

Date of issuance: 13 March 2024

Product Highlights Sheet

Principal e-Cash Fund (Class B)

Responsibility Statement

This PHS has been reviewed by the authorised committee approved by the directors of Principal Malaysia. Having made all reasonable inquiries, they confirm to the best of their knowledge and belief, that there are no false or misleading statements or omissions of other facts which would make any statement in this PHS false or misleading.

Statement of Disclaimer

The Securities Commission Malaysia has authorised the issuance of the Fund and a copy of this PHS has been lodged with the Securities Commission Malaysia.

The authorisation of the Fund and lodgement of this PHS, should not be taken to indicate that the Securities Commission Malaysia recommends the Fund 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 who is responsible for the Fund 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 Manager

Principal Malaysia was incorporated on 13 June 1994 and is a joint venture between Principal Financial Group, Inc. and CIMB Group Sdn. Bhd. Principal Malaysia has experience operating unit trust funds since 1994.

This PHS supersedes the PHS dated 3 July 2023.

This PHS only highlights the key features and risks of this unlisted capital market product. We recommend that you read this PHS together with the Replacement Prospectus for Principal e-Cash Fund dated 3 July 2023 and its supplementary (if any). You are advised to request, read and understand the Replacement Prospectus before deciding to invest.

Brief Information on Principal e-Cash Fund

Principal e-Cash Fund is an Islamic money market fund issued by Principal Malaysia. The Fund aims to provide investors with liquidity and income. The Fund is established as a multi-class fund and is allowed to establish new Class(es) from time to time without your prior consent.

This PHS only consists of information on Class B of the Fund. Please note that Class B is only available for institutional investors.

This is neither a capital protected fund nor a capital guaranteed fund.

Investors' Eligibility

You are eligible if you are an institution including a company, corporation, co-operative, trust or pension fund.

We reserve the right to accept or reject any application in whole or in part thereof without assigning any reason in respect thereof.

Product Suitability

The Fund best suits you if you:

- have a short-term investment horizon;
- desire a stream of income;
- want a portfolio of investments that adhere to Shariah principles; and
- seek liquid and low risk investment.

Key Product Features

Fund category/Type	Money Market (Islamic) / Income.					
Base currency	MYR.					
Benchmark	CIMB Islamic Bank Ringgit Malaysia Basic Savings Account-i Top Tier Rate. <i>Note: The benchmark is for performance comparison only. You are cautioned that the risk profile of the Fund is higher than the benchmark. The information of the benchmark can be obtained from www.cimb.com.my.</i>					
Investment strategy	The Fund is actively managed with the aim of achieving a liquid and low risk portfolio. In managing the Fund, we employ a two-pronged strategy that focuses on liquidity (primary focus) and yield enhancement (secondary focus), while ensuring that the overall risk of the portfolio is within the acceptable range. All NAV of the Fund will be invested in a combination of cash (at bank), placement of Islamic Deposits, Islamic money market instruments and/or sukuk in MYR. We are flexible in the allocation and the selection of the Shariah-compliant investments. Generally, the Fund tends to invest in Shariah-compliant investments that are of short duration and/or high quality to provide the liquidity required by the Fund. Where opportunity arises, the Fund may also invest in high quality sukuk for yield enhancement if we are of the opinion that such investment will not compromise the liquidity and the performance of the Fund. The minimum credit rating for the Islamic money market instrument and sukuk must be at least "P2" or "A3" respectively by RAM or equivalent by MARC or any reputable credit rating agency in Malaysia.					
Launch date	Fund	:	15 March 2021	Class B	:	15 March 2021
Financial year-end	30 November.					
Distribution policy	Class B: We have the discretion to make income distribution on an ad-hoc basis, taking into consideration the level of realised income and/or realised gains, as well as the performance of the Fund. We have the right to make provisions for reserves in respect of distribution of the Class.					
Manager	Principal Asset Management Berhad.					
Trustee	HSBC (Malaysia) Trustee Berhad					
Shariah Adviser	Amanie Advisors Sdn Bhd.					
Solicitors	Wei Chien & Partners.					

Key Risks

General risks of investing in a unit trust fund	
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 a Shariah-compliant 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 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.
Shariah non-compliance risk	This refers to the risk of the fund not conforming to the Shariah Investment Guidelines due to investment in Shariah non-compliant instrument or reclassification of Shariah status. In the event that the manager is required to rectify any Shariah non-compliance by disposing the related instrument, any losses from disposal due to investment in Shariah non-compliant instrument will be borne by the manager whereas any losses from disposal due to reclassification of Shariah status will be borne by the fund. In any circumstances, gain received from disposal shall be channeled to baitulmal and/or charitable bodies as approved by the Shariah Adviser.
Specific risks of the Fund	
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. Given that liquidity is an important aspect of the Fund, there may be a risk that the Fund could not meet the required withdrawal amount due to insufficient liquidity. As such, we have designed the Fund to be invested in instruments that are liquid and low risk.
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 Sukuk, Islamic money market instruments and/or places in Islamic Deposits. Credit risk relates to the creditworthiness of an issuer or counterparty and their expected ability to make timely payment of profit and/or principal. Any adverse situations faced by the issuer or counterparty may impact the value as well as liquidity of the investments. In the case of rated sukuk and Islamic money market instruments, this may lead to a credit downgrade. Default risk relates to the risk that an issuer or counterparty either defaulting on payments or failing to make payments in a timely manner which will in turn adversely affect the value of the investments. This could adversely affect the value of the Fund. We aim to mitigate this risk by performing bottom-up and top-down credit research and analysis to determine the creditworthiness of the issuers or counterparties, and impose investment limits on exposures to issuers or counterparties with different credit profiles as a precautionary step to limit any loss that may arise directly or indirectly as a result of a defaulted exposure.
Interest rate risk	Interest rate risk refers to the impact of the changes in the interest rate environment that may affect the performance of the Fund. When interest rates decrease, Financial Institutions may offer Islamic Deposits with lower profit rates. As such, this will reduce the potential return on investment of future Islamic Deposits placements which in turn will reduce the potential return on investment of the Fund. As for sukuk and Islamic money market instruments, their prices generally decline when interest rates rise, which would lower the NAV of the Fund.

You should note that investment in the Fund is not the same as placement in an Islamic Deposit with a Financial Institution. There are risks involved and you should rely on your own evaluation to assess the merits and risks when investing in the Fund. For more details, please refer to “Risk Factors” section of the Prospectus. 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.

Fees & Charges

	Class B
Application Fee	Nil.
Withdrawal Fee	Nil.
Switching Fee	Not applicable as switching facility is currently not available.
Transfer Fee	Not applicable as transfer facility is currently not available.
Management Fee	Up to 0.45% per annum of the NAV of the Class.
Trustee Fee	Up to 0.03% per annum of the NAV of the Fund.
Other charges payable directly by you when purchasing or withdrawing the units	Any applicable bank charges and other bank fees incurred as a result of an investment or withdrawal will be borne by you.
Expenses directly related to the Fund or Class	Only expenses that are directly related to the Fund or Class can be charged to the Fund or Class respectively. Examples of relevant expenses are audit fee and tax agent’s fee.

Note: 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 the Trustee Fee), whether payable by the Fund or Class, payable by you to the Fund or payable by any other investors to the Fund.

Transaction Information

	Class B
Minimum initial investment	MYR100,000 or such other amount as we may decide from time to time.
Minimum additional investment	MYR10,000 or such other amount as we may decide from time to time.
Minimum withdrawal	10,000 units or such other number of units as we may decide from time to time.
Minimum balance	100,000 units or such other number of units as we may decide from time to time.
Switching facility	Currently not available.
Transfer facility	Currently not available.
Regular Savings Plan	Not applicable for corporations.
Cooling-off period	Not applicable for corporations.

Note: We reserve our sole and absolute discretion without providing any reason whatsoever and at any time to accept, reject, amend, vary, waive and/or reduce (as the case maybe): (i) your request for a lower amount or number of units when purchasing units (or additional units) or withdrawing units; and/or (ii) the minimum balance. For increase in the number of units for minimum withdrawal and minimum balance, we will require concurrence from the Trustee and you will be notified of such changes.

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

YOU SHOULD NOT MAKE PAYMENT DIRECTLY OR INDIRECTLY TO A UNIT TRUST SCHEME CONSULTANT/EMPLOYEE OF PRINCIPAL MALAYSIA OR ISSUE A CHEQUE IN THE NAME OF A UNIT TRUST SCHEME CONSULTANT/EMPLOYEE OF PRINCIPAL MALAYSIA WHEN PURCHASING THIS UNIT TRUST FUND.

Valuations

We adopt a single pricing method for any transactions (i.e. applications, withdrawals, switches and/or transfers) based on **historical prices**. The daily valuation point will be at 9:00 p.m. (“Valuation Point”). We will process your transaction requests based on the NAV per unit at the last Valuation Point after we receive the completed relevant application from you.

The Fund will be valued at least once every day. As the Fund adopts historical pricing, the Fund will have a Mid-day Valuation Point.

WE WILL RE-PRICE THE UNITS IF THE NAV PER UNIT DIFFERS BY MORE THAN 5% FROM THE LAST VALUATION POINT.

The NAV per unit for Class B is available on our website at www.principal.com.my after 9:00 p.m. daily.

Please refer to the “Unit Pricing” section of the Prospectus for more information.

Avenues to Exit This Investment

To exit from this investment, you may withdraw your units from the Fund. We will process your withdrawal request based on the NAV per unit at the last Valuation Point after we receive the completed withdrawal requests from you. If we receive a complete withdrawal request by 4:00 p.m. on a Business Day, we will process it on that Business Day (T day) based on the NAV per unit at the last Valuation Point. If we receive the withdrawal request after 4:00 p.m. on a Business Day, we will process it on the next Business Day (T+1) based on the NAV per unit of the last Valuation Point.

The amount that you will receive is calculated by the withdrawal value less the Withdrawal Fee (if any). You will be paid in MYR within four (4) Business Days (or T+3 Business Day) of our receipt of the complete withdrawal request. For a withdrawal amount greater than MYR10 million, or if you are withdrawing your entire investment, you are required to provide us with a written notice (electronically or otherwise) of minimum five (5) Business Days of such intention to withdraw to enable us to process the withdrawal. You will have to bear the applicable bank fees and charges, if any.

For more information on withdrawal and cooling-off period, please refer to the “Transaction Information” section in Annexure – Class B of the Prospectus. For more information on the fees and charges to be incurred when you exit from this investment, please refer to “Fees, Charges and Expenses” chapter of the Prospectus.

Fund Performance

Average total return of the Fund

FYE: 30 November 2023, in %	1-Year	3-Years	5-Years	10-Years	Since inception
Fund	3.67	-	-	-	2.44
Benchmark	0.80	-	-	-	0.64

Note: All performance figures have been extracted from Lipper.

Annual total return of the Fund

FYE: 30 November, in %	2023	2022	Since inception to 2021
Fund	3.67	1.91	1.05
Benchmark	0.80	0.80	0.64

Note: All performance figures have been extracted from Lipper.

As at 30 November 2023, the Fund’s Class B gave a 1-year return of 3.67%, outperforming the benchmark by 287 bps. Since inception, the Fund’s Class B has delivered a return of 6.76% to unit holders, outperforming the benchmark by 451 bps respectively.

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: 30 November	2023	2022	2021
Fund	66.54	32.50	62.48

The Fund's PTR increased from 32.50 to 66.54 times reflecting the higher number of transactions recorded for the financial year under review.

Distribution

FYE: 30 November		2023	2022	2021
Fund	Gross distribution per unit (Sen)	2.84	2.10	0.33
	Net distribution per unit (Sen)	2.84	2.10	0.33

The Fund distributed a total net income of RM15.84 million to unit holders for the financial year ended 30 November 2023. Distribution was in the form of reinvested into additional units in the Fund at the NAV per unit on the distribution date.

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

Contact for Further Information / Complaint

- (i) You may contact our Customer Care Centre at (603) 7723 7260 or WhatsApp (6016) 299 9792 for further information or for any dispute resolution. Our Customer Care Centre is available during business hour between 8:45 a.m. and 5:45 p.m. (Malaysian time) from Mondays to Fridays or you can e-mail us at mygoplus@principal.com.
- (ii) 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 : (603) 2282 2280
 - via fax to : (603) 2282 3855
 - via e-mail to : 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
- (iii) 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 : (603) 6204 8999
 - via fax to : (603) 6204 8991
 - via e-mail to : aduan@seccom.com.my
 - via online complaint form available at www.sc.com.my
 - via letter to : Consumer & Investor Office
Securities Commission Malaysia
No 3, Persiaran Bukit Kiara, Bukit Kiara, 50490 Kuala Lumpur
- (iv) Federation of Investment Managers Malaysia's Complaints Bureau:
- via phone to : (603) 7890 4242
 - via e-mail to : complaints@fimm.com.my
 - via online complaint form available at www.fimm.com.my
 - via letter to : Legal, Secretarial & Regulatory Affairs
Federation of Investment Managers Malaysia
19-06-1, 6th Floor, Wisma Tune
No. 19, Lorong Dungun, Damansara Heights, 50490 Kuala Lumpur

Appendix: Glossary

Application Fee	- Preliminary charge on each investment.
Business Day	- Mondays to Fridays when Bursa Malaysia Securities Berhad is open for trading, and/or banks in Kuala Lumpur are open for business.
Class	- Any class of units representing similar interest in the assets of the Fund and differentiated by features such as type of eligible investors, transaction amount, transaction methods, currency denomination, fees and charges and/or distribution policy.
Deed	- The principal deed and all supplemental deed in respect of the Fund made between us and the Trustee, in which the Unit holders agree to be bound by the provisions of the Deed.
Financial Institution	- As per the definition of "financial institution" in the GUTF.
Fund or e-Cash	- Principal e-Cash Fund.
GUTF	- Guidelines on Unit Trust Funds issued by the SC.
Islamic Deposit	- As per the definition of "Islamic deposit" in the Islamic Financial Services Act 2013.
Management Fee	- A percentage of the NAV of the Class that is paid to us for managing the portfolio of the Fund.

MARC	- Malaysian Rating Corporation Berhad.
Mid-day Valuation Point	- Refers to the additional valuation performed every day for the Fund during the mid-day.
MYR	- Malaysian Ringgit.
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 (including Management Fee and Trustee Fee) at the Valuation Point.
NAV of the Class	- The NAV of the Fund attributable to a Class at the Valuation Point.
NAV per unit	- The NAV of the Class divided by the number of units in circulation for that Class, at the Valuation Point.
Principal Malaysia, the Manager, we or us	- Principal Asset Management Berhad.
PHS	- Refers to this Product Highlights Sheet, this document issued by us that contains clear and concise information of the salient features of the Fund.
Prospectus	- Refers to the document issued by us describing the details of the Fund.
RAM	- RAM Rating Services Berhad.
SC	- Securities Commission Malaysia.
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 ijihad of ulamak (personal effort by qualified Shariah scholars to determine the true ruling of the divine law on matters whose revelations are not explicit).
Shariah Adviser	- Amanie Advisors Sdn Bhd.
Trustee	- HSBC (Malaysia) Trustee Berhad.
Trustee Fee	- A percentage of the NAV of the Fund that is paid to the Trustee for its services rendered as trustee for the Fund.
Unit holder	- The registered holder for the time being of a unit of the Fund.
Valuation Point	- Refers to the daily valuation of the Fund at 9:00 p.m.
Withdrawal Fee	- A charge levied upon withdrawal under certain terms and conditions (if applicable).

Notes: *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, legislations 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 unless otherwise stated.*

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