

Date of issuance: 26 February 2024

# Product Highlights Sheet

## Principal Global Preferred Securities Fund

### 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 the PHS false or misleading.

### Statement of Disclaimer

The relevant information and document in relation to the Fund, including a copy of this PHS has been lodged with the Securities Commission Malaysia under the Lodge and Launch Framework.

The lodgement of the relevant information and document in relation to the Fund, including 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 31 December 2019.**

**This PHS only highlights the key features and risks of this unlisted capital market product. You are advised to read this PHS together with the Information Memorandum dated 31 December 2019 and its supplementary (if any). You are advised to request, read and understand the Information Memorandum before deciding to invest.**

## Brief Information on Principal Global Preferred Securities Fund

The Fund is a Wholesale Feeder Fund issued by Principal Malaysia, which aims to achieve income and capital appreciation primarily through investment in preferred securities. The Fund invests primarily in one collective investment scheme, i.e. Principal Global Investors – Preferred Securities Fund. The Fund is established with a multi-class structure and is allowed to establish new Class(es) from time to time without your prior consent.

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

### Product Suitability

The recommended investment timeframe for this Fund is three (3) years or more. This Fund is suitable for Sophisticated Investors who:

- have a medium to long term investment horizon;
- seek income and capital appreciation;
- want to invest in a portfolio with exposure to preferred securities; and/or
- are prepared to accept, in normal conditions, a medium degree of volatility of NAV per annum.

### Key Product Features

<b>Fund category/Type</b>	Wholesale Fund (Feeder Fund) / Income.
<b>Base currency</b>	US Dollar (USD).
<b>Benchmark</b>	The Fund adheres to the benchmark of the Target Fund for performance comparison. The Target Fund is managed without reference to a particular benchmark. However, the performance comparator index of the Target Fund for performance comparison purpose only may be found on the monthly fund fact sheet of the Target Fund available on the <a href="http://www.principalglobal.com">www.principalglobal.com</a> website. Currently, the performance comparator index of the Target Fund for performance comparison is Bloomberg Barclays Global Aggregate Corporate Index.
<b>Investment strategy</b>	In order to achieve its objective, the Fund will invest at least 95% of its NAV in the Principal Global Investors Fund - Preferred Securities Fund (the “Target Fund”); a UCITS domiciled in Ireland and established on 22 April 2003. The Fund will also maintain up to 5% of its NAV in liquid assets.  <b><u>Information on the Target Fund</u></b> Target Fund Manager : Principal Global Investors (Ireland) Limited Investment Adviser/ Investment Manager : Principal Global Investors, LLC Sub Investment Adviser : Spectrum Asset Management, Inc Regulatory authority : Central Bank of Ireland  Principal Global Investors Fund – Preferred Securities Fund is a Dublin based UCITS that invest primarily in a portfolio of USD denominated preferred securities and debt securities.
<b>Launch date</b>	<b>Fund</b> : 11 January 2017 <b>Class USD</b> : 11 January 2017 <b>Class MYR</b> : 11 January 2017 <b>Class MYR-Hedged</b> : 30 March 2017
<b>Financial year-end</b>	31 October
<b>Distribution policy</b>	Quarterly, depending on market conditions and 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 Class. 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. <b>Note:</b> <i>The Fund may distribute income from realised income, realised capital gains, unrealised income, unrealised capital gains, capital and/or a combination of any of the above. We reserve the right to vary the frequency and/or amount of distributions.</i>
<b>Manager</b>	Principal Asset Management Berhad
<b>Trustee</b>	HSBC (Malaysia) Trustee Berhad
<b>Solicitors</b>	Soon Gan Dion & Partners

## Key Risks

General risks of investing in a collective investment scheme	
<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.
<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>Inflation risk</b>	This is the risk that your investment in the wholesale 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.
<b>Loan financing risk</b>	This risk occurs when you take a loan/financing to finance your investment. The inherent risk of investing with borrowed money includes you being unable to service the loan repayments. In the event units are used as collateral, you may be required to top-up your existing instalment if the prices of units fall below a certain level due to market conditions. Failing which, the units may be sold at a lower NAV per unit as compared to the NAV per unit at the point of purchase towards settling the loan.
Specific risks associated with the investment portfolio of the Fund	
<b>Currency risk</b>	<p>You should be aware that currency risk is applicable to Class(es) (e.g. Class MYR) which is in a different currency than the base currency of the Fund (i.e. USD) The impact of the exchange rate movement between the base currency of the Fund and the denomination of the respective Class(es) may result in a depreciation of the value of your holdings as expressed in the base currency of the Fund.</p> <p>As for a hedged Class, the Class itself provides mitigation to the currency risk arising from the difference between the currency denomination of the Class and the base currency of the Fund. As such, any movement in the exchange rate between the currency denomination of a hedged Class and the base currency of the Fund, shall have no impact to the NAV of a hedged Class. While we aim to fully hedge the currency risk for a hedged Class, you should note that it may not entirely eliminate currency risk. In addition, you should note that, as a result of hedging, a hedged Class will not be able to enjoy the full benefits of the currency movement in the event of a favourable movement of the currency denomination of the hedged Class against the base currency of the Fund. You should also note that hedging incurs costs, in which will impact the NAV of a hedged Class.</p>
<b>Manager risk</b>	Since the Fund invests into a collective investment scheme managed by another manager, the Target Fund's manager has absolute discretion over the Target Fund's investment technique and knowledge, operational controls and management. In the event of mismanagement of the Target Fund and/or the management company, the NAV of the Fund, which invests into the Target Fund would be affected negatively. Although the probability of such occurrence is minute, should the situation arise, we reserve the right to seek for an alternative collective investment scheme that is consistent with the objective of this Fund, subject to your approval.
<b>Country risk</b>	As the Fund invests in the Target Fund which is domiciled in Ireland, the Fund's investments in the Target Fund may be affected by risks specific to Ireland. Changes to laws and regulations of Luxembourg may have an adverse impact on the Target Fund, and consequently the Fund.
Specific risks related to the Target Fund	
<b>Fund manager risk</b>	This risk refers to the day-to-day management of the Target Fund by the Target Fund manager which will impact the performance of the fund. For example, investment decisions undertaken by the Target Fund 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. These may adversely affect the performance of the Fund.
<b>Convertible Bond Risk</b>	<p>Convertible bonds, like any other fixed income security, are sensitive to changes in the rates of interest. Convertibles usually have call provisions and when market interest rates drop, there is an imminent risk that the issuing company will call the securities. The issuing company will then be able to refund convertibles with a cheaper debt. In addition to market risk, there are certain risks associated with an investment in a convertible bond such as default risk (risk that the company issuing a convertible security will be unable to repay principal and interest) and interest rate risk.</p> <p>The Target Fund with convertible securities may not be able to control whether the issuer of a convertible security chooses to convert that security. If the issuer chooses to do so, this action could have an adverse effect on the Fund's ability to achieve its investment objective because the issuer may force conversion before the Fund would otherwise choose to do so. This may impact on the value of the Target Fund's investment and as a result, the Net Asset Value of the Fund may be adversely affected.</p>

<b>CoCos Risk</b>	<p>While CoCos have some of the same risks as convertible bonds, as outlined above, there are also risks that are specific to this category of investment, such as conversion risk in the event of a change in an issuer's capital ratio below a predefined level. Conversion triggers and trigger levels for conversion for CoCos differ depending on the specific terms of issuance. The occurrence of a conversion trigger event is inherently unpredictable and depends on a number of factors, many of which will be outside the issuer's control. Further, in addition to the above and a possible call extension risk, CoCos are also subject to coupon cancellations. Coupon payments are entirely discretionary and may be cancelled by the issuer at any point, with any such cancelled payments being written off which can ultimately lead to a mispricing risk. CoCos may also be subject to regulatory or tax call provisions allowing the issuer to repurchase in the event of changes to the regulatory or tax environment. CoCos tend to have higher price volatility and greater liquidity risk than other securities which do not expose investors to the aforementioned risks.</p>
<b>Credit risk</b>	<p>The value of debt and preferred securities held by the Target Fund may be affected by factors such as the credit rating of the entity that issued the security and its maturity. Lower quality or longer maturity securities will tend to be subjected to greater credit risk and price fluctuations than higher quality or shorter maturity securities.</p> <p>Fixed income securities that are not investment grade are commonly referred to as high yield securities. These securities offer a potentially higher yield than other higher rated securities, but they carry a greater degree of risk and are considered speculative by the major credit rating agencies.</p> <p>In relation to preferred securities, credit risk refers to the decline in security's price and failure to make dividend payment when due. In terms of priority to corporate income, preferred securities are subordinated borrowing to bonds and other debt instruments in a company's capital structure. Therefore it will be subject to greater credit risk than debt instruments.</p>
<b>Liquidity risk</b>	<p>Liquidity risk refers to the ease of liquidating an asset depending on the asset's volume traded in the market. If the Target Fund holds assets that are illiquid, or are difficult to dispose of, the value of the Target Fund will be negatively affected when it has to sell such assets at unfavourable prices.</p>
<b>Prepayment risk</b>	<p>When interest rates fall, the price of debt and preferred securities rises. During periods of falling interest rates, an issuer may also exercise its option to prepay principal earlier than scheduled. This will drive the Target Fund to reinvest in lower yielding securities. In relation to preferred securities, a change in law may also cause an issuer to redeem securities earlier than scheduled.</p>
<b>Extension risk</b>	<p>When interest rates rise, the price of debt and preferred securities will decline. During period of rising interest rates, the average life of some securities may be extended because of slower than expected principal payments. This may lock in a below market interest rate, increase the securities duration, and reduce the securities value.</p>
<b>Risk associated with Asset Replication Strategy</b>	<p>The Target Fund may utilise Asset Replication Strategy (ARS) for efficient portfolio management (EPM) purpose. ARS is used to replicate the assets by utilising swap agreements, credit default swaps (CDS), total return swaps (TRS), repurchase agreement, securities lending and/or forward currency contracts. When utilising these instruments, the Target Fund may be exposed to the risks associated with these instruments.</p> <p>The swaps market is a relatively new market and is largely unregulated. Any potential government regulation may affect the Target Fund's ability to terminate existing swap agreements or to acquire the expected amounts under such agreements. The Target Fund may also suffer loss under the swap agreements, in case of counterparty default or bankruptcy.</p> <p>The Target Fund may act as both protection buyer and seller in respect of a CDS. Where the Target Fund is the protection seller, the risk arises where a specified reference credit event occurs which obliges the Target Fund to pay the counterparty under the terms of the CDS. Where the Target Fund is the protection buyer, the risk arising is of the counterparty default where a specified reference credit event occurs and the Target Fund looks to the counterparty for payment.</p> <p>In the event that the counterparty is unable to meet its payment contract under the TRS terms, credit risk will arise to the Target Fund.</p> <p>Under a repurchase agreement, if the other party defaults the Target Fund may suffer a loss when the sales proceeds of the underlying securities and other collateral held by the Fund are less than the repurchase price. Additionally, in the event of bankruptcy or similar proceedings of the other party to the repurchase agreement or failure to repurchase the securities as agreed by the party, the Target Fund will suffer losses, including loss of interest on or principal of the security and costs associated with delay and enforcement of the repurchase agreement.</p> <p>If the Target Fund engages in securities lending, the Target Fund may encounter the risk of loss of rights in the collateral or delay in recovery of the collateral if the borrower fail to return the securities loaned or become bankrupt.</p> <p>The Target Fund may also utilise forward currency contracts. Forward currency contracts will be entered into OTC between two counterparties acting as principals. Since an OTC contract is not guaranteed by an exchange or clearing house, a default contract would force the Fund to cover its purchase or sale commitments, if any, at the current market price. The performance of the Target Fund may be influenced</p>

by movement in foreign exchange rates because currency positions held by the Target Fund may be different from the positions held.

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 Wholesale Fund may be exposed to other risks from time to time. Please consult professional advisers for a better understanding of the risks.

**Note:** Please take note that if your investments are made through the Distributor (i.e. the IUTA via a nominee system of ownership), you would not be deemed as a Unit holder under the Deed and as a result, 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).

## Fees & Charges

	Class(es) of units		
	Class USD	Class MYR	Class MYR-Hedged
<b>Application Fee</b>	Up to 3.50% of the NAV per Unit.		
<b>Withdrawal Fee</b>	Nil.		
<b>Switching Fee</b>	Switching is treated as a withdrawal from the Class and an investment into another Class or Principal Malaysia's fund (or its class). As such, you may be charged a Switching Fee equal to the difference (if any) between the Application Fee of the Class and the Application Fee of the other Class or Principal Malaysia's fund (or its class). Switching Fee will not be charged if the Class or Principal Malaysia's fund (or its class) to be switched into has a lower Application Fee. In addition, we may impose		
	USD35	MYR100	MYR100
	administrative fee for every switch made out of any of the Principal Malaysia's funds. You may negotiate to lower the Switching Fee and/or administrative fee. We also have the discretion to waive the Switching Fee and/or administrative fees.		
<b>Transfer Fee</b>	A maximum of USD 15 may be charged for each transfer.	A maximum of MYR50 may be charged for each transfer.	A maximum of MYR50 may be charged for each transfer.
<b>Management Fee</b>	Up to 1.50% per annum of the NAV of the Class in Malaysia.		
<b>Trustee Fee</b>	Up to 0.04% per annum of the NAV of the Class (including local custodian fees and charges but excluding foreign sub-custodian fees and charges).		
<b>Other charges payable directly by you when purchasing or withdrawing the units</b>	Any applicable bank charges and other bank fees incurred as a result of an investment or withdrawal will be borne by you.		
<b>Expenses directly related to the Fund</b>	Only expenses that are directly related to the Fund can be charged to the Fund. Examples of relevant expenses are audit fee and tax agent's fee.		

**Note:** 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 or you as disclosed in this Product Highlights Sheet.

Despite the maximum Application Fee disclosed above, you may negotiate with us or Distributors for lower fee or charges. However, you should note that we or 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 Sophisticated Investors) or specifically (for any particular Sophisticated Investor, a group of Sophisticated Investors or investments made via any digital platform) without prior notice to you.

We may, for any reason at any time, where applicable, waive, or reduce the amount of any fees (except the Trustee Fee) or other charges payable by you to us in respect of the Fund, either generally (for all Sophisticated Investors) or specifically (for any particular Sophisticated Investor, a group of Sophisticated Investors or investments made via any digital platform) and for any period or periods of time at our absolute discretion.

## Transaction Information

	Class(es) of units		
	Class USD	Class MYR	Class MYR-Hedged
<b>Minimum initial investment</b>	USD 5,000	MYR 5,000	MYR 5,000
	or such other amount as we may decide from time to time.		
	USD 2,000	MYR 2,000	MYR 2,000

<b>Minimum additional investment</b>	or such other amount as we may decide from time to time.		
<b>Minimum withdrawal</b>	5,000 units	5,000 units	5,000 units
	or such other number of units as we may decide from time to time.		
<b>Minimum balance</b>	5,000 units	5,000 units	5,000 units
	or such other number of units as we may decide from time to time.		
<b>Regular Savings Plan</b>	Currently, RSP is only available for Class MYR and Class MYR-Hedged. It allows you to make regular monthly investments of RM 500 or more, direct from your account held with a bank approved by us or our Distributors. The minimum initial investment for the RSP is RM 5,000 or such other amount as we may decide from time to time.		
<b>Switching</b>	<p>Switching will be conducted based on the value of your investment in the Class. The minimum amount for a switch is subject to:</p> <ul style="list-style-type: none"> <li>▪ for switching out of the Class: <ul style="list-style-type: none"> <li>○ the minimum withdrawal amount applicable to the Class;</li> <li>○ the minimum balance required (after the switch) for the Class, unless you are withdrawing from the Class in entirety; and</li> <li>○ the Withdrawal Fee of the Class (if any);</li> </ul> </li> <li>▪ for switching into the Class: <ul style="list-style-type: none"> <li>○ the minimum initial investment amount or the minimum additional investment amount (as the case may be) applicable to the Class; and</li> <li>○ the Switching Fee applicable for the proposed switch (if any).</li> </ul> </li> </ul> <p>You may negotiate to lower the amount for your switch with us or our Distributors.</p>		
<b>Transfer</b>	We may, at our absolute discretion, allow Unit holders to transfer their units to Sophisticated Investors subject to such terms and conditions as may be stipulated by us from time to time. We may refuse to register any transfer of a unit at our absolute discretion.		
<b>Cooling-off period</b>	Individual Sophisticated Investors have six (6) Business Days after your initial investment (i.e. from the date the complete application is received and accepted by us or any of 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 or prevailing NAV per Unit at the point of cooling-off (whichever is lower) (“Refund Amount”). We will pay the Refund Amount including the Application Fee (if any) to you in the currency of the respective Class within seven (7) Business Days from the date we receive the complete documentations. If there are unforeseen circumstances that caused a delay in receiving the cooling-off proceeds from the Target Fund, we will pay to you the Refund Amount within five (5) Business Days of the receipt of the Refund Amount from the Target Fund. Please note that the cooling-off right is only given to first time investor investing with us or our Distributors. However, corporations or institutions, 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.		

**Note:** You may request for a lower amount or number of units when purchasing units (or additional units) or withdrawing units, which will be at our sole and absolute discretion. However, you should note that we may, for any reason at any time, where applicable, accept or reject a lower amount or number of units without having to assign any reason, either generally (for all Sophisticated Investors) or specifically (for any particular Sophisticated Investor, a group of Sophisticated Investors or investments made via any digital platform) without prior notice to you. We may also, for any reason at any time, where applicable, reduce the minimum balance, either generally (for all Sophisticated Investors) or specifically (for any particular Sophisticated Investor, a group of Sophisticated Investors or investments made via any digital platform) without prior notice to you. 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 before implementation.

**YOU SHOULD NOT MAKE ANY PAYMENT DIRECTLY OR INDIRECTLY TO ANY INDIVIDUAL AGENT/EMPLOYEE OF THE MANAGER OR ISSUE A CHEQUE IN THE NAME OF AN INDIVIDUAL AGENT/EMPLOYEE OF THE MANAGER WHEN PURCHASING THIS FUND.**

## Valuations

We will carry out the valuation of the Classes for each Business Day on the next Business Day (T+1) at 4:00 p.m. This is to cater for the currency translation of the foreign securities or instruments to the Fund’s base currency. The NAV per Unit for a Business Day is available on our website at [www.principal.com.my](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 Information Memorandum for more information.

## Avenues to Exit This Investment

To exit from this investment, you may withdraw, switch out of the Fund or transfer your unit holdings to other eligible Sophisticated Investors. You may withdraw your investment at the unit price of the Business Day. Please note that if you withdraw during the initial offer period, the Application Fee will not be refunded to you, except in the case of cooling-off period.

Withdrawal can be made from the Fund by completing a withdrawal form and sending it to the relevant Distributors or our head office. There is no restriction on the frequency of withdrawals and no Withdrawal Fee will be charged. Hence, the amount payable to you is the withdrawal value. You will be paid in the currency of the Class (e.g. Class USD Unit holders will be paid in USD) 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.

Please note that we may not be able to pay the withdrawal proceeds to you within seven (7) Business Days if the Target Fund is suspended or the redemption request of the Target Fund is deferred.

For more information on the withdrawal, switching, transfer facility and cooling-off period, please refer to the “Transaction Information” chapter of the Information Memorandum. For more information on the fees and charges incur when you exit from this investment, please refer to “Fees, Charges and Expenses” chapter of the Information Memorandum.

## Contact for Further Information / Complaint

- (i) You may contact our Customer Care Centre at (03) 7723 7260 or whatsapp at +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 [myservice@principal.com](mailto:myservice@principal.com).
- (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 the 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  
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  
No 3 Persiaran Bukit Kiara, Bukit Kiara, 50490 Kuala Lumpur
- (c) Federation of Investment Managers Malaysia’s Complaints Bureau:
- via phone to : 03-7890 4242
  - via email 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  
19-06-1, 6<sup>th</sup> 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 and/or Selangor are open for business. In respect of the Target Fund, it means any day on which banks are open for business in Ireland other than Saturday or Sunday. <b>Note:</b> We may declare certain Business Days to be a non-Business Day if the jurisdiction of the Target Fund declares a non-business day and/or if the Target Fund’s manager declares a non-dealing day. This information will be communicated to you via our website at <a href="http://www.principal.com.my">www.principal.com.my</a> .
Class(es)	- Any Class of units representing similar interest in the assets of the Fund.
Class MYR	- The Class of units issued by the Fund denominated in Ringgit Malaysia.
Class USD	- The Class of units issued by the Fund denominated in United States Dollar.
Class MYR-Hedged	- The Class of units issued by the Fund denominated in MYR that aims to minimize the effect of exchange rate fluctuations between the base currency of the Fund (i.e. USD) and MYR.
CMSA	- Capital Markets and Services Act 2007.
CoCos	- Refers to contingent convertible securities.
Deed	- The principal and any 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.

Distributors	- Any relevant persons and bodies appointed by Principal Malaysia from time to time, who are responsible for selling units of the Funds including Principal Distributors and IUTAs.
Fund	- Principal Global Preferred Securities Fund.
Information Memorandum	- Refers to the information memorandum dated 31 December 2019 and first supplemental information memorandum dated 26 February 2024 in respect of the Fund issued by us describing the details of the Fund.
IUTAs	- Institutional Unit Trust Scheme Advisers.
Management Fee	- A percentage of the NAV of the Class that is paid to the Manager for managing the portfolio of the Fund.
Medium to long term	- Refers to a period of three (3) years or more.
NAV per Unit	- The NAV of the Fund divided by the number of units in circulation, at the valuation point.
Net Asset Value or NAV	- 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) 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.
OTC	- Over-the-counter.
Principal Distributors	- Refers to the authorised unit trust scheme consultants registered with Principal Malaysia.
Principal Malaysia or the Manager	- Principal Asset Management Berhad.
SC	- Securities Commission Malaysia.
SC Guidelines	- SC Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework.
Sophisticated Investor	- Refers to investors as we determine as qualified or eligible to invest in the Fund and that fulfil any laws, rules, regulations, restrictions or requirements imposed by the respective country's regulators where the Fund is open for sale. For investors in Malaysia, this refers to any person who: <ul style="list-style-type: none"> <li>(i) Is determined to be a sophisticated investor under the SC's Guidelines on Categories of Sophisticated Investors, as amended from time to time; or</li> <li>(ii) acquires any capital market products where the consideration is not less than MYR250,000 or its equivalent in foreign currencies for each transaction whether such amount is paid for in cash or otherwise,</li> </ul> and/or any other category(ies) of investors as may be permitted by the SC from time to time. <p><b>Note:</b> For more information, please refer to our website at <a href="http://www.principal.com.my">www.principal.com.my</a> for the current and/or updated definition and categories of "Sophisticated Investor".</p>
Switching Fee	- A charge that may be levied when switching is done from one fund or class to another.
Target Fund	- Principal Global Investors Fund - Preferred Securities Fund.
Transfer Fee	- A nominal fee levied for each transfer of units from one Unit holder to another.
Trustee Fee	- A fee that is paid to the Trustee for its services rendered as Trustee of the Fund.
UCITS	- An undertaking for collective investment in transferable securities pursuant to the UCITS Directive.
UCITS Directive	- Refers to the European Communities (undertakings for collective investment in transferable securities) Council Directive No.65 of 2009 as amended, supplemented or replaced from time to time.
Unit holder	- The registered holder for the time being of a unit of the Fund including persons jointly so registered.
USD	- United States Dollar.
Wholesale Fund	- A unit trust scheme established in Malaysia where the units are to be issued, offered for subscription or purchase, or for which invitations to subscribe for or purchase the units are to be made, exclusively to Sophisticated Investor.
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, 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.