

Singapore Prospectus

# Principal DALI Opportunities Fund

The Principal DALI Opportunities Fund (the “**Fund**”) is authorised by the Securities Commission Malaysia (“**SC**”). The Fund is established in Malaysia and constituted outside of Singapore. The Manager of the Fund is Principal Asset Management Berhad (the “**Manager**” or “**Principal Malaysia**”). The Manager has appointed Principal Asset Management (S) Pte. Ltd. (Company Registration No. 200607208K) (whose details appear in the Directory of this Singapore Prospectus) as its Singapore Representative and agent for service of process in Singapore.

# PRINCIPAL DALI OPPORTUNITIES FUND

## Singapore Prospectus

(REQUIRED PURSUANT TO  
DIVISION 2 OF PART 13 OF THE  
SECURITIES AND FUTURES ACT 2001)

Registered on 19 August 2022  
valid up to and including 18 August 2023

**This is a Replacement Singapore Prospectus lodged with the Monetary Authority of Singapore on 14 April 2023 pursuant to section 298 of the Securities and Futures Act 2001 and it replaces the Singapore Prospectus registered by the Monetary Authority of Singapore on 19 August 2022.**

The Principal DALI Opportunities Fund (the “**Fund**”) is authorised by the Securities Commission Malaysia (“**SC**”). The Fund is established in Malaysia and constituted outside of Singapore. The Manager of the Fund is Principal Asset Management Berhad (the “**Manager**” or “**Principal Malaysia**”). The Manager has appointed Principal Asset Management (S) Pte. Ltd. (Company Registration No. 200607208K) (whose details appear in the Directory of this Singapore Prospectus) as its Singapore Representative and agent for service of process in Singapore.

# PRINCIPAL DALI OPPORTUNITIES FUND

## Important Information

The date of registration of this Singapore Prospectus with the Monetary Authority of Singapore (the “**MAS**”) is 19 August 2022 (which has been replaced by a Replacement Singapore Prospectus dated **14 April 2023**). This Singapore Prospectus shall be valid for a period of 12 months from the date of the registration (up to and including 18 August 2023) and shall expire on 19 August 2023.

The Fund offered in this Singapore Prospectus is a recognised scheme under the Securities and Futures Act 2001 (the “**SFA**”). A copy of this Singapore Prospectus has been lodged with and registered by the MAS. The MAS assumes no responsibility for the contents of this Singapore Prospectus. Registration of this Singapore Prospectus by the MAS does not imply that the SFA or any other legal or regulatory requirements have been complied with. The MAS has not, in any way, considered the investment merits of the Fund.

The Fund is established as a unit trust fund in Malaysia and is authorised under the Capital Markets and Services Act 2007 of Malaysia. The Fund is assessed by the SC as suitable to be a qualifying fund under the Framework for cross-border public offers of Qualifying CIS (“**ASEAN CIS Framework**”). The Fund is established as a multi-class fund under which new Class(es) may be established from time to time.

The Fund may invest at least 70% of its NAV in equities that conform with Shariah principles and up to 28% of its NAV in other permissible Shariah-compliant investments. For more information, please refer to paragraph 7 of this Singapore Prospectus.

### Investor Profile

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

- have a medium-term to long-term investment horizon;
- want a portfolio of investments that adhere to Shariah principles;
- want a diversified portfolio with thematic investment opportunities;
- can accept that investment returns may fluctuate significantly over the short-term and may even be negative; and
- seek capital appreciation over medium-term to long-term.

The Board of Directors of the Manager (the “**Board of Directors**”) has taken all reasonable care to ensure that the information contained in this Singapore Prospectus is, to the best of their knowledge and belief, in accordance with the facts and does not omit anything material in respect of such information. The Board of Directors accepts responsibility accordingly.

Potential investors should note that the Fund is subject to market fluctuations and that there can be no assurance that any appreciation in value will occur. The value of investments and the income from the Fund, and therefore the value of, and income from the units of the Fund (“**Units**”), can go down as well as up and an investor may not get back the amount invested.

Potential investors should seek independent professional advice to ascertain (a) the possible tax consequences, (b) the legal requirements, or (c) any foreign exchange restrictions or exchange control requirements which they may encounter under the laws of their citizenship, residence or domicile, which may be relevant to the subscription, holding or disposal of Units and should inform themselves of and observe all such laws and regulations in any relevant jurisdiction that may be applicable to them.

The distribution of this Singapore Prospectus is restricted to within Singapore only and the offering of the Units may be restricted in certain jurisdictions; persons into whose possession this Singapore Prospectus comes are required to inform themselves about and to observe any such restrictions. This Singapore Prospectus does not constitute an offer by anyone in any jurisdiction in which such offer is not authorised, or to any person to whom it is unlawful to make such offer. Persons to whom a copy of this Singapore Prospectus has been issued shall not circulate to any other person, reproduce or otherwise distribute this Singapore Prospectus or any information herein for any purpose whatsoever nor permit or cause the same to occur.

Where the Manager becomes aware of a USA person (i.e. someone who has a USA address (permanent or mailing) or contact number) or USA entity (i.e. a corporation, trust, partnership or other entity created or organized in or under the laws of the USA or any state thereof or any estate or trust the income of which is subject to United States Federal Income Tax regardless of source) holding Units in the Fund, a notice may be issued to that Unit Holder requiring the Unit Holder to, within thirty (30) days, either withdraw the Unit Holder's units or transfer the units to a non-USA person or non-USA entity.

The Manager also has the right to withdraw all Units held by the Unit Holder in the event the Manager is of the opinion that such withdrawal is necessary to ensure that the Manager complies with any relevant laws, regulations and guidelines. The Manager will first notify the Unit Holder before making any such compulsory withdrawal of the Units.

If you are in any doubt about the contents of this Singapore Prospectus, you should consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser. The Units are offered on the basis of the information contained in this Singapore Prospectus and the documents referred to in this Singapore Prospectus. No person is authorised to give any information or to make any representations concerning the Fund other than as contained in this Singapore Prospectus. Any purchase made by any person on the basis of statements or representations not contained in or inconsistent with the information and representations contained in this Singapore Prospectus will be solely at the risk of the investor.

Investors may wish to consult their independent financial adviser about the suitability of the Fund for their specific investment needs.

The delivery of this Singapore Prospectus or the issue of Units shall not, under any circumstances, create any implication that the affairs of the Fund have not changed since the date of registration of this Singapore Prospectus with the MAS. To reflect material changes, this Singapore Prospectus may be updated from time to time and investors should investigate whether any more recent Singapore Prospectus is available.

Investors should also consider the risks of investing in Units which are summarised in paragraph 9 of this Singapore Prospectus. Principal Asset Management Berhad, member companies of the CIMB Group, the Principal Financial Group and the Trustee do not guarantee the repayment of capital.

For purposes of this Singapore Prospectus, unless the context otherwise requires, references to a "Unit Holder" are references to a person who is named in the register of unit holders of the Fund.

#### Anti-Money Laundering Policies and Procedures

In order to comply with all the relevant laws, regulations and any orders, directives or notices applicable in Singapore relating to anti-money laundering and countering the financing of terrorism (including but not limited to the Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act 1992, Moneylenders Act 2008 and Terrorism (Suppression of Financing) Act 2002 of Singapore) and the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds Of Unlawful Activities Act 2001 of Malaysia and the relevant policies, procedures, guidelines and/or regulations aimed at the prevention of money laundering, the Manager, the Singapore Representative or any appointed agent or distributor (as the case may be) will be required to obtain satisfactory evidence

of customer's identity including but not limited to a national identification number, date of birth, residential address and occupation/business and have effective procedures for verifying the bona fides of customers.

The Manager, the Singapore Representative or any appointed agent or distributor will conduct ongoing due diligence and scrutiny of customers' identity and his/her investment objectives which may be undertaken throughout the course of the business relationship to ensure that the transactions being conducted are consistent with the Manager's, the Singapore Representative's or any appointed agent's or distributor's knowledge of the customer, its business and its risk profile.

The Manager, the Singapore Representative or any appointed agent or distributor also reserve the right to request such information as is necessary to verify the source of the payment. The Manager may refuse to accept the application and the subscription moneys if an applicant delays in producing or fails to produce any information required for the purposes of verification of identity or source of funds, and in that event the Manager shall return the application moneys (without interest and at the expense of the applicant) by telegraphic transfer to the account from which the moneys were originally sent/or by way of a cheque to the applicant's last known address on the records of the Manager.

#### Data Protection

For the purposes of, and subject to the provisions in, the Personal Data Protection Act 2012 of Singapore and the Personal Data Protection Act 2010 of Malaysia (collectively referred to as "PDPA") and its regulations, each investor consents and acknowledges that all personal data of the investor provided to the Fund, the Manager, the Singapore Representative, the Trustee or any delegate, agent or distributor appointed by the Manager or Trustee (including but not limited to the administrator, custodian, sub-custodians, registrar and any other third party service provider which may be appointed), may be collected, used, disclosed or otherwise processed, in Singapore or in a foreign jurisdiction, to enable each of the aforesaid entities and their group entities to carry out their respective duties and obligations, or to enforce their respective rights and remedies, in connection with any investment by the investor into the Fund or any law applicable to the respective parties.

Where an individual investor provides personal data relating to third party individuals to the Fund and the abovementioned parties, each investor represents and warrants that the prior consent of such third party individual, which will allow the Fund and the abovementioned parties to collect, use and disclose that personal data in the manner and for the purposes described above, has been obtained, and consents and acknowledges to all such collection, use and disclosure on behalf of that third party individual.

All enquiries in relation to the Fund should be directed to the Singapore Representative or any appointed agent or distributor.

**IMPORTANT: PLEASE READ AND RETAIN THIS SINGAPORE PROSPECTUS, AS AMENDED FROM TIME TO TIME, FOR FUTURE REFERENCE.**

## **DIRECTORY**

### **Manager**

Principal Asset Management Berhad (199401018399 (304078-K))

#### Business address

10th Floor Bangunan CIMB, Jalan Semantan, Damansara Heights, 50490 Kuala Lumpur, Malaysia

#### Registered address

8th Floor, Bangunan CIMB, Jalan Semantan, Damansara Heights, 50490 Kuala Lumpur, Malaysia

### **Board of Directors of the Manager**

Uday Jayaram  
Effendy bin Shahul Hamid  
Wong Joon Hian\*  
Liew Swee Lin\*  
Mohd Haniz bin Mohd Nazlan  
Munirah binti Khairuddin  
Cheong Wee Yee, Thomas  
Chong Chooi Wan<sup>1</sup>  
Dato' Jaganath Derek Steven Sabapathy\*  
Lai Mee Fong<sup>2</sup>  
Julian Christopher Vivian Pull<sup>3</sup>

*\* Independent director*

<sup>1</sup> *Alternate director to Mohd Haniz bin Mohd Nazlan*

<sup>2</sup> *Alternate director to Effendy bin Shahul Hamid*

<sup>3</sup> *Alternate director to Cheong Wee Yee, Thomas*

### **Trustee**

HSBC (Malaysia) Trustee Berhad (Company Registration No: 193701000084 (1281-T))  
Level 19, Menara IQ, Lingkaran TRX, 55188 Tun Razak Exchange, Kuala Lumpur, Malaysia

### **Shariah Adviser**

Amanie Advisors Sdn Bhd (Company Registration No: 200501007003 (684050-H))

#### Business address

Level 13A-2, Menara Tokio Marine Life, 189 Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia

#### Registered address

Unit 11-3A, 3rd Mile Square, No. 151, Jalan Klang Lama Batu 3 ½, 58100 Kuala Lumpur, Malaysia

**Custodian**

In Malaysia

The Hongkong and Shanghai Banking Corporation Limited and assets held through HSBC Bank  
Malaysia Berhad and/or HSBC Nominees (Tempatan) Sdn Bhd  
Level 21, Menara IQ, Lingkaran TRX, 55188 Tun Razak Exchange, Kuala Lumpur, Malaysia

Outside Malaysia

The Hongkong and Shanghai Banking Corporation Limited  
6/F, Tower 1, HSBC Centre, 1 Sham Mong Road, Hong Kong SAR

**Auditor**

Ernst & Young PLT  
Chartered Accountants  
Level 23A Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, 50490 Kuala Lumpur,  
Malaysia

**Tax Adviser**

Ernst & Young Tax Consultants Sdn Bhd  
Level 23A Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, 50490 Kuala Lumpur,  
Malaysia

**Singapore Representative and Agent for Service of Process in Singapore**

Principal Asset Management (S) Pte. Ltd.  
(Company Registration No. 200607208K)  
50 Raffles Place, #22-03A & B Singapore Land Tower, Singapore 048623

**Legal Adviser as to Singapore Law**

Chan & Goh LLP  
8 Eu Tong Sen Street, #24-93 The Central, Singapore 059818

## Definitions

In this Singapore Prospectus, unless the context requires otherwise, the following expressions have the meanings set out below.

Application Fee	- Preliminary charge on each investment.
ASEAN	- Association of Southeast Asian Nations.
ASEAN CIS Framework	- Framework for cross-border public offers of Qualifying CIS.
Bloomberg	- Bloomberg LP.
BNM	- Bank Negara Malaysia.
Business Day	- Mondays to Fridays on any day that (i) commercial banks in Singapore and Malaysia (including Kuala Lumpur and Selangor) are open for business; and (ii) the stock exchange of Malaysia (Bursa Malaysia Securities Berhad) is open for trading.
CIMB Group	- CIMB Group Sdn. Bhd.
CIS	- Refers to collective investment schemes as defined under the GUTF.
Class(es)	- Any class of units representing similar interest in the assets of the Fund.
Class SGD	- The Class of Units issued by the Fund denominated in Singapore Dollar.
CMSA	- Capital Markets and Services Act 2007 of Malaysia (as may be amended, varied, modified, updated and/or superseded from time to time).
DALI	- Dana Al-Ihsan.
Dealing Day	- In connection with the issuance and redemption of Units of a particular Class, means every Business Day or such other Business Day(s) or such other day(s) at such intervals as the Manager may determine from time to time.
Dealing Deadline	- Means 4.00p.m. Singapore time or such other time as the Manager may determine from time to time.
Deed	- The principal deed and all supplemental deeds in respect of the Fund made between the Manager and the Trustee, in which Unit Holders agree to be bound by the provisions of the Deed.
Distributor(s)	- 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 IUTAs.
Eligible Market	- An exchange, government securities market or an OTC market that is regulated by a regulatory authority of that jurisdiction, that is of good repute, that is open to the public or to a substantial number of market participants, and on which financial instruments are regularly traded.
EPF	- Employees Provident Fund of Malaysia.
EPF-MIS	- Employees Provident Fund Members Investment Scheme.

ETF	- Exchange-Traded Fund.
FTSE	- Financial Times Stock Exchange.
Fund	- Principal DALI Opportunities Fund.
GUTF	- Guidelines on Unit Trust Funds issued by the SC.
Home Jurisdiction	- Means the jurisdiction in which the Qualifying CIS is constituted or established, and approved by the competent securities regulator of that jurisdiction for offer to the public in that jurisdiction. In the context of the Fund, Home Jurisdiction refers to Malaysia.
Host Jurisdiction	- Means a jurisdiction (other than the Home Jurisdiction) in which the Qualifying CIS is offered or to be offered to the public in that jurisdiction.
Home Regulator	- Means the securities regulator of the Home Jurisdiction. In the context of the Fund, Home Regulator refers to SC.
Host Regulator	- Means the securities regulator of the Host Jurisdiction.
Islamic Deposits	- As per the definition of “Islamic deposit” in the Islamic Financial Services Act 2013 of Malaysia (excluding Islamic structured deposits).
IUTAs	- Refers to Institutional Unit Trust Scheme Adviser, a corporation registered with Federation of Investment Managers Malaysia and authorised to market and distribute unit trust schemes of another party.
Joint Holder	- Means a person who holds Units together with another person or persons and “Joint Holders” means the persons who are holding the same Units.
LPD	- Latest Practicable Date i.e. 30 November 2022, in which all information provided herein shall remain current and relevant as at such date.
Long-term	- Refers to a period of five (5) years or more.
Management Fee	- A percentage of the NAV of the Class that is paid to the Manager for managing the portfolio of the Fund.
MAS	- The Monetary Authority of Singapore.
MCR	- Multi-class ratio, being the apportionment of the NAV of each Class over the Fund’s NAV based on the size of each Class. The MCR is calculated by dividing the NAV of the respective Class by the NAV of the Fund before income and expenses for the day, save and except those expenses that are related to the specific Class only. The apportionment is expressed as a ratio and calculated as a percentage.
medium-term	- Refers to a period of three (3) years or more.
MYR	- Malaysian Ringgit.
Minimum Holding	- Shall have the meaning ascribed to it in paragraph 12.2.
MYR or RM	- Malaysia 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, 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. The NAV of a Class is the NAV of the Fund attributable to a Class at the same valuation point.
NAV per Unit	- The NAV attributable to a Class divided by the number of units in circulation for that Class, at the valuation point.
OTC	- Over-the-counter.
PFG	- Principal Financial Group, Inc.
Principal Distributors	- Refers to the authorised unit trust scheme consultants registered with Principal Malaysia.
Principal Malaysia or the Manager	- Principal Asset Management Berhad.
Qualifying CIS	- Means a CIS constituted or established in its Home Jurisdiction which has been approved by its Home Regulator for offer to the public in the Home Jurisdiction, and assessed by its Home Regulator as suitable to apply to a Host Regulator for its units to be offered to the public cross-border in the Host Jurisdiction pursuant to the ASEAN CIS Framework.
RSP	- Regular Savings Plan.
SAC	- Shariah Advisory Council.
SC	- Securities Commission Malaysia.
SC Requirements	- Means at any time the statutory provisions, regulations, guidelines, practice notes, directives, waiver, exemptions and conditions which apply or affect the terms and conditions of the Fund imposed by the SC.
Securities and Futures Act or SFA	- Means the Securities and Futures Act 2001.
SGD	- Singapore Dollar.
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 ijthad 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 or Amanie	- Amanie Advisors Sdn Bhd.
Signatory Country	- Any countries that participate in the ASEAN CIS Framework.
Special Resolution	- A resolution passed by a majority of not less than 3/4 of Unit Holders of the Fund or a Class, as the case may be voting at a meeting of Unit Holders. For the purpose of terminating or winding up the Fund or a Class, a Special Resolution is passed by a majority in number representing at least 3/4 of the value of the units held by Unit

	<p>Holders of the Fund or a Class, as the case may be, voting at the meeting.</p>
Standards of Qualifying CIS	<ul style="list-style-type: none"> <li>- Means the set of common standards set out under the Standards of Qualifying CIS which will govern cross border offering of CIS in ASEAN and shall include any handbook, practice note, regulation, directive or requirement issued pursuant thereto or by the regulators and signatories of the said common standards and includes any amendment, modification, alteration, consolidation or re-enactment made thereto or for the time being in force.</li> </ul>
Sukuk	<ul style="list-style-type: none"> <li>- Refers to certificates of equal value which evidence undivided ownership or investment in the assets using Shariah principles and concepts. Local Sukuk must also comply with Shariah principles and concepts endorsed by the SAC of SC.</li> </ul>
Switching Fee	<ul style="list-style-type: none"> <li>- A charge that may be levied when switching is done from one (1) fund or class to another.</li> </ul>
Trustee	<ul style="list-style-type: none"> <li>- HSBC (Malaysia) Trustee Berhad.</li> </ul>
Trustee Fee	<ul style="list-style-type: none"> <li>- A percentage of the NAV of the Fund that is paid to the Trustee for its services rendered as trustee for the Fund.</li> </ul>
UK	<ul style="list-style-type: none"> <li>- United Kingdom.</li> </ul>
Unit Holder	<ul style="list-style-type: none"> <li>- The registered holder for the time being of a unit of the Fund including persons jointly so registered.</li> </ul>
USA	<ul style="list-style-type: none"> <li>- United States of America.</li> </ul>
Withdrawal Fee / Redemption Fee	<ul style="list-style-type: none"> <li>- A charge levied upon withdrawal under certain terms and conditions (if applicable).</li> </ul>

# PRINCIPAL DALI OPPORTUNITIES FUND

## Table of Contents

Contents	Page
Important Information .....	ii
Directory .....	v
Definitions.....	vii
1. The Fund.....	1
2. The Manager and Shariah Adviser.....	1
3. The Trustee and the Custodian.....	12
4. Singapore Representative .....	14
5. The Auditor.....	14
6. Fund Structure and Classes.....	14
7. Investment Objective, Focus and Approach and Benchmark.....	15
8. Fees and Charges .....	20
9. Risks .....	21
10. Subscription of Units .....	26
11. Regular Savings Plan (“RSP”) .....	28
12. Redemption of Units .....	29
13. Switching of Units.....	30
14. Obtaining Prices of Units .....	31
15. Suspension of Dealing.....	31
16. Performance of the Fund and Benchmark .....	32
17. Rebates and Soft Commissions.....	33
18. Potential Conflicts of Interests and Related Party Transactions .....	34
19. Reports .....	35
20. Other Material Information.....	35
21. Queries and Complaints .....	44

## PRINCIPAL DALI OPPORTUNITIES FUND

### 1. The Fund

- 1.1 The Fund is an open-ended standalone unit trust fund established in Malaysia as a multi-class fund. The Fund is authorised by the SC as a unit trust fund and has more than one (1) Class under a principal deed dated 10 April 2015 between the Manager and the Trustee and the Unit Holders of the Fund, as amended by a First Supplemental Master Deed dated 31 May 2019 and a Second Supplemental Deed dated 22 December 2022 (the “**Deed**”). Presently, the Manager intends to offer Class SGD Units (the “**Class SGD**”) of the Fund in Singapore.
- 1.2 The Fund is assessed by the SC as suitable to be a Qualifying CIS and is subject to the Standards of Qualifying CIS and any other law, regulation, rule, guidelines or directive enacted or issued pursuant to the ASEAN CIS Framework which are applicable to the Fund, as may be amended or re-enacted from time to time.
- 1.3 Copies of the latest annual accounts and reports, the semi-annual accounts and reports as well as the auditor’s report on the annual accounts relating to the Fund may be inspected during usual business hours of the Singapore Representative at its business address.

### 2. The Manager and Shariah Adviser

- 2.1 The Manager of the Fund is Principal Asset Management Berhad, whose registered office is at 8th Floor, Bangunan CIMB, Jalan Semantan, Damansara Heights, 50490 Kuala Lumpur, Malaysia and business address is at 10th Floor Bangunan CIMB, Jalan Semantan, Damansara Heights, 50490 Kuala Lumpur, Malaysia.

#### 2.2 Track record of the Manager

The Manager was incorporated on 13 June 1994 and is a joint venture between PFG and CIMB Group. The Manager has experience operating unit trust funds since 1994.

The primary roles, duties and responsibilities of Principal Malaysia as the manager of the Fund include:

- maintaining a register of Unit Holders;
- implementing the appropriate investment strategies to achieve the Fund’s investment objectives;
- ensuring that the Fund has sufficient holdings in liquid assets;
- arranging for the sale and withdrawal of units;
- calculating the amount of income to be distributed to Unit Holders, if any; and
- maintaining proper records of the Fund.

As at LPD, there is no litigation or arbitration proceeding current, pending, or threatened against or initiated by the Manager nor are there any facts likely to give rise to any proceedings which might materially affect the business/financial position of the Manager.

The regulatory authority of the Manager is the Securities Commission Malaysia.

Should the Manager become insolvent, the Trustee will appoint some other corporation qualified and approved under the SC’s requirements to act as the new manager of the Fund. The Trustee may notify or will require the Manager or new manager to notify the Unit Holders of such an occurrence.

***Investors should note that past performance of the Manager is not necessarily indicative of the future performance of the Manager.***

## 2.3 Directors and Key Personnel of the Manager

The directors of the Manager are as follows:-

Name:	Uday Jayaram
Designation:	Executive Managing Director, Head, Southeast Asia / Non-Independent Executive Director
Experience:	Uday brings with him an accumulated experience of 30 years in the fields of audit, management consultancy, equities research, institutional sales, capital markets, stock exchange business as well as upstream oil and gas. He commenced his career in the financial institutions group within the audit division of Ernst and Young, London. In addition to several global clients such as HSBC, ABB Group and IKEA, Uday was fortunate to gain experience in projects for the World Bank which included the restructuring of banks in Kazakhstan. Returning to Malaysia, Uday's equities research and sales experience saw him joining Deutsche Morgan Grenfell, CIMB, ING Financial Markets and Macquarie Capital Securities where he was Division Director and Head of Equities of the Malaysia business. Moving on to Bursa Malaysia, Uday was Global Head of Securities Markets with overall responsibility for the development of the exchange's cash equities business. Uday also served as a member of Bursa's Market Participants Committee and was Chairman of the FTSE Bursa Index Advisory Committee. Prior to joining Principal, Uday was the Senior Vice President of Corporate Development at Hibiscus Petroleum Bhd where he was involved in corporate strategy, business planning, debt and equity funding and investor relations.
Qualifications:	Uday holds a BSc Economics degree majoring in Accounting and Finance from the London School of Economics and is a qualified Chartered Accountant with the Institute of Chartered Accountants in England and Wales (ICAEW).

Name:	Effendy bin Shahul Hamid
Designation:	Non-Independent Non-Executive Director
Experience:	<p>Effendy was appointed Non-Independent Non-Executive Director at Principal Asset Management Berhad on 17 Aug 2015. He brings with him over two decades of experience that includes areas of corporate advisory, investment banking, private equity and portfolio investments, as well as digital payments and financial services.</p> <p>Effendy currently serves as Chief Executive Officer of Group Consumer &amp; Digital Banking at CIMB Group, managing the Group's consumer banking franchise across the region, including its digital banking initiatives. He oversees all aspects of the Group's retail segments, products and channels across ASEAN, including digital banks in two markets. In his present role, he is also responsible for all of CIMB Group's investments, partnerships and value creation activities in the digital space, previously within the ambit of CIMB Digital Assets (including Touch 'n Go and TNG Digital), of which he was CEO.</p> <p>Having spent the last 19 years at CIMB Group, Effendy was previously CEO of Group Ventures &amp; Partnerships, where he was responsible for the development of CIMB Group's new and disruptive revenue and value creation streams, with a focus on cultivating new-age partnerships at scale, venturing through selective strategic investments in platform-based businesses, and managing its digital banking franchises. At the same time, he was also responsible for CIMB Group's asset management and investments business across both public and private markets, including its</p>

	<p>regional asset management business, its private equity fund management business and proprietary equity investments portfolio.</p> <p>Prior to that, Effendy was CEO, Group Commercial Banking at CIMB Group, managing the Group's regional banking businesses for the small and medium enterprise and mid-sized corporate segment, with a key focus on creating differentiated propositions and executing long term growth strategies. Preceding that, he was Group Chief Marketing and Communications Officer, managing the CIMB Group's entire marketing and communications initiatives and lead franchise-wide efforts to ensure a consistent and differentiated CIMB brand for all of the CIMB Group's businesses across the region. Before that, he served as a Director in the CIMB Group's Investment Banking Division, primarily focusing on corporate advisory and origination.</p> <p>Prior to joining CIMB Group, Effendy spent the early years of his career in several companies in a corporate development capacity, mostly involved in private equity, merger and acquisition and general business expansion initiatives across Asia Pacific.</p> <p>Effendy's other Board responsibilities include serving as Chairman of CIMB Vietnam, Non-Executive Director of Touch 'n Go, and Chairman of TNG Digital.</p>
Qualifications:	BEng (Hons) Electronic Engineering with Optoelectronics, University College London, United Kingdom; CIMB-INSEAD Leadership Programme, INSEAD; Digital Business Leadership Programme, Columbia Business School, Columbia University.

Name:	Wong Joon Hian*
Designation:	Independent Non-Executive Director
Experience:	<p>Has been an independent non-executive director of Principal Asset Management Berhad since 22 August 2007.</p> <p>He has accumulated over 40 years of working experience in the areas of audit, accountancy, financial services and corporate management. He commenced his career when he joined Price Waterhouse &amp; Co. in England after qualifying as a Chartered Accountant in 1973. He returned to Malaysia in 1975 to work for Price Waterhouse (now known as PricewaterhouseCoopers PLT), Malaysia until 1985. He then served as the Technical Manager of The Malaysian Association of Certified Public Accountants from 1986 until he was appointed as the General Manager-Operations of Supreme Finance (Malaysia) Berhad in December 1987. After Mayban Finance Berhad had completed the acquisition of Supreme Finance (Malaysia) Berhad in 1991, he joined BDO Binder as an Audit Principal until 1994 when he joined Advance Synergy Berhad. He was appointed the managing director of United Merchant Group Berhad (now known as Advance Synergy Capital Sdn Bhd) from 1995 till 2020. During the period from 1995 till 2007 he was a director of Ban Hin Lee Bank Berhad, Southern Investment Bank Berhad and United Merchant Finance Berhad. Currently, he is a non-executive director in several dormant companies under the CIMB Group Holdings Berhad Group and serves as an independent non-executive director of Principal Islamic Asset Management Sdn Bhd.</p>
Qualifications:	Member of the Malaysian Institute of Accountants and a life member of The Malaysian Institute of Certified Public Accountants and the Institute of Chartered Accountants in England and Wales.

Name:	Liew Swee Lin*
-------	----------------

Designation:	Independent Non-Executive Director
Experience:	<p>Swee Lin is a senior board level executive with more than 29 years of management experience in the ASEAN region creating shareholder value in media, financial services and e-commerce sectors. Since 2007, she served as Executive Director at financial services and media entities in Malaysia.</p> <p>Currently she is an External Advisor to Bain &amp; Company, a global consulting firm and was previously attached to Astro Malaysia Holdings Berhad, ASEAN's leading consumer media company as its Group Chief Operating Officer. She also served as an Executive Director of Astro Go Shop, a joint venture with GS Home Shopping Inc. Korea after she spearheaded Astro's vertical expansion into ecommerce which she set up as its pioneer management team in 2015.</p> <p>Prior to joining Astro, Swee Lin was an Executive Vice President at Alliance Financial Group's Retail Bank in Malaysia and was also an Executive Director of Alliance Islamic Bank. She has also held senior leadership positions at Standard Chartered Bank with responsibilities for its Wealth Management, Priority Banking, Credit Cards and Personal Loan portfolios. In the earlier years of her career, she gained multidisciplinary industry exposure in FMCG, insurance, food and beverage and pharmaceuticals when she headed up a regional business at Ogilvy One Worldwide, part of WPP PLC (a FTSE 100), which operated in Malaysia to serve its Asia Pacific clients.</p> <p>A keen champion of entrepreneurship, she is part of Endeavor Global Inc.'s mentor network with presence in 40 countries, which is dedicated to global entrepreneurship by driving economic expansion via active mentorship.</p>
Qualifications:	She has a MSc in International Marketing from the University of Strathclyde and completed her Stanford Executive Programme at Stanford Graduate School of Business in 2017. She is a member of Financial Planning Association of Malaysia (FPAM), Singapore Institute of Directors and Malaysian Alliance of Corporate Directors (MACD).

Name:	Mohd Haniz bin Mohd Nazlan
Designation:	Non-Independent Non-Executive Director
Experience:	<p>Haniz is Group Chief Strategy Officer at CIMB, where he oversees Group Strategy, Performance and Programme Management, Group Customer Experience, Transforming Customer Journeys, Group Corporate Finance and Investment Management as well as the Group CEO's Office.</p> <p>Haniz has over 15 years of experience in areas of corporate strategy, corporate finance, mergers &amp; acquisitions, project management, portfolio and asset management, global equities and real estate investments.</p> <p>Prior to joining CIMB in April 2021, Haniz was the Chief Investment Officer of Lembaga Tabung Angkatan Tentera ("LTAT") from August 2019 where he was accountable for all investment functions and activities in the management of LTAT's investment portfolio. He played a key role in setting LTAT's turnaround plan in motion. This included the execution of restructuring plans for the investment portfolio, reorganization of the investment team as well as the strengthening of key investment policies and processes, one of which included the establishment of LTAT's long term Strategic Asset Allocation ("SAA") Framework.</p>

	<p>Prior to LTAT, Haniz spent the larger part of his career at Permodalan Nasional Berhad (“PNB”). He served PNB in various capacities, including leading roles in the Group Chief Executive’s Office, International Department, Strategic Asset Allocation Department and Investment Division. He played a key part in driving the establishment of PNB’s SAA and Fixed Income Frameworks, planning PNB’s new global operating model, setting up the unit trust funds’ expansion into global markets and in leading key M&amp;A transactions for the PNB Group, both locally and abroad.</p>
Qualifications:	<p>2006 – Bachelor of Science (Hons) in Actuarial Science, London School of Economics and Political Science.</p> <p>2008 – Masters and Postgraduate Diploma in Applied Finance &amp; Investment, both from the Financial Services Institute of Australasia.</p> <p>2009 – Certified Financial Technician (CFTe), International Federation of Technical Analysts (IFTA).</p> <p>2009 – Diploma in Technical Analysis, Australian Technical Analysts Association.</p> <p>2016 – Program for Leadership Development, Harvard Business School.</p>

Name:	Munirah binti Khairuddin
Designation:	Country Head and Chief Executive Officer, Malaysia / Non-Independent Executive Director
Experience:	<p>Munirah joined Principal Malaysia in November 2006 and was appointed as Deputy Chief Executive Officer in November 2008. She has been an Executive Director of Principal Malaysia since 31 January 2012. Previously worked as a G7 Economist and strategist for a Fortune 500 multinational oil and gas company. Prior to that, she was a fixed income portfolio manager for emerging markets at Rothschild Asset Management in London. Apart from her Senior Management role, she has been instrumental in helping the company to grow its asset under management, both in retail, Institutional and Corporate business. In retail, she has deepened the company’s market share and leadership with new focus and success in digital business, banking distribution for the masses and high net worth individuals and agency distribution. In retirement, she has significantly contributed to forming and growing the voluntary pension through Private Retirement Scheme (PRS) and deep investment management contribution to Institutional clients. In the Corporate space, she has grown the investment management business substantially with a breadth of clients such as Insurance, corporate treasury clients as well as medium sized companies. Under her ambit, the company has also acquired a niche international client base, listed exchange traded funds (“ETF”) in Malaysia and Singapore, developed products for regional distribution and spearheaded ESG and sustainability efforts in investment management.</p> <p>Munirah was named the CEO of the Year, Malaysia in the Asia Asset Management’s 2015 Best of the Best Awards for the second year in a row. She was also selected as one of the recipients for the “Top 25 Women of Asset Management” award by AsianInvestor in 2014.</p> <p>Munirah currently sits on the Hong Kong Board of Principal Investment and Retirement Services Limited and serves as an Executive Director of Principal Islamic Asset Management Sdn Bhd as well. She is also a Council Board Member of the Institutional Investors Council Malaysia and acts as the Secretary of the Management Committee of the Malaysian Association of Asset Managers (“MAAM”).</p>
Qualifications:	Munirah is a Chartered Financial Analyst charter holder and holds the Capital Markets Services Representative’s License for fund management.

	She graduated with a Bachelor of Arts (Honours) in Accounting & Financial Analysis, University of Newcastle Upon Tyne, United Kingdom. She also attended the CIMB-INSEAD Leadership Programme and the University of Wharton Executive Education.
--	--

Name:	Cheong Wee Yee, Thomas
Designation:	Non-Independent Non-Executive Director
Experience:	<p>Dec 2004 – June 2008: Prudential Corporation Asia – Chief Operations Officer &amp; Chief Financial Officer, CITIC Prudential Fund Management Co. Ltd. (based in Shanghai)</p> <p>June 2008 – March 2009: Prudential Corporation Asia – Acting Chief Executive Officer, CITIC Prudential Fund Management Co. Ltd. (based in Shanghai)</p> <p>April 2009 – September 2009: Prudential Corporation Asia – Chief Executive Officer, Prudential Fund Management Co. Ltd. (based in Malaysia)</p> <p>October 2009 – July 2013: Manulife Financial Limited – Vice President, China Asset Management (based in Shanghai)</p> <p>July 2013 – December 2014 Manulife Financial Limited – Chief Executive Officer &amp; Executive Director, Manulife Asset Management Co. Ltd. (Taiwan)</p> <p>January 2015 – February 2017 Principal Financial Group – Vice President, Head of North Asia</p> <p>March 2017 – February 2019 Principal Financial Group – Senior Vice President, Head of North Asia</p> <p>March 2019 – December 2020 Principal Financial Group – Senior Vice President &amp; President of Asia</p> <p>January 2021 – Present Principal Financial Group – Executive Vice President &amp; President of Asia</p>
Qualifications:	<p>1990 – Bachelor of Science (Economics), First Class Honours, London School of Economics, University of London.</p> <p>2013 – Master of Business Administration, Olin Business School, Washington University in St. Louis.</p>

Name:	Chong Chooi Wan <sup>1</sup>
Designation:	Alternate Director to Mohd Haniz bin Mohd Nazlan
Experience:	More than 20 years of experience in strategic planning and investment, corporate developments, mergers and acquisitions in various industries ranging from financial sector to energy sector. In 2020, she joined CIMB Group as the Director of Group Ventures and Partnerships where she is tasked to oversee business optimization projects as well as portfolio management for the bank. Currently, she is attached to Group Corporate Finance and Investment Management overseeing CIMB Group's investment portfolio, including Principal Group.
Qualifications:	Bachelor Degree in Finance, a Summa Cum Laude honours, University of Tennessee, Knoxville, U.S.A.

Name:	Dato' Jaganath Derek Steven Sabapathy*
Designation:	Independent Non-Executive Director
Experience:	<p>Upon graduation in 1981, Dato' Jaganath Derek Steven Sabapathy ("Dato' Jagan") joined a leading London firm of chartered accountants, Price Waterhouse.</p> <p>Dato' Jagan left KPMG Malaysia in late 1994 and joined Benta Plantation Berhad as an Executive Director. He was appointed a Director of Austral Lao Power Co Ltd in 1995. In 1997, he took up the position as Managing Director of both Prime Utilities Berhad and Indah Water Konsortium Sdn Bhd, Malaysia's privatised national wastewater utility. From 1999 until his retirement in end 2013, Dato' Jagan served as the Chief Executive Officer/ Director of Bandar Raya Developments Berhad Group which also included listed Mieco Chipboard Berhad.</p> <p>Dato' Jagan is currently the Founder and Chief Executive Officer/ Director of Tribeca Real Estate Asset Management Sdn Bhd, a niche property development company. He is also a Director of other public companies listed on Bursa Malaysia Securities Berhad.</p>
Qualifications:	Master of Arts majoring in Corporate Finance and International Trade from Edinburgh University, United Kingdom.

Name:	Lai Mee Fong <sup>2</sup>
Designation:	Alternate Director to Effendy bin Shahul Hamid
Experience:	<p>Mee Fong is a Managing Director in CIMB and holds the CFO role in CIMB Digital Assets, where she is responsible for the overall financial planning and management of all CIMB Group's Strategic digital investments including the Touch 'n Go franchise and digital bank operations in Philippines and Vietnam.</p> <p>Most recently, she was Managing Director/ Head of Business Planning and Analytics of Group Ventures and Partnerships at CIMB Group, where she was responsible for the overall business and financial planning, risk and compliance management of asset management and investments business across both public and private markets, including the Group's regional asset management business, its private equity fund management business and the Group's equity investments portfolio.</p> <p>Prior to that, Mee Fong was responsible for the business planning and finance function in Group Strategy and Strategic Investment of the Group which is responsible for the Group's private equity business ventures and other equity investments portfolio.</p> <p>Prior to joining CIMB Group in 2012, Mee Fong was in professional practice with PricewaterhouseCoopers where she had performed numerous assurance and consulting assignments covering segments such as local banks, offshore banks, asset management companies, unit trust funds, oil and gas companies, manufacturing and services companies, for both local corporates and MNCs. She also had the privilege to work with the Securities Commission on secondment arrangement in 2004 where she was responsible for the examination of the asset management companies in accordance with the Securities Industry Act. Her professional career was</p>

	<p>further expanded into the private equity space when she took on the role of the Vice President of finance in one of the largest Southeast Asia based private equity fund manager with funds under management of over USD550 million.</p> <p>Mee Fong serves on the board of Capital Advisors Partners and two other General Partner companies. She is an active member in the Investment Committee of two infrastructure funds, namely Capasia Islamic Infrastructure Fund LP and Capasia ASEAN Infrastructure Fund LP which manage assets across Asia including Malaysia, Indonesia, Pakistan, Philippines and Vietnam.</p>
Qualifications:	<p>1997 – Bachelor of Business (Accountancy), Royal Melbourne Institute of Technology</p> <p>2000 – Certified Practising Accountant of Australian Society of Certified Accountants</p> <p>2001 – Chartered Accountant, Malaysian Institute of Accountants (MIA)</p>

Name:	Julian Christopher Vivian Pull <sup>3</sup>
Designation:	Alternate Director to Cheong Wee Yee, Thomas
Experience:	Pull has more than 30 years of management experience in Asia in a number of C-suite positions. His extensive experience in the asset management industry included appointments as CFO and COO for Eastspring Investments (formerly Prudential Asset Management) and Chief Executive Officer of Eastspring Investments (Singapore) Ltd. He has served on the boards of Prudential Corporation Asia and multiple asset management subsidiaries throughout the region.
Qualifications:	<p>Master's in Finance and Investment, University of Hull, UK</p> <p>Bachelor's in Economics, University College, London</p>

\* *Independent director*

<sup>1</sup> *Alternate director to Mohd Haniz bin Mohd Nazlan.*

<sup>2</sup> *Alternate director to Effendy bin Shahul Hamid.*

<sup>3</sup> *Alternate director to Cheong Wee Yee, Thomas.*

The key personnel of the Manager are as follows:-

Name:	Uday Jayaram
Designation:	Executive Managing Director, Head, Southeast Asia / Non-Independent Executive Director
Experience:	Please refer to the above.
Qualifications:	Please refer to the above.

Name:	Munirah binti Khairuddin
Designation:	Country Head and Chief Executive Officer, Malaysia / Non-Independent Executive Director
Experience:	Please refer to the above.
Qualifications:	Please refer to the above.

The designated person responsible for fund management function is as follows:-

Name:	Patrick Chang Chian Ping
-------	--------------------------

Designation:	Chief Investment Officer (CIO), Malaysia & Chief Investment Officer, Equities, ASEAN Region
Experience:	Patrick was appointed as the Chief Investment Officer on 22 February 2016. He comes with an extensive 22 years of experience in asset management. He was previously the Head of ASEAN equities at BNP Paribas Investment Partners, Malaysia where he was overseeing ASEAN equities for both Malaysian and offshore clients from 2012. Prior to that, he served as Senior Vice President for CIMB-Principal Asset Management Berhad where he specialised in Malaysia, ASEAN and Asia specialist funds. He also worked as a portfolio manager at Riggs and Co International Private Banking in London specialising in managing global ETF portfolios.
Qualifications:	MSc Finance from City University Business School and BSc Accounting and Financial Analysis from University of Warwick, UK.

## 2.4 Investment Committee

As at LPD, the Investment Committee consists of five (5) members including two (2) independent members. Generally, the Investment Committee meets once a month and is responsible for ensuring that the investment management of the Fund is consistent with the objectives of the Fund, the Deed, the GUTF and relevant securities laws, any internal investment restrictions and policies of the Manager, as well as acceptable and efficacious investment management practices within the unit trust industry. In this role, the powers and duties of the Investment Committee include formulating and monitoring the implementation by the Manager of appropriate investment management strategies for the Fund and the measurement and evaluation of the performance of the Manager.

The members of the Investment Committee are as follows:-

Name:	Yoon Mun Thim*
Designation:	Independent member
Experience:	Yoon has more than 28 years of experience in the financial industry, 19 of those years in the position of Chief Investment Officer. Most recently, he was the Group Chief Investment Officer at The Great Eastern Life Assurance Co Ltd, responsible for the formulation of investment strategies and management of all investments within the Group.
Qualifications:	Bachelor of Arts from Cambridge University, Master of Arts from Cambridge University, Master of Business Administration (Distinction) from Warwick Business School, University of Warwick and CFA Charterholder.

Name:	Nor'Azamin Salleh*
Designation:	Independent member
Experience:	Azamin has over 30 years of experience in the fund management and financial services industry. He has held key positions in leading fund management companies namely Maybank Asset Management Group, Asian Islamic Investment Management and Avenue Invest Berhad. Currently he is the chairman and co-founder of Ficus Venture Capital Sdn Bhd, an Islamic venture capital company registered with Securities Commission Malaysia. He also sits on the Board of Infomina Berhad as an Independent Director.
Qualifications:	A chartered accountant, Azamin holds a Bachelor of Commerce from Australian National University and Master of Business Administration from OU Business School, United Kingdom. He attended the Executive Management Program by the reputable Wharton Business School and Tsinghua University.

Name:	Mohamad Safri bin Shahul Hamid	
Designation:	Non-Independent member	
Experience:	April 2021 – Present	Senior Managing Director, Public Sector & Government Group, CIMB Investment Bank Berhad
	July 2020 – April 2021	Senior Managing Director, Senior Bankers Group, CIMB Investment Bank Berhad
	February 2011 – June 2020	Deputy Chief Executive Officer/ Senior Managing Director (since April 2014) – CIMB Islamic (CIMB Investment Bank)
	March 2009 – January 2011	Deputy Chief Executive Officer – MIDF Amanah Investment Bank, Kuala Lumpur
	February 2008 – December 2008	Director – Global Markets & Regional Head, Islamic Structuring (Asia) of Deutsche Bank Dubai International Financial Centre (Dubai)
Qualifications:	Master of Business Administration (Globalisation) from Maastricht School Of Management, The Netherlands; Chartered Accountant (CA) with the Malaysian Institute of Accountants (MIA); Bachelor of Accounting (Honours) from International Islamic University Malaysia.	

Name:	Uday Jayaram
Designation:	Non-Independent member
Experience:	Please refer to the above.
Qualifications:	Please refer to the above.

Name:	May Tong
Designation:	Non-Independent member
Experience:	May is a Managing Director and Portfolio Manager at Principal Asset Allocation (PAA), a specialized investment boutique within Principal Asset Management focused on multi-asset strategies and solutions. She is responsible for managing the Dynamic Outcomes suite of strategies which provide outcome-oriented solutions to global clients. Prior to joining Principal in 2021, May was SVP and Senior Portfolio Manager with Franklin Templeton's Investment Solutions group developing and managing global multi-asset strategies and solutions including target-date, target risk, 529 plans, retirement income and model portfolios. Previously, she was also a Portfolio Manager and Head of Portfolio Implementation & Management with Voya's Multi-Asset Solutions group. May started off her career with Merrill Lynch Investment Management and subsequently joined ING Investment Management (now Voya IM) whereby she managed quantitative equity and index equity portfolios.
Qualifications:	May has an MBA from Columbia University, a bachelor's degree in finance and accounting from Boston College, and has earned the right to use the Chartered Financial Analyst designation.

*\*Independent member*

## 2.5 Shariah Adviser

Amanie Advisors Sdn Bhd ("**Amanie**") is a Shariah advisory, consultancy, training, research and development boutique for institutional and corporate clientele focusing on Islamic financial services. Amanie is a registered Shariah Adviser (Corporation) with the SC. It has been established with the aim of addressing the global needs for experts' and Shariah scholars' proactive input. This will ultimately allow the players in the industry to manage and achieve their business and financial goals in accordance with the Shariah Principles. Amanie also focuses

on organizational aspect of the development of human capital in Islamic finance worldwide through providing updated quality learning embracing both local and global issues on Islamic financial products and services.

The company is led by Tan Sri Dr. Mohd Daud Bakar and teamed by an active and established panel of consultants covering every aspect related to the Islamic banking and finance industry both in Malaysia and the global market. Currently the team comprises of eight (8) full-time consultants who represent dynamic and experienced professionals with a mixture of corporate finance, accounting, product development, Shariah law and education. Amanie meets the Manager every quarter to address Shariah advisory matters pertaining to the Fund. Amanie also reviews the Fund's investment on a monthly basis to ensure compliance with Shariah principles or any other relevant principles at all times. Since 2005, Amanie has more than seventeen (17) years of experience in the advisory role of unit trusts funds and fund management with more than 200 funds which Amanie acts as Shariah adviser. As at LPD, Amanie has acquired over seventeen (17) years of experience in the advisory role of unit trusts funds and fund management with more than one hundred and eleven (111) funds which Amanie acts as Shariah adviser.

As the appointed Shariah adviser for the Fund, the roles and responsibilities of Amanie include:

- Review and provide Shariah expertise and professional guidance as well as suggest relevant changes to all relevant documents relating to Shariah principles including the Deed, the Fund's prospectus and/or other relevant submission documents submitted by us for purposes of submission to any relevant authority to ascertain compliance to Shariah principles.
- Where relevant, prepare a report to be issued in the name of the Shariah Scholar Tan Sri Dr Mohd Daud Bakar to be included in the Fund's interim and annual report certifying whether the Fund has been managed and administered in accordance with Shariah principles for the period concerned.
- To advise on the breach of Shariah investment guidelines and purification/cleansing of cash dividends.
- To advise on any other matter pertaining to Shariah issues in relation to the Fund.
- Ensure that the Fund is managed and administered in accordance with the Shariah principles at all times by reviewing the investment process and other operational matters.
- Review the Fund marketing and promotional documents submitted by us with the view to ascertain compliance to Shariah principles.
- To review and scrutinize the Fund's compliance report as provided by the compliance officer, and investment transaction reports provided by, or approved by the relevant responsible party to ensure that the Fund's investment are in line with Shariah principles.
- To undertake an annual compliance review of the Fund for purpose of issuance of an annual compliance report.

Amanie will meet with the Manager every quarter to review on the Fund's investment and address Shariah advisory matters pertaining to the Fund to ensure compliance with Shariah principles or any other relevant principles at all times. The Manager's portfolio will be reviewed on monthly basis and Amanie shall issue an annual Shariah certificate for the Fund at the financial year end.

The designated person responsible for Shariah advisory matters of the Fund is Tan Sri Dr. Mohd Daud Bakar as the Executive Chairman. Currently, other consultants are:

- Suhaida Mahpot
- Ahmad Anas Fadzil
- Muhammad Hafizuddin Abd. Hamid

Designated Person Responsible for Shariah Adviser Function

Name:	Tan Sri Dr. Mohd Daud Bakar
Designation:	Executive Chairman, Amanie Advisors Sdn Bhd
Experience:	Tan Sri Dr. Mohd Daud Bakar is the Founder and Executive Chairman of Amanie Group. One of its flagship companies namely Amanie Advisors, is

	<p>operating in a few cities globally. He serves as the Chairman of the Shariah Advisory Council (SAC) at the Central Bank of Malaysia, the Securities Commission of Malaysia, the Astana International Financial Centre (AIFC), Kazakhstan, the First Abu Dhabi Bank (UAE), and Permodalan Nasional Berhad (PNB).</p> <p>Tan Sri Dr Daud is also a Shariah board member of various global financial institutions, including the National Bank of Oman (Oman), Amundi Asset Management (France), Bank of London and Middle East (London), BNP Paribas Najma (Bahrain), Natixis Bank (Dubai), Morgan Stanley (Dubai), Sedco Capital (Saudi and Luxembourg) and Dow Jones Islamic Market Index (New York) amongst many others.</p> <p>Tan Sri serves as the Chairman of Federal Territory Islamic Religious Department Majlis Agama Islam Persekutuan (MAIWP). In the corporate world, he is currently a member of the PNB Investment Committee. Previously, he served as a Board Director at Sime Darby Property Berhad and Chairman to Malaysia Islamic Economic Development Foundation (YaPEIM). In addition, he is the co-founder of Experts Analytics Centre Sdn Bhd and MyFinB Sdn. Bhd.. He also serves as the Chairman of Berry Pay Sdn. Bhd., Data Sukan Consulting Sdn. Bhd., Bio Fluid Sdn. Bhd., KAB Gold Dynamics Sdn. Bhd., BioAngle Vacs Sdn. Bhd., Tulus Digital Sdn. Bhd., and Amanie-Afra Halal Capital Co (Bangkok).</p> <p>Recently, Tan Sri Dr Mohd Daud has received the “Royal Award for Islamic Finance 2022” by His Majesty, the King of Malaysia. While in 2014, he received the “Most Outstanding Individual” award by His Majesty, the King of Malaysia, in conjunction with the national-level Prophet Muhammad’s birthday. Under his leadership, Amanie Advisors received the “Islamic Economy Knowledge Infrastructure Award” at the Global Islamic Economy Summit, Dubai 2015, by His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and Ruler of Dubai, Oct 2015. On 13 November 2021, he was conferred the Darjah Kebesaran Panglima Setia Mahkota (P.S.M.) which carries the title of “Tan Sri”.</p>
Qualifications:	<p>In the academic side, he was the 8<sup>th</sup> President of the International Islamic University of Malaysia (IIUM) due to his vast skill and experience serving the university. He received his first degree in Shariah from University of Kuwait in 1988 and obtained his PhD from University of St. Andrews, United Kingdom in 1993. In 2002, he completed his external Bachelor of Jurisprudence at University of Malaya.</p>

### 3. The Trustee and the Custodian

#### 3.1 The Trustee

The Trustee for the Fund, HSBC (Malaysia) Trustee Berhad, whose registered office is at Level 19, Menara IQ, Lingkaran TRX, 55188 Tun Razak Exchange, Kuala Lumpur Malaysia, is incorporated in Malaysia since 1937 and is registered as a trust company under the Trust Companies Act 1949 of Malaysia.

Since 1993, the Trustee has acquired experience in the administration of unit trusts and has been appointed as trustee for unit trust funds, exchange traded funds, wholesale funds and funds under private retirement scheme.

#### **Roles, Duties and Responsibilities of the Trustee**

The Trustee’s main functions are to act as trustee and custodian of the assets of the Fund and to safeguard the interests of Unit Holders. In performing these functions, the Trustee has to

exercise all due care, diligence and vigilance and is required to act in accordance with the provisions of the Deed, the CMSA and the GUTF. Apart from being the legal owner of the Fund's assets, the Trustee is also responsible for ensuring that the Manager performs its duties and obligations in accordance with the provisions of the Deed, CMSA and the GUTF. In respect of moneys paid by an investor for the application of units, the Trustee's responsibility arises when the moneys are received in the relevant account of the Trustee and in respect of withdrawal, the Trustee's responsibility is discharged once it has paid the withdrawal amount to the Manager.

The Trustee has in place anti-money laundering and anti-terrorism financing policies and procedures across the HSBC Group, which may exceed Malaysian regulations. Subject to any Malaysian regulations, the Trustee shall not be liable for any loss resulting from compliance of such policies, except in the case of negligence, willful default or fraud of the Trustee.

The Trustee is not liable for doing or failing to do any act for the purpose of complying with law, regulation or court orders.

The Trustee shall be entitled to process, transfer, release and disclose from time to time any information relating to the Fund, Manager and Unit Holders for purposes of performing its duties and obligations in accordance to the Deed, the CMSA, the GUTF and any other legal and/or regulatory obligations such as conducting financial crime risk management, to the Trustee's parent company, subsidiaries, associate companies, affiliates, delegates, service providers, agents and any governing or regulatory authority, whether within or outside Malaysia (who may also subsequently process, transfer, release and disclose such information for any of the above mentioned purposes) on the basis that the recipients shall continue to maintain the confidentiality of information disclosed, as required by law, regulation or directive, or in relation to any legal action, or to any court, regulatory agency, government body or authority.

HSBC (Malaysia) Trustee Berhad is approved by the Securities Commission Malaysia as a registered trustee for collective investment schemes and private retirement schemes in Malaysia.

Should the Trustee become insolvent, the Manager will appoint some other trustee duly approved under the SC's requirements to act as the new trustee of the Fund. The Manager shall notify the Unit Holders of the new trustee's appointment within fourteen (14) days of such appointment.

### 3.2 The Custodian

The Trustee has appointed The Hongkong and Shanghai Banking Corporation Ltd as Custodian of both the local and foreign assets of the Fund in Malaysia. For quoted and unquoted local investments (in Malaysia) of the Fund, the assets are held through HSBC Bank Malaysia Berhad and/or HSBC Nominees (Tempatan) Sdn Bhd. The Hongkong and Shanghai Banking Corporation Ltd is a wholly owned subsidiary of HSBC Holdings Plc, the holding company of the HSBC Group. The Custodian's comprehensive custody and clearing services cover traditional settlement processing and safekeeping as well as corporate related services including cash and security reporting, income collection and corporate events processing. All investments and assets of the Fund are registered in the name of the Trustee or to the order of the Trustee. The Custodian acts only in accordance with instructions from the Trustee.

The Custodian is a global custodian with direct market access in certain jurisdictions, and is supported by a network of sub-custodians which provide local settlement and clearing in each domestic market. The Custodian will only appoint a sub-custodian who is licensed or authorised to provide custodian services in their respective jurisdictions in accordance with HSBC Group's policies which require use of sub-custodian services within the approved network of sub-custodians.

The sub-custodians are selected based on their comprehensive custody and clearing services which cover traditional settlement processing and safekeeping as well as corporate related services including cash and security reporting, income collection and corporate events

processing. The assessment for the appointment of the sub-custodians must, amongst others, take into account credit risk, operational risk, legal risk, country risk, infrastructure risk and contract risk of the proposed sub-custodians. This benchmark requires the sub-custodians to comply with all HSBC Group's standard sub-custody processes and local regulatory requirements.

The Trustee shall also be responsible for the acts and omissions of its delegate as though they were its own acts and omissions.

However, the Trustee is not liable for the acts, omissions or failure of any third party depository such as central securities depositories, or clearing and/or settlement systems and/or authorised depository institutions, where the law or regulation of the relevant jurisdiction requires the Trustee to deal or hold any asset of the Fund through such third parties.

The Hongkong and Shanghai Banking Corporation Limited is a bank organised under the laws of the Hong Kong Special Administrative Region and is licensed with the Hong Kong Monetary Authority.

Should the Custodian become insolvent, the Trustee will appoint some other corporation to act as the new custodian of the Fund's assets. The Trustee shall make the necessary disclosures as required by relevant laws.

#### **4. Singapore Representative**

The Manager has appointed Principal Asset Management (S) Pte. Ltd., whose registered office is at 50 Raffles Place, #22-03A & B Singapore Land Tower, Singapore 048623, to act as the representative for the Fund in Singapore (the "**Singapore Representative**"). The Singapore Representative will provide and maintain certain administrative and other facilities relating to the offer of Units of the Fund recognised under Section 287 of the Securities and Futures Act, which includes, *inter alia*, maintaining for inspection in Singapore a subsidiary register\* of Unit Holders who subscribed for or purchased their Units in Singapore (or any other facility that enables the inspection or extraction of the equivalent information), which shall be open to inspection by the public during usual business hours of the Singapore Representative at its business address.

Copies of the Fund's constitutive documents (the Deed and this Singapore Prospectus) are available for inspection by investors, free of charge, from the Singapore Representative, during usual business hours.

*\* The registrar of the Fund is Principal Asset Management Berhad. As the Fund is a Qualifying CIS, the Singapore Representative also maintains a subsidiary register of Unit Holders who subscribed for or purchased their Units in Singapore.*

#### **5. The Auditor**

The auditor of the Fund is Ernst & Young PLT whose registered office is at Level 23A Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, 50490 Kuala Lumpur, Malaysia.

#### **6. Fund Structure and Classes**

The Fund is an open-ended standalone unit trust fund established in Malaysia and authorised by the SC.

The Fund is established as a multi-class fund with Units which may be established in different Classes. The base currency of the Fund is Malaysia Ringgit. Investors should note that the Fund is allowed to establish new Class(es) from time to time without prior consent from the Unit Holders. Under the Deed, Unit Holders of each Class shall have the same rights and

obligations. Each Class may be different in terms of currency denomination, fees and charges, and hence, will have its respective NAV per Unit, denominated in its respective currency taking into account the aforementioned features. Although the Fund has multiple Classes, Unit Holders should note that the assets of the Fund are pooled for investment purposes.

Presently, the Manager intends to offer Class SGD Units of the Fund in Singapore. The Manager may offer different Classes in any other jurisdiction in which the Fund may be offered under the ASEAN CIS Framework.

Each Unit held in a Class represents an equal undivided beneficial interest in the assets of that Class. However, the Unit does not give a Unit Holder an interest in any particular part of the Class or a right to participate in the management or operation of the Fund (other than through Unit Holders' meetings).

## **7. Investment Objective, Focus and Approach and Benchmark**

### **7.1 Investment objective**

The investment objective of the Fund is to aim to provide investors with medium to long-term capital appreciation through investments in securities of Malaysian companies that will benefit from prevailing investment themes and that conform with Shariah principles.

### **7.2 Investment focus and approach**

The strategy of the Fund is to invest in sectors that are related to the prevailing domestic and/or global investment themes. In identifying the investment themes, the Manager will consider prevailing and potential macroeconomic factors and trends, social and political developments as well as technological advances that may reveal specific thematic investment opportunities. The Manager may revise its outlook on the investment themes during its monthly reviews. Unit Holders will be informed of the prevailing investment themes that the Fund is focusing on via the Fund's monthly fact sheet which is available on the Manager's website at [www.principal.com.my](http://www.principal.com.my).

The Fund's sector allocation will be actively managed by the Manager who has the option to aggressively overweight preferred sectors to take advantage of their market outlook. Sector analysis is done through quantitative and qualitative approaches. In determining the sector allocation and stock selection, the Manager will focus on the following:

- identify the potential sector(s) in light of the prevailing domestic and/or global investment themes;
- study impact of the prevailing economic and political conditions;
- select particular sectors based on the growth prospects and valuation of that sector. The most promising sectors will be chosen according to their rating levels as per the sector analysis;
- invest in stocks of Malaysian companies in the chosen sectors based on the stocks' potential for appreciation relative to the outlook for that sector. However, the Manager may, at its discretion, overweight or underweight at stock level if it is beneficial to the Fund; and
- review sector and stock picks monthly. Depending on prevailing market conditions, the Manager may revise the sector allocation and maintain, add or omit certain stocks during its monthly review.

The Manager will only select securities that conform with Shariah principles and may opt to invest in these Shariah-compliant securities either directly or via Islamic CIS. With effect from 14 April 2023, the Fund may invest up to 25% of its NAV in companies that are listed in any Eligible Market globally with some operations or businesses in Malaysia to capture growth opportunities.

The asset allocation strategy for the Fund is as follows:

- at least 70% of the Fund's NAV will be invested in equities that conform with Shariah principles;
- up to 28% of the Fund's NAV may be invested in other permissible Shariah-compliant investments; and
- at least 2% of the Fund's NAV will be invested in Islamic liquid assets for liquidity purposes.

As part of its risk management strategy, the Fund is constructed and managed within guidelines. The Manager employs an active asset allocation strategy depending upon the equity market expectation. Where appropriate, the Manager will also employ an active trading strategy with frequency that will depend on the market conditions and the market outlook.

The Fund adopts a liquidity risk management framework which sets out the governance standards, methodology and process for the oversight and management of liquidity risk. The framework outlines the responsibilities to assess and monitor liquidity risk of the Fund, and to ensure appropriate measures are taken to mitigate the risk. The liquidity risk management framework that the Manager has put in place is as follows:

- Regular review by the designated fund manager on the Fund's investment portfolio including its liquidity level.
- Periodic assessments are carried out on the Fund's liquidity profile (under both normal and stress market conditions) and on the concentration of Unit Holders. These assessments allow the Fund to be proactively managed to mitigate liquidity concerns that may arise in the ordinary course of portfolio management as well as in relation to the Fund's ability to meet Unit Holders' withdrawal requests.
- Suspension of withdrawal requests due to exceptional circumstances e.g. a substantial part of the Fund's asset value cannot be (accurately) determined. During the suspension period, withdrawal requests will not be accepted and in the event the Manager has earlier accepted the withdrawal requests prior to the suspension is declared, the withdrawal requests will be dealt on the next Business Day once the suspension is lifted. The action to suspend withdrawal requests from Unit Holders shall be exercised only as a last resort by the Manager.

*Note: Please refer to paragraph 15 of this Singapore Prospectus for more information.*

The Manager may lower down the equity exposure when it feels that the equity market is close to its peak in term of valuations, and/or the market condition is unfavourable. In such circumstances, the Manager may take a temporary defensive position by either (1) reducing the Fund's proportion of higher risk assets, such as Shariah-compliant equities and increasing its asset allocation to lower risk assets, such as Sukuk and Islamic liquid assets, to safeguard the investment portfolio of the Fund and/or (2) investing in Shariah-compliant stocks that have low correlation to market movements. When deemed necessary, the Manager may also utilize Islamic derivative instruments, subject to the GUTF and Standards of Qualifying CIS, for the purpose of hedging. In the event of a downgrade of a counterparty of an OTC Islamic derivative below the minimum long-term rating as per the GUTF and Standards of Qualifying CIS, the Manager reserves the right to deal with the OTC Islamic derivative in the best interest of the Unit Holders.

If the Fund is an EPF-MIS approved fund, the investments made by the Fund will be subject to the EPF's requirements. Please note that there may be changes to the status of the eligibility of the Fund under the EPF-MIS from time to time. Investors may refer to the Manager's website at [www.principal.com.my](http://www.principal.com.my) or [www.kwsp.gov.my](http://www.kwsp.gov.my) for updated information.

### **7.3 Shariah Investment Guidelines**

At all times, the Fund shall invest in activities and instruments that are permissible under Shariah principles and shall not invest in activities and instruments that are prohibited under

Shariah principles based on the Shariah Adviser's established parameters as described below, where applicable:

#### Screening process

##### **a. Shariah-compliant equities**

1. For Shariah-compliant securities listed on Bursa Malaysia, the Fund shall invest in Shariah-compliant securities listed under the List of Shariah-compliant securities by the SAC of the SC.
2. For initial public offering, the Fund shall invest in Shariah-compliant securities that are approved by SAC of the SC and/or Shariah Adviser in accordance to the SAC of the SC's screening methodologies.
3. For non-Malaysian Shariah-compliant securities, the Fund shall invest in Shariah-compliant securities which are listed under the List of Shariah-compliant securities by index providers or service providers subject to approval from Shariah Adviser.

##### **b. Sukuk**

Sukuk are certificates of equal value which evidence undivided ownership or investment in the assets using Shariah principles and concepts . The Fund will only invest in Sukuk which is approved by the SAC of the SC, Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) and/or other Shariah boards/standards acceptable to the Shariah Adviser. The Shariah Adviser will review any Sukuk instruments to be invested by the Fund based on the data available at:

- Bond info hub ([www.bondinfo.bnm.gov.my](http://www.bondinfo.bnm.gov.my))
- Fully automated system for issuing/tendering (<http://fast.bnm.gov.my>)

##### **c. Islamic money market instruments**

For investment in Malaysia, the Fund will invest in Islamic money market instruments approved by the SAC of BNM based on the data available at:

- Bond info hub ([www.bondinfo.bnm.gov.my](http://www.bondinfo.bnm.gov.my))
- Fully automated system for issuing/tendering ([www.fast.bnm.gov.my](http://www.fast.bnm.gov.my)).

For investment in foreign markets, Islamic money market instruments that are endorsed by other Shariah adviser or committee must be approved by the Shariah Adviser upon review of the relevant documents e.g. principal terms and conditions and Shariah pronouncements or approvals.

##### **d. Investment in Islamic Deposits**

Islamic Deposits shall be placed with financial institutions licensed under the Islamic Financial Services Act 2013 and/or Financial Services Act 2013 of Malaysia, whichever is appropriate. For the avoidance of doubt, only Islamic account is permitted for placement of deposit with institutions licensed under the Financial Services Act 2013 of Malaysia. The Fund is also prohibited from investing in interest-bearing deposits and recognising any interest income.

##### **e. Investment in Islamic CIS**

The Fund shall invest in Islamic CIS which must be regulated and registered or authorised or approved by the relevant authority in its home jurisdiction.

**f. Islamic derivative instruments**

Islamic derivative instruments that are endorsed by any other Shariah advisers or committees must be approved by the Shariah Adviser upon review of the relevant documents e.g. principal terms and conditions and Shariah pronouncements or approvals.

Any other Shariah-compliant instruments or Shariah-compliant instruments that are not being mentioned in items a to f above, the Fund should seek approval from Shariah Adviser pre-investment being made.

**Rules on divestment of Shariah non-compliant securities**

In the event the following investment instances occur in the Fund, the rules below shall be executed by the Manager or its fund management delegate:

**1. “Shariah-compliant “securities” which are subsequently classified as “Shariah non-compliant”**

These refer to securities which were earlier classified as Shariah-compliant but due to certain factors, such as changes in the companies’ business operations and financial positions, are subsequently reclassified as Shariah non-compliant. In this regard, if on the date the securities turned Shariah non-compliant, the respective market price of Shariah non-compliant securities exceeds or is equal to the investment cost, the Fund that holds such Shariah non-compliant securities must dispose them off. Any dividends received up to the date of the announcement/review and capital gains arising from the disposal of the Shariah non-compliant securities on the date of the announcement/review can be kept by the Fund.

However, any dividends received and excess capital gain from the disposal of Shariah non-compliant securities after the date of the announcement/review at a market price that is higher than the closing price on the date of the announcement/review should be channeled to baitumal and/or charitable bodies as advised by the Shariah Adviser.

On the other hand, the Fund is allowed to hold its investment in the Shariah non-compliant securities if the market price of the said securities is below the Fund’s investment costs. It is also permissible for the Fund to keep the dividends received during the holding period until such time when the total amount of dividends received and the market value of the Shariah non-compliant securities held equal the investment cost. At this stage, the Fund is advised to dispose of their holding.

In addition, during the holding period, the Fund is allowed to subscribe to:

- (a) any issue of new securities by a company whose Shariah non-compliant securities are held by the Fund, for example rights issues, bonus issues, special issues and warrants (excluding securities whose nature is Shariah non-compliant, e.g. loan stocks); and
- (b) Shariah-compliant securities of other companies offered by the company whose Shariah non-compliant securities are held by the Fund,

on condition that they expedite the disposal of the Shariah non-compliant securities.

Where the Fund invests in securities (save for money market instruments, deposit and equities or equities-related securities i.e. warrants, rights issues etc.) earlier classified as Shariah-compliant but considered to have become Shariah non-compliant (by the Shariah adviser appointed by the issuer of that security) then guidance from the Shariah Adviser should be obtained.

Where the Fund invests in money market instruments, deposits or equities or equities-related securities earlier classified as Shariah-compliant that are subsequently

determined, regarded or deemed to be Shariah non-compliant as a result of a new or previously unknown fatwa/ruling and/or upon advice by the Shariah Adviser, the Manager would be required to sell such money market instruments or equities or equities related or withdraw such deposits, as soon as practicable of having notice, knowledge or advice of the status of such instruments. Any profit received from such instruments prior to the occurrence of the aforesaid event shall be retained by the Fund. Any profit received subsequent to the occurrence of the aforesaid event shall be channeled to baitulmal and/or charitable bodies, as advised by the Shariah Adviser.

## **2. Shariah non-compliant investments**

This refers to Shariah non-compliant investment made by the Manager and the external investment manager, if applicable. The said investment will be disposed of or withdrawn with immediate effect or within a month of knowing the status of the investment. In the event of the investment resulted in gain (through capital gain and/or dividend and/or profit) received before or after the disposal of the investment, the gain is to be channeled to baitulmal and/or any other charitable bodies as advised by the Shariah Adviser. The Fund has a right to retain only the investment cost. If the disposal of the investment resulted in losses to the Fund(s), the losses are to be borne by the Manager.

### **Cleansing process**

Under the Shariah principles, any income or distribution received by the Fund from investments in its portfolios which relates to income from Shariah non-compliant investments as set out above are considered impure income. This impure income is subject to an income purification process as determined by the Shariah Adviser, from time to time and without limitation, where the impure income will be distributed to baitulmal and/or charitable bodies approved by the Shariah Adviser.

### **Periodic review**

The Shariah Adviser will review the Fund on a monthly basis to ensure the Fund's operating procedures and investments comply with the Shariah principles. Upon completion of each review, the Shariah Adviser will deliver its opinion on the Shariah compliancy.

### **The Fund's compliance to the Shariah principles**

The Shariah Adviser is of the view that, given the prevailing circumstances, the Fund and its respective investments as disclosed and presented are acceptable and within the principles of Shariah, subject to proper execution of the legal documents and other transactions related to the Fund.

***The investment portfolio of the Fund comprises instruments which have been classified as Shariah-compliant by the SAC of the SC or the SAC of BNM. For instruments that are not classified as Shariah-compliant by the SAC of the SC or the SAC of BNM, the status of the instruments has been determined in accordance with the ruling issued by the Shariah Adviser.***

## **7.4 Benchmark**

The Fund's benchmark, the FTSE Bursa Malaysia EMAS Shariah Index, is not a target for the Fund's performance to beat, nor used as a constraint on how the Fund's portfolio is to be constructed, nor a guaranteed return or forecast of future return and is only used as a reference for performance comparison purpose.

## 8. Fees and Charges

<b>Charges and Fees Payable by Unit Holder</b>	
Application Fee	Currently up to 5%. Maximum 7%.
Switching Fee	Currently up to 1%. Maximum of 7%. Please refer to paragraph 13 for more information on switching.
Withdrawal Fee / Redemption Fee	Nil.

Investors should note that subscriptions for Units through any distributor appointed by the Manager may incur additional fees and charges. Investors are advised to check with the relevant distributor if such fees and charges are imposed by the distributor.

<b>Fees payable by Fund to Manager and Trustee</b>	
Annual management fee	Currently up to 1.5% p.a. Maximum 3% p.a.
a) Retained by Manager	a) 40% to 60% of annual management fee
b) Paid by Manager to financial adviser/distributor (trailer fee) in Singapore <sup>1</sup>	b) 40% to 60% of annual management fee
Annual trustee fee	Currently up to 0.05% p.a. (including local custodian fees but excluding foreign sub-custodian fees and charges). Maximum 0.07% p.a.  The foreign sub-custodian fee is dependent on the country invested.

All fees and charges payable by the investor and the Fund are subject to any applicable taxes and/or duties as may be imposed under any applicable laws or by any other regulatory authorities from time to time.

The Manager has 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 (except the Trustee Fee, which must be consented by the Trustee) subject to the requirements stipulated in the Deed. Where necessary, the amendments will be notified to the Trustee. Amendments to the fees, charges and/or transaction information, if any, will be communicated to the Unit Holders.

### **Other Expenses**

The Deed also provides for payment of other expenses. The major expenses recoverable directly from the Fund include:

---

<sup>1</sup> Your financial adviser/distributor is required to disclose to you the amount of trailer fee it receives from the Manager.

- expenses incurred in the sale, purchase, takaful, custody and any other dealings of investments including commissions/fees paid to brokers and costs involved with external specialists approved by the Trustee in investigating and evaluating any proposed investment;
- (where the foreign custodial function is delegated by the Trustee), charges and/or fees paid to the foreign sub-custodian;
- expenses incurred in the printing of, purchasing of stationery and postage for the annual and interim (if any) reports;
- tax and other duties imposed by the government and other authorities and bank fees;
- Shariah Adviser's fee and expenses;
- fees and other expenses properly incurred by the auditor and tax agent of the Fund;
- fees incurred for the fund valuation and accounting of the Fund performed by a fund valuation agent;
- costs incurred in modifying the Deed otherwise than for the benefit of the Manager or Trustee;
- costs of convening and holding meetings of Unit Holders (other than those meetings convened for the benefit of the Manager or Trustee);
- all costs, bank charges and expenses related to income distribution of the Fund; for example, postage and printing of all cheques, statements and notices to Unit Holders; and
- remuneration and out of pocket expenses of the person(s) or members of a committee undertaking the oversight function of the Fund unless the Manager decides to bear the same.

Expenses not authorized by the Deed must be paid by the Manager or the Trustee out of their own funds if incurred for their own benefit.

The Manager and the Trustee are required to ensure that any fees or charges payable are reasonable and in accordance with the Deed which stipulates the maximum rate in percentage terms that can be charged. Should the Fund invest into units of other CIS that are managed by the Manager or a related corporation, the Manager will ensure that all initial charges are waived and there is no double charging of management fees. All fees and expenses of the Fund will generally be apportioned to each Class currently available for sale based on the MCR except for those expenses that are related to the specific Class only, such as, the costs of Unit Holders' meeting held in relation to the respective Class. If in doubt, investors should consult their professional advisers for a better understanding.

Subject always to the provisions of the Deed and GUTF, the Manager reserves its 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 an investor to the Fund or Class or payable by any other investors to the Fund.

The Manager may for any reason and at any time, waive or reduce: (a) any fees (except for the Trustee Fee); (b) other charges payable by investors 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.

In accordance with the Standards of Qualifying CIS, the Manager shall not make payments out of the assets of the Fund which is a Qualifying CIS for the purpose of marketing the Qualifying CIS.

## **9. Risks**

### **9.1 General risks**

Investors should consider and satisfy themselves as to the risks of investing in the Fund. It should be noted that investments in the Fund may not be appropriate for all investors and

should be viewed by a prospective investor as a medium to long term investment. Investors should not expect to obtain short term gains from such investment.

Prospective investors should be aware that the value of Units and the returns derived from them can fluctuate and can go down as well as up. There can be no assurance that the Fund will achieve its investment objective or that investors will get back their original investment. Past performance should not be construed as an indication of the future results of an investment in the Fund.

Some of the general risks which apply to investing in unit trusts are:-

- **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, the Manager reduces 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.

- **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, assets that are difficult to dispose or due to liquidity policy applied by the unlisted CIS (e.g. suspension during exceptional situations), the value of the Fund and consequently the value of Unit Holders' investment in the Fund, will be negatively affected when the Fund has to sell such assets at unfavourable prices.

- **Inflation risk**

This is the risk that investors' investment in the Fund may not grow or generate income at a rate that keeps pace with inflation. This would reduce investors' 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.

- **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 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 advised by the Shariah Adviser.

Please refer to paragraph 7.3 for more information on Shariah Investment Guidelines.

## **9.2 Specific risks**

### **9.2.1 Stock specific risk**

Prices of a particular stock may fluctuate in response to the circumstances affecting individual companies such as adverse financial performance, news of a possible merger or loss of key personnel of a company. Any adverse price movements of such stock will adversely affect the Fund's NAV.

### **9.2.2 Sector risk**

Stock prices of companies within a sector move together due to sector-specific causal factors, examples of which include business cycle dynamics and demographic or consumer demand changes. As the Fund will focus its investments within specific sectors that are related to the prevailing investment themes, its returns are strongly dependent on the impact of such sector-specific causal factors. These causal factors that drive sector-specific returns lead to sector-specific risks.

### **9.2.3 Risks associated with investment in Shariah-compliant warrants**

There are inherent risks associated with investment in Shariah-compliant warrants. The value of Shariah-compliant warrants is influenced by the current market price of the underlying security, the exercise price of the contract, the time to expiration of the contract and the estimate of the future volatility of the underlying security's price over the life of the contract. Generally, the erosion in the value of Shariah-compliant warrants accelerates as it approaches its expiry date. Like securities, the Manager will undertake fundamental research and analysis on these instruments with an aim to mitigate its risks.

### **9.2.4 Risk associated with investing in Islamic CIS**

Since the Fund may invest into Islamic CIS, there is a risk of concentration into Islamic CIS, in which the Islamic CIS's management company has absolute discretion over the Islamic CIS's investment technique and knowledge, operational controls and management. In the event of mismanagement of the Islamic CIS and/or the management company, the NAV of the Fund, which invests into those Islamic CIS would be affected negatively. Should the situation arise, the Manager will seek for another Islamic CIS that is consistent with the objective of this Fund.

### **9.2.5 Currency risk**

Classes may be denominated in currencies other than the base currency (MYR) and changes in the exchange rate between the base currency and the denominated currency of the Class may lead to a depreciation of the value of the investor's holding as expressed in the currency denomination of the Class.

As such, investors should realise that currency risk is considered as one of the major risks due to the volatile nature of the foreign exchange market. Currently, the Manager does not seek to mitigate the currency risk. Hence, investors of the Fund should be prepared to assume the currency risk.

### **9.2.6 Concentration Risk**

The Fund may invest in securities of a single or a limited number of countries. Where the Fund invests in a single or a few, select countries, it will be exposed to fluctuations

in the economies of these countries, and the market, currency, political, social environment and other risks related specifically to these countries, which may affect the market price of its investments in these countries. Exposure to a single or limited number of countries also increases the potential volatility of the Fund due to the increased concentration risk as they are less diversified compared to exposure to specific regional or global markets.

### **9.2.7 Financial Derivatives Instruments (“FDIs”)**

#### **(i) Use and types of FDIs**

Subject to the Standards of Qualifying CIS and GUTF, the Fund may invest in derivatives for purposes of hedging and it may be subject to risks associated with such investments. Investments in derivatives may require the deposit of initial margin and additional deposit of margin on short notice if the market moves against the investment positions. If no provision is made for the required margin within the prescribed time, the Fund’s investments may be liquidated at a loss. Therefore, it is essential that such investments in derivatives be monitored closely. The Manager has the necessary controls for investment in derivatives and has in place systems to monitor any derivative positions for the Fund. The Manager will ensure that the risk management and compliance procedures and controls adopted are adequate and have been or will be implemented and that it has the necessary expertise to control and manage the risks relating to the use of financial derivatives.

Subject to Shariah Adviser’s approval, the FDIs which may be used by the Fund include, but are not limited to, options on securities, stock index options, forward currency contracts, currency swap agreements, currency options or options or profit rate swaps, financial or index futures, OTC options, swaps, futures or options on any kind of financial instrument.

#### **(ii) Exposure to FDIs**

The global exposure of the Fund to FDIs or embedded FDIs will not exceed 20% of the NAV of the Fund at any time. The global exposure relating to derivative instruments is calculated using the commitment approach and in accordance with methods described in the Standards of Qualifying CIS.

#### **(iii) Risk Management and Compliance Procedures**

The Manager believes that risk management and performance analysis are integral parts of the investment process. As such, the Manager has a dedicated risk and performance management team which independently monitors the portfolio’s risk. The risks are quantified and examined in detail through various tools employed by the Manager’s risk and performance team and closely monitored as certain changes in the market environment may affect their value and importance. Portfolio risks are monitored to ensure that the relationship between risk and return is in line with the Fund’s investment objective and strategy.

Additionally, all open positions/exposure in derivatives will be marked to market at the frequency at least equal to the frequency of the NAV calculation of the Fund. The Manager also have a comprehensive and structured internal compliance monitoring program with a dedicated team of compliance personnel covering, amongst other things, the monitoring of the portfolios for compliance with investment guidelines. The investment guidelines are reviewed regularly by the compliance team and the Manager’s compliance monitoring program includes automated pre-trade compliance system as well as manual checking system to monitor compliance where certain investment guidelines cannot be electronically monitored.

The Manager will ensure that the risk management and compliance procedures are adequate and have been or will be implemented and that it has the necessary expertise to manage the risk relating to the use of financial derivatives.

Risk management, with an emphasis on portfolio diversification, will form an integral part of the investment process. The Fund is constructed and managed within pre-determined guidelines including risk returns trade-off, which will be monitored and reviewed regularly by the investment management team. The risk management strategies and techniques employed include diversification of the Fund's asset allocation in terms of its exposure to various sectors, industries and companies.

In times of adversity in equity markets and as part of its risk management strategy, the Manager may from time to time reduce its proportion of equities and increase its asset allocation to liquid assets such as money market instruments and/or Deposits to safeguard the investment portfolio of the Fund.

The Manager will manage risks associated with debt securities portfolio according to three (3) parameters: tenure, credit ratings and sector. The duration of the debt securities portfolio is also monitored and modified according to the Manager's interest rate outlook (i.e. the sensitivity of the portfolio to interest rate changes). Even though the Fund does not invest in interest bearing instruments, the interest rate referred herein is to the general interest rate of the country which may affect the value of the investments of the Fund.

When deemed necessary, the Manager may also utilize derivative instruments, subject to the GUTF and Standards of Qualifying CIS, for purpose of hedging.

(iv) Risks Associated with the Use of FDIs

While the prudent use of FDIs can be beneficial, FDIs also involve risks different from, and in certain cases greater than, the risks presented by more traditional investments. The following is a general discussion of important risk factors and issues concerning the use of FDIs:

(A) Market risk

This is a general risk that applies to all investments meaning that the value of a particular derivative may change in a way which may be detrimental to the Fund's interests.

(B) Liquidity risk

Derivative products are highly specialised instruments that require investment techniques and risk analysis different from those associated with equity and fixed income securities. The use of derivative techniques requires an understanding not only of the underlying assets of the derivative but also of the derivative itself, without the benefit of observing the performance of the derivative under all possible market conditions. In particular, the use and complexity of derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the Fund and the ability to forecast the relative price, interest rate or currency rate movements correctly.

(C) Counterparty risk

The Fund may enter into FDIs in the OTC markets, which will expose the Fund to the credit of its counterparty and its ability to satisfy the terms of such contracts. In the event of a bankruptcy or insolvency of a counterparty, the Fund could experience delays in liquidating the position and significant losses, including declines in the value of its investment during the period in which the Fund seeks to enforce its rights, inability to realise any gains on its investment during such period and fees and expenses incurred in enforcing its rights. There is also a possibility that the above agreements and derivative techniques are terminated due, for instance, to bankruptcy, supervening illegality or change in the tax or accounting laws relative to those at the time the agreement was originated.

(D) Other risks

Other risks in using FDIs include the risk of differing valuations of FDIs arising out of different permitted valuation methods and the inability of FDIs to correlate perfectly with underlying securities, rates and indices. Many FDIs, in particular OTC derivatives, are complex and often valued subjectively and the valuation can only be provided by a limited number of market professionals which often are acting as counterparties to the transaction to be valued. Inaccurate valuations can result in increased cash payment requirements to counterparties or a loss of value to the Fund.

Derivatives do not always perfectly or even highly correlate or track the value of the securities, rates or indices they are designed to track. Consequently, the Fund's use of derivative techniques may not always be an effective means of, and sometimes could be counterproductive to, following the Fund's investment objective.

**The above should not be considered to be an exhaustive list of the risks which potential investors should consider before investing in the Fund. Potential investors should be aware that an investment in the Fund may be exposed to other risks of an exceptional nature from time to time.**

## 10. Subscription of Units

### 10.1 Subscription procedure

Applications for Units of the Fund may be made through any agent or distributor appointed by the Manager. Investors may subscribe for Units in cash. Investors should check with their distributor on the availability of subscriptions using Supplementary Retirement Scheme ("SRS") moneys.

Investors wishing to use their SRS moneys to purchase Units shall indicate so on the application form. Further, the application form contains the investor's instructions to the SRS operator bank to withdraw from the investor's SRS account the purchase moneys in respect of the Units applied for.

Currently, the Manager accepts payments of subscription moneys in SGD. Units will only be issued when subscription moneys have been received by the Trustee on a cleared funds basis.

For compliance with anti-money laundering laws and guidelines, the Manager, the Trustee or the Manager's approved distributors reserve the right to request such information and/or documents as is necessary to verify the identity of an applicant and the source of funds.

Any resultant bank charges would be borne by the relevant investor.

## 10.2 Minimum Initial Investment Amount and Minimum Additional Investment Amount

Minimum Initial Investment Amount	SGD1,000* for the Class SGD
Minimum Additional Investment Amount	SGD100* for the Class SGD

\* or such other amount as the Manager may decide from time to time

The Manager may at their discretion waive the Minimum Initial Investment Amount and Minimum Additional Investment Amount.

## 10.3 Dealing deadline and pricing basis

As Units are issued on a forward pricing basis, the issue price of Units shall not be ascertainable at the time of application. In buying Units, applicants pay a fixed amount of money e.g., SGD1,000 for the Class SGD which will buy the applicant the number of Units obtained from dividing that sum by the issue price (net of the Application Fee) when it has been ascertained later.

The dealing cut-off time is the Dealing Deadline on a Dealing Day. Units in respect of applications received and accepted by the appointed distribution agents by the Dealing Deadline will be dealt at the relevant NAV determined on that day. Applications received and accepted after the Dealing Deadline on a Dealing Day or on a day which is not a Dealing Day shall be treated as having been received and accepted on the next Dealing Day.

The distributors may impose their own more restrictive dealing deadlines on investors earlier than the Dealing Deadline. Investors should confirm the applicable dealing deadline with the relevant distributor.

The issue price per Unit of the Class SGD on each Dealing Day shall be an amount equal to the NAV per Unit of the Class SGD and shall be calculated by valuing the assets of the Fund in accordance with the valuation provisions as provided in paragraph 20.4 of this Singapore Prospectus. The resultant sum, after applying the multi class ratio (“MCR”) to determine the NAV attributable to the relevant Class, shall be divided by the number of Units of the relevant Class in issue or deemed to be in issue immediately prior to the relevant Dealing Day, and the resultant amount (truncated at four decimal places or such other number of decimal places or by such other truncation or rounding method as the Manager may determine from time to time) shall be the NAV per Unit of the relevant Class on such Dealing Day.

The MCR is the apportionment of the NAV of each Class over the Fund’s NAV based on the size of each Class. The MCR is calculated by dividing the NAV of the respective Class by the NAV of the Fund before income and expenses for the day. The apportionment is expressed as a ratio and calculated as a percentage.

## 10.4 Numerical example of how Units are allotted

### Class SGD

The number of Units (rounded to 2 decimal places) you receive with an investment of SGD1,000, based on a notional issue price of SGD1.0000, will be calculated as follows:

e.g	SGD1,000	-	SGD50	=	SGD950	÷	SGD1.0000	=	950.00 Units
	Gross Investment Sum		Application Fee (5%)		Net Investment Sum		Issue price		No. of Units you will receive

*This is for illustration purposes only and is not an indication of the future or likely performance of the Fund or Class. The value of Units and the income from them may go down as well as up.*

#### **10.5 Confirmation of purchase**

A confirmation note detailing your investment amount and the number of Units in the Class SGD allocated to you will be sent to you within seven (7) Business Days or ten (10) calendar days, whichever is shorter, from the date of issue of Units for cash applications and within fourteen (14) Business Days for SRS applications (once available).

#### **10.6 Cancellation of initial subscription by investors**

First time individual investors shall, subject to the cancellation terms and conditions attached to the application form, have the right to cancel their purchase of Units in the Fund within six (6) Business Days from the date of subscription or purchase of Units (or such longer period as may be determined by the Manager or such other period as may be prescribed by the MAS) ("**Cancellation Period**") by providing notice in writing to the Manager or its authorised agent or distributor. Full details of the provisions relating to the cancellation of Units may be found in the terms and conditions for cancellation of Units attached to the application form for the subscription of Units in the Fund.

#### **10.7 Return of Contributions**

Notwithstanding receipt of the application forms, the Manager shall retain the absolute discretion to accept or reject any application for Units in accordance with the provisions of the Deed. In the event that an application for Units is rejected by the Manager for whatever reason, the subscription moneys shall be refunded (without interest) to the investor within a reasonable time in such manner as the Manager or their relevant authorised agent or distributor shall determine.

### **11. Regular Savings Plan ("RSP")**

Minimum Initial Investment Amount	SGD1,000* for the Class SGD
Minimum Additional Investment Amount	SGD100* for the Class SGD

\*or such other amount as the Manager may decide from time to time

For RSP using cash, Unit Holders must complete an Interbank GIRO Form authorising the payment for the RSP (or such other form or method as the Manager may determine from time to time) and submit it together with the application form.

Unit Holders must complete a Direct Debit Authorisation ("**DDA**") Form authorising the payment for the RSP and submit the DDA Form together with the application form.

For RSP using SRS moneys (once available), Unit Holders must submit the application form.

Payment for the RSP will be debited from the Unit Holders' bank account or SRS Account (once available, as the case may be) on the 4<sup>th</sup> calendar day (or next Business Day if that day is not a Business Day) of each month and Units will be allotted within three (3) Business Days after payment has been debited.

In the event that the debit is unsuccessful, no investment will be made for that month unless otherwise advised by the Unit Holder. After 2 consecutive unsuccessful debits, the RSP will be terminated and no notification of such termination will be sent to the relevant Unit Holder.

The Manager shall not assume any liability for any losses arising from the Unit Holders' payment for the RSP via direct debit transactions.

A Unit Holder may terminate his participation without penalty upon giving thirty (30) days' written notice to the Manager.

The Manager reserves the right to terminate or suspend the RSP at any time in their absolute discretion by giving prior notice to the affected Unit Holders. The Manager shall not assume any liability for any losses attributable pursuant to the termination or suspension of the RSP.

## **12. Redemption of Units**

### **12.1 Redemption procedure**

A Unit Holder (or in the case of Joint Holders, any of the Joint Holders) may at any time during the life of the Fund make a request to the relevant distributor in writing ("**Redemption Request**") duly signed by him or otherwise for the redemption of all Units held by him or them of the Fund. The Redemption Request must specify the number of the Units of the Fund to be redeemed.

Any resultant bank charges would be borne by the relevant investor.

### **12.2 Minimum holding and minimum redemption amount**

Minimum Partial Redemption	100* Units for the Class SGD
Minimum Holding	1,000* Units for the Class SGD

\* or such other number of Units as the Manager may decide from time to time

### **12.3 Dealing deadline and pricing basis**

Unit Holders may redeem their Units of the Fund on any Dealing Day. Units in respect of Redemption Requests received and accepted by the appointed distribution agents by the Dealing Deadline on a Dealing Day will be dealt at the NAV per Unit of the relevant Class determined on that day. Redemption Requests received after the Dealing Deadline on a Dealing Day or on a day which is not a Dealing Day shall be treated as having been received on the next Dealing Day.

As Units are redeemed on a forward pricing basis, the redemption price of Units shall not be ascertainable at the time of submitting a Redemption Request. The redemption price per Unit of the Class SGD on each Dealing Day shall be an amount equal to the NAV per Unit of the Class SGD and shall be calculated by valuing the assets of the Fund in accordance with the valuation provisions as provided in paragraph 20.4 of this Singapore Prospectus and applying the MCR to determine the NAV per Unit of the relevant Class, such amount to be truncated at four decimal places (or such other number of decimal places or by such other truncation or rounding method as the Manager may determine from time to time). The amount due to a Unit Holder on the redemption of Units shall be the redemption price per Unit multiplied by the number of Units redeemed.

The distributors may impose their own more restrictive dealing deadlines on investors earlier than the Dealing Deadline. Investors should confirm the applicable dealing deadline with the relevant distributor.

**12.4 Numerical example of how the amount paid to an investor is calculated based on the sale of 1,000 Units and based on a notional redemption price of SGD1.1000**

Class SGD

e.g.	1,000 Units	x	SGD1.1000	=	SGD1,100
	Your redemption request		redemption price		Your redemption proceeds

*This is for illustration purposes only and is not an indication of the future or likely performance of the Fund or any Class. The actual redemption price will fluctuate according to the NAV of the Fund or Class.*

**12.5 Payment of redemption proceeds**

- (a) Redemption proceeds shall normally be directly credited or be paid by cheque within seven (7) Business Days of receipt and acceptance of the Redemption Request by the Manager, unless the redemption of Units has been suspended in accordance with paragraph 15 below.
- (b) In the case of a Unit Holder who has purchased Units with moneys from his SRS Account (once SRS applications are available), any moneys payable to such Unit Holder in respect of such Units shall be paid by transferring the moneys to the relevant bank for credit of the Unit Holder's SRS Account or otherwise in accordance with the provisions of any applicable law, regulations or guidelines. In the event that the SRS Account has been closed, the moneys shall be paid to the investor in accordance with paragraph 12.5(a) or otherwise in accordance with any applicable law, regulations or guidelines.
- (c) The redemption proceeds will be paid in the currency of the Class of Units being redeemed.
- (d) In the case of a Unit Holder who has purchased Units with cash, any moneys payable to such Unit Holder in respect of such Units will be paid by cheque sent through the post to his registered address or by telegraphic transfer to a nominated bank account.
- (e) If an investor is resident outside Singapore, the Manager shall be entitled to deduct from the total amount (which would otherwise be payable on the purchase from the investor) an amount equal to the excess of the expenses actually incurred over the amount of expenses which would have been incurred if the investor had been resident in Singapore.

**12.6** Notwithstanding a Unit Holder has not requested the Manager to fully redeem or repurchase all Units held by that Unit Holder, the Manager shall have the right to fully redeem or repurchase all Units held by that Unit Holder in the event any withdrawal, switching, transfer or other transaction request if effected would result in that Unit Holder holding less than the Minimum Holding or amount or value as the Manager shall determine from time to time and disclosed in this Singapore Prospectus.

**13. Switching of Units**

Units of the Fund may be switched into units of any other funds (or classes of such funds) managed by the Manager, which is approved for investment in Singapore (whether such fund is authorised or recognised). Switching may be carried out only between Units denominated in the same currency.

Switching will be conducted based on the value of your investments in the Class. The minimum amount for a switch must be equivalent to the minimum withdrawal amount applicable to the Class or such other amount as the Manager may decide from time to time. Please note that the minimum amount for a switch must also meet the minimum initial investment amount or the

minimum additional investment amount (as the case may be) applicable to the fund (or its classes) to be switched into. Further, a Unit Holder must at all times maintain at least the Minimum Holding required for the Class to stay invested in the Class. The Manager may, at its absolute discretion, allow or reject any switching into or out of the Class and other funds (or their classes) managed by the Manager.

To switch, simply complete a switch application and send to your appointed agent or distributor.

#### Processing a switch

A switch is processed as a withdrawal from one fund or class and an investment into another fund or class(es) within Principal Malaysia's funds. If the Manager receives a complete switch request by the Dealing Deadline on a Dealing Day, the Manager will process the switch-out using the NAV per unit for that Dealing Day. If the Manager receives the request after the Dealing Deadline, the switch-out will be processed using the NAV per unit for the next Dealing Day.

However, you should note that the switch-in may be processed at a later Dealing Day, generally within one (1) to four (4) Business Days.

*Switching from Islamic fund to conventional fund is discouraged for Muslim investors. The term 'discouraged' is not a Shariah ruling imposed by the Shariah Adviser to the investor, rather a suggestion for the Muslim investor to continue practising the Islamic conducts, ie: Shariah investing.*

## **14. Obtaining Prices of Units**

- 14.1** The indicative NAV of the Class SGD of the Fund will be displayed daily on the Singapore Representative's website at [www.principal.com.sg](http://www.principal.com.sg). The actual prices quoted will generally be published one (1) Business Day after the relevant Dealing Day on the Singapore Representative's website.
- 14.2** Save for publications by the Manager, the Manager does not accept any responsibility for any errors on the part of the publisher concerned in the prices published in the newspapers (if any) or such other publication or for any non-publication or late publication of prices by such publisher and shall incur no liability in respect of any action taken or loss suffered by investors in reliance upon such publication.

## **15. Suspension of Dealing**

- 15.1** Subject to the requirements in the GUTF and/or the Deed and/or the Standards of Qualifying CIS, the Manager and the Trustee may temporarily suspend the dealing in units of the Class or Fund, subject when there is good and sufficient reason to do so.

The Manager may, subject to the GUTF and/or the Deed and/or the Standards of Qualifying CIS, request the Trustee to suspend the sale (if applicable) and repurchase of Units under exceptional circumstances after having determined that a suspension is in the best interest of the Unit Holders.

To avoid suspension of the Fund, the Fund will hold adequate Islamic liquid assets and if the Islamic liquid assets are insufficient to meet withdrawal requests, the Manager will either liquidate the investments of the Fund or seek temporary financing, considering which is in the best interests of Unit Holders. Before carrying out any suspension of the Fund after the Manager has taken all considerations under liquidity risk management framework, the Manager will ensure that it has exhausted all possible avenues to avoid a suspension of the Fund, and only as a last resort, and in consultation with the Trustee and having considered the interests of the Unit Holders, suspend the sale (if applicable) and repurchase of Units where it is impractical for the Manager to calculate the NAV of the Fund due to but not limited to when material portion of the asset of the Fund is affected by any of the following:

- (i) the closure of a securities exchange or trading restrictions in the securities exchange; or
- (ii) it is not in the best interest of the Unit Holders; or
- (iii) an emergency or other state of affairs; or
- (iv) the declaration of a moratorium in a country where that Fund has assets; or
- (v) for the purpose of conversion of any currency, a closure or restrictions on trading in the relevant foreign exchange market; or
- (vi) the realisation of the assets of the Fund not being able to be effected at prices which are fair to the Fund and/or within a reasonable period in a stable market; or
- (vii) the SC has instructed either the Manager or the Trustee to suspend dealings of Units in the interests of protecting the rights of Unit Holders.

Please note that during the suspension period, there will be no NAV per Unit available and hence, the Manager will not accept any transactions for the applications, withdrawals, switches and/or transfers of Units. If the Manager has earlier accepted an investor's request for applications, withdrawals, switches and/or transfers of Units before the suspension is declared, please note that the investor's request will only be processed on the next Dealing Day after the cessation of suspension of the Fund. Investors will be notified of the suspension and when the suspension is lifted. In such case, investors will not be able to redeem their Units and will be compelled to remain invested in the Fund for a longer period of time than original timeline. Hence, investors' investments will continue to be subjected to the risks inherent to the Fund (please refer to paragraph 9 of this Singapore Prospectus).

**15.2** If at any time the appointment of the Trustee is terminated and a new trustee has not been appointed yet, the sale (if applicable) and repurchase of the Units shall be suspended until a new trustee has been appointed. Similarly, if at any time the appointment of the Manager is terminated and a new manager has not been appointed yet, the sale (if applicable) and repurchase of the Units shall be suspended until a new manager has been appointed.

**15.3** No suspension may exceed twenty-one (21) days unless a longer period is permitted under the SC Requirements or Standards of Qualifying CIS. During the suspension period, there will be no NAV per Unit available and hence, the Manager will not accept any transactions for the applications, withdrawals, switching and/or transfer of Units. All outstanding redemption and repurchases and any withdrawal notice or application for Units received while the withdrawal and issue of Units is suspended is taken to be received on the first Business Day after the suspension ceases. If the Manager has earlier accepted a Unit Holder's request for withdrawals and switches of Units, there may be a delay in processing those transactions and the Unit Holder will be notified accordingly. Unit Holders will also be notified once the suspension is lifted.

## **16. Performance of the Fund and Benchmark**

### **16.1 Past performance**

Class	Total Return	Average annual compounded return			
	1 Year	3 Years	5 Years	10 Years	Since inception*
Class SGD (NAV-NAV)	-7.72%	-2.61%	-2.67%	N/A	-3.12%

Class SGD (NAV-NAV) (taking into account the Application Fee)#	-12.33%	-4.25%	-3.66%	N/A	-3.92%
FTSE Bursa Malaysia EMAS Shariah Index	-11.91%	-2.38%	-2.73%	N/A	-2.95%

\* Inception Date: 8 April 2016

Source: Lipper. Performance numbers are computed as of 31 May 2022.

# The performance of the Class SGD is computed on a single pricing basis (NAV-NAV) (taking into account the Application Fee of up to 5% and Withdrawal Fee / Redemption Fee (if any)) and with dividends and distributions (if any) reinvested. Note that a lower Application Fee may be charged when subscribing for Units.

The updated performance of the Fund can be found at [www.principal.com.sg](http://www.principal.com.sg).

***Past performance of the Fund is not necessarily indicative of the future performance of the Fund.***

## 16.2 Expense ratio

The expense ratio of the Fund as at 30 November 2021 is 1.57%.

The expense ratio of the Fund is calculated in accordance with the Investment Management Association of Singapore's guidelines on the disclosure of expense ratios (the "IMAS Guidelines") and based on the Fund's latest audited accounts. The following expenses, as set out in the IMAS Guidelines (as may be updated from time to time), are excluded from the calculation of the expense ratio:

- (a) brokerage and other transaction costs associated with the purchase and sales of investments (such as registrar charges and remittance fees);
- (b) interest expense;
- (c) foreign exchange gains and losses of the Fund (whether realised or unrealised);
- (d) front-end or back-end loads and other costs arising on the purchase or sale of a foreign unit trust or mutual fund;
- (e) tax deducted at source or arising on income received (including withholding tax); and
- (f) dividends and other distributions paid to Unit Holders.

## 16.3 Turnover ratio

The turnover ratio of the Fund as at 30 November 2021 is 0.81%.

The turnover ratio is calculated based on the lesser of purchases or sales expressed as a percentage of average net asset value (NAV), i.e. average daily NAV over, as far as possible, the same period used for calculating the expense ratio.

In Malaysia, the portfolio turnover ratio ("PTR") of the Fund as at 30 November 2021 is 0.91%.

The PTR is calculated based on the following formula:

$$\frac{(\text{Total acquisition for the financial year} + \text{total disposal for the financial year}) \div 2}{\text{Average NAV of the Fund for the financial year calculated on a daily basis}}$$

## 17. Rebates and Soft Commissions

The Manager and the Trustee will not retain any form of rebate from, or otherwise share in any commission with, any broker or dealer in consideration for directing dealings in the investments

of the Fund. Accordingly, any rebate or shared commission will be directed to the account of the Fund.

The Manager may retain goods and services (soft commission) provided by any broker or dealer if the following conditions are met:

- (a) the soft commission brings direct benefit or advantage to the management of the Fund and may include research and advisory related services;
- (b) any dealings with the broker or dealer is executed on terms which are the most favourable for the Fund; and
- (c) the availability of soft commission is not the sole or primary purpose to perform or arrange transactions with such broker or dealer, and the Manager will not enter into unnecessary trades in order to achieve a sufficient volume of transactions to qualify for soft commission.

Please refer to the annual reports of the Fund for further information on any soft commission received by the Manager.

## **18. Potential Conflicts of Interests and Related Party Transactions**

The Manager (including its directors) will at all times act in the best interests of the Unit Holders of the Fund and will not conduct itself in any manner that will result in a conflict of interest or potential conflict of interest. In the unlikely event that any conflict of interest arises, such conflict shall be resolved such that the Fund is not disadvantaged. In the unlikely event that Principal Malaysia faces conflicts in respect of its duties as the manager to the Fund and to other Principal Malaysia's funds that it manages, Principal Malaysia is obliged to act in the best interests of its investors and will seek to resolve any conflicts fairly and in accordance with the Deed.

The Manager shall not act as principal in the sale and purchase of any securities or investments to and from the Fund. The Manager shall not make any investment for the Fund in any securities, properties or assets in which the Manager or its officer has financial interest in or from which the Manager or its officer derives a benefit, unless with the prior approval of the Trustee. The Manager (including its directors) who holds substantial shareholdings or directorships in public companies, shall refrain from any decision making relating to that particular investment of the Fund.

The Fund may maintain Islamic Deposits with CIMB Islamic Bank Berhad and CIMB Investment Bank Berhad. Principal Malaysia may enter into transactions with other companies within the CIMB Group and the PFG provided that the transactions are effected at terms which are the best available for the Fund and which are no less favourable to the Fund than an arm's length transaction between independent parties.

The Manager generally discourages cross trades and prohibits any transactions between client(s) accounts and fund accounts. Any cross trade activity will require prior approval with the relevant supporting justification(s) to ensure the trades are executed in the best interest of both funds and such transactions were executed at arm's length. Cross trades will be reported to the person(s) or members of a committee undertaking the oversight function of the Fund to ensure compliance to the relevant regulatory requirements.

The Distributors may be the Manager's related party. The Manager will ensure that any arrangement made with the Distributors will be at arm's length.

As the trustee and service provider for the Fund, there may be related party transactions involving or in connection with the Fund in the following events:

- (1) where the Fund invests in instrument(s) offered by the related party of the Trustee (e.g. placement of monies, etc.);
- (2) where the Fund is being distributed by the related party of the Trustee;

- (3) where the assets of the Fund are being custodised by the related party of the Trustee both as sub-custodian and/or global custodian of the Fund (i.e. Trustee's delegate); and
- (4) where the Fund obtains financing as permitted under the GUTF, from the related party of the Trustee.

The Trustee has in place policies and procedures to deal with any conflict of interest situation. The Trustee will not make improper use of its position as the owner of the Fund's assets to gain, directly or indirectly, any advantage or cause detriment to the interests of Unit Holders. Any related party transaction is to be made on terms which are best available to the Fund and which are not less favourable to the Fund than an arms-length transaction between independent parties.

Subject to the above and any local regulations, the Trustee and/or its related group of companies may deal with each other, the Fund or any Unit Holder or enter into any contract or transaction with each other, the Fund or any Unit Holder or retain for its own benefit any profits or benefits derived from any such contract or transaction or act in the same or similar capacity in relation to any other scheme.

Subject to any legal requirement, the Manager or any related corporation of the Manager, or any officers or directors of any of them, may invest in the Fund. The directors of Principal Malaysia will receive no payments from the Fund other than distributions that they may receive as a result of investment in the Fund. No fees other than the ones set out in this Singapore Prospectus have been paid to any promoter of the Fund, or the Trustee (either to become a trustee or for other services in connection with the Fund), or Principal Malaysia for any purpose.

## **19. Reports**

The financial year-end of the Fund is 30 November each year.

The Manager shall, upon request from a Unit Holder, send a copy of the annual report of the Manager within two (2) months after the request is received and upon payment of a reasonable sum as may be determined by the Manager. The Manager shall send by post, to each Unit Holder without charge, a copy of the annual report and interim report of the Fund within two (2) months of the end of the respective financial period. Upon request from Unit Holders, additional copies of the annual report and interim report of the Fund shall be sent to Unit Holders within two (2) months after the request is received and upon payment of such sum as shall be determined by the Manager.

## **20. Other Material Information**

### **20.1 Distributions**

Depending on the distribution policy of the respective Class, distribution (if any) will be made at the end of each distribution period to the Class(es) according to its distribution policy. Each Unit of the Class will receive the same distribution for a distribution period regardless of when those Units were purchased. The distribution amount a Unit Holder will receive is calculated by multiplying the total number of Units held by such Unit Holder in the Class with the distribution amount in cent per Unit. Once a distribution has been paid, the NAV per Unit will adjust accordingly. Currently, Class SGD is not expected to pay any distribution. Distributions, if any, will be incidental and will vary from period to period depending on market conditions and the performance of the Fund.

All distributions (if any) will be automatically reinvested into additional Units in the Class at the NAV per Unit of the Class on the distribution date (the number of Units will be rounded to two (2) decimal places), unless written instructions to the contrary are communicated by the Unit Holder to the Manager, in which case the Unit Holder should have first furnished the Manager with details of his valid and active bank account in the currency denomination of that Class,

that all distribution payment shall be paid (the cost and expense will be borne by the Unit Holder). No Application Fee is payable for the reinvestment.

If Units are issued as a result of the reinvestment of a distribution or other circumstance after the Unit Holder has withdrawn his investment from the Class, those additional Units will then be withdrawn and the proceeds will be paid to the Unit Holder.

Investor should note that distribution payments, if any, will be made in the respective currency for that Class(es). As such, the distribution amount may be different for each Class as a result of exchange rate movement between the base currency of the Fund and the denominated currency of the Class(es). The distribution will be paid into the Unit Holders' bank account (which shall be in the respective currency of the Class(es)) in the Manager's records (the cost and expense will be borne by the Unit Holder). Investors who subscribe for Units through a distributor should check with their distributor regarding such distribution payments, if any.

Please note that for Class(es) that provide distribution, the Manager has 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 Holder as the total cost to be incurred in any such distribution may be higher than the amount for distribution. The Manager has the discretion to decide on the amount to be distributed to the Unit Holders. The Manager also has the discretion to make income distribution on an ad-hoc basis, taking into consideration the level of its realised income and/or realised gain, as well as the performance of the Fund.

## **20.2 Permitted Investments**

Subject to the Deed, the investment policy for the Fund and the requirements of the SC and any other regulatory body, the Manager has the absolute discretion as to how the assets of the Fund are to be invested. Under the Deed and provided always that there are no inconsistencies with the objectives of the Fund, the Fund can invest in a wide range of securities, including but not limited to the following:

- Shariah-compliant equities and Sukuk dealt in and traded in or under the rules of an Eligible Market;
- Shariah-compliant warrants that carry the right in respect of a security traded in or under the rules of an Eligible Market;
- Unlisted Shariah-compliant equities including Shariah-compliant equities not listed or quoted on a stock exchange but have been approved by the relevant regulatory authority for such listing or quotation and are offered directly to the Fund by the issuer;
- Islamic Deposits and Islamic money market instruments;
- Islamic derivative instruments, including but not limited to Islamic options, Islamic futures contracts, Islamic forward contracts and Islamic swaps;
- all types of Islamic CIS which comply with the requirements of the GUTF and the Standards of Qualifying CIS; and
- any other form of Shariah-compliant investments as may be permitted by the SC from time to time that is in line with the Fund's objective.

Provided always that the permitted investments as set out above shall at all times conform with the requirements of the Shariah and the advice of the Shariah adviser for the time being appointed by the Manager.

The formulation of the investment policies and strategies of the Fund is based on the objectives of the Fund after taking into consideration the regulatory requirements outlined in the GUTF and the ASEAN CIS Framework (with such exemptions/variations (if any) as approved by the SC), with the approval of the Shariah Advisers where applicable.

### 20.3 Investment Restrictions and Limits

The Fund is subject to the SC Requirements, the Standards of Qualifying CIS and the following investment restrictions and limits that are structured in accordance with the regulatory requirements outlined in the GUTF and the Standards of Qualifying CIS:

- 1) Shariah-compliant transferable securities and Islamic money market instruments held by the Fund must be dealt in and traded in or under the rules of an Eligible Market;
- 2) The aggregate value of the Fund's investment in Shariah-compliant transferable securities or Islamic money market instruments issued by a single issuer must not exceed 10% of the Fund's NAV;
- 3) The value of the Fund's placement in Islamic Deposits with any single investment grade financial institution must not exceed 20% of the Fund's NAV;
- 4) The single financial institution limit in clause 3 does not apply to placements of Islamic Deposits arising from:
  - (a) Subscription monies received prior to the commencement of investment by the Fund; or
  - (b) Liquidation of investments prior to the termination of the Fund, where the placement of Islamic Deposits with various financial institutions would not be in the best interests of Unit holders;
- 5) In the case where the Fund is invested in the following assets, the limit in clause 2 and clause 3 above is lowered to 5%:
  - (a) Islamic Deposits placed with unrated or non-investment grade financial institution;
  - (b) Sukuk or Islamic money market instruments not dealt in an Eligible Market or issued by an unrated or non-investment grade issuing body; and
  - (c) unlisted Shariah-compliant equities.

Notwithstanding clause 5(b), the Manager may rely on the rating of an unrated or non-investment grade issuer's parent company or guarantor provided that an explicit guarantee by the parent company or the guarantor for the issuer is in place;

- 6) The aggregate value of the Fund's investment in Shariah-compliant transferable securities, Islamic money market instruments, Islamic Deposits and OTC Islamic derivatives issued by or placed with (as the case may be) any single business group, must not exceed 20% of the Fund's NAV. For the purpose of this clause, a business group refers to a body, its subsidiaries, fellow subsidiaries, holding body, and ultimate holding body;
- 7) The Fund may invest up to 35% of the Fund's NAV in aggregate in Sukuk or Islamic money market instruments issued by a single body if the issuing body or the guarantor of the Sukuk or Islamic money market instruments is a government or sovereign or central bank with a minimum long-term credit rating of investment grade (including gradation and subcategories) by an international rating agency;
- 8) The aggregate value of the Fund's investment in Islamic Deposits placed with unrated or non-investment grade financial institution, Sukuk or Islamic money market instruments not dealt in an Eligible Market or issued by an unrated or non-investment grade issuing body, Islamic CIS that do not comply with paragraphs 6.11(a), (b) and (c) of the GUTF, unlisted Shariah-compliant equities and OTC Islamic derivatives with non-investment grade or unrated counterparty must not exceed 15% of the Fund's NAV subject to a maximum limit of 10% of the Fund's NAV in a single issuer or single Islamic CIS, as the case may be. For the purpose of this clause, the limit does not apply to Islamic Deposits, Sukuk, Islamic money market instruments or OTC Islamic derivatives where the:

- (a) financial institution, issuing body or counterparty is rated investment grade only with a national rating scale; and
  - (b) the jurisdiction in which the issuing body or counterparty is domiciled has a sovereign credit rating that is at least investment grade;
- 9) The value of the Fund's investment in units of each Qualifying CIS or non-Qualifying CIS must not exceed 10% of the Fund's NAV;
- 10) The value of the Fund's investment in units of all non-Qualifying CIS (excluding investment in units of non-Qualifying CIS that are listed for quotation and traded on an organised exchange in a Signatory Country with underlying assets of real estate and/or real estate-related) must not exceed 20% of the Fund's NAV;
- 11) The Fund's investments in Islamic CIS must not exceed 25% of the units in any one Islamic CIS. Where the Fund invests in units in other Islamic CIS operated by the Manager or the Manager's related corporation, the Manager must ensure that:
  - (a) there is no cross-holding between the Fund and the target fund;
  - (b) all initial charges on the target fund is waived; and
  - (c) the Management Fee must only be charged once, either at the Fund or the target fund;
- 12) The aggregate value of the Fund's financing for the purpose of meeting repurchase request for units and for short-term bridging requirements should not exceed 10% of the Fund's NAV at the time the financing is incurred. Credit balances of the Fund (e.g. cash holdings) may not be offset against financings when determining the percentage of financings outstanding. For the purpose of this clause, the Manager should ensure that:
  - (a) the Fund's cash financing is only on a temporary basis and that financings are not persistent;
  - (b) the financing period should not exceed one month; and
  - (c) the Fund may only obtain financing from financial institutions;
- 13) The Fund's investments in Shariah-compliant equities or Shariah-compliant securities equivalent to equities must not exceed 10% of the Shariah-compliant equities or Shariah-compliant securities equivalent to equities issued by any single issuer;
- 14) The Fund's investments in Sukuk must not exceed 10% of the Sukuk issued by any single issuer;
- 15) The Fund's investments in Islamic money market instruments must not exceed 10% of the Islamic money market instruments issued by any single issuer; and
- 16) For investments in Islamic derivatives (for hedging purpose):
  - (a) the Fund's global exposure from Islamic derivatives positions should not exceed the Fund's NAV;
  - (b) the exposure to the underlying assets must not exceed the investment spread limits stipulated in the GUTF;
  - (c) the maximum exposure of the Fund's OTC Islamic derivative transaction with the counterparty, calculated based on the method below must not exceed 10% of the Fund's NAV;
  - (d) the counterparty of an OTC Islamic derivative is a financial institution with a minimum long-term credit rating of investment grade (including gradation and subcategories); and
  - (e) where the underlying instrument of an Islamic derivative is a commodity, such Islamic derivative must be settled in cash at all times.

### **Calculation of exposure to counterparty of OTC Islamic derivatives**

- (a) The exposure to a counterparty of an OTC Islamic derivative must be measured based on the maximum potential loss that may be incurred by the Fund if the counterparty defaults and not on the basis of the notional value of the OTC Islamic derivative.
- (b) The total exposure to a single counterparty is calculated by summing the exposure arising from all OTC Islamic derivative transactions entered into with the same counterparty.

### **The global exposure of the Fund is calculated based on the following:**

#### **Commitment approach**

The global exposure of the Fund to Islamic derivatives is calculated as the sum of the:

- absolute value of the exposure of each individual Islamic derivative not involved in netting or hedging arrangements;
- absolute value of the net exposure of each individual Islamic derivative after netting or hedging arrangement; and
- the values of cash collateral received pursuant to:
  - (i) the reduction of exposure to counterparties of OTC Islamic derivatives; and
  - (ii) efficient portfolio management techniques relating to securities lending (if applicable).

#### **Netting arrangements**

Netting arrangements may be taken into account to reduce the Fund's exposure to Islamic derivatives.

The Fund may net positions between:

- (a) Islamic derivatives on the same underlying constituents, even if the maturity dates are different; or
- (b) Islamic derivatives and the same corresponding underlying constituents, if those underlying constituents are Shariah-compliant transferable securities, Islamic money market instruments, or units or shares in Islamic CIS.

#### **Hedging arrangements**

Hedging arrangements may be taken into account to reduce the Fund's exposure to Islamic derivatives.

The marked-to-market value of Shariah-compliant transferable securities, Islamic money market instruments, or units or shares in Islamic CIS involved in hedging arrangements may be taken into account to reduce the exposure of the Fund to Islamic derivatives.

The hedging arrangement must:

- (a) not be aimed at generating a return;
- (b) result in an overall verifiable reduction of the risk of the Fund;
- (c) offset the general and specific risks linked to the underlying constituent being hedged;
- (d) relate to the same asset class being hedged; and
- (e) be able to meet its hedging objective in all market conditions.

In respect of the above investment restrictions and limits, the Manager must notify the SC, within three (3) Business Days, of any breach of investment limits and restrictions with the steps taken to rectify and prevent such breach from recurring. However, the GUTF provides that any breach of the restrictions and limits due to appreciation or depreciation in the value of the Fund's investments, repurchase of units or payment made out of the Fund, change in capital of a corporation in which the Fund has invested in, or downgrade in or cessation of a credit rating need not be reported to the SC but the Manager must rectify such breach as soon as practicable within three (3) months from the date of breach unless stated otherwise in the GUTF. However, the three-month period may be extended if it is in the best interest of Unit Holders and Trustee's consent is obtained. Such extension must be subject to at least a monthly review by the Trustee.

**Note:** Subject to investment limits in clause 10 and 11, the Fund may invest into non-Qualifying CIS, provided:

- a) the level of protection for unit holders of the non-Qualifying CIS is at least equivalent to that provided for unit holders in a Qualifying CIS. The non-Qualifying CIS should invest in units of other CIS from countries that either:
  - (i) have been assessed by World Bank/ International Monetary Fund at least “broadly implemented” on the principles relevant to CIS; or
  - (ii) does not comply with (a)(i) but the Home Regulator of the Qualifying CIS is satisfied with the relevant reason/ explanation on the weak points and how equivalence of protection can still be achieved;
- b) semi-annual and annual reports are published by the non-Qualifying CIS; and
- c) the investment policy of the non-Qualifying CIS is such that the:
  - (i) invested assets are similar to the types and categories that a Qualifying CIS may invest in and the non-Qualifying CIS is subject to investment limits that are in line with those applicable to a Qualifying CIS; or
  - (ii) invested assets are real estate and/or real estate-related, provided that the units of the non-Qualifying CIS are listed for quotation and traded on an organised exchange in a Signatory Country.

#### Minimum requirement for Islamic liquid assets

Islamic liquid assets include cash, Islamic Deposits with licensed Islamic financial institutions, Islamic money market instruments and Sukuk with a remaining maturity of less than one (1) year. The Fund is required to hold a minimum of 2% of the Fund's NAV (or such other amount agreed by both the Manager and the Trustee from time to time) in Islamic liquid assets.

## 20.4 Valuation

The Manager will carry out the valuation of the Fund in a fair manner in accordance with the SC Requirements, the Standards of Qualifying CIS and applicable law and guidelines. The valuation bases for the investments permitted by the Fund are as below:

### ▪ **Listed Shariah-compliant securities**

The value of any Shariah-compliant permitted investments, which are quoted on an exchange, shall be calculated daily by reference to the last exchange closing prices. If the last transacted price does not represent the fair value of the Shariah-compliant securities, then the Shariah-compliant securities shall be valued at fair price as determined in good faith by the Manager, based on the methods or bases approved by the Trustee after appropriate technical consultation, such as the mean of bid and offer prices at the close of trading. Suspended Shariah-compliant securities will be valued at their last done price unless there is conclusive evidence to show that the value has gone below the suspended price or where the quotation of the Shariah-compliant securities has been suspended for a period exceeding fourteen (14) days or such shorter period as agreed by the Trustee, then the Shariah-compliant securities should be valued at fair value as determined in good faith by the Manager based on the methods or bases approved by the Trustee after appropriate technical consultation.

### ▪ **Unlisted Shariah-compliant equities**

The valuation of Shariah-compliant equities not listed or quoted on a stock exchange but have been approved by the relevant regulatory authority for such listing or quotation and are offered directly to the Fund by the issuer shall be valued daily at the issue price of such Shariah-compliant equities. The value will be determined by the issuer that issued the instrument.

- **Unlisted Sukuk**

The value of any unlisted MYR-denominated Sukuk shall be calculated on a daily basis using prices quoted by a bond pricing agency (“**BPA**”) registered with the SC. Where such prices are not available or where the Manager is of the view that the price quoted by the BPA for a specific Sukuk differs from the market price by more than twenty (20) basis points, the Manager may use the market price by reference to the last available quote provided such quote was obtained within the previous thirty (30) days and the Manager records its basis for using a non-BPA price, obtain necessary internal approvals to use the non-BPA price and keeps an audit trail of all decisions and basis for adopting the market yield.

The value of any unlisted non MYR-denominated Sukuk shall be calculated daily by reference to the average indicative yield quoted by three (3) independent and reputable financial institutions. However, where quotations are not available, such unlisted non MYR-denominated Sukuk will be valued daily at a fair price determined in good faith by the Manager, based on the methods or bases, which have been verified by the auditor of the Fund and approved by the Trustee.

- **Unlisted Islamic derivative instruments**

For unlisted Islamic derivative instruments, the Manager shall ensure that the valuation of the investment is valued daily at fair value as determined in good faith by the Manager, based on methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.

- **Islamic CIS**

The value of any investment in Islamic CIS which is quoted on an approved exchange shall be calculated daily in the same manner as other listed Shariah-compliant securities described above. When investing in unlisted Islamic CIS, the value shall be determined daily by reference to the last published repurchase/redemption net asset value per unit for that Islamic CIS.

- **Islamic money market instruments**

Investment in Islamic money market instruments are valued each day by reference to the quotes provided by independent and reputable pricing source(s), which is deemed fair value, includes but not limited to a BPA registered with the SC. Where the quotes are provided by financial institutions, the valuation of the Islamic money market instruments will be based on the average of bid and offer prices quoted by three (3) independent and reputable financial institutions of similar standing at the close of trading. The valuation method is verified by the auditor and approved by the Trustee.

- **Islamic Deposits**

The value of Islamic Deposits shall be determined each day by reference to the principal value of such Islamic Deposits and the accrued profit thereon for the relevant period.

## **20.5 Duration and Termination of the Fund**

The Fund constituted by the Deed is of indeterminate duration with no fixed maturity term and may be terminated or determined earlier under the provisions in the Deed or by law, whichever is the earlier.

The Fund or any of the Classes may be terminated or wound-up upon the occurrence of any of the following events:

- (a) the SC’s authorisation is withdrawn under Section 256E of the CMSA;

- (b) a Special Resolution is passed at a Unit Holders' meeting of all the Unit Holders of the Fund or the relevant Class to terminate or wind-up the Fund or that Class as the case may be, following the occurrence of events stipulated under Section 301(1) of the CMSA and the court has confirmed the resolution, as required under Section 301(2) of the CMSA;
- (c) a Special Resolution is passed at a Unit Holders' meeting of all the Unit Holders of the Fund or the relevant Class to terminate or wind-up the Fund or that Class as the case may be;
- (d) on reaching the Fund's or that Class's maturity date (if any); or
- (e) the effective date of an approved transfer scheme, as defined under the GUTF, has resulted in the Fund, which is the subject of the transfer scheme, being left with no asset/property.

A Class of the Fund may be terminated if a Special Resolution is passed at a Unit Holders' meeting of that Class to terminate or wind-up that Class provided always that such termination or winding-up of that Class does not materially prejudice the interest of any other Class in that Fund.

Notwithstanding the above, the Fund and/or any of the Class may be terminated or wound-up, without the need to seek Unit Holders' prior approval, as proposed by the Manager with the consent of the Trustee (which consent shall not be unreasonably withheld) upon the occurrence of any of the following events, by giving a notice in writing to the Unit Holders in accordance with the GUTF and the SC requirements (i) if any law shall be passed which renders it illegal or (ii) if in the reasonable opinion of the Manager it is impracticable or inadvisable to continue the Fund and/or the Class, and the termination of the Fund and/or Class is in the best interests of the Unit Holders.

## **20.6 Meeting of Unit Holders**

A Unit Holders' meeting may be called by the Manager, the Trustee and/or Unit Holders.

Where the Manager or the Trustee convenes a meeting, the notice of the time and place of the meeting and terms of resolution to be proposed shall be given to the Unit Holders of the Fund or of a particular Class, as the case may be by sending by post, or where allowed by any relevant law and/or authority, digitally or electronically a notice of the proposed meeting at least fourteen (14) days before the date of the proposed meeting, to each Unit Holder of the Fund or of a particular Class, as the case may be, at the Unit Holder's last known address or, in the case of Joint Holders, to the Joint Holder whose name stands first in the records of the Manager at the Joint Holder's last known address.

The Manager shall within twenty-one (21) days after an application is delivered to the Manager at its registered office, being an application by not less than fifty (50), or one-tenth (1/10) in number, whichever is less, of the Unit Holders of the Fund or a Class, as the case may be, to which the Deed relates, summon a meeting of the Unit Holders:

- (a) by sending a notice by post, or where allowed by any relevant law and/or authority, digitally or electronically, of the proposed meeting at least seven (7) days before the date of the proposed meeting to each of those Unit Holders of the Fund or that Class, as the case may be, at his/her last known address or in the case of Joint Holder, to the Joint Holder of the Fund or that Class, as the case may be, whose name stands first in the Manager's records at the Joint Holder's last known address;
- (b) by publishing at least fourteen (14) days before the date of the proposed meeting, an advertisement giving notice of the meeting in a national language national daily newspaper and in one other newspaper as may be approved by the SC; and
- (c) specify in the notice, the place, time and terms of the resolutions to be proposed,

for the purpose of considering the most recent financial statements of the Fund or relevant Class, or for the purpose of requiring the retirement or removal of the Manager or the Trustee,

or for the purpose of giving to the Trustee such directions as the meeting thinks proper, or for the purpose of considering any other matter in relation to the Deed.

The quorum for a meeting of Unit Holders of the Fund is five (5) Unit Holders of the Fund (irrespective of the Class), present in person or by proxy, provided that for a meeting which requires a Special Resolution the quorum for that meeting shall be five (5) Unit Holders of the Fund (irrespective of the Class), whether present in person or by proxy, holding in aggregate at least twenty five per centum (25%) of the Units in issue of the Fund (irrespective of the Class) at the time of the meeting. If the Fund has five (5) or less Unit Holders, the quorum required shall be two (2) Unit Holders of the Fund (irrespective of the Class), whether present in person or by proxy and if the meeting requires a Special Resolution the quorum for that meeting shall be two (2) Unit Holders of the Fund (irrespective of the Class), whether present in person or by proxy, holding in aggregate at least twenty five per centum (25%) of the Units in issue of the Fund (irrespective of the Class) at the time of the meeting. Where the Fund has only one (1) remaining Unit Holder, such Unit Holder, whether present in person or by proxy, at the meeting shall constitute a quorum required for the meeting of Unit Holders. For the avoidance of doubt, the same quorum requirements shall apply to a meeting of Unit Holders of a particular Class.

All voting shall be carried out by poll. On a poll, the votes of each Unit Holder present in person or by proxy shall be proportionate to the number or value of Units held. In the case of Joint Holders of the Fund, only the person whose name appears first in the register may vote. Units held by the Manager or its nominees shall have no voting rights in any Unit Holders' meeting of the Fund or of the Class.

The Unit Holders may participate in a Unit Holders' meeting by video-conference, web-based communication, electronic or such other communication facilities or technologies available from time to time and to vote at the Unit Holders' meeting. Participation by a Unit Holder in a Unit Holders' meeting by any of the communication facilities referred to in the Deed shall be deemed as present at the said Unit Holders' meeting and shall be counted towards the quorum notwithstanding the fact that the Unit Holder is not physically present at the main venue of where the Unit Holders' meeting is to be held.

## **20.7 Rights, Liabilities and Limitations of Unit Holders**

### **20.7.1 Rights of Unit Holders**

A Unit Holder has the right, among others, to the following:

- (i) to inspect the register, free of charge, at any time at the registered office of the Manager, and obtain such information pertaining to its units as permitted under the Deed and the GUTF;
- (ii) to receive the distributions of income (if any), participate in any increase in the value of the units and to enjoy such other rights and privileges as set out in the Deed;
- (iii) to call for Unit Holders' meetings;
- (iv) to vote for the removal of the Trustee or the Manager through a Special Resolution;
- (v) to receive annual reports, interim reports or any other reports of the Fund; and
- (vi) to exercise the right of cancellation (stated in paragraph 10.6) for qualified investors.

Unit Holders' rights may be varied by changes to the Deed, the GUTF or judicial decisions or interpretation.

## 20.7.2 Liabilities and Limitation of Unit Holders

### Liabilities

- (i) The liability of a Unit Holder is limited to the purchase price per unit and the Application Fee paid or agreed to be paid for a Unit. A Unit Holder need not indemnify the Trustee or the Manager if there is a deficiency in the assets of the Fund to meet the claim of any creditor of the Trustee or the Manager in respect of the Class. The Unit Holders of one Class will not be liable for any liabilities of the other Classes.
- (ii) The recourse of the Trustee, the Manager and any creditor is limited to the assets of the Fund.

### Limitations

A Unit Holder cannot:

- (i) interfere with any rights or powers of the Manager and/or Trustee under the Deed;
- (ii) exercise a right in respect of an asset of the Fund or lodge a caveat or other notice affecting the asset of the Fund or otherwise claim any interest in the asset of the Fund; or
- (iii) require the asset of the Fund to be transferred to the Unit Holder.

*For full details of the rights of a registered Unit Holder of the Fund, please refer to the Deed.*

## 21. Queries and Complaints

If you have questions concerning the Fund or your investment in the Fund, you may call the Singapore Representative at telephone number (65) 6390 0800. You may also obtain up-to-date fund information from the Manager's website at [www.principal.com.my](http://www.principal.com.my).

**PRINCIPAL DALI OPPORTUNITIES FUND**

**SINGAPORE PROSPECTUS**

**BOARD OF DIRECTORS OF PRINCIPAL ASSET MANAGEMENT BERHAD**

Signed:

x



---

Uday Jayaram

Director

(Signed by Munirah binti Khairuddin  
as attorney for Uday Jayaram)

Signed:

x



---

Effendy bin Shahul Hamid

Director

(Signed by Munirah binti Khairuddin  
as attorney for Effendy bin Shahul Hamid)

Signed:

x



---

Wong Joon Hian

Director

(Signed by Munirah binti Khairuddin  
as attorney for Wong Joon Hian)

Signed:

x



---

Liew Swee Lin

Director

(Signed by Munirah binti Khairuddin  
as attorney for Liew Swee Lin)

Signed:

x



---

Mohd Haniz bin Mohd Nazlan  
Director  
(Signed by Munirah binti Khairuddin  
as attorney for Mohd Haniz bin Mohd Nazlan)

Signed:

x



---

Munirah binti Khairuddin  
Director

Signed:

x



---

Cheong Wee Yee, Thomas  
Director  
(Signed by Munirah binti Khairuddin  
as attorney for Cheong Wee Yee, Thomas)

Signed:

x



---

Chong Chooi Wan<sup>1</sup>  
Director  
(Signed by Munirah binti Khairuddin  
as attorney for Chong Chooi Wan)

Signed:

x



---

Dato' Jaganath Derek Steven Sabapathy  
Director  
(Signed by Munirah binti Khairuddin  
as attorney for Dato' Jaganath Derek Steven Sabapathy)

Signed:

α



---

Lai Mee Fong<sup>2</sup>

Director

(Signed by Munirah binti Khairuddin  
as attorney for Lai Mee Fong)

Signed:

α



---

Julian Christopher Vivian Pull<sup>3</sup>

Director

(Signed by Munirah binti Khairuddin  
as attorney for Julian Christopher Vivian Pull)

<sup>1</sup> Alternate director to Mohd Haniz bin Mohd Nazlan.

<sup>2</sup> Alternate director to Effendy bin Shahul Hamid.

<sup>3</sup> Alternate director to Cheong Wee Yee, Thomas.

This page has been left blank intentionally

This page has been left blank intentionally

**Principal Asset Management (S) Pte Ltd** (200607208K)

Enquiries:

Customer Care Centre **+65 6390 0800**

Website **[www.principal.com.sg](http://www.principal.com.sg)**