

Date of issuance: 11 November 2025

Product Highlights Sheet

Principal Islamic Enhanced Liquidity 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 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 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 only highlights the key features and risks of this unlisted capital market product. We recommend that you read this PHS together with the Prospectus. You are advised to request, read and understand the Prospectus before deciding to invest.

Brief Information on Principal Islamic Enhanced Liquidity Fund

Principal Islamic Enhanced Liquidity 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 is neither a capital protected fund nor a capital guaranteed fund.

Product Suitability

The Fund best suits you if you:

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

Key Product Features

Fund Category/Type	Money Market (Islamic)/ Income.					
Base currency	MYR					
Benchmark	CIMB Islamic 1-month Fixed Deposit-i (FD-i) <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. The Fund will invest at least 90% of its NAV in short-term sukuk, short-term Islamic money market instruments and/or short-term Islamic Deposits and the remaining of the Fund’s NAV may be invested in high quality sukuk (with remaining maturity period of more than 397 days but fewer than 732 days) and/or liquid assets such as cash which refers to Islamic current account. Short-term Islamic Deposits are Islamic deposits with a tenure of not more than 12 months. 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. The minimum rating also applies to the issuer of the Islamic money market instruments and sukuk. As part of its risk management strategy and given that liquidity of the Fund is the primary focus, when deemed necessary, the Fund may concentrate its investments in liquid assets such as cash (refers to Islamic current account) and placement of Islamic Deposits. Investments in liquid assets such as cash (refers to Islamic current account) and placement of Islamic Deposits must be made with financial institutions with minimum long-term credit rating of “A3” by RAM or equivalent rating by MARC or equivalent by any reputable credit rating agency in Malaysia. Typically, fund size and withdrawal patterns are two of the key factors that affects the liquidity needs of the Fund and hence will influence how we will manage the Fund. A small fund size and/or high withdrawal patterns tend to increase the liquidity needs of the Fund.					
Launch date	Class AI	:	11 November 2025	Class AR	:	11 November 2025
Financial year-end	31 October					
Distribution Policy	Class AI and Class AR: We have the discretion to distribute income monthly, 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. If the income available is too small or insignificant, any distribution may not be of benefit to the Unit holders 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 the Unit holders.					
Manager	Principal Asset Management Berhad					

Trustee	HSBC (Malaysia) Trustee Berhad
Shariah Adviser	Amanie Advisors Sdn Bhd
Solicitors	Soon Gan Dion & Partners

Key Risks

General risks of investing in a 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 an investment will lose value because of a general decline in financial markets, due to economic, political and/or other factors, which will result in a decline in the Fund's NAV.
Inflation risk	This is the risk that your investment in the Fund may not grow or generate income at a rate that keeps pace with inflation. This would reduce your purchasing power even though the value of the investment in monetary terms has increased.
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. Please note that financing is not encouraged. The Manager does not provide financing for the purchase of units of the Fund.
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.
Liquidity risk	Liquidity risk refers to the ease of liquidating an asset without causing market dislocation. This depends on the supply and demand as well as the asset's volume or amount traded in the market. If the Fund holds assets that are illiquid or difficult to dispose of, the value of the Fund and consequently the value of Unit holders' investment in the Fund may be negatively affected when the Fund has to sell such assets at unfavourable prices.
Shariah non-compliance risk	This refers to the risk of the Fund not conforming to Shariah Investment Guidelines due to investment in Shariah non-compliant instrument. 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. In any circumstances, gain received from disposal shall be channeled to baitulmal and/or charitable bodies as advised by the Shariah Adviser.
Specific risks related to the Fund	
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 Islamic Deposits. Credit risk relates to the creditworthiness of an issuer or counterparty and its expected ability to make timely payment of profit and/or principal. Any adverse situations faced by the issuers or counterparties may impact the value as well as liquidity of the investments. In the case of rated sukuk or 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 measure 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 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 Fund's investment in sukuk and Islamic money market instruments. In managing the sukuk, we take into account the coupon rate and time to maturity of the sukuk with an aim to mitigate the interest rate risk. As for Islamic money market instruments, the typical tenor of these instruments is up to 12-month maturity and unlike sukuk with longer tenor, any change to interest rate will only have a minor impact to the prices of these instruments.

	For Islamic Deposit placement, when interest rates rise, there could be opportunity loss for the Fund to earn higher interest rate. On the other hand, when interest rates fall, Islamic Deposit may be reinvested at lower interest rates which in turn will reduce the potential returns of the Fund. Please note that the interest rate referred herein is a general economic indicator that may impact the value of the Fund's investments. This does not indicate that the Fund will invest into conventional financial instruments. All Islamic funds are invested into instruments that conform with Shariah principles.
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, please consult your professional advisers for a better understanding of the risks.	

Note: If your investments are made through an IUTA via a nominee system of ownership, you would not be deemed to be a Unit holder under the Deed and as a result, you may not exercise all the rights ordinarily conferred to a Unit holder (e.g. the right to call for Unit holders' meetings and the right to vote at a Unit holders' meeting).

Investment in the Fund is not the same as placing funds in an Islamic deposit with an Islamic 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.

Fees & Charges

	Class(es) of units	
	Class AR (Individual investor)	Class AI (Non-individual investor)
Application Fee	Nil.	
Withdrawal Penalty	Nil.	
Switching Fee	Not applicable.	
Transfer Fee	Not applicable.	
Management Fee	0.40% per annum of the NAV of the Class.	
Trustee Fee	0.015% per annum (including local custodian fees but excluding foreign sub-custodian fees and charges (if any)) of the NAV of the Fund.	
Other charges payable directly by you when purchasing or withdrawing 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 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(es) of units	
	Class AR (Individual investor)	Class AI (Non-individual investor)
Minimum initial investment	MYR10	MYR10
	or such other amount as we may decide from time to time.	
Minimum additional investment	MYR10	MYR10
	or such other amount as we may decide from time to time.	
Minimum withdrawal	10 units or such other number of units as we may decide from time to time.	
Minimum balance	10 units or such other number of units as we may decide from time to time.	
Switching	Currently not available.	

	Class(es) of units	
	Class AR (Individual investor)	Class AI (Non-individual investor)
Regular Savings Plan ("RSP")	Not applicable.	
Transfer	Currently not available.	
Cooling-off period	For first time individual investor investing with us, you 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 its 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. Please note that the cooling-off right is only given to first time 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.	Cooling-off period is not applicable for Class AI.

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 in respect 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 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 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"). This means that we will process your transactions request based on the NAV per unit at the last Valuation Point after we receive the completed relevant transaction forms 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 THIS UNITS IF THE NAV PER UNIT DIFFERS BY MORE THAN 5% FROM THE LAST VALUATION POINT.

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 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 10:30 a.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 Penalty (if any). You will be paid in MYR within the same day (T-day) of our receipt of the complete withdrawal request. However, in unforeseen circumstances including but not limited to technical system failures during processing, which may resulted in unexpected delays, you will be paid within two (2) Business Days (or T+1 Business Day), provided that all documentations are completed and verifiable. 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.

Note: We seek variation for same day settlement which enables a quick redemption process. Variation does not apply in unforeseen circumstances which unit holders will be paid within two (2) Business Days.

For more information on the withdrawals and cooling-off period, please refer to the “Transaction Information” chapter of the Prospectus. For more information on the fees and charges incurred when you exit from this investment, please refer to “Fees, Charges and Expenses” chapter of the Prospectus.

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.
- (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 Financial Markets Ombudsman Service (“FMOS”) through www.fmos.org.my. Alternatively, you can contact FMOS:
 - via phone to : 03-2272 2811
 - walk in to : Level 14, Main Block
Menara Takaful Malaysia
No. 4, Jalan Sultan Sulaiman
50000 Kuala Lumpur
 - (b) You can also direct your complaint to the SC even if you have initiated a dispute resolution process with FMOS. To make a complaint, please contact the SC’s Consumer & Investor Office:
 - via phone to Aduan Hotline at : 03-6204 8999
 - via fax to : 03-6204 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
 - (c) Federation of Investment Managers Malaysia’s Complaints Bureau:
 - via phone to : 03-7890 4242
 - via e-mail to : complaints@fimm.com.my
 - via online complaint form available at www.fimm.com.my
 - via letter to : Legal & Regulatory Affairs
Federation of Investment Managers Malaysia
19-06-1, 6th Floor Wisma Capital A,
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.
Class	- Any Class of units representing similar interests in the assets of the Fund.
Class AI and Class AR	- The Class issued by the Fund denominated in MYR and differentiated by features such as type of eligible investors, i.e. non-individual and individual.
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.
Distributor	- Any relevant persons and bodies appointed by Principal Malaysia from time to time, who are responsible for selling units of the Fund, including Principal Distributors and IUTA.
Fund or IELF	- Principal Islamic Enhanced Liquidity Fund.
GUTF	- Guidelines on Unit Trust Funds issued by the SC.
Islamic Deposits	- 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.
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 Class	- The NAV of the Fund attributable to a Class at the same valuation point.

NAV of the Fund	- The value of all the Fund's assets less the value of all the Fund's liabilities, at the point of valuation. For the purpose of computing the annual Management Fee (if any) and annual Trustee Fee (if any), the NAV of the Fund should be inclusive of the Management Fee and Trustee Fee for the relevant day.
NAV per unit	- The NAV attributable to a Class divided by the number of units in circulation for that Class, at the valuation point.
Principal Distributors	- Refers to the unit trust scheme consultants of Principal Malaysia registered with Principal Malaysia.
Principal Malaysia or the Manager	- Principal Asset Management Berhad.
PHS	- Refers to 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 prospectus dated 11 November 2025 and any supplementary (if any) issued by us describing the details of the Fund.
SC	- Securities Commission Malaysia.
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 of the Fund.
Unit holder	- The registered holder for the time being of a unit of the Fund including persons jointly so registered.
Valuation Point	- Refers to the daily valuation of the Fund at 9:00 p.m.
Withdrawal Penalty	- A penalty 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 disclosed in this PHS should be indicated as Malaysia time; and
- reference to "days" in this PHS will be taken to mean calendar days.