

- *This statement provides you with key information about Principal Asian Equity 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

Fund Manager:	Principal Asset Management Company (Asia) Limited
Delegate of the Fund Manager:	Principal Global Investors, LLC (internal delegation, USA)
Sub-delegate of the Fund Manager:	Principal Asset Management (S) Pte Ltd (internal sub-delegation, Singapore)
Trustee & Custodian:	Principal Trust Company (Asia) Limited

Ongoing charges over a year*: Retail Class Units: 1.46%

* *The ongoing charges figure is based on expenses for the year ended 31 December 2023. This figure may vary from year to year.*

Dealing frequency: Every business day

Base currency: Hong Kong Dollar

Dividend policy: **For Retail Class Units:**
No dividend will be declared or distributed.

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.

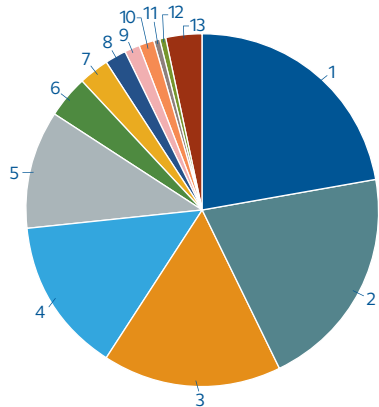
Objectives and Investment Strategy
Objective

To seek capital growth over the long term by investing primarily in Asia Pacific (ex-Japan) equities.

Investment Strategy

The Sub-Fund will invest primarily in equity securities of companies in the Asia Pacific (ex-Japan) region. In addition, the Sub-Fund may hold cash and short-term investments such as bills and deposits. The Sub-Fund will invest less than 30% of its net asset value in eligible China A-Shares and B-Shares listed on the Shanghai and Shenzhen stock exchanges via the Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect (“**Stock Connect**”) and/or the qualified foreign investor (“**QFI**”) regime. Investment markets may include, but are not limited to, Greater China (including Mainland China, Hong Kong, Macau and Taiwan), Singapore, South Korea, Malaysia, Thailand, the Philippines, Indonesia, India, Australia and New Zealand.

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 2023


1	Mainland China Equities	22.4%
2	India Equities	20.6%
3	Australia Equities	16.2%
4	Taiwan Equities	14.4%
5	Korea Equities	10.8%
6	Hong Kong Equities	3.9%
7	Indonesia Equities	2.8%
8	Philippines Equities	1.7%
9	Singapore Equities	1.6%
10	Thailand Equities	1.2%
11	Malaysia Equities	0.6%
12	Other Equities	0.5%
13	Cash and Time Deposit	3.3%

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.

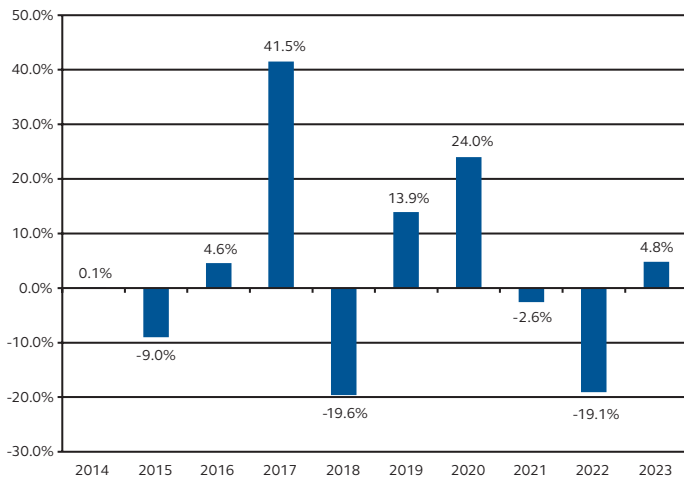
- Investment risk** — The Sub-Fund's investment portfolio may fall in value due to any of the key risk factors and therefore your investment in the Sub-Fund may suffer losses. There is no guarantee of the repayment of principal.
- Concentration risk** — The Sub-Fund invests primarily in the Asia Pacific (ex-Japan) 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.
- 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 Mainland 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.
- 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.
- Risks associated with investment in China A-Shares through Stock Connect programmes** — The relevant rules and regulations on the Stock Connect are subject to change, which may have potential retrospective effect. The Stock Connect programmes are subject to quota limitations. Where a suspension in the trading through the programme is effected, the Sub-Fund's ability to invest in China A-shares or access Mainland China market through the programme will be adversely affected. In such event, the Sub-Fund's ability to achieve its investment objective could be negatively affected.

What are the key risks? (con't)

6. Risks associated with investment made through the QFI regime — The Sub-Fund’s ability to make the relevant investments or to fully implement or pursue its investment objective and strategy is subject to the applicable laws, rules and regulations (including restrictions on investments and repatriation of principal and profits) in Mainland China, which are subject to change and such change may have potential retrospective effect.

The Sub-Fund may suffer substantial losses if the approval of the QFI status is being revoked/terminated or otherwise invalidated as the Sub-Fund may be prohibited from trading of relevant securities and repatriation of the Sub-Fund’s monies, or if any of the key operators or parties (including QFI custodian/brokers) is bankrupt/in default and/or is disqualified from performing its obligations (including execution or settlement of any transaction or transfer of monies or securities).

How has the Sub-Fund performed?



The performance in these years was achieved under circumstances that no longer apply. The investment and policy of the Sub-Fund was changed on 19 July 2024.

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.