

THIS IS A FIRST SUPPLEMENTAL DISCLOSURE DOCUMENT WHICH HAS TO BE READ IN CONJUNCTION WITH THE DISCLOSURE DOCUMENT FOR PRINCIPAL PRS PLUS

This is a Private Retirement Scheme

**FIRST SUPPLEMENTAL DISCLOSURE DOCUMENT FOR
PRINCIPAL PRS PLUS**

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

Scheme Trustee : **Deutsche Trustees Malaysia Berhad** (200701005591 (763590-H))

This First Supplemental Disclosure Document is dated 30 August 2023 and is to be read in conjunction with the Fourth Replacement Disclosure Document dated 23 September 2022 for the Principal PRS Plus ("Scheme") which incorporates the following Funds namely:

Core Funds

Principal RetireEasy 2060

Principal RetireEasy 2050

Principal RetireEasy 2040

Principal RetireEasy 2030

Principal RetireEasy Income

Launch Date

23 September 2022

23 September 2022

23 September 2022

23 September 2022

20 April 2022

Non-Core Funds

Principal PRS Plus Conservative

12 November 2012

Principal PRS Plus Moderate

12 November 2012

Principal PRS Plus Growth

12 November 2012

Principal PRS Plus Equity

12 November 2012

Principal PRS Plus Asia Pacific Ex Japan Equity

12 November 2012

This Scheme was constituted on 8 November 2012.

MEMBERS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THE DISCLOSURE DOCUMENT. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER.

** The name "PRS Plus" is the name of the PRS solution by Principal Malaysia. It does not in any way connote or warrant that this Scheme will necessarily outperform other PRS or have additional features that may be lacking in other PRS solutions.*

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RESPONSIBILITY STATEMENTS

This First Supplemental Disclosure Document has been reviewed and approved by the directors of Principal Malaysia and they collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable enquiries, they confirm to the best of their knowledge and belief, that there are no false or misleading statements, or omission of other facts which would make any statement in the First Supplemental Disclosure Document false or misleading.

STATEMENTS OF DISCLAIMER

The Securities Commission Malaysia has approved the Scheme and authorized the Funds under the Scheme, and a copy of this First Supplemental Disclosure Document has been registered with the Securities Commission Malaysia.

The approval and authorization, as well as the registration of this First Supplemental Disclosure Document should not be taken to indicate that the Securities Commission Malaysia recommends the Scheme or Funds under the Scheme or assumes responsibility for the correctness of any statement made or opinion or report expressed in this First Supplemental Disclosure Document.

The Securities Commission Malaysia is not liable for any non-disclosure on the part of PRS Provider who is responsible for the Scheme and Funds under the Scheme, and takes no responsibility for the contents in this First Supplemental Disclosure Document. The Securities Commission Malaysia makes no representation on the accuracy or completeness of this First Supplemental Disclosure Document and expressly disclaims any liability whatsoever arising from, or in reliance upon, the whole or any part of its contents.

MEMBERS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IN CONSIDERING THE INVESTMENT, MEMBERS WHO ARE IN DOUBT ON THE ACTION TO BE TAKEN SHOULD CONSULT PROFESSIONAL ADVISERS IMMEDIATELY.

ADDITIONAL STATEMENTS

Members are advised to note that recourse for false or misleading statements or acts made in connection with the First Supplemental Disclosure Document is directly available through section 92A(3) of the *Capital Markets and Services Act 2007*.

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1.0 GENERAL

- 1.1 This First Supplemental Disclosure Document is issued to reflect the amendments made to Disclosure Document as stated under paragraph 2 to 9 below.
- 1.2 All terms used in this First Supplemental Disclosure Document shall have the same meanings as those defined in the Definitions Chapter of the Disclosure Document unless where the context otherwise requires.
- 1.3 All information provided herein is practicable as at 31 July 2023 and shall remain current and relevant as at such date.

2.0 CORPORATE DIRECTORY

- 2.1 The information on **Investment Committee** at page 7 has been removed.

3.0 SCHEME AND FUND INFORMATION

- 3.1 The following information on *Minimum Contribution* under section 1.4 of “**Transaction Information**” at page 24 has been replaced and read as below:

Funds	Min initial contribution (RM)	Min subsequent contribution (RM)	Regular Savings Plan (RSP)	
			Min initial contribution (RM)	Min subsequent contribution (RM)
RE60	Class A : 100 Class C : 100 Class X : 100	Class A : 50 Class C : 50 Class X : 50	Class A : 100 Class C : 100 Class X : 100	Class A : 50 Class C : 50 Class X : 50
RE50				
RE40				
RE30				
REI				
PRS-C				
PRS-M				
PRS-G				
PRS-E				
PRS-AP				

Note:

- The amount stipulated in the minimum initial contribution and minimum subsequent contribution includes any applicable fees and charges, such as Sales Charge and PPA account opening fee, as the case may be. In other words, the amount is gross of fees and charges.
- We reserve the right to change the above-stipulated amounts from time to time.
- All transfer from other PRS provider into Principal PRS Plus or Principal Islamic PRS Plus will be subject to the minimum initial contribution amount of the Funds’ respective Classes or any amount as may be determined by us from time to time.

- 3.2 The following information under section 1.5.1 of “**Deed**” at page 25 has been replaced and read as below:

The Scheme is governed by a Deed dated 8 November 2012, First Supplemental Deed dated 2 January 2014, Second Supplemental Deed dated 25 November 2014, Third Supplemental Deed dated 3 February 2020, Fourth Supplemental Deed dated 17 December 2021, Fifth Supplemental Deed dated 12 July 2022 and Sixth Supplemental Deed dated 14 June 2023.

- 3.3 The following information on *Federation of Investment Managers Malaysia’s Complaints Bureau* under section 1.5.2 of “**Avenues for advice available to prospective Members or lodge a complaint**” at page 26 has been replaced and read as below:

Federation of Investment Managers Malaysia’s Complaints Bureau:

- via phone to : 03-7890 4242
- via e-mail to : complaints@fimm.com.my
- via online complaint form available at www.fimm.com.my
- via letter to : Legal, Secretarial & Regulatory Affairs
Federation of Investment Managers Malaysia
9-06-1, 6th Floor, Wisma Tune
No. 19, Lorong Dungun, Damansara Heights, 50490 Kuala Lumpur

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4.0 FUNDS' DETAILED INFORMATION

4.1 The following paragraph on the *Investment policy and strategy* under section 4.1.1 of “Principal RetireEasy 2060” at page 37 has been added after the fifth paragraph and read as below:

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 we have put in place is as follows:

- Regular review by the designated fund manager on the Fund's investment portfolio to maintain healthy 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 Members. 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 Members' withdrawal requests.
- The PRS Provider may request the Trustee to suspend withdrawal requests due to exceptional circumstances where the market value or fair value of a material portion of the Funds' assets cannot be determined (i.e. due to the closure of a securities exchange or trading restrictions on a securities exchange; an emergency or other state of affairs; the declaration of a moratorium in a country where that Fund has assets; for the purpose of conversion of any currency, a closure or restrictions on trading in the relevant foreign exchange market; or the realisation of the assets not being able to be effected at prices which would be realised if assets were realised in an orderly fashion over a reasonable period in a stable market). During the suspension period, withdrawal requests will not be accepted and in the event we have 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. In such case, a Member will not be able to redeem the units and will be compelled to remain invested in the Fund for a longer period of time than original timeline. Members' investments will continue to be subjected to the risks inherent to the Fund (Please refer to the “Risk Factors” section in the Disclosure Document). The action to suspend withdrawal requests from Members may be exercised by the Trustee on its own accord in accordance with the GPRS where there are good and sufficient reason to do so, after having considered the interest of Members.

4.2 The following paragraph on the *Investment policy and strategy* under section 4.1.2 of “Principal RetireEasy 2050” at page 39 has been added after the fifth paragraph and read as below:

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 we have put in place is as follows:

- Regular review by the designated fund manager on the Fund's investment portfolio to maintain healthy 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 Members. 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 Members' withdrawal requests.
- The PRS Provider may request the Trustee to suspend withdrawal requests due to exceptional circumstances where the market value or fair value of a material portion of the Funds' assets cannot be determined (i.e. due to the closure of a securities exchange or trading restrictions on a securities exchange; an emergency or other state of affairs; the declaration of a moratorium in a country where that Fund has assets; for the purpose of conversion of any currency, a closure or restrictions on trading in the relevant foreign exchange market; or the realisation of the assets not being able to be effected at prices which would be realised if assets were realised in an orderly fashion over a reasonable period in a stable market). During the suspension period, withdrawal requests will not be accepted and in the event we have 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. In such case, a Member will not be able to redeem the units and will be compelled to remain invested in the Fund for a longer period of time than original timeline. Members' investments will continue to be subjected to the risks inherent to the Fund (Please refer to the “Risk Factors” section in the Disclosure Document). The action to suspend withdrawal requests from Members may be exercised by the Trustee on its own accord in accordance with the GPRS where there are good and sufficient reason to do so, after having considered the interest of Members.

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- 4.3 The following paragraph on the *Investment policy and strategy* under section 4.1.3 of “**Principal RetireEasy 2040**” at page 41 has been added after the fifth paragraph and read as below:

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 we have put in place is as follows:

- Regular review by the designated fund manager on the Fund's investment portfolio to maintain healthy 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 Members. 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 Members' withdrawal requests.
- The PRS Provider may request the Trustee to suspend withdrawal requests due to exceptional circumstances where the market value or fair value of a material portion of the Funds' assets cannot be determined (i.e. due to the closure of a securities exchange or trading restrictions on a securities exchange; an emergency or other state of affairs; the declaration of a moratorium in a country where that Fund has assets; for the purpose of conversion of any currency, a closure or restrictions on trading in the relevant foreign exchange market; or the realisation of the assets not being able to be effected at prices which would be realised if assets were realised in an orderly fashion over a reasonable period in a stable market). During the suspension period, withdrawal requests will not be accepted and in the event we have 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. In such case, a Member will not be able to redeem the units and will be compelled to remain invested in the Fund for a longer period of time than original timeline. Members' investments will continue to be subjected to the risks inherent to the Fund (Please refer to the “Risk Factors” section in the Disclosure Document). The action to suspend withdrawal requests from Members may be exercised by the Trustee on its own accord in accordance with the GPRS where there are good and sufficient reason to do so, after having considered the interest of Members.

- 4.4 The following paragraph on the *Investment policy and strategy* under section 4.1.4 of “**Principal RetireEasy 2030**” at page 43 has been added after the fifth paragraph and read as below:

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 we have put in place is as follows:

- Regular review by the designated fund manager on the Fund's investment portfolio to maintain healthy 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 Members. 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 Members' withdrawal requests.
- The PRS Provider may request the Trustee to suspend withdrawal requests due to exceptional circumstances where the market value or fair value of a material portion of the Funds' assets cannot be determined (i.e. due to the closure of a securities exchange or trading restrictions on a securities exchange; an emergency or other state of affairs; the declaration of a moratorium in a country where that Fund has assets; for the purpose of conversion of any currency, a closure or restrictions on trading in the relevant foreign exchange market; or the realisation of the assets not being able to be effected at prices which would be realised if assets were realised in an orderly fashion over a reasonable period in a stable market). During the suspension period, withdrawal requests will not be accepted and in the event we have 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. In such case, a Member will not be able to redeem the units and will be compelled to remain invested in the Fund for a longer period of time than original timeline. Members' investments will continue to be subjected to the risks inherent to the Fund (Please refer to the “Risk Factors” section in the Disclosure Document). The action to suspend withdrawal requests from Members may be exercised by the Trustee on its own accord in accordance with the GPRS where there are good and sufficient reason to do so, after having considered the interest of Members.

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- 4.5 The following paragraph on the *Investment policy and principal investment strategy* under section 4.1.5 of “**Principal RetireEasy Income**” at page 44 has been added after the fourth paragraph and read as below:

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 we have put in place is as follows:

- Regular review by the designated fund manager on the Fund’s investment portfolio to maintain healthy 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 Members. 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 Members’ withdrawal requests.
- The PRS Provider may request the Trustee to suspend withdrawal requests due to exceptional circumstances where the market value or fair value of a material portion of the Funds’ assets cannot be determined (i.e. due to the closure of a securities exchange or trading restrictions on a securities exchange; an emergency or other state of affairs; the declaration of a moratorium in a country where that Fund has assets; for the purpose of conversion of any currency, a closure or restrictions on trading in the relevant foreign exchange market; or the realisation of the assets not being able to be effected at prices which would be realised if assets were realised in an orderly fashion over a reasonable period in a stable market). During the suspension period, withdrawal requests will not be accepted and in the event we have 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. In such case, a Member will not be able to redeem the units and will be compelled to remain invested in the Fund for a longer period of time than original timeline. Members’ investments will continue to be subjected to the risks inherent to the Fund (Please refer to the “Risk Factors” section in the Disclosure Document). The action to suspend withdrawal requests from Members may be exercised by the Trustee on its own accord in accordance with the GPRS where there are good and sufficient reason to do so, after having considered the interest of Members .

- 4.6 The following paragraph on the *Investment policy and principal investment strategy* under section 4.1.6 of “**Principal PRS Plus Conservative**” at page 45 has been added to the last paragraph and read as below:

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 we have put in place is as follows:

- Regular review by the designated fund manager on the Fund’s investment portfolio to maintain healthy 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 Members. 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 Members’ withdrawal requests.
- The PRS Provider may request the Trustee to suspend withdrawal requests due to exceptional circumstances where the market value or fair value of a material portion of the Funds’ assets cannot be determined (i.e. due to the closure of a securities exchange or trading restrictions on a securities exchange; an emergency or other state of affairs; the declaration of a moratorium in a country where that Fund has assets; for the purpose of conversion of any currency, a closure or restrictions on trading in the relevant foreign exchange market; or the realisation of the assets not being able to be effected at prices which would be realised if assets were realised in an orderly fashion over a reasonable period in a stable market). During the suspension period, withdrawal requests will not be accepted and in the event we have 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. In such case, a Member will not be able to redeem the units and will be compelled to remain invested in the Fund for a longer period of time than original timeline. Members’ investments will continue to be subjected to the risks inherent to the Fund (Please refer to the “Risk Factors” section in the Disclosure Document). The action to suspend withdrawal requests from Members may be exercised by the Trustee on its own accord in accordance with the GPRS where there are good and sufficient reason to do so, after having considered the interest of Members.

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- 4.7 The following paragraph on the *Investment policy and principal investment strategy* under section 4.1.7 of “**Principal PRS Plus Moderate**” at page 46 has been added to the last paragraph and read as below:

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 we have put in place is as follows:

- Regular review by the designated fund manager on the Fund's investment portfolio to maintain healthy 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 Members. 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 Members' withdrawal requests.
- The PRS Provider may request the Trustee to suspend withdrawal requests due to exceptional circumstances where the market value or fair value of a material portion of the Funds' assets cannot be determined (i.e. due to the closure of a securities exchange or trading restrictions on a securities exchange; an emergency or other state of affairs; the declaration of a moratorium in a country where that Fund has assets; for the purpose of conversion of any currency, a closure or restrictions on trading in the relevant foreign exchange market; or the realisation of the assets not being able to be effected at prices which would be realised if assets were realised in an orderly fashion over a reasonable period in a stable market). During the suspension period, withdrawal requests will not be accepted and in the event we have 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. In such case, a Member will not be able to redeem the units and will be compelled to remain invested in the Fund for a longer period of time than original timeline. Members' investments will continue to be subjected to the risks inherent to the Fund (Please refer to the “Risk Factors” section in the Disclosure Document). The action to suspend withdrawal requests from Members may be exercised by the Trustee on its own accord in accordance with the GPRS where there are good and sufficient reason to do so, after having considered the interest of Members.

- 4.8 The following paragraph on the *Investment policy and principal investment strategy* under section 4.1.8 of “**Principal PRS Plus Growth**” at page 47 has been added to the last paragraph and read as below:

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 we have put in place is as follows:

- Regular review by the designated fund manager on the Fund's investment portfolio to maintain healthy 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 Members. 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 Members' withdrawal requests.
- The PRS Provider may request the Trustee to suspend withdrawal requests due to exceptional circumstances where the market value or fair value of a material portion of the Funds' assets cannot be determined (i.e. due to the closure of a securities exchange or trading restrictions on a securities exchange; an emergency or other state of affairs; the declaration of a moratorium in a country where that Fund has assets; for the purpose of conversion of any currency, a closure or restrictions on trading in the relevant foreign exchange market; or the realisation of the assets not being able to be effected at prices which would be realised if assets were realised in an orderly fashion over a reasonable period in a stable market). During the suspension period, withdrawal requests will not be accepted and in the event we have 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. In such case, a Member will not be able to redeem the units and will be compelled to remain invested in the Fund for a longer period of time than original timeline. Members' investments will continue to be subjected to the risks inherent to the Fund (Please refer to the “Risk Factors” section in the Disclosure Document). The action to suspend withdrawal requests from Members may be exercised by the Trustee on its own accord in accordance with the GPRS where there are good and sufficient reason to do so, after having considered the interest of Members.

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- 4.9 The following paragraph on the *investment policy and principal investment strategy* under section 4.1.9 of “**Principal PRS Plus Equity**” at page 48 has been added to the last paragraph and read as below:

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 we have put in place is as follows:

- Regular review by the designated fund manager on the Fund’s investment portfolio to maintain healthy 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 Members. 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 Members’ withdrawal requests.
- The PRS Provider may request the Trustee to suspend withdrawal requests due to exceptional circumstances where the market value or fair value of a material portion of the Funds’ assets cannot be determined (i.e. due to the closure of a securities exchange or trading restrictions on a securities exchange; an emergency or other state of affairs; the declaration of a moratorium in a country where that Fund has assets; for the purpose of conversion of any currency, a closure or restrictions on trading in the relevant foreign exchange market; or the realisation of the assets not being able to be effected at prices which would be realised if assets were realised in an orderly fashion over a reasonable period in a stable market). During the suspension period, withdrawal requests will not be accepted and in the event we have 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. In such case, a Member will not be able to redeem the units and will be compelled to remain invested in the Fund for a longer period of time than original timeline. Members’ investments will continue to be subjected to the risks inherent to the Fund (Please refer to the “Risk Factors” section in the Disclosure Document). The action to suspend withdrawal requests from Members may be exercised by the Trustee on its own accord in accordance with the GPRS where there are good and sufficient reason to do so, after having considered the interest of Members.

- 4.10 The following information on the *Investment policy and principal investment strategy* under section 4.1.10 of “**Principal PRS Plus Asia Pacific Ex Japan Equity**” at page 49 has been added after the sixth paragraph and read as below:

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 we have put in place is as follows:

- Regular review by the designated fund manager on the Fund’s investment portfolio to maintain healthy 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 Members. 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 Members’ withdrawal requests.
- The PRS Provider may request the Trustee to suspend withdrawal requests due to exceptional circumstances (for example the suspension of redemption request by the Target Fund) where the market value or fair value of a material portion of the Target Funds’ assets cannot be determined (i.e. due to the closure of a securities exchange or trading restrictions on a securities exchange; an emergency or other state of affairs; the declaration of a moratorium in a country where that Target Fund has assets; for the purpose of conversion of any currency, a closure or restrictions on trading in the relevant foreign exchange market; or the realisation of the assets not being able to be effected at prices which would be realised if assets were realised in an orderly fashion over a reasonable period in a stable market). During the suspension period, withdrawal requests will not be accepted and in the event we have 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. In such case, a Member will not be able to redeem the units and will be compelled to remain invested in the Fund for a longer period of time than original timeline. Members’ investments will continue to be subjected to the risks inherent to the Fund (Please refer to the “Risk Factors” section in the Disclosure Document). The action to suspend withdrawal requests from Members may be exercised by the Trustee on its own accord in accordance with the GPRS where there are good and sufficient reason to do so, after having considered the interest of Members .

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- 4.11 The following information on the first paragraph for *Investment policy and principal investment strategy* under “**About Principal Asia Pacific Dynamic Income Fund**” at page 50 has been amended and read as below:

The Target Fund will be managed with the aim of achieving a stable and positive investment returns over the medium to long term through investments primarily in Asia Pacific ex Japan, i.e. companies that are domiciled in, listed in, and/or have significant operations in the Asia Pacific ex Japan region. For listed securities, the investment must be traded in an exchange that is a member of World Federation of Exchange (“WFE”). ‘Significant operations’ means major businesses of the company. For example, the Target Fund can invest in a company with significant business/operations in Thailand but listed on the New York Stock Exchange. The threshold for ‘significant operations’ would be where more than 25% of total group revenue is derived from countries in the Asia Pacific ex Japan region. The calculation would be based on the most recent financial reports released by the companies (e.g. interim and annual reports). The Target Fund may also invest up to 20% of its NAV in companies that are listed globally with some business/operations within the Asia Pacific ex Japan region to capture growth opportunities.

- 4.12 The following information for *Investment policy and principal investment strategy* under “**About Principal Asia Pacific Dynamic Income Fund**” at page 51 has been added after the last sentence of ninth paragraph and read as below:

The Target 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 Target Fund, and to ensure appropriate measures are taken to mitigate the risk. The liquidity risk management framework that we have put in place is as follows:

- Regular review by the designated fund manager on the Target Fund’s investment portfolio including its liquidity level.
- Periodic assessments are carried out on the Target Fund’s liquidity profile (under both normal and stress market conditions) and on the concentration of unitholders. These assessments allow the Target 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 Target Fund’s ability to meet unitholders’ withdrawal requests.
- Suspension of withdrawal requests due to exceptional circumstances. During the suspension period, withdrawal requests will not be accepted and in the event we have 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 Target Fund’s manager.

Note: Please refer to Section 3.11 of the Target Fund’s prospectus for more information.

- 4.13 The following information for the 1st bullet point for *Permitted Investments* under “**About Principal Asia Pacific Dynamic Income Fund**” at page 51 has been replaced and read as below:

- Equities and debt securities dealt in and traded in or under the rules of an Eligible Market;

- 4.14 The following information for *Investment restrictions and limits* under “**About Principal Asia Pacific Dynamic Income Fund**” at page 52 to 53 has been replaced and read as below:

The Target Fund is subject to the following investment restrictions and limits that are structured in accordance with the regulatory requirements outlined in the SC Guidelines on Unit Trust Funds (“**SC Guideline**”) and the Standards of Qualifying CIS:

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

Notwithstanding clause 5(b), we 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;

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- 6) The aggregate value of the Target Fund's investment in transferable securities, money market instruments, Deposits and OTC derivatives issued by or placed with (as the case may be) any single business group, must not exceed 20% of the Target 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 Target Fund may invest up to 35% of the Target Fund's NAV in aggregate in debt securities or money market instruments issued by a single body if the issuing body or the guarantor of the debt securities or 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 Target Fund's investment in Deposits placed with unrated or non-investment grade financial institution, debt securities or money market instruments not dealt in an Eligible Market or issued by an unrated or non-investment grade issuing body, CIS that do not comply with paragraphs 6.11(a), (b) and (c) of the SC Guideline; unlisted equities and OTC derivatives with non-investment grade or unrated counterparty must not exceed 15% of the Target Fund's NAV subject to a maximum limit of 10% of the Target Fund's NAV in a single issuer or single CIS, as the case may be. For the purpose of this clause, the limit does not apply to Deposits, debt securities, money market instruments or OTC 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 Target Fund's investment in units of each Qualifying CIS or non-Qualifying CIS must not exceed 10% of the Target Fund's NAV;
- 10) The value of the Target 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 Target Fund's NAV;
- 11) The Target Fund's investments in CIS must not exceed 25% of the units in any one CIS. Where the Target Fund invests in units in other CIS operated by us or our related corporation, we 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 Target Fund's borrowing for the purpose of meeting repurchase request for units and for short-term bridging requirements should not exceed 10% of the Target Fund's NAV at the time the borrowing is incurred. Credit balances of the Target Fund (e.g. cash holdings) may not be offset against borrowings when determining the percentage of borrowings outstanding. For the purpose of this clause, we should ensure that-
 - (a) the Target Fund's cash borrowing is only on a temporary basis and that borrowings are not persistent;
 - (b) the borrowing period should not exceed one month; and
 - (c) the Target Fund may only borrow from financial institutions;
- 13) The Target Fund's investments in equities or securities equivalent to equities must not exceed 10% of the equities or securities equivalent to equities issued by any single issuer;
- 14) The Target Fund's investments in debt securities must not exceed 10% of the debt securities issued by any single issuer; and
- 15) The Target Fund's investments in money market instruments must not exceed 10% of the money market instruments issued by any single issuer.
- 16) For investments in derivatives (for hedging purpose):
 - (a) the Target Fund's global exposure calculated based on the commitment approach below from derivatives position must not exceed 20% of the net assets of the Target Fund's NAV;
 - (b) the underlying assets must comprise of eligible assets, financial indices, foreign exchange rates/currencies, interest rates or a rate of inflation calculated, endorsed or determined by a government agency;
 - (c) the exposure to the underlying assets must not exceed the investment spread limits stipulated in the SC Guideline;
 - (d) the maximum exposure of the Target Fund's OTC derivative transaction with the counterparty, calculated based on the method below must not exceed 10% of the Target Fund's NAV;
 - (e) the counter-party of an OTC derivative is a financial institution with a minimum long-term credit rating of investment grade (including gradation and subcategories); and
 - (f) Where the underlying instrument of a derivative is a commodity, such derivative must be settled in cash at all times.

Calculation of exposure to counterparty of OTC derivatives will be the sum of the:

- (a) current positive replacement cost of each OTC derivative by carrying out a valuation at market price; and
- (b) "add-on factor" by multiplying the notional principal amount or the market value of the underlying asset of the OTC derivative, whichever is more conservative, by the percentages in Table 1 to reflect the potential credit risk:

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Table 1:

Residual Term	Interest rate contracts	Exchange rate contracts	Equity derivative contracts	Other contracts
1 year or less	0%	1%	6%	10%
>1 year and <=5 years	0.5%	5%	8%	12%
>5years	1.50%	7.5%	10%	15%

For total return swaps, the relevant percentage is 10% regardless of the residual term.

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

Commitment approach

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

- (a) absolute value of the exposure of each individual derivative not involved in netting or hedging arrangements;
- (b) absolute value of the net exposure of each individual derivative after netting or hedging arrangement; and
- (c) the values of cash collateral received pursuant to:
 - (i) the reduction of exposure to counterparties of OTC 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 Target Fund's exposure to derivatives.

The Target Fund may net positions between:

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

Hedging arrangements

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

The marked-to-market value of transferable securities, money market instruments, or units or shares in collective investment schemes involved in hedging arrangements may be taken into account to reduce the exposure of the Target Fund to 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 Target 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.

Note: Subject to the investment limit (10) and (11), the Target Fund may invest into non-Qualifying CIS, provided:

- o the level of protection for Members of the non-Qualifying CIS is at least equivalent to that provided for Members 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;
- o semi-annual and annual reports are published by the non-Qualifying CIS; and
- o the investment policy of the non-Qualifying CIS is such that the:
 - 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
 - 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.

In respect of the above investment restrictions and limits, we 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 SC Guideline provides that any breach of the restrictions and limits due to appreciation or depreciation in value of the Target Fund's investments, repurchase of units or payment made out of the Target Fund, change in capital of a corporation in which the Target Fund has invested in, or downgrade in or cessation of a credit rating need not be reported to the SC but we must rectify as soon as practicable within three (3) months from the date of breach unless stated otherwise in the SC Guideline. 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.

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4.15 The following information under section 4.2 of “Permitted Investments” at page 54 has been replaced and read as below:

Subject to the Deed, the investment policies for the Funds and the requirements of the SC and any other regulatory body, we have the absolute discretion as to how the assets of the Funds are to be invested. The following types of investments permitted for the Funds, which are in line with the Fund’s objectives, include but are not limited to:

CORE FUNDS

- Equities and debt securities/fixed income instruments traded in or under the rules of an Eligible Market.
- Warrants that carry the right in respect of a security traded in or under the rules of an Eligible Market.
- Unlisted securities including securities 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.
- Deposits and money market instruments.
- Derivative instruments, including but not limited to options, futures contracts, forward contracts and swaps, for hedging purposes.
- All types of CIS.
- Structured products.
- Securities listed or traded on foreign markets, where the regulatory authority must be under an Eligible Market;
- RM-denominated foreign debt securities/fixed income instruments.
- Any other form of investments as may be permitted by the SC from time to time that is in line with the Fund’s objectives.

NON-CORE FUNDS

PRS-C, PRS-M, PRS-G & PRS E

- Equities and debt securities/fixed income instruments traded in or under the rules of an Eligible Market.
- Warrants that carry the right in respect of a security traded in or under the rules of an Eligible Market^{Note 1}.
- Unlisted securities including securities 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.
- Deposits and money market instruments.
- Derivative instruments, including but not limited to options, futures contracts, forward contracts and swaps, for hedging purposes.
- All types of CIS.
- Structured products^{Note 2}.
- Securities listed or traded on foreign markets, where the regulatory authority must be under an Eligible Market^{Note 3}.
- RM-denominated foreign debt securities/fixed income instruments.
- Any other form of investments as may be permitted by the SC from time to time that is in line with the Fund’s objectives.

Note 1: Does not apply to PRS-C except as a result of the Fund’s holdings in equities.

Note 2: Does not apply to PRS-C.

Note 3: Does not apply to PRS-E.

PRS-AP

- One (1) CIS provided it is not a fund-of-funds or a feeder fund or any sub-fund of an umbrella fund which is a fund-of-funds or a feeder fund.
- Deposits and money market instruments.
- Derivative instruments, including but not limited to options, futures contracts, forward contracts and swaps, for hedging purposes.
- Any other form of investments as may be permitted by the SC from time to time that is in line with the Fund’s objectives.

The formulation of the investment policies and strategies of the Funds are based on the objectives of the Funds after taking into consideration the regulatory requirements outlined in the GPRS, with such exemptions/variations (if any) as permitted by the SC.

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4.16 The following information under section 4.3 of “Investment Restrictions and Limits” at pages 54 to 55 have been replaced and read as below:

The Funds are subject to the following investment restrictions/limits:

CORE FUNDS & NON-CORE FUNDS*

Exposure limit

The Fund is subject to the following investment restrictions/limits:

- (1) the aggregate value of the Fund's investment in
 - a) Transferable securities that are not traded or dealt in or under the rules of an Eligible Market;
 - b) CIS that do not comply with 6(a), (b) and (c); and
 - c) other securities,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 CIS, as the case may be.

Investment spread limits

- (2) the value of the Fund's investment in ordinary shares issued by any single issuer must not exceed 10% of the Fund's NAV;
- (3) the value of the Fund's investments in transferable securities and money market instruments issued by any single issuer must not exceed 15% of the Fund's NAV (“single issuer limit”). In determining the single issuer limit, the value of the Fund's investments in instruments in (1) issued by the same issuer must be included in the calculation^{Note 1};
- (4) the value of the Fund's placement in Deposits with any single financial institution must not exceed 20% of the Fund's NAV;
- (5) the aggregate value of the Fund's investments in transferable securities, money market instruments, Deposits, underlying assets of derivatives and counterparty exposure arising from the use of OTC derivatives must not exceed 25% of the Fund's NAV (“single issuer aggregate limit”). In determining the single issuer aggregate limit, the value of the Fund's investments in (1) issued by the same issuer must be included in the calculation^{Note 1};
- (6) the value of the Fund's investment in units/shares of any CIS must not exceed 20% of the Fund's NAV, provided that the CIS complies with the following conditions:
 - (a) A CIS authorised or recognised by the SC; or
 - (b) A CIS that meets the following criteria:
 - (i) The CIS is constituted and regulated in a jurisdiction where the laws and practices provide the level of investor protection that is at least equivalent to that offered in Malaysia;
 - (ii) The rules on investments, borrowing and lending are substantially similar to the requirements in these Guidelines. This would exclude hedge funds;
 - (iii) The assets of the CIS are managed by an entity which is approved, authorised or licensed by a securities regulator to conduct fund management activities; and
 - (iv) The business of the CIS is reported in half-yearly and annual reports to enable an assessment to be made of the assets and liabilities, income and operations over the reporting period; or
 - (c) A CIS that meets the following criteria, excluding a CIS that invests in real estate:
 - (i) The CIS invests in:
 - permitted investments that comply with the GPRS,
 - physically-backed metal ETF that comply with the following:
 - a. The assets of the physically-backed metal ETF, i.e. the physical metal, is held in trust and is segregated from the assets of the manager, sponsor, trustee or custodian; and
 - b. The physically-backed metal ETF adopts a passive management strategy with the objective of tracking the price of the metal.
 - (ii) The CIS meets the criteria imposed on transferable securities as following:
 - The maximum potential loss which the Fund may incur as a result of the investment is limited to the amount paid for it;
 - The investment is liquid, and will not impair the Fund's ability to satisfy its redemption and other payment commitments;
 - The investment is subject to reliable and verifiable valuation on a daily basis; and
 - There is appropriate information available to the market on the investment;
 - (iii) The units or shares in the CIS are listed for quotation and traded on a stock exchange that is an Eligible Market; and
 - (iv) The CIS is not an inverse or leveraged product; or
 - (d) A CIS that does not comply with the above, but subject to the exposure limit stipulated in this section;
 - (7) The value of the Fund's investments in units or shares of a CIS that invests in real estate pursuant to 6(c) must not exceed 15% of the Fund's NAV.

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- (8) the value of the Fund's investment in transferable securities and money market instruments issued by any group of companies must not exceed 20% of the Fund's NAV ("group limit"). In determining the group limit, the value of the Fund's investments in instruments in the paragraph (1) exposure limit issued by the issuers within the same group of companies must be included in the calculation^{Note 1}.
- (9) For investments in derivatives (for hedging purpose):
- the Fund's global exposure from derivatives positions should not exceed the Fund's NAV.
 - the exposure to the underlying assets must not exceed the investment spread limits stipulated in the GPRS;
 - the maximum exposure of the Fund's OTC derivative transaction with the counterparty calculated based on the method below must not exceed 10% of the Fund's NAV;
 - the counterparty of an OTC derivative is a financial institution with a minimum long-term of investment grade (including gradation and subcategories); and
 - Where the underlying instrument of a derivative is a commodity, such derivative must be settled in cash at all times.

Calculation of exposure to counterparty of OTC derivatives

- The exposure to a counterparty of an OTC 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 derivative.
- The total exposure to a single counterparty is calculated by summing the exposure arising from all OTC derivative transactions entered into with the same counterparty.

Exceptions to investment spread limits

Government and other public securities or money market instruments

- (10) The single issuer limit in (3) may be raised to 35% of the Fund's NAV if the issuing entity is, or the issue is guaranteed by, either a foreign government, foreign government agency, foreign central bank or supranational, that has a minimum long-term credit rating of investment grade (including gradation and subcategories) by an international rating agency.
- (11) Where the single issuer limit is increased to 35% of the Fund's NAV, the single issuer aggregate limit in (5) may be raised, subject to the group limit in (8) not exceeding 35% of the Fund's NAV.

Deposits

- (12) The single financial institution limit in (4) does not apply to placements of Deposits arising from:
- (a) subscription monies received prior to the commencement of investment by the Fund;
 - (b) liquidation of investments prior to the termination or maturity of the Fund, where the placement of Deposits with various financial institutions would not be in the best interests of Members; or
 - (c) monies held for the settlement of redemption or other payment obligations, where the placement of Deposits with various financial institutions would not be in the best interests of Members.

CIS

- (13) Notwithstanding paragraph (6) and (7), investment in units or shares of one or more CIS is permitted in the following circumstances:
- (a) from the launch of the Fund, the value of the Fund's investment in any of the CIS must not exceed 95% of the Fund's NAV;
 - (b) upon reaching an NAV of RM200 million, the value of the Fund's investment in any of the CIS must not exceed 40% of the Fund's NAV; and
 - (c) that the investment objective of the CIS is similar to the Fund.

Investment concentration limits

- (14) the Fund's investments in shares or securities equivalent to shares must not exceed 10% of the shares or securities equivalent to shares issued by any single issuer;
- (15) the Fund's investments in debt securities must not exceed 20% of the debt securities issued by any single issuer. This limit may be disregarded at the time of acquisition if at that time of acquisition the gross amount of debt securities in issue cannot be determined;
- (16) the Fund's investments in money market instruments must not exceed 10% of the instruments issued by any single issuer. This limit does not apply to money market instruments that do not have a pre-determined issue size;
- (17) Except for investments by core funds, the Fund's investments in CIS must not exceed 25% of the units/shares in any one CIS.

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

Commitment approach

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

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

Netting arrangements

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

The Fund may net positions between:

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

Hedging arrangements

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

The marked-to-market value of transferable securities, money market instruments, or units or shares in collective investment schemes involved in hedging arrangements may be taken into account to reduce the exposure of the Fund to 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.

Note 1: *Not applicable for PRS-C. Instead, the following apply:*

- (i) The value of the PRS-C's investments in transferable securities and money market instruments issued by any single issuer must not exceed 20% of the PRS-C's NAV ("single issuer limit"). In determining the single issuer limit, the value of the PRS-C's investments in instruments in paragraph (1) issued by the same issuer must be included in the calculation;
- (ii) For avoidance of doubt, the single issuer aggregate limit requirement in paragraph (5) applies to a bond or fixed income fund.
- (iii) This single issuer limit in (ii) may be increased to 30% if the debt securities is rated by any domestic or global rating agency to have the highest long-term credit rating;
- (iv) Where the single issuer limit of investments in debt securities is increased to 30% pursuant to (iii), the single issuer aggregate limit of 25% in paragraph (5) may be raised to 30% of the PRS-C's NAV;
- (v) The value of the PRS-C's investments in transferable securities and money market instruments issued by any group of companies must not exceed 30% of the PRS-C's NAV ("group limit"). In determining the group limit, the value of the PRS-C's investments in instruments in paragraph (1) issued by the issuers within the same group of companies must be included in the calculation;
- (vi) Where the debt securities or money market instruments are issued, or the issue is guaranteed by, either a foreign government, foreign government agency, foreign central bank or supranational, that has a minimum long-term credit rating of investment grade (including gradation and subcategories) by an international rating agency, the fund manager may apply the limit in paragraphs (10) and (11).
- (vii) Investment in debt securities or money market instruments must be-
 - (a) at least long-term credit rating of investment grade (including gradation and subcategories); or
 - (b) at least top two short-term rating,by any Malaysian or global rating agency. However, debt securities or money market instruments which are rated below the rating in (i) or (ii), or are unrated, may comprise up to 5% of the PRS-C's NAV ("the 5% limit"). In the case where the 5% limit is exceeded, whether as a result of
 - a downgrade of rating listed in (a) or (b);
 - an increase in the aggregate value of debt securities or money market instruments which are rated below the rating in (a) or (b), or are unrated; or
 - a decrease in the NAV of PRS-C,the PRS Provider must reduce such investments to comply with the 5% limit unless in the opinion of the Scheme Trustee, the disposal of such investments is not in the best interest of the Members.

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- (viii) Investment in derivatives, including embedded derivatives, are not permitted except for the following:
- the derivatives are used for hedging purposes; and
 - the holding of warrants as a result of the PRS-C's holdings in equities.

**Except PRS-AP.*

PRS-AP

- The Fund must be invested in one (1) CIS.

In respect of the above investment restrictions and limits, the GPRS provides that any breach of the restrictions and limits due to appreciation or depreciation in value of the Fund's investments, repurchase of units or payment made out of the Fund, or 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 we must rectify as soon as practicable within three (3) months from the date of breach unless stated otherwise in the GPRS. However, the three-month period may be extended if it is in the best interest of Members and Trustee's consent is obtained. Such extension must be subject to at least a monthly review by the trustee.

5.0 FEES, CHARGES AND EXPENSES

5.1 The information under section 5.2.3 of "**Other expenses**" at page 60 has been added to the last bullet point and read as below:

- costs, fees and expenses incurred for the fund valuation and accounting of the Fund performed by a fund valuation agent.

5.2 The information under the section 5.3 of "**Rebates and Soft Commissions**" at page 60 has been replaced and read as below:

We, the Sub-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.

We 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 we will not enter into unnecessary trades in order to achieve a sufficient volume of transactions to qualify for soft commission.

6.0 TRANSACTION INFORMATION

6.1 The following information for the 1st bullet point under the section 6.4.2 of "**How to invest?**" at page 64 has been replaced and read as below:

You may invest;

- by crossed cheque (made payable as advised by us or our Distributors as the case may be); You will have to bear the commission charges for outstation cheques, if any;

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6.2 The following information under the section 6.5.1 of “**Minimum Contribution**” at page 65 has been replaced and read as below:

Funds	Min initial contribution (RM)	Min subsequent contribution (RM)	Regular Savings Plan (RSP)	
			Min initial contribution (RM)	Min subsequent contribution (RM)
RE60	Class A : 100 Class C : 100 Class X : 100	Class A : 50 Class C : 50 Class X : 50	Class A : 100 Class C : 100 Class X : 100	Class A : 50 Class C : 50 Class X : 50
RE50				
RE40				
RE30				
REI				
PRS-C				
PRS-M				
PRS-G				
PRS-E				
PRS-AP				

Note:

- *The amount stipulated includes any applicable fees and charges, such as Sales Charge (if any) and PPA account opening fee, as the case may be, which are subject to any applicable taxes. In other words, the amount is gross of fees and charges.*
- *You may request for a lower amount when purchasing units (or additional units), which will be at our sole and absolute discretion. However, you should note that we may, for any reason at any time, where applicable, accept or reject a lower amount and without having to assign any reason, either generally (for all investors) or specifically (for any particular investor, a group of investors or investments made via any digital platform) without prior notice to you.*
- *We reserve the right to change the above stipulated amounts from time to time.*

6.3 The following information under the section 6.5.2 of “**Processing an application**” at page 66 has been replaced and read as below:

If we receive and accepted a complete application form together with the contribution payment by 12.00p.m. on a Business Day, we will process it within seven (7) Business Days from that Business Day (T). It will be processed using the NAV per Unit for that Business Day (T).

If we receive and accepted a complete application form together with the contribution payment after 12.00p.m. on a Business Day, we will process it within seven (7) Business Days from the next Business Day (T+1). It will be processed using the NAV per Unit for the next Business Day (T+1).

Please note that for the first time Member, you are required to complete an additional form which is the PPA account opening form. Incomplete applications will not be processed until we have received all the necessary and required information and/or documentations. The number of Units you will receive will be rounded to two (2) decimal places.

6.4 The following information under the section 6.6 of “**Withdrawals**” at page 66 has been added replaced and read as below:

Subject to permitted reasons for withdrawals, you may not withdraw from any of the Funds until you reach the Retirement Age. Upon reaching the Retirement Age, you shall be entitled to withdraw the full amount accumulated in the Funds held by you as Accrued Benefits without payment of any tax. Please refer to “Permitted Withdrawals and Pre-retirement Withdrawals” section on page 67 for further information on the permitted reasons for withdrawals.

Upon receiving your request to withdraw some or all of the Accrued Benefits in any of the Fund, you may be required by us and/or the PPA to provide evidence of the facts necessary to establish your right to withdraw moneys from any of the Fund. We will pay the withdrawal proceeds within seven (7) Business Days after we receive a complete withdrawal request from you and, where required, the authorization of the PPA.

Note: *Unless the context stated otherwise, all withdrawal transaction is only allowed for Vested Units.*

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6.5 The following information under the section 6.6.2 of “**Processing a withdrawal**” at page 66 to 67 has been replaced and read as below:

If we receive a complete withdrawal request and, where required, the authorization of the PPA by 12.00p.m. on a Business Day, we will process it within seven (7) Business Days from that Business Day (T). It will be processed using the NAV per Unit for that Business Day (T).

If we receive a complete withdrawal request and, where required, the authorization of the PPA after 12.00p.m. on a Business Day, we will process it within seven (7) Business Days from the next Business Day (T+1). It will be processed using the NAV per Unit for the next Business Day (T+1).

If you request for a specific amount in RM, the number of Units will be calculated by dividing the requested amount in RM by the NAV per Unit, and the number of Units will be rounded to two (2) decimal places. The amount that you will receive is calculated by the withdrawal value less the Redemption Charge (if any) and less tax penalty (if any). That amount will be paid in RM within seven (7) Business Days from that Business Day (T) or the next Business Day (T+1) (whichever applicable).

Any applicable bank charges and other bank fees incurred as a result of a withdrawal by way of telegraphic transfer, bank cheque or other special payment method will be charged to you.

For the feeder fund (e.g. PRS-AP), the withdrawal payment period may be extended to within 5 Business Days from the receipt of withdrawal proceeds from the target fund.

6.6 The following information under the section 6.7 of “**Permitted Withdrawals and Pre-Retirement Withdrawals**” at page 67 has been replaced and read as below:

Subject to permitted reasons for withdrawals, you may not make a withdrawal from any of the Funds until you reach the Retirement Age. Upon reaching the Retirement Age, you shall be entitled to withdraw the full amount accumulated in the Funds held by you as Accrued Benefits without payment of any tax penalty.

Request for payment for withdrawals from any of the Funds may be made for the following circumstances and as follows:

No	Circumstances for withdrawal	Sub-account	Extend of withdrawals	Subject to tax penalty
(a)	Upon reaching Retirement Age	A & B	Partial or full	No
(b)	Pre-retirement withdrawals	B	Partial or full	Yes
(c)	Death of Member	A & B	Partial or full	No
(d)	Permanent departure of a member from Malaysia	A & B	Full	No
(e)	Due to permanent total disablement, serious disease or mental disability of a member	A & B	Full	No
(f)	For healthcare purpose	B	Partial or full	No
(g)	For housing purpose	B	Partial or full	No

Upon receiving the Member’s request to withdraw some or all of the Accrued Benefits in any of the Fund, we and/or PPA may require you to provide evidence of the facts necessary to establish your right to withdraw moneys from any of the Fund.

In relation to item (c), (e), (f) and (g), we must obtain prior authorization from the PPA before issuing instructions to the Trustee to cancel Units.

In relation to item (b), (f) and (g) above, withdrawals may be requested by the member once every calendar year from each PRS provider (from one or multiple funds under any scheme(s) managed by that PRS provider) provided that the individual has been a member of that scheme for at least one (1) year.

In relation to item (b), we will deduct an 8% tax penalty (or such other applicable tax penalty) from the withdrawn amount before making payment to you.

In relation to item (f), the withdrawal is only permitted for member’s oneself or immediate family on certain illnesses. Please refer to our website at www.principal.com.my for the list of illnesses.

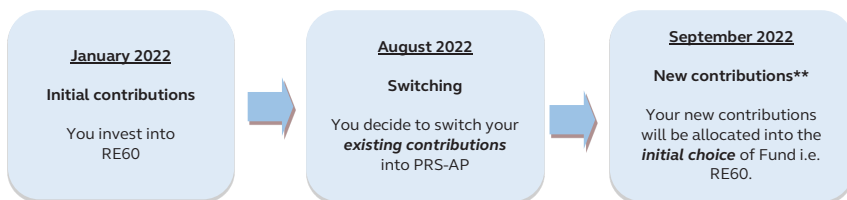
Please note that the above table may subject to such amendments, modification, variation and/or exemption as may be determined by the SC, PPA and/or relevant ministry or authorities from time to time.

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- 6.7 The following information under the section 6.8 of “**Cooling-off Period**” at page 68 has been replaced and read as below:

You have six (6) Business Days after your initial contribution (i.e. the date the complete application is received and accepted by us or our Distributors) to reconsider the appropriateness and suitability for your investment needs. Within this period, you may withdraw your investment at the same NAV per unit when the units were purchased or prevailing NAV per unit at the point of cooling-off (whichever is lower) (“Refund Amount”). We must obtain prior authorization of the PPA before proceeding with the refund. We will pay the Refund Amount including the Sales Charge (if any) to you in RM within seven (7) Business Days of receiving the authorization of the PPA. Please note that this cooling-off right is only given to a first time Member registered with PPA who is investing with any PRS provider. However, Principal Malaysia’s staff, person(s) registered by a body approved by the SC to deal in PRS and contributions made to PRS by an employer on behalf of the employee are not entitled to the cooling-off right.

- 6.8 The following illustration under the section 6.9 of “**Switching**” at page 68 has been replaced and read as below:



*** New contributions refer to subsequent contributions made into the Fund after the switching exercise.*

A switch is processed as a withdrawal from one (1) fund and an investment into another fund. If we receive a complete switching request by 12.00p.m. on a Business Day, we will process it within seven (7) Business Days from that Business Day. If we receive a complete switching request after 12.00p.m. on a Business Day, we will process it within seven (7) Business Days from the next Business Day.

7.0 ADDITIONAL INFORMATION

- 7.1 The following information under the section 7.3 of “**Deed**” at page 71 has been replaced and read as below:

The Scheme is governed by a Deed dated 8 November 2012, First Supplemental Deed dated 2 January 2014, Second Supplemental Deed dated 25 November 2014, Third Supplemental Deed dated 3 February 2020, Fourth Supplemental Deed dated 17 December 2021, Fifth Supplemental Deed dated 12 July 2022 and Sixth Supplemental Deed dated 14 June 2023.

- 7.2 The third and fourth paragraphs under the section 7.6 of “**Potential Conflicts of Interests and Related-Party Transactions**” at pages 72 has been removed.

- 7.3 The sixth paragraphs under the section 7.6 of “**Potential Conflicts of Interests and Related-Party Transactions**” at pages 72 has been replaced and read as below:

We generally discourage cross trades and prohibit any transactions between client(s) accounts and fund accounts. Any cross trade activity 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.

8.0 THE PRS PROVIDER

- 8.1 The following information under the section 8.1.1 of “**The Board of Directors**” at page 74 has been replaced and read as below:

The Board of Directors consists of ten (10) members including three (3) independent directors and two (2) alternate directors. The Board of Directors oversees the management and operations of the Principal Malaysia and meets at least four (4) times a year.

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Thomas Cheong Wee Yee	- Non-independent director	Lai Mee Fong	- Non-independent director
Munirah Khairuddin	- Non-independent director	Chong Chooi Wan ²	- Non-independent director
Uday Jayaram	- Non-independent director	Wong Joon Hian	- Independent director
Mohd Haniz Mohd Nazlan	- Non-independent director	Liew Swee Lin	- Independent director
Julian Christopher Vivian Pull ¹	- Non-independent director	Dato' Jaganath Derek Steven Sabapathy	- Independent director

¹ Alternate director to Thomas Cheong Wee Yee

² Alternate director to Mohd Haniz Mohd Nazlan

8.2 The following information under the section 8.1.2 of “**Investment Committee**” at page 74 has been removed.

9.0 SALIENT TERMS OF THE DEED

9.1 The following information under the section 12.2.1 of “**Expenses Permitted by the Deed**” at page 83 has been replaced and read as below:

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

- commissions/fees paid to brokers/dealers in effecting dealings in that Fund’s property, shown on the contract notes or confirmation notes or difference accounts;
- (where the foreign custodial function is delegated by the Trustee), charges/fees paid to the sub-custodian;
- tax and other duties charged on that Fund by the government and other authorities if any and bank fees;
- the fees and other expenses properly incurred by the auditor;
- remuneration and out of pocket expenses of the person(s) undertaking the oversight functions of the Fund of the investment committee and/or the members of the Shariah committee or advisers (if any) of that Fund, unless we decides to bear the same;
- fees for valuation of any investment of that Fund by independent valuers for the benefit of that Fund under the Scheme;
- costs incurred for the modification of the Deed other than those for our benefit or the Trustee’s;
- costs incurred for any meeting of Members other than those convened by, or for our benefit or the Trustee’s;
- the sale, purchase, insurance, custody and any other dealings of investments including commissions/fees paid to brokers;
- costs involved with external specialists approved by the Trustee in investigating and evaluating any proposed investment;
- the engagement of valuers, advisers and contractors of all kinds;
- preparation and audit of the taxation returns and accounts of that Fund;
- winding-up of that Fund or Class and the retirement or removal of the Trustee or PRS Provider and the appointment of a new trustee or PRS provider;
- any proceedings, arbitration or other dispute concerning that Fund, Class or any asset, including proceedings against the Trustee or us or by either of them for the benefit of that Fund or Class (except to the extent that legal costs incurred for the defense of either of them are not ordered by the court to be reimbursed out of that Fund);
- costs of obtaining experts opinion by the Trustee and us for the benefit of the Fund or Class;
- the costs of printing and dispatching to Members the accounts of the Funds, tax certificates, distribution warrants, notices of meeting of Members, newspaper advertisement and such other similar costs as may be approved by the Trustee; and
- costs, fees and expenses incurred for the fund valuation and accounting of the Fund performed by a fund valuation agent.

We and the Trustee are required to ensure that any fees or charges payable are reasonable and in accordance with the Deed which stipulate the maximum rate in percentage terms that can be charged.

9.2 The following information under the section 12.4 of “**Retirement, Removal and Replacement of the Trustee**” at page 84 has been added to the last paragraph and read as below:

Notwithstanding the above and subject to the provision set out below, the Fund may be terminated or wound-up, without the need to seek Members’ prior approval, as proposed by the PRS Provider 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 Members of such period not less than that specified in the Guidelines as hereinafter provided (i) if any law shall be passed which renders it illegal or (ii) if in the reasonable opinion of that PRS Provider it is impracticable or inadvisable to continue the Fund, and in any case the termination of the Fund is in the best interest of the Members.

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- 9.3 The following information under the section 12.5 of **“Termination of the Scheme and/or Funds”** at page 84 has been added to the last paragraph and read as below:

Where a Fund has only one (1) remaining Member, such Member, whether present in person or by proxy, at the meeting shall constitute a quorum required for the meeting of Members.

- 9.4 The following information under the section 12.6 of **“Meetings of Members”** at page 85 has been added to the last paragraph and read as below:

Nothing herein shall preclude us from convening any Members’ meeting at more than one venue using any communication facility or technology or method available as we shall determine to enable the Members to participate and to exercise their right to speak and vote at that meeting. Where such meeting is convened, any reference to a Member being “present in person” in the Deed, meetings or resolutions shall include, where permitted by us, to that Member being present either remotely or virtually and for the avoidance of doubt it is hereby agreed that the participation by a Member in such meeting using the prescribed communication facility or technology or method shall be deemed as being present at that meeting notwithstanding that the Member is not physically present at the main venue of that meeting.

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