

IMPORTANT: This document is important and requires your immediate attention. If you are in any doubt about the contents of this notice, you should immediately consult your stockbroker, bank manager, solicitor, accountant or financial adviser. Unless otherwise defined, terms in this notice shall have the same meaning as that in the Prospectus and the Hong Kong Covering Document of the Funds (as defined below).

The Securities and Futures Commission (“SFC”) authorization is not a recommendation or endorsement of the Funds nor does it guarantee the commercial merits of the Funds or their performance. It does not mean that the Funds are suitable for all investors, nor is it an endorsement of its suitability for any particular investor or class of investors.

*CCB Principal Asset Management Co., Ltd. (the “**Manager**”) accepts full responsibility for accuracy of the information contained in this notice and confirms, having made all reasonable enquiries, that to the best of its knowledge and belief, there are no other facts the omission of which would make any statement misleading.*

CCB Principal Dual Income Bond Fund*

*(*The name of the fund is not indicative of the fund’s performance and return)*

CCB Principal Selected Growth Mixed Asset Fund*

*(*The name of the fund is not indicative of the fund’s performance and return)*

Investment in stocks listed on the Beijing Stock Exchange

Dear Investors,

We, CCB Principal Asset Management Co., Ltd., the Manager of the CCB Principal Dual Income Bond Fund and the CCB Principal Selected Growth Mixed Asset Fund (the “**Funds**”) have issued an announcement dated 26 November 2021 regarding investment in stocks listed on the Beijing Stock Exchange by the funds managed by CCB Principal Asset Management Co., Ltd. (the “**Announcement**”). Please see the attached Announcement (translated version) for your reference. Please note that except for the Funds, other funds managed by CCB Principal Asset Management Co., Ltd. are not authorized by the SFC for offering to the public in Hong Kong.

If you have any queries, please direct these to the Hong Kong Representative, Principal Investment & Retirement Services Limited, at 30/F, Millennium City 6, 392 Kwun Tong Road, Kwun Tong, Kowloon (telephone: (852) 2117 8383; Hong Kong website: www.principal.com.hk/^).

^This website has not been reviewed by the SFC.

CCB Principal Asset Management Co., Ltd.

26 November 2021

CCB Principal Asset Management Co., Ltd.

Announcement on investment in stocks listed on the BSE by the funds of the company

The stocks listed on the Beijing Stock Exchange (hereinafter referred to as the “BSE”) are domestic stocks issued and listed in accordance with the law and fall within the legal investment scope of public funds. In accordance with the *Law of the People's Republic of China on Securities Investment Fund* (《中华人民共和国证券投资基金法》) and other relevant laws and regulations, publicly offered securities investment funds (including public funds subsequently established by the company, collectively referred to as “public funds”) managed by CCB Principal Asset Management Co., Ltd. (hereinafter referred to as the “Manager”) will participate in the investment of stocks listed on the BSE pursuant to the terms of respective fund contracts, and subject to the compliance of the investment objectives, investment strategies, investment scope, asset allocation ratios, risk-return characteristics and related risk control indicators indicated on the fund contracts.

A fund may choose to invest part of its assets in stocks listed on the BSE or not to invest in stocks listed on the BSE at all based on the needs of investment strategies or changes in market conditions. Fund assets are not necessarily invested in stocks listed on the BSE.

The Manager will invest in stocks listed on the BSE with prudence and undertake appropriate risk control measures. Investors should also note the risks relating to the fund's investment in stocks listed on the BSE:

(1) Operational risk for small and medium enterprises

Most of the companies listed on the BSE are from emerging industries and therefore subject to higher uncertainties in terms of business models and profitability. This could result in operational risk which will adversely affect the net value of the fund.

(2) High fluctuation on stock prices

There are certain differences between the BSE and the Shanghai and Shenzhen Stock Exchanges regarding aspects such as securities issuance, trading, investor suitability, including the wider trading price limit set by the BSE during auction session (trading price limit is not applicable on the first day after listing while the subsequent trading price limit is 30%), which may lead to greater stock price fluctuations.

(3) Delisting risk

If a company listed on the BSE is facing the delisting conditions prescribed by relevant laws and regulations, the China Securities Regulatory Commission (“CSRC”) and the Exchange during its

subsequent operation period, it may risk being delisted which in turn adversely affect the net value of the fund.

(4) Liquidity risk

The entry threshold of the BSE is relatively high and may have fewer participants in the initial stage. In addition, due to the small scale of listed companies on the BSE, the equities of some companies are relatively concentrated, which may lead to lower liquidity in general. Where investors form a consistent perception for individual securities at a particular stage, the fund may be unable to realize at a timely manner and exposed to other related liquidity risks.

(5) Risk of transfer of listing

Companies listed on the BSE may apply for transfer of listing if they comply with the *Securities Law* and meet the basic listing requirements prescribed by the CSRC and the specific listing conditions specified by the Exchange. This may cause fluctuations in the fund's net value regardless of whether the listed company on the BSE is successfully transferred.

Other risks include, but are not limited to, investment concentration risk and changes in regulatory rules.

The Manager of the fund undertakes to manage and use the assets of the fund with good faith, due diligence and prudence. However, it does not guarantee any profits or minimum returns of the fund. Please obtain a good understanding of the risk of fluctuations in the fund's net value related to investment in BSE stocks, and make a prudent investment decision. Investors should read carefully the fund contract, prospectus, Product KFS and other documents of the fund before investing.

This notice is hereby given.

CCB Principal Asset Management Co., Ltd.

26 November 2021