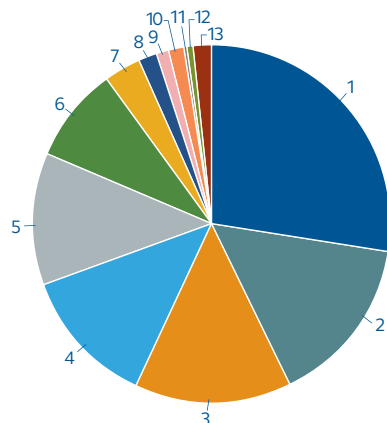


<ul style="list-style-type: none"> <li>• <i>This statement provides you with key information about Principal Asian Equity Fund (“Sub-Fund”).</i></li> <li>• <i>This statement is a part of the Explanatory Memorandum.</i></li> <li>• <i>You should not invest in the Sub-Fund based on this statement alone.</i></li> </ul>	
<b>Quick facts</b>	
<b>Fund Manager:</b>	Principal Asset Management Company (Asia) Limited
<b>Delegate of the Fund Manager:</b>	Principal Global Investors, LLC (internal delegation, USA)
<b>Sub-delegate of the Fund Manager:</b>	Principal Global Investors (Hong Kong) Limited (internal sub-delegation, Hong Kong)
<b>Trustee &amp; Custodian:</b>	Principal Trust Company (Asia) Limited
<b>Ongoing charges over a year*:</b>	Retail Class Units: 1.44%
* <i>The ongoing charges figure is based on expenses for the year ended 31 December 2020. This figure may vary from year to year.</i>	
<b>Dealing frequency:</b>	Every business day
<b>Base currency:</b>	Hong Kong Dollar
<b>Dividend policy:</b>	<b>For Retail Class Units:</b> No dividend will be declared or distributed.
<b>Financial year end of the Sub-Fund:</b>	31 December
<b>Min. investment:</b>	HK\$ 10,000 initial, HK\$ 5,000 additional
<b>What is this product?</b>	
The Sub-Fund is a fund constituted in the form of a unit trust.	
<b>Objectives and Investment Strategy</b>	
<b>Objective</b>	
To seek capital growth over the long term by investing in Asian equity markets.	
<b>Investment Strategy</b>	
The Sub-Fund will invest primarily in equity securities of companies in the Asian Region. In addition, the Sub-Fund may hold cash and short-term investments such as bills and deposits. Investment markets may include, but are not limited to, Hong Kong, Singapore, South Korea, Malaysia, Taiwan, Thailand, the Philippines, Indonesia, India and China.	
The Sub-Fund may enter into financial futures contracts, financial option contracts and currency forward contracts for hedging purposes.	

**Investment Mix as at 31 December 2020**


1	China Equities	27.6%
2	Korea Equities	15.2%
3	Australia Equities	14.3%
4	Taiwan Equities	12.5%
5	India Equities	11.9%
6	Hong Kong Equities	8.6%
7	Singapore Equities	3.4%
8	Thailand Equities	1.5%
9	Philippines Equities	1.3%
10	Malaysia Equities	1.2%
11	New Zealand Equities	0.5%
12	Indonesia Equities	0.4%
13	Cash and Time Deposit	1.6%

**Use of derivatives / investment in derivatives**

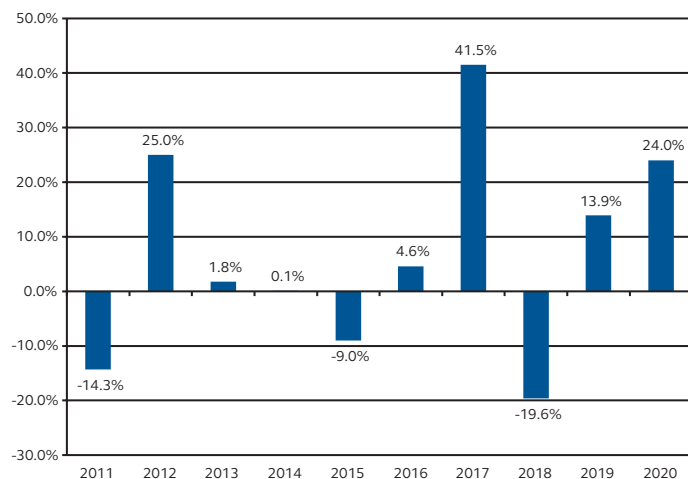
The Sub-Fund's net derivative exposure may be up to 50% of the Sub-Fund's net asset value.

**What are the key risks?**

**Investment involves risks. Please refer to the Explanatory Memorandum for details including the risk factors.**

- 1. Investment risk** — The Sub-Fund's investment portfolio may fall in value due to any of the key risk factors and therefore your investment in the Sub-Fund may suffer losses. There is no guarantee of the repayment of principal.
- 2. Concentration risk** — The Sub-Fund invests primarily in the Asia region. The value of the Sub-Fund may be more volatile than Sub-Funds having a more diverse portfolio of investments. Additionally, the value of the Sub-Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting the single country or regional markets.
- 3. Market risks (including emerging market risks)** — The Sub-Fund's investment in equity securities is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors, which may affect the NAV of the Sub-Fund. Further, the Sub-Fund may invest in emerging markets (such as Indonesia, India and China) which may involve increased risks and special considerations not typically associated with investment in more developed markets, such as liquidity risks, currency risks, political and economic uncertainties, legal and taxation risks, settlement risks, custody risk and the likelihood of a high degree of volatility.
- 4. Currency risk** — Underlying investments of the Sub-Fund may be denominated in currencies other than the base currency of the Sub-Fund. Also, a class of units may be designated in a currency other than the base currency of the Sub-Fund. The NAV of the Sub-Fund may be affected unfavorably by fluctuations in the exchange rates between these currencies and the base currency and by changes in exchange rate controls.

### How has the Sub-Fund performed?



Past performance information is not indicative of future performance. Investors may not get back the full amount invested.

The computation basis of the performance is based on the calendar year end, NAV-to-NAV, with dividend reinvested.

These figures show by how much the Retail Class Units increased or decreased in value during the calendar year being shown. Performance data has been calculated in HKD including ongoing charges and excluding subscription fee and redemption fee you might have to pay.

Where no past performance is shown there was insufficient data available in that year to provide performance.

Fund launch date: 2 July 2003

Retail Class launch date: 2 July 2003

*Retail Class is selected as the most appropriate representative unit class as it is the only unit class of the Sub-Fund that is currently marketed to the public in Hong Kong.*

### Is there any guarantee?

The Sub-Fund does not have any guarantees. You may not get back the full amount of the money you invest.

### What are the fees and charges?

- Charges which may be payable by you**

You may have to pay the following fees when dealing in the units of the Sub-Fund.

Fee	What you pay
Subscription fee	Up to 5% of the amount you buy
Switching fee	4 free switches per year, up to 1% of the issue price of the new class of units to be issued may be levied for subsequent switches.
Redemption fee	N/A

- Ongoing fees payable by the Sub-Fund**

The following expenses will be paid out of the Sub-Fund. They affect you because they reduce the return you get on your investments.

	Annual rate (as a % of the Sub-Fund's net asset value)
Management fee	1.20% (maximum 2%)
Trustee fee	0.20% (maximum 1%)
Custodian fee	0.01% to 0.50%
Performance fee	N/A
Valuation fee	Up to HK\$1,000 / month
Administration fee	N/A

- Other fees**

You may have to pay other fees when dealing in the units of the Sub-Fund. The Sub-Fund will bear the costs which are directly attributable to it. Please refer to the section "Charges and Expenses" of the Explanatory Memorandum for details.

**Additional Information**

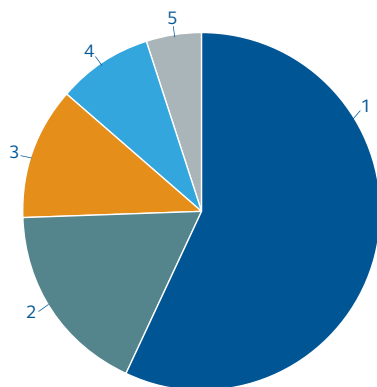
- You generally may buy and/or redeem units at the Sub-Fund's next-determined net asset value (NAV) after the Fund Manager receives your request in good order on a dealing day before 5:00 p.m. (Hong Kong time) being the Sub-Fund's dealing cut-off time. Before placing your subscription or redemption orders, please check with your distributor for the distributor's internal dealing cut-off time (which may be earlier than the Sub-Fund's dealing cut-off time).
- The net asset value per unit for the Sub-Fund will be calculated and published on each dealing day.
- The past performance information of other unit classes offered to Hong Kong investors (if any) is available from the Fund Manager on request and from the website <http://www.principal.com.hk>\*

\* *The website has not been reviewed by the SFC.*

**Important**

- If you are in doubt, you should seek professional advice.
- The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.

<ul style="list-style-type: none"> <li>• <i>This statement provides you with key information about Principal International Bond Fund (“Sub-Fund”).</i></li> <li>• <i>This statement is a part of the Explanatory Memorandum.</i></li> <li>• <i>You should not invest in the Sub-Fund based on this statement alone.</i></li> </ul>	
<b>Quick facts</b>	
<b>Fund Manager:</b>	Principal Asset Management Company (Asia) Limited
<b>Delegate of the Fund Manager:</b>	Principal Global Investors, LLC (internal delegation, USA)
<b>Sub-delegate of the Fund Manager:</b>	Principal Global Investors (Europe) Limited (internal sub-delegation, United Kingdom)
<b>Trustee &amp; Custodian:</b>	Principal Trust Company (Asia) Limited
<b>Ongoing charges over a year*:</b>	Retail Class Units: 1.22%
* <i>The ongoing charges figure is based on expenses for the year ended 31 December 2020. This figure may vary from year to year.</i>	
<b>Dealing frequency:</b>	Every business day
<b>Base currency:</b>	Hong Kong Dollar
<b>Dividend policy:</b>	<b>For Retail Class Units:</b> No dividend will be declared or distributed.
<b>Financial year end of the Sub-Fund:</b>	31 December
<b>Min. investment:</b>	HK\$ 10,000 initial, HK\$ 5,000 additional
<b>What is this product?</b>	
The Sub-Fund is a fund constituted in the form of a unit trust.	
<b>Objectives and Investment Strategy</b>	
<b>Objective</b>	
To protect and maximize real asset value in terms of international purchasing power.	
<b>Investment Strategy</b>	
The Sub-Fund will invest mainly in the global bond markets. The Sub-Fund will primarily invest in a portfolio of debt securities, both sovereign or non-sovereign, of varying maturities and denominated in the world’s major currencies.	
The Sub-Fund may enter into financial futures contracts, financial option contracts and currency forward contracts for hedging purposes.	

**Investment Mix as at 31 December 2020**


1	US Dollar Bonds	57.1%
2	Euro Bonds	17.5%
3	Asia Pacific ex Hong Kong Dollar Bonds	11.9%
4	Other Currency Bonds	8.7%
5	Cash and Time Deposit	4.8%

**Use of derivatives / investment in derivatives**

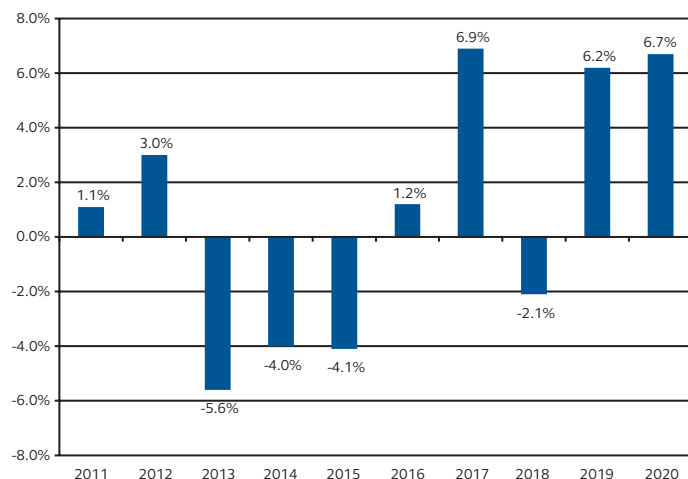
The Sub-Fund's net derivative exposure may be up to 50% of the Sub-Fund's net asset value.

**What are the key risks?**

**Investment involves risks. Please refer to the Explanatory Memorandum for details including the risk factors.**

1. **Investment risk** — The Sub-Fund's investment portfolio may fall in value due to any of the key risk factors and therefore your investment in the Sub-Fund may suffer losses. There is no guarantee of the repayment of principal.
2. **Interest rate risk** — Interest rate movements have an impact on the valuation of debt securities and hence, the NAV of a Sub-Fund. In general, the prices of debt securities rise when interest rates fall, whilst their prices fall when interest rates rise.
3. **Currency risk** — Underlying investments of the Sub-Fund may be denominated in currencies other than the base currency of the Sub-Fund. Also, a class of units may be designated in a currency other than the base currency of the Sub-Fund. The NAV of the Sub-Fund may be affected unfavorably by fluctuations in the exchange rates between these currencies and the base currency and by changes in exchange rate controls.
4. **Credit/counterparty risk** — The Sub-Fund may be exposed to credit and counterparty risk of issuers of the debt securities that the Sub-Fund may invest in. If the issuer of debt securities in which the Sub-Fund invested in defaults or suffers insolvency, such securities may become worthless and the performance of the Sub-Fund will be adversely affected. Further, investments in debt securities which involve a counterparty are subject to the credit risk or default risk of the counterparty. This may adversely affect the NAV of the Sub-Fund and investors may as a result suffer loss.
5. **Volatility and liquidity risk** — Debt securities in less developed markets may be subject to higher volatility and lower liquidity. The prices of debt securities traded in such markets may be subject to fluctuations. The bid and offer spreads of the price of such securities may be large and the Sub-Fund investing in such markets may incur significant trading costs.
6. **Concentration risk** — The Sub-Fund's investment may be concentrated in a particular country / certain countries at a particular point of time. The value of the Sub-Fund whose investments are consequently concentrated may be more volatile than other sub-funds having a more diverse portfolio of investments. Additionally, the value of the Sub-Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting the single country or regional markets.

### How has the Sub-Fund performed?



Past performance information is not indicative of future performance. Investors may not get back the full amount invested.

The computation basis of the performance is based on the calendar year end, NAV-to-NAV, with dividend reinvested.

These figures show by how much the Retail Class Units increased or decreased in value during the calendar year being shown. Performance data has been calculated in HKD including ongoing charges and excluding subscription fee and redemption fee you might have to pay.

Where no past performance is shown there was insufficient data available in that year to provide performance.

Fund launch date: 2 July 2003

Retail Class launch date: 2 July 2003

*Retail Class is selected as the most appropriate representative unit class as it is the only unit class of the Sub-Fund that is currently marketed to the public in Hong Kong.*

### Is there any guarantee?

The Sub-Fund does not have any guarantees. You may not get back the full amount of the money you invest.

### What are the fees and charges?

- Charges which may be payable by you**

You may have to pay the following fees when dealing in the units of the Sub-Fund.

Fee	What you pay
Subscription fee	Up to 5% of the amount you buy
Switching fee	4 free switches per year, up to 1% of the issue price of the new class of units to be issued may be levied for subsequent switches.
Redemption fee	N/A

- Ongoing fees payable by the Sub-Fund**

The following expenses will be paid out of the Sub-Fund. They affect you because they reduce the return you get on your investments.

	Annual rate (as a % of the Sub-Fund's net asset value)
Management fee	1.00% (maximum 2%)
Trustee fee	0.20% (maximum 1%)
Custodian fee	0.01% to 0.50%
Performance fee	N/A
Valuation fee	Up to HK\$1,000 / month
Administration fee	N/A

- Other fees**

You may have to pay other fees when dealing in the units of the Sub-Fund. The Sub-Fund will bear the costs which are directly attributable to it. Please refer to the section "Charges and Expenses" of the Explanatory Memorandum for details.

**Additional Information**

- You generally may buy and/or redeem units at the Sub-Fund's next-determined net asset value (NAV) after the Manager receives your request in good order on a dealing day before 5:00 p.m. (Hong Kong time) being the Sub-Fund's dealing cut-off time. Before placing your subscription or redemption orders, please check with your distributor for the distributor's internal dealing cut-off time (which may be earlier than the Sub-Fund's dealing cut-off time).
- The net asset value per unit for the Sub-Fund will be calculated and published on each dealing day.
- The past performance information of other unit classes offered to Hong Kong investors (if any) is available from the Fund Manager on request and from the website <http://www.principal.com.hk>\*

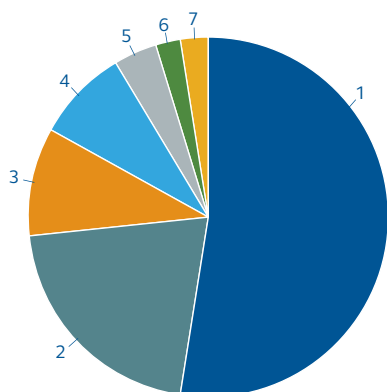
\* *The website has not been reviewed by the SFC.*

**Important**

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<ul style="list-style-type: none"> <li>• <i>This statement provides you with key information about Principal International Equity Fund (“Sub-Fund”).</i></li> <li>• <i>This statement is a part of the Explanatory Memorandum.</i></li> <li>• <i>You should not invest in the Sub-Fund based on this statement alone.</i></li> </ul>	
<b>Quick facts</b>	
<b>Fund Manager:</b>	Principal Asset Management Company (Asia) Limited
<b>Delegate of the Fund Manager:</b>	Principal Global Investors, LLC (internal delegation, USA)
<b>Trustee &amp; Custodian:</b>	Principal Trust Company (Asia) Limited
<b>Ongoing charges over a year*:</b>	Retail Class Units: 1.43%
* <i>The ongoing charges figure is based on expenses for the year ended 31 December 2020. This figure may vary from year to year.</i>	
<b>Dealing frequency:</b>	Every business day
<b>Base currency:</b>	Hong Kong Dollar
<b>Dividend policy:</b>	<b>For Retail Class Units:</b> No dividend will be declared or distributed.
<b>Financial year end of the Sub-Fund:</b>	31 December
<b>Min. investment:</b>	HK\$ 10,000 initial, HK\$ 5,000 additional
<b>What is this product?</b>	
The Sub-Fund is a fund constituted in the form of a unit trust.	
<b>Objectives and Investment Strategy</b>	
<b>Objective</b>	
To seek capital growth over the long term by investing in international equity markets.	
<b>Investment Strategy</b>	
The Sub-Fund will invest primarily in equity securities selected from investment markets around the world. The Sub-Fund may also hold cash and short-term investments.	
The Sub-Fund may enter into financial futures contracts, financial option contracts and currency forward contracts for hedging purposes.	

**Investment Mix as at 31 December 2020**


1	North America Equities	52.6%
2	Europe Equities	20.9%
3	Japan Equities	9.7%
4	Asia Pacific ex China ex HK ex Japan Equities	8.3%
5	Hong Kong / China Equities	4.0%
6	Other Country Equities	2.0%
7	Cash and Time Deposit	2.5%

**Use of derivatives / investment in derivatives**

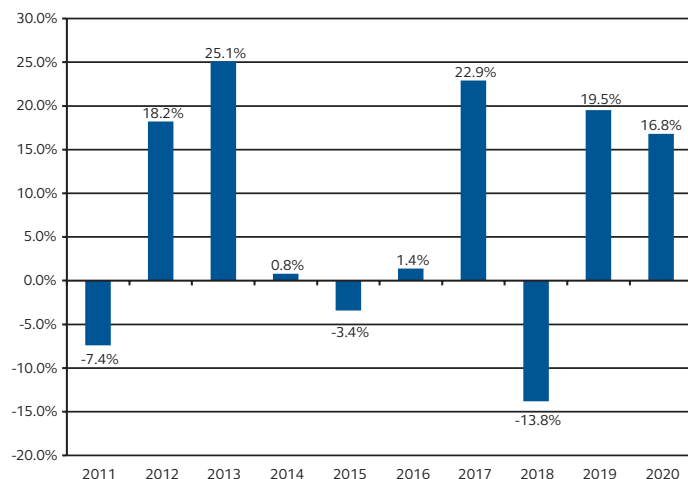
The Sub-Fund's net derivative exposure may be up to 50% of the Sub-Fund's net asset value.

**What are the key risks?**

**Investment involves risks. Please refer to the Explanatory Memorandum for details including the risk factors.**

- Investment risk** — The Sub-Fund's investment portfolio may fall in value due to any of the key risk factors and therefore your investment in the Sub-Fund may suffer losses. There is no guarantee of the repayment of principal.
- Market risks (including emerging market risks)** — The Sub-Fund's investment in equity securities is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors, which may affect the NAV of the Sub-Fund. Further, the Sub-Fund may invest in emerging markets which may involve increased risks and special considerations not typically associated with investment in more developed markets, such as liquidity risks, currency risks, political and economic uncertainties, legal and taxation risks, settlement risks, custody risk and the likelihood of a high degree of volatility.
- Currency risk** — Underlying investments of the Sub-Fund may be denominated in currencies other than the base currency of the Sub-Fund. Also, a class of units may be designated in a currency other than the base currency of the Sub-Fund. The NAV of the Sub-Fund may be affected unfavorably by fluctuations in the exchange rates between these currencies and the base currency and by changes in exchange rate controls.
- Concentration risk** — The Sub-Fund's investment may be concentrated in a particular country / certain countries at a particular point of time. The value of the Sub-Fund whose investments are consequently concentrated may be more volatile than other sub-funds having a more diverse portfolio of investments. Additionally, the value of the Sub-Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting the single country or regional markets.

### How has the Sub-Fund performed?



Past performance information is not indicative of future performance. Investors may not get back the full amount invested.

The computation basis of the performance is based on the calendar year end, NAV-to-NAV, with dividend reinvested.

These figures show by how much the Retail Class Units increased or decreased in value during the calendar year being shown. Performance data has been calculated in HKD including ongoing charges and excluding subscription fee and redemption fee you might have to pay.

Where no past performance is shown there was insufficient data available in that year to provide performance.

Fund launch date: 2 July 2003

Retail Class launch date: 2 July 2003

*Retail Class is selected as the most appropriate representative unit class as it is the only unit class of the Sub-Fund that is currently marketed to the public in Hong Kong.*

### Is there any guarantee?

The Sub-Fund does not have any guarantees. You may not get back the full amount of the money you invest.

### What are the fees and charges?

- Charges which may be payable by you**

You may have to pay the following fees when dealing in the units of the Sub-Fund.

Fee	What you pay
Subscription fee	Up to 5% of the amount you buy
Switching fee	4 free switches per year, up to 1% of the issue price of the new class of units to be issued may be levied for subsequent switches
Redemption fee	N/A

- Ongoing fees payable by the Sub-Fund**

The following expenses will be paid out of the Sub-Fund. They affect you because they reduce the return you get on your investments.

	Annual rate (as a % of the Sub-Fund's net asset value)
Management fee	1.20% (maximum 2%)
Trustee fee	0.20% (maximum 1%)
Custodian fee	0.01% to 0.50%
Performance fee	N/A
Valuation fee	Up to HK\$1,000 / month
Administration fee	N/A

- Other fees**

You may have to pay other fees when dealing in the units of the Sub-Fund. The Sub-Fund will bear the costs which are directly attributable to it. Please refer to the section "Charges and Expenses" of the Explanatory Memorandum for details.

**Additional Information**

- You generally may buy and/or redeem units at the Sub-Fund's next-determined net asset value (NAV) after the Fund Manager receives your request in good order on a dealing day before 5:00 p.m. (Hong Kong time) being the Sub-Fund's dealing cut-off time. Before placing your subscription or redemption orders, please check with your distributor for the distributor's internal dealing cut-off time (which may be earlier than the Sub-Fund's dealing cut-off time).
- The net asset value per unit for the Sub-Fund will be calculated and published on each dealing day.
- The past performance information of other unit classes offered to Hong Kong investors (if any) is available from the Fund Manager on request and from the website <http://www.principal.com.hk>\*

\* *The website has not been reviewed by the SFC.*

**Important**

- If you are in doubt, you should seek professional advice.
- The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.

**Principal Life Style Fund**  
**Principal Hong Kong Dollar Savings Fund**  
**April 2021**

- *This statement provides you with key information about Principal Hong Kong Dollar Savings Fund (“Sub-Fund”).*
- *This statement is a part of the Explanatory Memorandum.*
- *You should not invest in the Sub-Fund based on this statement alone.*

**Quick facts**

<b>Fund Manager:</b>	Principal Asset Management Company (Asia) Limited
<b>Delegate of the Fund Manager:</b>	Principal Global Investors, LLC (internal delegation, USA)
<b>Sub-delegate of the Fund Manager:</b>	Principal Global Investors (Hong Kong) Limited (internal sub-delegation, Hong Kong)
<b>Trustee &amp; Custodian:</b>	Principal Trust Company (Asia) Limited
<b>Ongoing charges over a year*:</b>	Retail Class Units: 0.47%
* <i>The ongoing charges figure is based on expenses for the year ended 31 December 2020. This figure may vary from year to year.</i>	
<b>Dealing frequency:</b>	Every business day
<b>Base currency:</b>	Hong Kong Dollar
<b>Dividend policy:</b>	<b>For Retail Class Units:</b> No dividend will be declared or distributed.
<b>Financial year end of the Sub-Fund:</b>	31 December
<b>Min. investment:</b>	HK\$ 10,000 initial, HK\$ 5,000 additional

**What is this product?**

The Sub-Fund is a fund constituted in the form of a unit trust.

**Objectives and Investment Strategy**
**Objective**

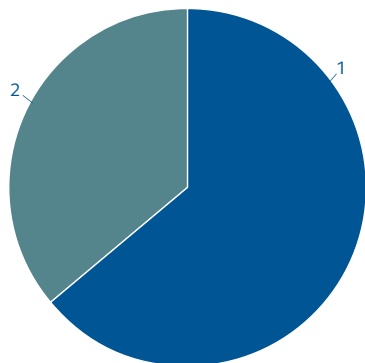
To earn a competitive short-to-medium term rate of return.

**Investment Strategy**

The Sub-Fund will invest primarily in a portfolio of high quality short to medium duration debt securities (rated or unrated<sup>#</sup>), including (but not limited to) sovereign and/or non-sovereign, floating and/or fixed, of varying maturities issued by the government or by multi-lateral agencies or by companies, and denominated in Hong Kong dollars. The types of debt securities that the Sub-Fund primarily intends to invest into are government bonds, corporate bonds/debentures, floating rate notes, bills, commercial papers and certificates of deposit. The Sub-Fund may also hold assets denominated in other currencies.

The Sub-Fund will not enter into any financial futures contracts or financial options contracts.

<sup>#</sup> *Investment in unrated debt securities is only limited to those issued by the “exempt authority” within the definition of Section 7 of Schedule 1 to the MPF Regulation.*

**Investment Mix as at 31 December 2020**


1	Short-Medium Term Securities	64.1%
2	Cash and Time Deposit	35.9%

**Use of derivatives / investment in derivatives**

The Sub-Fund will not use derivatives for any purposes.

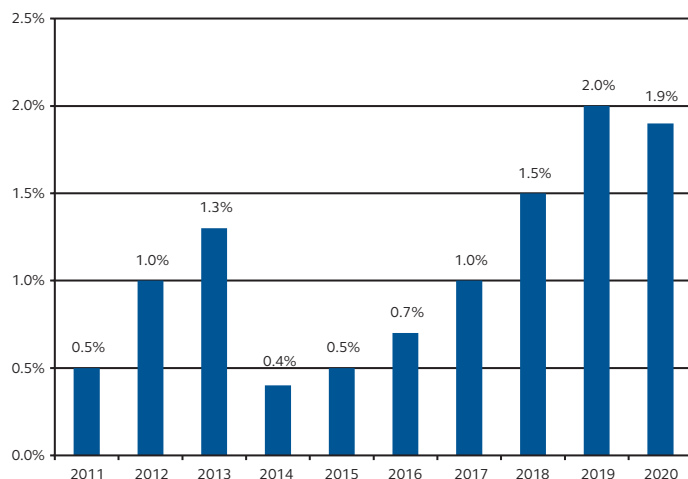
**What are the key risks?**

**Investment involves risks. Please refer to the Explanatory Memorandum for details including the risk factors.**

Investment in this Sub-Fund is different from placing deposits with a bank or deposit-taking company. Investment in this Sub-Fund is not protected by the Deposit Protection Scheme.

- 1. Investment risk** — The Sub-Fund's investment portfolio may fall in value due to any of the key risk factors and therefore your investment in the Sub-Fund may suffer losses. There is no guarantee of the repayment of principal.
- 2. Interest rate risk** — Interest rate movements have an impact on the valuation of debt securities and hence, the NAV of a Sub-Fund. In general, the prices of debt securities rise when interest rates fall, whilst their prices fall when interest rates rise.
- 3. Credit/counterparty risk** — The Sub-Fund may be exposed to credit and counterparty risk of issuers of the debt securities that the Sub-Fund may invest in. If the issuer of debt securities in which the Sub-Fund invested in defaults or suffers insolvency, such securities may become worthless and the performance of the Sub-Fund will be adversely affected. Further, investments in debt securities which involve a counterparty are subject to the credit risk or default risk of the counterparty. This may adversely affect the NAV of the Sub-Fund and investors may as a result suffer loss.
- 4. Risk associated with debt securities rated below investment grade or unrated** — The Sub-Fund may invest in debt securities rated below investment grade (as determined by credit rating agency(ies) approved by the MPF Authority) or unrated, as may be allowed under the MPF Regulation. Such securities are generally subject to lower liquidity, higher volatility and greater risk of loss of principal and interest than high-rated debt securities, which may adversely impact the returns of the securities and in turn the net asset value of the Sub-Fund.

### How has the Sub-Fund performed?



Past performance information is not indicative of future performance. Investors may not get back the full amount invested.

The computation basis of the performance is based on the calendar year end, NAV-to-NAV, with dividend reinvested.

These figures show by how much the Retail Class Units increased or decreased in value during the calendar year being shown. Performance data has been calculated in HKD including ongoing charges and excluding subscription fee and redemption fee you might have to pay.

Where no past performance is shown there was insufficient data available in that year to provide performance.

Fund launch date: 2 July 2003

Retail Class launch date: 2 July 2003

*Retail Class is selected as the most appropriate representative unit class as it is the only unit class of the Sub-Fund that is currently marketed to the public in Hong Kong.*

### Is there any guarantee?

The Sub-Fund does not have any guarantees. You may not get back the full amount of the money you invest.

### What are the fees and charges?

- Charges which may be payable by you**

You may have to pay the following fees when dealing in the units of the Sub-Fund.

Fee	What you pay
Subscription fee	Up to 5% of the amount you buy
Switching fee	4 free switches per year, up to 1% of the issue price of the new class of units to be issued may be levied for subsequent switches
Redemption fee	N/A

- Ongoing fees payable by the Sub-Fund**

The following expenses will be paid out of the Sub-Fund. They affect you because they reduce the return you get on your investments.

	Annual rate (as a % of the Sub-Fund's net asset value)
Management fee	0.25% (maximum 2%)
Trustee fee	0.20% (maximum 1%)
Custodian fee	0.01% to 0.50%
Performance fee	N/A
Valuation fee	Up to HK\$1,000 / month
Administration fee	N/A

- Other fees**

You may have to pay other fees when dealing in the units of the Sub-Fund. The Sub-Fund will bear the costs which are directly attributable to it. Please refer to the section "Charges and Expenses" of the Explanatory Memorandum for details.

**Additional Information**

- You generally may buy and/or redeem units at the Sub-Fund's next-determined net asset value (NAV) after the Fund Manager receives your request in good order on a dealing day before 5:00 p.m. (Hong Kong time) being the Sub-Fund's dealing cut-off time. Before placing your subscription or redemption orders, please check with your distributor for the distributor's internal dealing cut-off time (which may be earlier than the Sub-Fund's dealing cut-off time).
- The net asset value per unit for the Sub-Fund will be calculated and published on each dealing day.
- The past performance information of other unit classes offered to Hong Kong investors (if any) is available from the Fund Manager on request and from the website <http://www.principal.com.hk>\*

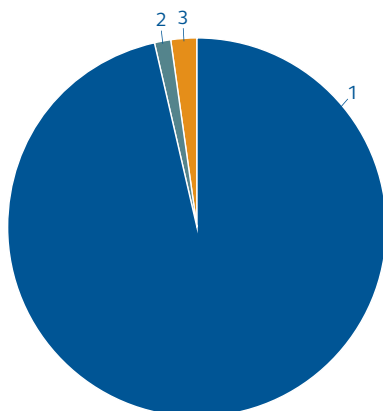
\* *The website has not been reviewed by the SFC.*

**Important**

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<ul style="list-style-type: none"> <li>• <i>This statement provides you with key information about Principal U.S. Equity Fund (“Sub-Fund”).</i></li> <li>• <i>This statement is a part of the Explanatory Memorandum.</i></li> <li>• <i>You should not invest in the Sub-Fund based on this statement alone.</i></li> </ul>	
<b>Quick facts</b>	
<b>Fund Manager:</b>	Principal Asset Management Company (Asia) Limited
<b>Delegate of the Fund Manager:</b>	Principal Global Investors, LLC (internal delegation, USA)
<b>Trustee &amp; Custodian:</b>	Principal Trust Company (Asia) Limited
<b>Ongoing charges over a year*:</b>	Retail Class Units: 1.37%
* <i>The ongoing charges figure is based on expenses for the year ended 31 December 2020. This figure may vary from year to year.</i>	
<b>Dealing frequency:</b>	Every business day
<b>Base currency:</b>	Hong Kong Dollar
<b>Dividend policy:</b>	<b>For Retail Class Units:</b> No dividend will be declared or distributed.
<b>Financial year end of the Sub-Fund:</b>	31 December
<b>Min. investment:</b>	HK\$ 10,000 initial, HK\$ 5,000 additional
<b>What is this product?</b>	
The Sub-Fund is a fund constituted in the form of a unit trust.	
<b>Objectives and Investment Strategy</b>	
<b>Objective</b>	
To seek capital growth over the long term by investing in U.S. equity markets.	
<b>Investment Strategy</b>	
The Sub-Fund will invest primarily in US equities. The Sub-Fund may also hold cash and short-term securities.	
The Sub-Fund may enter into financial futures contracts, financial option contracts and currency forward contracts for hedging purposes.	

**Investment Mix as at 31 December 2020**


1	United States Equities	96.6%
2	Ireland Equities	1.4%
3	Cash and Time Deposit	2.0%

**Use of derivatives / investment in derivatives**

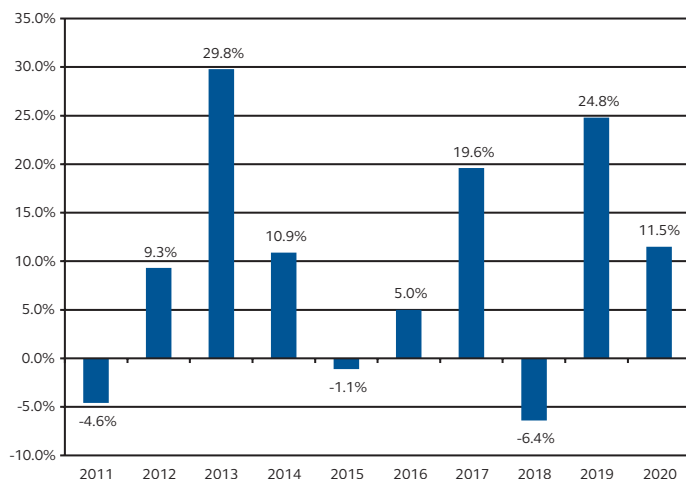
The Sub-Fund's net derivative exposure may be up to 50% of the Sub-Fund's net asset value.

**What are the key risks?**

**Investment involves risks. Please refer to the Explanatory Memorandum for details including the risk factors.**

- 1. Investment risk** — The Sub-Fund's investment portfolio may fall in value due to any of the key risk factors and therefore your investment in the Sub-Fund may suffer losses. There is no guarantee of the repayment of principal.
- 2. Concentration risk** — The Sub-Fund primarily invests in a single country and the value of the Sub-Fund may be more volatile than Sub-Funds having a more diverse portfolio of investments. Additionally, the value of the Sub-Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting the single country or regional markets.
- 3. Market risk** — The Sub-Fund's investment in equity securities is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors, which may affect the NAV of the Sub-Fund.
- 4. Currency risk** — Underlying investments of the Sub-Fund may be denominated in currencies other than the base currency of the Sub-Fund. Also, a class of units may be designated in a currency other than the base currency of the Sub-Fund. The NAV of the Sub-Fund may be affected unfavorably by fluctuations in the exchange rates between these currencies and the base currency and by changes in exchange rate controls.

### How has the Sub-Fund performed?



Past performance information is not indicative of future performance. Investors may not get back the full amount invested.

The computation basis of the performance is based on the calendar year end, NAV-to-NAV, with dividend reinvested.

These figures show by how much the Retail Class Units increased or decreased in value during the calendar year being shown. Performance data has been calculated in HKD including ongoing charges and excluding subscription fee and redemption fee you might have to pay.

Where no past performance is shown there was insufficient data available in that year to provide performance.

Fund launch date: 2 July 2003

Retail Class launch date: 2 July 2003

*Retail Class is selected as the most appropriate representative unit class as it is the only unit class of the Sub-Fund that is currently marketed to the public in Hong Kong.*

### Is there any guarantee?

The Sub-Fund does not have any guarantees. You may not get back the full amount of the money you invest.

### What are the fees and charges?

- Charges which may be payable by you**

You may have to pay the following fees when dealing in the units of the Sub-Fund.

Fee	What you pay
Subscription fee	Up to 5% of the amount you buy
Switching fee	4 free switches per year, up to 1% of the issue price of the new class of units to be issued may be levied for subsequent switches.
Redemption fee	N/A

- Ongoing fees payable by the Sub-Fund**

The following expenses will be paid out of the Sub-Fund. They affect you because they reduce the return you get on your investments.

	Annual rate (as a % of the Sub-Fund's net asset value)
Management fee	1.20% (maximum 2%)
Trustee fee	0.20% (maximum 1%)
Custodian fee	0.01% to 0.50%
Performance fee	N/A
Valuation fee	Up to HK\$1,000 / month
Administration fee	N/A

- Other fees**

You may have to pay other fees when dealing in the units of the Sub-Fund. The Sub-Fund will bear the costs which are directly attributable to it. Please refer to the section "Charges and Expenses" of the Explanatory Memorandum for details.

**Additional Information**

- You generally may buy and/or redeem units at the Sub-Fund's next-determined net asset value (NAV) after the Fund Manager receives your request in good order on a dealing day before 5:00 p.m. (Hong Kong time) being the Sub-Fund's dealing cut-off time. Before placing your subscription or redemption orders, please check with your distributor for the distributor's internal dealing cut-off time (which may be earlier than the Sub-Fund's dealing cut-off time).
- The net asset value per unit for the Sub-Fund will be calculated and published on each dealing day.
- The past performance information of other unit classes offered to Hong Kong investors (if any) is available from the Fund Manager on request and from the website <http://www.principal.com.hk>\*

\* *The website has not been reviewed by the SFC.*

**Important**

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**Principal Life Style Fund**  
**Principal Hong Kong Equity Fund**  
**April 2021**

<ul style="list-style-type: none"> <li>• <i>This statement provides you with key information about Principal Hong Kong Equity Fund (“Sub-Fund”).</i></li> <li>• <i>This statement is a part of the Explanatory Memorandum.</i></li> <li>• <i>You should not invest in the Sub-Fund based on this statement alone.</i></li> </ul>							
<b>Quick facts</b>							
<b>Fund Manager:</b>	Principal Asset Management Company (Asia) Limited						
<b>Delegate of the Fund Manager:</b>	Principal Global Investors, LLC (internal delegation, USA)						
<b>Sub-delegate of the Fund Manager:</b>	Principal Global Investors (Hong Kong) Limited (internal sub-delegation, Hong Kong)						
<b>Trustee &amp; Custodian:</b>	Principal Trust Company (Asia) Limited						
<b>Ongoing charges over a year*:</b>	<table> <tr> <td>Retail Class Units:</td> <td>1.42%</td> </tr> <tr> <td>R2 Class Units:</td> <td>1.91%</td> </tr> <tr> <td>R6 Class Units:</td> <td>1.41%</td> </tr> </table>	Retail Class Units:	1.42%	R2 Class Units:	1.91%	R6 Class Units:	1.41%
Retail Class Units:	1.42%						
R2 Class Units:	1.91%						
R6 Class Units:	1.41%						
<p>* <i>The ongoing charges figures are based on expenses for the year ended 31 December 2020. These figures may vary from year to year.</i></p>							
<b>Dealing frequency:</b>	Every business day						
<b>Base currency:</b>	Hong Kong Dollar						
<b>Dividend policy:</b>	<p><b>For Retail Class Units and R2 Class Units:</b> No dividend will be declared or distributed.</p> <p><b>For R6 Class Units:</b></p> <ol style="list-style-type: none"> <li>1. Subject to the Fund Manager’s discretion, the Fund Manager intends to distribute a dividend on a quarterly basis in March, June, September and December.</li> <li>2. The dividend distributed in respect of the R6 Class Units of the Sub-Fund may be paid effectively out of the capital attributable to the R6 Class Units of the Sub-Fund (i.e. making the distribution from gross income while charging all or part of the fees and expenses attributable to the R6 Class Units to the capital out of such Units of the Sub-Fund), subject to the Fund Manager’s discretion, resulting in an increase in distributable income for the payment of dividend by the R6 Class Units of the Sub-Fund and may result in an immediate reduction of the net asset value per unit of the R6 Class Units of the Sub-Fund. Such payment of dividend effectively out of capital amounts to a return or withdrawal of part of an investor’s original investment in the R6 Class Units or from any capital gains attributable to that original investment.</li> <li>3. Subject to prior approval from the SFC, the Fund Manager may amend the above-mentioned dividend policy in respect of the R6 Class Units in the future by giving the affected Unitholders not less than one (1) month’s notice of such changes.</li> </ol>						
<b>Financial year end of the Sub-Fund:</b>	31 December						
<b>Min. investment:</b>	HK\$ 10,000 initial, HK\$ 5,000 additional						

**What is this product?**

The Sub-Fund is a fund constituted in the form of a unit trust.

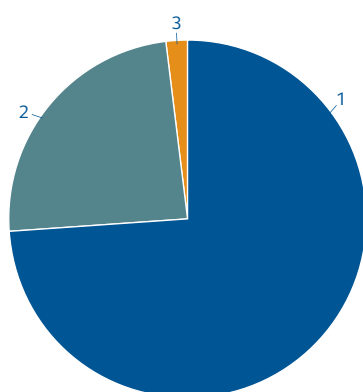
**Objectives and Investment Strategy**
**Objective**

To achieve capital growth over the long-term by investing mainly in Hong Kong equity markets.

**Investment Strategy**

The Sub-Fund will invest at least 70% of its assets in listed equities issued by companies established in Hong Kong or by companies whose shares are listed (including but not limited to H shares and shares of red-chip companies) on the Hong Kong Stock Exchange. The Sub-Fund may also invest in listed equities issued by companies which have business in Hong Kong. The Sub-Fund may hold up to 30% of its assets in cash and time deposits on a temporary basis or for such longer period as the circumstances require to maintain liquidity. The Sub-Fund may also invest up to 10% of its net asset value in eligible China A-Shares and China B-Shares listed on the Shanghai or Shenzhen stock exchanges.

The Sub-Fund will not enter into any financial futures contracts or financial options contracts.

**Investment Mix as at 31 December 2020**


1	China Equities	74.1%
2	Hong Kong Equities	24.2%
3	Cash and Time Deposit	1.7%

**Use of derivatives / investment in derivatives**

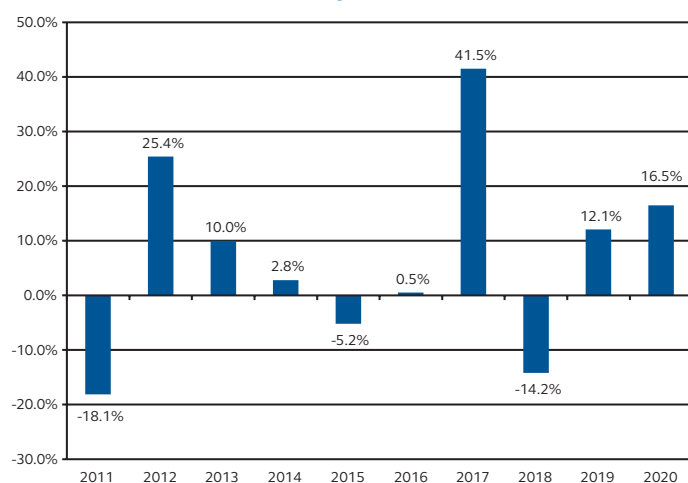
The Sub-Fund will not use derivatives for any purposes.

### What are the key risks?

Investment involves risks. Please refer to the Explanatory Memorandum for details including the risk factors.

- 1. Investment risk** — The Sub-Fund's investment portfolio may fall in value due to any of the key risk factors and therefore your investment in the Sub-Fund may suffer losses. There is no guarantee of the repayment of principal.
- 2. Concentration risk** — The Sub-Fund invests in the Hong Kong and China stocks and the value of the Sub-Fund may be more volatile than Sub-Funds having a more diverse portfolio of investments. Additionally, the value of the Sub-Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting the single country or regional markets.
- 3. Market risk** — The Sub-Fund's investment in equity securities is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors, which may affect the NAV of the Sub-Fund.
- 4. Dividend paid effectively out of capital** — In respect of the R6 Class Units, the Fund Manager may at its discretion pay dividend out of gross income while paying all or part of the fees and expenses attributable to the R6 Class Units out of the capital of such Units, resulting in an increase in distributable income for the payment of dividend in respect of the R6 Class Units and therefore, the Sub-Fund may effectively pay dividend out of capital. This amounts to a return or withdrawal of part of a Unitholder's original investment in the R6 Class Units or from capital gains attributable to that original investment. Any distributions involving payment of dividend effectively out of the capital of the R6 Class Units may result in an immediate reduction of its NAV per unit.

### How has the Sub-Fund performed?



Past performance information is not indicative of future performance. Investors may not get back the full amount invested.

The computation basis of the performance is based on the calendar year end, NAV-to-NAV, with dividend reinvested.

These figures show by how much the Retail Class Units increased or decreased in value during the calendar year being shown. Performance data has been calculated in HKD including ongoing charges and excluding subscription fee and redemption fee you might have to pay.

Where no past performance is shown there was insufficient data available in that year to provide performance.

Fund launch date: 1 November 2005

Retail Class launch date: 1 November 2005

*Retail Class is selected as the most appropriate representative unit class as it has the longest track record.*

### Is there any guarantee?

The Sub-Fund does not have any guarantees. You may not get back the full amount of the money you invest.

### What are the fees and charges?

- Charges which may be payable by you**

You may have to pay the following fees when dealing in the units of the Sub-Fund.

Fee	What you pay
Subscription fee	Up to 5% of the amount you buy
Switching fee	4 free switches per year, up to 1% of the issue price of the new class of units to be issued may be levied for subsequent switches
Redemption fee	N/A

- Ongoing fees payable by the Sub-Fund**

The following expenses will be paid out of the Sub-Fund. They affect you because they reduce the return you get on your investments.

	Annual rate (as a % of the Sub-Fund's net asset value)
Management fee	1.20% (maximum 2%)
Trustee fee	0.20% (maximum 1%)
Custodian fee	0.01% to 0.50%
Performance fee	N/A
Distribution fee	Retail Class Units: N/A R2 Class Units: 0.50% R6 Class Units: N/A
Valuation fee	Up to HK\$1,000 / month
Administration fee	N/A

- Other fees**

You may have to pay other fees when dealing in the units of the Sub-Fund. The Sub-Fund will bear the costs which are directly attributable to it. Please refer to the section "Charges and Expenses" of the Explanatory Memorandum for details.

### Additional Information

- You generally may buy and/or redeem units at the Sub-Fund's next-determined net asset value (NAV) after the Fund Manager receives your request in good order on a dealing day before 5:00 p.m. (Hong Kong time) being the Sub-Fund's dealing cut-off time. Before placing your subscription or redemption orders, please check with your distributor for the distributor's internal dealing cut-off time (which may be earlier than the Sub-Fund's dealing cut-off time).
- The net asset value per unit for the Sub-Fund will be calculated and published on each dealing day.
- The composition of the dividend (i.e. the relative amounts (i) paid out of net distribution income and (ii) effectively paid out of capital) for the last 12 months for the R6 Class Units is available from the Fund Manager on request and is also available from the website <http://www.principal.com.hk>\*
- The past performance information of other unit classes offered to Hong Kong investors (if any) is available from the Fund Manager on request and from the website <http://www.principal.com.hk>\*

\* *The website has not been reviewed by the SFC.*

### Important

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**Principal Life Style Fund  
Principal China Equity Fund  
April 2021**

<ul style="list-style-type: none"> <li>• <i>This statement provides you with key information about Principal China Equity Fund (“Sub-Fund”).</i></li> <li>• <i>This statement is a part of the Explanatory Memorandum.</i></li> <li>• <i>You should not invest in the Sub-Fund based on this statement alone.</i></li> </ul>							
<b>Quick facts</b>							
<b>Fund Manager:</b>	Principal Asset Management Company (Asia) Limited						
<b>Delegate of the Fund Manager:</b>	Principal Global Investors, LLC (internal delegation, USA)						
<b>Sub-delegate of the Fund Manager:</b>	Principal Global Investors (Hong Kong) Limited (internal sub-delegation, Hong Kong)						
<b>Trustee &amp; Custodian:</b>	Principal Trust Company (Asia) Limited						
<b>Ongoing charges over a year*:</b>	<table> <tr> <td>Retail Class Units:</td> <td>1.74%</td> </tr> <tr> <td>R2 Class Units:</td> <td>2.30%</td> </tr> <tr> <td>R6 Class Units:</td> <td>1.74%</td> </tr> </table>	Retail Class Units:	1.74%	R2 Class Units:	2.30%	R6 Class Units:	1.74%
Retail Class Units:	1.74%						
R2 Class Units:	2.30%						
R6 Class Units:	1.74%						
<p>* <b>For Retail Class Units and R6 Class Units:</b> the ongoing charges figures are based on expenses for the year ended 31 December 2020. These figures may vary from year to year.</p> <p><b>For R2 Class Units:</b> the ongoing charges figure is based on the ongoing expenses and average net asset estimated by the Fund Manager for the first year of launch of such Units. The estimate of the average net asset used is HKD180 million. However, the actual ongoing expenses and average net asset may be different from the estimates, but the Fund Manager intends to ensure that the actual ongoing charges over a year of such Units will not exceed the figure above. This figure may vary from year to year.</p>							
<b>Dealing frequency:</b>	Every business day						
<b>Base currency:</b>	Hong Kong Dollar						
<b>Dividend policy:</b>	<p><b>For Retail Class Units and R2 Class Units:</b> No dividend will be declared or distributed.</p> <p><b>For R6 Class Units:</b></p> <ol style="list-style-type: none"> <li>1. Subject to the Fund Manager’s discretion, the Fund Manager intends to distribute a dividend on a quarterly basis in March, June, September and December.</li> <li>2. The dividend distributed in respect of the R6 Class Units of the Sub-Fund may be paid effectively out of the capital attributable to the R6 Class Units of the Sub-Fund (i.e. making the distribution from gross income while charging all or part of the fees and expenses attributable to the R6 Class Units to the capital out of such Units of the Sub-Fund), subject to the Fund Manager’s discretion, resulting in an increase in distributable income for the payment of dividend by the R6 Class Units of the Sub-Fund and may result in an immediate reduction of the net asset value per unit of the R6 Class Units of the Sub-Fund. Such payment of dividend effectively out of capital amounts to a return or withdrawal of part of an investor’s original investment in the R6 Class Units or from any capital gains attributable to that original investment.</li> <li>3. Subject to prior approval from the SFC, the Fund Manager may amend the above-mentioned dividend policy in respect of the R6 Class Units in the future by giving the affected Unitholders not less than one (1) month’s notice of such changes.</li> </ol>						
<b>Financial year end of the Sub-Fund:</b>	31 December						
<b>Min. investment:</b>	HK\$ 10,000 initial, HK\$ 5,000 additional						

**What is this product?**

The Sub-Fund is a fund constituted in the form of a unit trust.

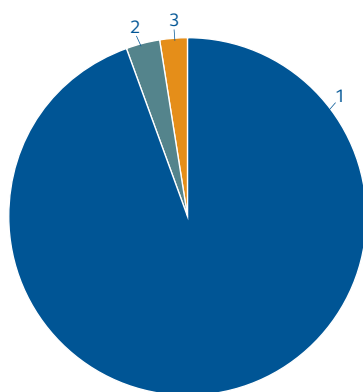
**Objectives and Investment Strategy**
**Objective**

To achieve capital growth over the long term by investing mainly in China related equities.

**Investment Strategy**

The Sub-Fund will invest at least 70% of its assets in equities issued by companies with exposure in different sectors of economies in the People's Republic of China (Mainland China) or in collective investment schemes as permitted under the MPF Regulation which primarily invests in such equity securities. Equity securities include but are not limited to equity shares, preference shares and depository receipts. The Sub-Fund may also invest up to 10% of its net asset value in eligible China A-shares and in China B-shares listed on the Shanghai or Shenzhen stock exchanges.

The Sub-Fund will not enter into any financial futures contracts or financial options contracts.

**Investment Mix as at 31 December 2020**


1	China Equities	94.5%
2	Hong Kong Equities	3.2%
3	Cash and Time Deposit	2.3%

**Use of derivatives / investment in derivatives**

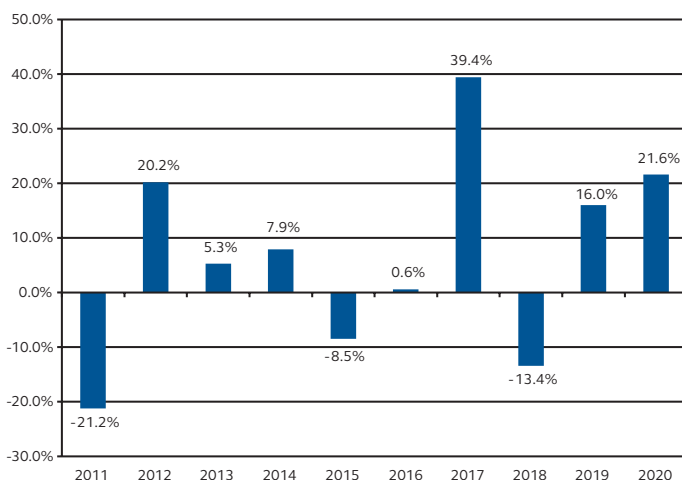
The Sub-Fund will not use derivatives for any purposes.

### What are the key risks?

Investment involves risks. Please refer to the Explanatory Memorandum for details including the risk factors.

- 1. Investment risk** — The Sub-Fund's investment portfolio may fall in value due to any of the key risk factors and therefore your investment in the Sub-Fund may suffer losses. There is no guarantee of the repayment of principal.
- 2. Currency risk** — Underlying investments of the Sub-Fund may be denominated in currencies other than the base currency of the Sub-Fund. Also, a class of units may be designated in a currency other than the base currency of the Sub-Fund. The NAV of the Sub-Fund may be affected unfavorably by fluctuations in the exchange rates between these currencies and the base currency and by changes in exchange rate controls.
- 3. Concentration risk** — The Sub-Fund invests in companies with exposure to a single country and the value of the Sub-Fund may be more volatile than Sub-Funds having a more diverse portfolio of investments. Additionally, the value of the Sub-Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting the single country or regional markets.
- 4. Market risk** — The Sub-Fund's investment in equity securities is subject to general market risks, whose value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors, which may affect the NAV of the Sub-Fund.
- 5. Dividend paid effectively out of capital** — In respect of the R6 Class Units, the Fund Manager may at its discretion pay dividend out of gross income while paying all or part of the fees and expenses attributable to the R6 Class Units out of the capital of such Units, resulting in an increase in distributable income for the payment of dividend in respect of the R6 Class Units and therefore, the Sub-Fund may effectively pay dividend out of capital. This amounts to a return or withdrawal of part of a Unitholder's original investment in the R6 Class Units or from capital gains attributable to that original investment. Any distributions involving payment of dividend effectively out of the capital of the R6 Class Units may result in an immediate reduction of its NAV per unit.
- 6. Emerging market risks** — Investment in the China equity markets may involve special risks not typically associated with investment in more developed markets, such as liquidity risks, currency risks, political and economic uncertainties, legal and taxation risks, settlement risks, custody risk and the likelihood of a high degree of volatility.

### How has the Sub-Fund performed?



Past performance information is not indicative of future performance. Investors may not get back the full amount invested.

The computation basis of the performance is based on the calendar year end, NAV-to-NAV, with dividend reinvested.

These figures show by how much the Retail Class Units increased or decreased in value during the calendar year being shown. Performance data has been calculated in HKD including ongoing charges and excluding subscription fee and redemption fee you might have to pay.

Where no past performance is shown there was insufficient data available in that year to provide performance.

Fund launch date: 28 June 2007

Retail Class launch date: 28 June 2007

*Retail Class is selected as the most appropriate representative unit class as it has the longest track record.*

### Is there any guarantee?

The Sub-Fund does not have any guarantees. You may not get back the full amount of the money you invest.

### What are the fees and charges?

- Charges which may be payable by you**

You may have to pay the following fees when dealing in the units of the Sub-Fund.

Fee	What you pay
Subscription fee	Up to 5% of the amount you buy
Switching fee	4 free switches per year, up to 1% of the issue price of the new class of units to be issued may be levied for subsequent switches
Redemption fee	N/A

- Ongoing fees payable by the Sub-Fund**

The following expenses will be paid out of the Sub-Fund. They affect you because they reduce the return you get on your investments.

	Annual rate (as a % of the Sub-Fund's net asset value)
Management fee	1.50% (maximum 2%)
Trustee fee	0.20% (maximum 1%)
Custodian fee	0.01% to 0.50%
Performance fee	N/A
Distribution fee	Retail Class Units: N/A R2 Class Units: 0.50% R6 Class Units: N/A
Valuation fee	Up to HK\$1,000 / month
Administration fee	N/A

- Other fees**

You may have to pay other fees when dealing in the units of the Sub-Fund. The Sub-Fund will bear the costs which are directly attributable to it. Please refer to the section "Charges and Expenses" of the Explanatory Memorandum for details.

### Additional Information

- You generally may buy and/or redeem units at the Sub-Fund's next-determined net asset value (NAV) after the Fund Manager receives your request in good order on a dealing day before 5:00 p.m. (Hong Kong time) being the Sub-Fund's dealing cut-off time. Before placing your subscription or redemption orders, please check with your distributor for the distributor's internal dealing cut-off time (which may be earlier than the Sub-Fund's dealing cut-off time).
- The net asset value per unit for the Sub-Fund will be calculated and published on each dealing day.
- The composition of the dividend (i.e. the relative amounts (i) paid out of net distribution income and (ii) effectively paid out of capital) for the last 12 months for the R6 Class Units is available from the Fund Manager on request and is also available from the website <http://www.principal.com.hk>\*.
- The past performance information of other unit classes offered to Hong Kong investors (if any) is available from the Fund Manager on request and from the website <http://www.principal.com.hk>\*.

\* The website has not been reviewed by the SFC.

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**Principal Life Style Fund**  
**Principal Hong Kong Bond Fund**  
**April 2021**

<ul style="list-style-type: none"> <li>• <i>This statement provides you with key information about Principal Hong Kong Bond Fund (“Sub-Fund”).</i></li> <li>• <i>This statement is a part of the Explanatory Memorandum.</i></li> <li>• <i>You should not invest in the Sub-Fund based on this statement alone.</i></li> </ul>							
<b>Quick facts</b>							
<b>Fund Manager:</b>	Principal Asset Management Company (Asia) Limited						
<b>Delegate of the Fund Manager:</b>	Principal Global Investors, LLC (internal delegation, USA)						
<b>Sub-delegate of the Fund Manager:</b>	Principal Global Investors (Hong Kong) Limited (internal sub-delegation, Hong Kong) Principal Global Investors (Europe) Limited (internal sub-delegation, United Kingdom)						
<b>Trustee &amp; Custodian:</b>	Principal Trust Company (Asia) Limited						
<b>Ongoing charges over a year*:</b>	<table> <tr> <td>Retail Class Units:</td> <td>0.72%</td> </tr> <tr> <td>R2 Class Units:</td> <td>1.30%</td> </tr> <tr> <td>R6 Class Units:</td> <td>0.72%</td> </tr> </table>	Retail Class Units:	0.72%	R2 Class Units:	1.30%	R6 Class Units:	0.72%
Retail Class Units:	0.72%						
R2 Class Units:	1.30%						
R6 Class Units:	0.72%						
<p>* <b>For Retail Class Units and R6 Class Units:</b> the ongoing charges figures are based on expenses as of 31 December 2020. These figures may vary from year to year.</p> <p><b>For R2 Class Units:</b> the ongoing charges figure is based on the ongoing expenses and average net asset estimated by the Fund Manager for the first year of launch of such Units. The estimate of the average net asset used is HKD120 million. However, the actual ongoing expenses and average net asset may be different from the estimates, but the Fund Manager intends to ensure that the actual ongoing charges over a year of such Units will not exceed the figure above. This figure may vary from year to year.</p>							
<b>Dealing frequency:</b>	Every business day						
<b>Base currency:</b>	Hong Kong Dollar						
<b>Dividend policy:</b>	<p><b>For Retail Class Units and R2 Class Units:</b> No dividend will be declared or distributed.</p> <p><b>For R6 Class Units:</b></p> <ol style="list-style-type: none"> <li>1. Subject to the Fund Manager’s discretion, the Fund Manager intends to distribute a dividend on a quarterly basis in March, June, September and December.</li> <li>2. The dividend distributed in respect of the R6 Class Units of the Sub-Fund may be paid effectively out of the capital attributable to the R6 Class Units of the Sub-Fund (i.e. making the distribution from gross income while charging all or part of the fees and expenses attributable to the R6 Class Units to the capital out of such Units of the Sub-Fund), subject to the Fund Manager’s discretion, resulting in an increase in distributable income for the payment of dividend by the R6 Class Units of the Sub-Fund and may result in an immediate reduction of the net asset value per unit of the R6 Class Units of the Sub-Fund. Such payment of dividend effectively out of capital amounts to a return or withdrawal of part of an investor’s original investment in the R6 Class Units or from any capital gains attributable to that original investment.</li> </ol>						

**Quick facts (con't)**

3. Subject to prior approval from the SFC, the Fund Manager may amend the above-mentioned dividend policy in respect of the R6 Class Units in the future by giving the affected Unitholders not less than one (1) month's notice of such changes.

**Financial year end of the Sub-Fund:** 31 December

**Min. investment:** HK\$ 10,000 initial, HK\$ 5,000 additional

**What is this product?**

The Sub-Fund is a fund constituted in the form of a unit trust.

**Objectives and Investment Strategy**
**Objective**

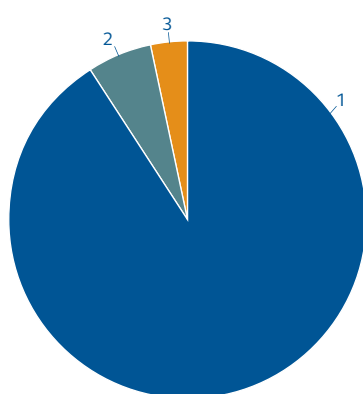
To provide a return consisting of income and capital growth over medium to long term.

**Investment Strategy**

The Sub-Fund will seek to achieve its investment objective by primarily investing at least 70% of its assets in Hong Kong debt securities (rated or unrated<sup>#</sup>), including (but not limited to) sovereign and/or non-sovereign, floating and/or fixed, of varying maturities issued by the government or by multi-lateral agencies or by companies, and denominated in Hong Kong dollars. The types of debt securities that the Principal Hong Kong Bond Fund primarily intends to invest into are government bonds, corporate bonds/debentures, floating rate note, bills, commercial paper and certificates of deposit. In addition, the Sub-Fund will invest not more than 30% of its assets in other short-term investments such as bills and deposits or may hold cash.

The Sub-Fund will not enter into any financial derivative instruments, including financial futures contracts or financial options contracts.

<sup>#</sup> Investment in unrated debt securities is only limited to those issued by the "exempt authority" within the definition of Section 7 of Schedule 1 to the MPF Regulation.

**Investment Mix as at 31 December 2020**


1	Hong Kong Dollar Bonds	91.0%
2	US Dollar Bonds	5.8%
3	Cash and Time Deposit	3.2%

**Use of derivatives / investment in derivatives**

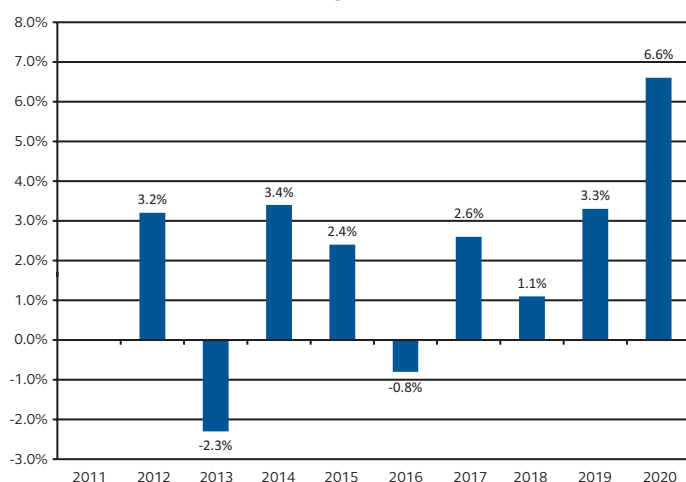
The Sub-Fund will not use derivatives for any purposes.

### What are the key risks?

Investment involves risks. Please refer to the Explanatory Memorandum for details including the risk factors.

- 1. Investment risk** — The Sub-Fund's investment portfolio may fall in value due to any of the key risk factors and therefore your investment in the Sub-Fund may suffer losses. There is no guarantee of the repayment of principal.
- 2. Interest rate risk** — Interest rate movements have an impact on the valuation of debt securities and hence, the NAV of a Sub-Fund. In general, the prices of debt securities rise when interest rates fall, whilst their prices fall when interest rates rise.
- 3. Credit/counterparty risk** — The Sub-Fund may be exposed to credit and counterparty risk of issuers of the debt securities that the Sub-Fund may invest in. If the issuer of debt securities in which the Sub-Fund invested in defaults or suffers insolvency, such securities may become worthless and the performance of the Sub-Fund will be adversely affected. Further, investments in debt securities which involve a counterparty are subject to the credit risk or default risk of the counterparty. This may adversely affect the NAV of the Sub-Fund and investors may as a result suffer loss.
- 4. Downgrading risk** — The credit rating of a debt securities or its issuer may subsequently be downgraded. In the event of such downgrading, the value of the Sub-Fund may be adversely affected. The Manager may not be able to dispose of the debt securities that are being downgraded.
- 5. Dividend paid effectively out of capital** — In respect of the R6 Class Units, the Fund Manager may at its discretion pay dividend out of gross income while paying all or part of the fees and expenses attributable to the R6 Class Units out of the capital of such Units, resulting in an increase in distributable income for the payment of dividend in respect of the R6 Class Units and therefore, the Sub-Fund may effectively pay dividend out of capital. This amounts to a return or withdrawal of part of a Unitholder's original investment in the R6 Class Units or from capital gains attributable to that original investment. Any distributions involving payment of dividend effectively out of the capital of the R6 Class Units may result in an immediate reduction of its NAV per unit.
- 6. Risk associated with debt securities rated below investment grade or unrated** — The Sub-Fund may invest in debt securities rated below investment grade (as determined by credit rating agency(ies) approved by the MPF Authority) or unrated, as may be allowed under the MPF Regulation. Such securities are generally subject to lower liquidity, higher volatility and greater risk of loss of principal and interest than high-rated debt securities, which may adversely impact the returns of the securities and in turn the net asset value of the Sub-Fund.
- 7. Concentration risk** — The value of the Sub-Fund whose investment are concentrated in Hong Kong may be more volatile than Sub-Funds having a more diverse portfolio of investments. Additionally, the value of the Sub-Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting Hong Kong.

### How has the Sub-Fund performed?



Past performance information is not indicative of future performance. Investors may not get back the full amount invested.

The computation basis of the performance is based on the calendar year end, NAV-to-NAV, with dividend reinvested.

These figures show by how much the Retail Class Units increased or decreased in value during the calendar year being shown. Performance data has been calculated in HKD including ongoing charges and excluding subscription fee and redemption fee you might have to pay.

Where no past performance is shown there was insufficient data available in that year to provide performance.

Fund launch date: 21 June 2011

Retail Class launch date: 13 October 2011

*Retail Class is selected as the most appropriate representative unit class as it has the longest track record.*



### Is there any guarantee?

The Sub-Fund does not have any guarantees. You may not get back the full amount of the money you invest.

### What are the fees and charges?

- Charges which may be payable by you**

You may have to pay the following fees when dealing in the units of the Sub-Fund.

Fee	What you pay
Subscription fee	Up to 5% of the amount you buy
Switching fee	4 free switches per year, up to 1% of the issue price of the new class of units to be issued may be levied for subsequent switches
Redemption fee	N/A

- Ongoing fees payable by the Sub-Fund**

The following expenses will be paid out of the Sub-Fund. They affect you because they reduce the return you get on your investments.

	Annual rate (as a % of the Sub-Fund's net asset value)
Management fee	0.5% (maximum 2%)
Trustee fee	0.2% (maximum 1%)
Custodian fee	0.01% to 0.50%
Performance fee	N/A
Distribution fee	Retail Class Units: N/A R2 Class Units: 0.50% R6 Class Units: N/A
Valuation fee	Up to HK\$1,000 / month
Administration fee	N/A

- Other fees**

You may have to pay other fees when dealing in the units of the Sub-Fund. The Sub-Fund will bear the costs which are directly attributable to it. Please refer to the section "Charges and Expenses" of the Explanatory Memorandum for details.

### Additional Information

- You generally may buy and/or redeem units at the Sub-Fund's next-determined net asset value (NAV) after the Manager receives your request in good order on a dealing day before 5:00 p.m. (Hong Kong time) being the Sub-Fund's dealing cut-off time. Before placing your subscription or redemption orders, please check with your distributor for the distributor's internal dealing cut-off time (which may be earlier than the Sub-Fund's dealing cut-off time).
- The net asset value per unit for the Sub-Fund will be calculated and published on each dealing day.
- The composition of the dividend (i.e. the relative amounts (i) paid out of net distribution income and (ii) effectively paid out of capital) for the last 12 months for the R6 Class Units is available from the Manager on request and is also available from the website <http://www.principal.com.hk>\*
- The past performance information of other unit classes offered to Hong Kong investors (if any) is available from the Fund Manager on request and from the website <http://www.principal.com.hk>\*

\* The website has not been reviewed by the SFC.

### Important

- If you are in doubt, you should seek professional advice.
- The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.