days" in this PHS will be taken to mean calendar days.*

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