

FIRST SUPPLEMENTAL PROSPECTUS FOR PRINCIPAL ASIA PACIFIC DYNAMIC INCOME FUND

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

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

This First Supplemental Prospectus is dated 13 July 2023 and is to be read in conjunction with the Prospectus issue No. M5 for the Principal Asia Pacific Dynamic Income Fund dated 14 April 2023 (“Prospectus”).

This Fund was constituted on 25 November 2010.

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

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

AS THIS FUND IS A QUALIFYING CIS UNDER THE ASEAN CIS FRAMEWORK, INVESTORS SHOULD NOTE THAT THERE ARE CLASSES OF THE FUND THAT MAY BE OFFERED TO INVESTORS IN OTHER COUNTRIES THAT PARTICIPATE IN THE ASEAN CIS FRAMEWORK.

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RESPONSIBILITY STATEMENTS

This First Supplemental Prospectus has been reviewed and approved by the directors of the 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 First Supplemental Prospectus false or misleading.

STATEMENTS OF DISCLAIMER

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

The authorisation of the Fund, and registration of this First Supplemental 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 the Prospectus or this First Supplemental 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 First Supplemental Prospectus. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this First Supplemental 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 First Supplemental Prospectus that is false, misleading, or from which there is a material omission; or for any misleading or deceptive act in relation to the First Supplemental Prospectus or the conduct of any other person in relation to the Fund.

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

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1.0. GENERAL

- 1.1 This First Supplemental Prospectus is issued to reflect the amendments made to the Prospectus as stated under paragraphs 2, 3, 4, 5 and 6 below.
- 1.2 All terms used in this First Supplemental Prospectus shall have the same meanings as those defined in the Definitions Chapter of the Prospectus unless where the context otherwise requires.
- 1.3 All information provided herein is practicable as at 31 May 2023 and shall remain current and relevant as at such date.

2.0. DEFINITIONS

- 2.1 The following definitions have been inserted under the Definitions Chapter at page ii:

AUD	-	Australian Dollar.
Class AUD	-	The Class issued by the Fund denominated in AUD.

3.0. FUND INFORMATION

- 3.1 The table under the section of “**Base Currency and Classes**” at page 1 has been replaced and read as below:

Name of Class	Launch date	Initial offer period	Initial offer price per unit
Class MYR	25 April 2011	N/A	N/A
Class SGD	9 September 2015	N/A	N/A
Class USD	9 September 2015	N/A	N/A
Class D	28 April 2023	N/A	N/A
Class AUD	13 July 2023 ^{Note 1}	1 day which is on the launch date	AUD 1.0000

^{Note1} The launch date shall be the date disclosed above or such other date as may be determined by us at our discretion. Any change to the launch date will be published on the website at www.principal.com.my prior to the launch date and thereafter, a supplemental prospectus will be issued to inform investors of the revised launch date.

4.0. TRANSACTION INFORMATION

- 4.1 The second paragraph under the section of “How to invest?” at page 16 has been replaced and read as below:

You may make a payment:

- by crossed cheque (made payable as advised by us or our Distributors as the case may be). You will have to bear the applicable bank fees and charges, if any; or
- directly from your bank account (or foreign currency bank account, as the case may be) held with our Distributors, where applicable; or
- directly with your monies in the e-Wallet App. Kindly ensure that your e-Wallet has enough balance for your investment. Please also note that there may be a limit to your e-Wallet balances; or
- directly from your bank account through wire transfer facility offered in the e-Wallet App (subject to any limit prescribed by the wire transfer facility provider); 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.

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5.0. SALIENT TERMS OF DEED

5.1. The second paragraph under the section of “Maximum Fees, Charges And Expenses Permitted By The Deed” at page 26 has been replaced and read as below:

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

Fees	Description
(1) Management Fee	Up to 3.00% per annum, calculated daily on the NAV of the Class.
(2) Trustee Fee	Up to 0.05% per annum, calculated daily on the NAV of the Fund (including local custodian fees but excluding foreign sub-custodian fees and charges).

6.0. ADDITIONAL ANNEXURE – CLASS AUD

The following annexure containing the key data for Class AUD has been added immediately after Annexure – Class D.

Annexure – Class AUD

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

The Fund is a multi-class fund and is allowed to establish new Class(es) from time to time without your prior consent. As this Fund is a Qualifying CIS under the ASEAN CIS Framework, there are Classes of the Fund that may be offered to investors in other countries that participate in the ASEAN CIS Framework.

CLASS INFORMATION

Class AUD	Page
Currency denomination AUD	
Distribution policy Depending on the level of income (if any) the Class generates, the Class aims to distribute part or all of its distributable income on a quarterly basis.	19

FEES & CHARGES

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

Charges	Class AUD	Page
Application Fee	Principal Distributors : Up to 6.50% of the NAV per unit. IUTAs : Up to 5.50% of the NAV per unit.	8
Withdrawal Fee	Nil.	8
Switching Fee	You may be charged a Switching Fee of up to 1.00% of the NAV per unit. We have the discretion to waive the Switching Fee.	8
Transfer Fee	A maximum of AUD15 may be charged for each transfer.	8
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.	

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

Fees	Class AUD	Page
Management Fee	Up to 1.50% per annum of the NAV of the Class in Malaysia.	9
Trustee Fee	Up to 0.05% per annum (including local custodian fees and charges but excluding foreign sub-custodian fee and charges) on the NAV of the Fund. The foreign sub-custodian fee is dependent on the country invested and is charged monthly in arrears.	9
Expenses directly related to 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.	9
Other fees payable indirectly by you when investing in the Fund	Nil.	

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 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 AUD	Page
Minimum initial investment	AUD1,000 or such other amount as we may decide from time to time.	17
Minimum additional investment	AUD100 or such other amount as we may decide from time to time.	17
Minimum withdrawal	100 units or such other number of units as we may decide from time to time.	17
Minimum balance	1,000 units or such other number of units as we may decide from time to time.	17
RSP	Currently not available.	16
Cooling-off period	Six (6) Business Days from the date the complete application is received and accepted by us or our Distributors from the first time individual investor investing with us or our Distributors. 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.	17
Switching	Switching will be conducted based on the value of your investment in the Class. The minimum amount for a switch is subject to: <ul style="list-style-type: none"> ▪ for switching out of the Class: <ul style="list-style-type: none"> ○ the minimum withdrawal applicable to the Class; ○ the minimum balance required (after the switch) for the Class, unless you are withdrawing from the Class in entirety; and ○ the Withdrawal Fee of the Class (if any); ▪ for switching into the Class: <ul style="list-style-type: none"> ○ the minimum initial investment amount or the minimum additional investment amount (as the case may be) applicable to the Class; and ○ the Switching Fee applicable for the proposed switch (if any). <p>You may negotiate to lower the amount for your switch with us or our Distributors.</p>	18
Transfer	We may, at our absolute discretion, allow or refuse transfer of units subject to such terms and conditions as may be stipulated by us from time to time.	18

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 prior to effecting the increase in the number of units for minimum withdrawal and minimum balance.

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

There are fees and charges involved and you are advised to consider them before investing in the Fund.

All fees and charges payable by you and/or the Fund are subject to any applicable taxes and/or duties as may be imposed by the government or other authorities (if any) from time to time. As a result of changes in any rule, regulation, directive, notice and/or law issued by the government or relevant authority, there may be additional cost to the fees, expenses, charges and/or taxes payable to and/or by you and/or the Fund as disclosed or illustrated in the Prospectus.

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

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