

- *This statement provides you with key information about Principal Global Investors Funds – Asian High Yield Fund (“Sub-Fund”).*
- *This statement is a part of the offering document.*
- *You should not invest in the Sub-Fund based on this statement alone.*

Quick facts

Manager:	Principal Global Investors (Ireland) Limited	
Delegate of the Manager (Investment Adviser):	Principal Global Investors, LLC. Internal delegation in the USA	
Sub-Delegate of the Manager (Sub-Adviser):	Principal Global Investors (Singapore) Limited. Internal delegation in the Singapore	
Trustee:	Bank of New York Mellon SA/NV (Dublin Branch)	
Ongoing charges over a year:	D2 Class Income Plus Units [^]	1.60%
	Hong Kong Dollar D2 Class Income Plus Units [^]	1.60%
[^] The ongoing charges are expressed as a percentage of the sum of expenses over the average net asset value of the unit class for the 12-month period ended 30 September 2021, and this figure may vary from year to year.		
Dealing frequency:	Every business day in Ireland, other than Saturday and Sunday	
Base currency:	US Dollar	
Dividend policy:	For Income Units: <ul style="list-style-type: none"> • Distributions of the D2 Class Income Plus Units and Hong Kong Dollar D2 Class Income Plus Units will be declared and paid monthly within 30 days of the end of each calendar month. Dividend, if declared, will be automatically re-invested unless cash distribution is applied for. • The dividends distributed by the Sub-Fund may be paid out of the capital of the Sub-Fund, resulting in an increase in distributable income for the payment of dividends by the Sub-Fund and an immediate reduction of the net asset value per unit of the Sub-Fund. Payment of dividends out of capital amounts to a return or withdrawal of part of an investor’s original investment or from any capital gains attributable to that original investment. 	

Financial year end of this Sub-Fund: 30 September

Min. investment:

For D2 Class Income Plus Units and Hong Kong Dollar D2 Class Income Plus Units: US\$ 1,000 initial.

What is this product?

The Sub-Fund is a fund constituted in the form of a unit trust. It is domiciled in Ireland and its home regulator is the Central Bank of Ireland.

Objectives and Investment Strategy

Objective

The investment objective of the Sub-Fund is to provide a return consisting of income and, over the long term, capital growth. Investors should be aware that there is no guarantee that the Sub-Fund will achieve its investment objective.

Investment Strategy

The Sub-Fund seeks to achieve its overall objective by generally investing at least 70% of its net asset value (“NAV”) in a portfolio of high-yield fixed income securities, which have been issued by governments and agencies of, or companies domiciled in, or exercising the principal part of their business activity in Asia.

The Sub-Fund will invest in high yield fixed income securities that capture the growth potential of Asia with a focus on Greater China. The Sub-Fund will seek to achieve exposure via investment in fixed income securities listed/issued within and outside of Mainland China. Such securities are not restricted in their currency denomination and may be denominated in RMB (i.e. “Dim Sum” bonds). In addition to RMB, the above investments may also be denominated in other currencies, e.g. USD, HKD.

The Sub-Fund is not subject to any limitation on the portion of its NAV that may be invested in any one sector. However, subject to the Investment Adviser and/or the Sub-Adviser’s determination based on prevailing market conditions, less than 70% of the NAV of the Sub-Fund may from time to time be invested in fixed income securities which have been issued by governments and agencies of, or companies domiciled in, or exercising the principal part of their business activity in, and listed/issued within and outside Mainland China, including but not limited to high yield fixed income securities issued by companies exercising the principal part of their business in the Mainland China property industry. Exposure to debt securities listed/issued within Mainland China, including urban investment bonds, shall be through Bond Connect to the China Interbank Bond Market. Urban investment bonds are debt instruments issued by Mainland local government financing vehicles (“LGFVs”), which are separate legal entities established by local governments and / or their affiliates to raise financing for public welfare investment or infrastructure projects.

The Sub-Fund may also invest up to 10% of its NAV in fixed income securities issued in global emerging markets outside of Asia.

The fixed income securities invested by the Sub-Fund may include corporate bonds, sovereign bonds, senior callable bonds, and may be fixed rate or floating rate. Less than 30% of the NAV of the Sub-Fund may be invested in sovereign bonds. The Sub-Fund may not invest more than 10% of its NAV in debt securities issued and/or guaranteed by a single sovereign issuer (including its government, public or local authority) which is below investment grade. Less than 30% of the NAV of the Sub-Fund may be invested in senior callable bonds.

The Sub-Fund may also invest up to 20% of its NAV in debt instruments with loss-absorption features e.g. contingent convertible securities (“CoCos”), and Additional Tier 1 Capital and Tier 2 Capital. These instruments may be subject to contingent write-down or contingent conversion to ordinary shares on the occurrence of trigger event(s). CoCos, in particular, are hybrid bonds that may, when the issuer's capital ratio falls below a predetermined trigger level, be written down, written off or converted into an equity security.

The bonds in which the Sub-Fund invests may be rated below investment grade by internationally recognised credit rating agencies e.g. Standard & Poor's, Moody's, and Fitch, or rated BB+ or below by a Mainland local credit rating agency (in respect of debt securities issued within Mainland China), or are unrated. Not more than 10% of the NAV of the Sub-Fund may be invested in unrated bonds. For the purpose of the Sub-Fund, “unrated” debt securities are defined as debt securities which neither the debt securities themselves nor their issuers have a credit rating.

The Sub-Fund may generally hold no more than 20% of its NAV in ancillary liquid assets, i.e. cash and other instruments that can be readily converted to cash (including U.S. treasury bills and government bonds, commercial paper, short term money market deposits and certificates of deposit). The Sub-Fund's investments will (other than permitted unlisted investments) be listed/traded on the exchanges and markets listed in Appendix A to the Summary Prospectus.

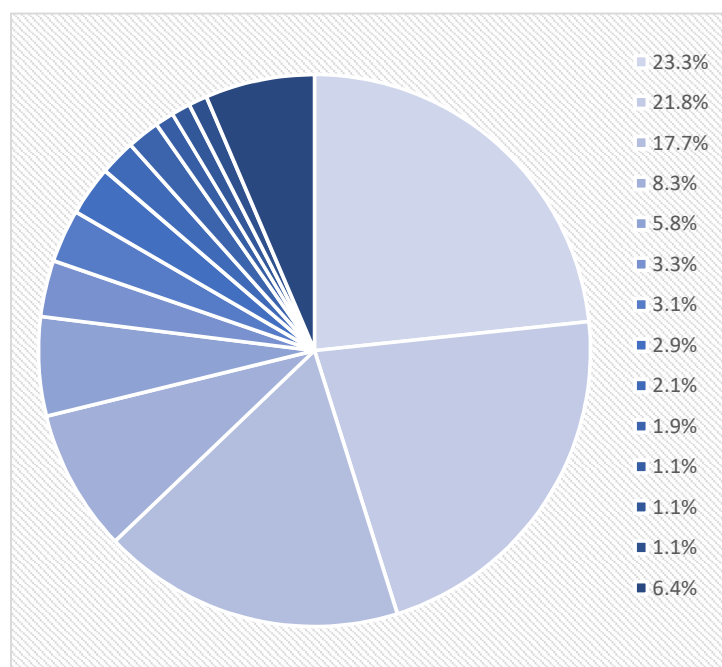
Up to 10% of the Sub-Fund's NAV may be invested in UCITS eligible collective investment schemes, including exchange traded funds. The Sub-Fund will only invest in Alternative Investment Funds per the Central Bank of Ireland's Guidance in relation to UCITS Acceptable Investments in Other Investment Funds.

The instruments the Sub-Fund may invest in may be denominated in any currency.

The Sub-Fund may acquire FDI for the purpose of efficient portfolio management. The FDI that may be entered into for this purpose may include futures, forwards, and other over the counter derivative instruments (including currency swaps and credit default swaps).

Use of Derivatives / Investment in Derivatives

The Sub-Fund's net derivative exposure may be up to 50% of its NAV.

Investment Mix as at 31 March 2022


China	23.3%
India	21.8%
United States	17.7%
Indonesia	8.3%
Macau	5.8%
Pakistan	3.3%
Sri Lanka	3.1%
Philippines	2.9%
Hong Kong	2.1%
Singapore	1.9%
Mauritius	1.1%
South Korea	1.1%
Thailand	1.1%
Other	6.4%

What are the key risks?

Investment involves risks. Please refer to the Summary Prospectus for details including the risk factors.

- 1. General investment risk** - The Sub-Fund's investment portfolio may fall in value due to any of the key risk factors below 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 net asset value 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. Risks associated with debt securities**
 - **Credit / counterparty risk** - The Sub-Fund is exposed to the credit/default risk of issuers of the debt securities that the Sub-Fund may invest in.
 - **Interest rate risk** - Investment in the Sub-Fund is subject to interest rate risk. In general, the prices of debt securities rise when interest rates fall, whilst their prices fall when interest rates rise.
 - **Downgrading risk** - The underlying assets of the Sub-Fund may be subject to the risk of their credit ratings or the credit ratings of their issuers being downgraded. The Sub-Fund's investment value in such securities may be adversely affected if such downgrading occurs. The Investment Adviser may or may not be able to dispose of the debt instruments that are being downgraded.
 - **Risk specific to debt securities rated below investment grade by an internationally recognised credit agency or rated BB+ or below by a Mainland credit rating agency or unrated** – The Sub-Fund invests in debt securities rated below investment grade by an internationally recognised credit agency, or rated BB+ or below by a Mainland credit rating agency, or unrated, and such securities are speculative and may be subject to lower liquidity, higher volatility, greater risk of loss of principal and interest, greater risk of default and price changes due to changes in the issuer's credit worthiness than higher-rated debt securities.
 - **Risk specific to senior callable bonds** – The Sub-Fund may invest in senior callable bonds. In addition to the same interest rate risk, credit risk, and liquidity risk associated with comparable straight debt investments, investments in senior callable bonds may be subject to prepayment risk and reinvestment risk. When interest rates fall, an issuer of senior callable bonds may call such bonds before maturity at a pre-agreed call price, which may result in the Sub-Fund replacing the investment with other debt securities with a lower yield.
 - **Valuation risk** - Valuation of the Sub-Fund's investments may involve uncertainties and judgmental determinations. If such valuation turns out to be incorrect, this may affect the net asset value's calculation of the Sub-Fund.
 - **Credit rating risk** - Credit ratings assigned by rating agencies are subject to limitations and do not guarantee the creditworthiness of the security and/or issuer at all times.
 - **Credit rating agency risk** – The credit appraisal system and rating methodologies employed in Mainland China may be different from those employed in other markets. Credit ratings given by Mainland China rating agencies may therefore not be directly comparable with those given by other international rating agencies.
- 4. Liquidity Risk** – The secondary market for high yield bonds is typically much less liquid than the market for

investment grade bonds, frequently with significantly more volatile prices and larger spreads between bid and asked price in trading. At times the high yield bond market will be very illiquid. The Sub-Fund may have to sell holdings of high yield bonds at unfavourable prices in order to raise proceeds to pay for redemptions of units.

5. Concentration risk

- Issuers of the securities acquired by the Sub-Fund may be concentrated in Asia with a focus on Greater China. The value of the Sub-Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting Asia, including Greater China and thus Mainland China, and more volatile than that of a fund having a more diverse portfolio of investments.
- Issuers of the securities acquired by the Sub-Fund may from time to time be concentrated in the Mainland China property industry. Risks associated with issuers in the property industry include the following: declines in the value of real estate, risks related to general and local economic, political and market conditions, overbidding and increased competition, increases in property taxes and operating expenses, changes in zoning laws, casualty or condemnation losses, defaults on mortgage payments, variations in rental income, changes in neighbourhood values, vacancy rates, the appeal of properties to tenants and increases in interest rates. The value of the Sub-Fund may be more volatile than that of a fund having a more diverse portfolio of investments.

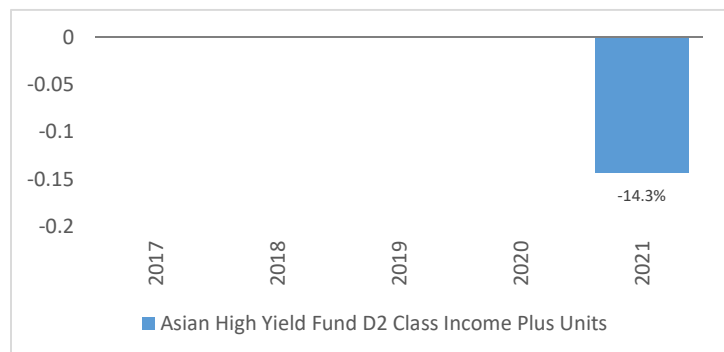
6. Specific risks relating to investments in Mainland China – In addition to Mainland China concentration risks detailed above, the Sub-Fund’s investments in securities with exposure to Mainland China may also be subject to the following:

- **RMB currency and conversion risks** – RMB is currently not freely convertible and is subject to exchange controls and restrictions. Non-RMB based investors are exposed to foreign exchange risk and there is no guarantee that the value of RMB against the investors’ base currencies (for example HKD) will not depreciate. Any depreciation of RMB could adversely affect the value of investor’s investment in the Sub-Fund. Although offshore RMB (CNH) and onshore RMB (CNY) are the same currency, they trade at different rates. Any divergence between CNH and CNY may adversely impact investors.
- **Risks associated with “Dim Sum” bonds** – The “Dim Sum” bond market is still a relatively smaller market which may be more susceptible to volatility and illiquidity. The operation of the “Dim Sum” bond market as well as new issuances could be disrupted causing a fall in the NAV of the Sub-Fund should there be any promulgation of new rules which limit or restrict the ability of issuers to raise RMB by way of bond issuances and/or reversal or suspension of the liberalisation of the offshore RMB (CNH) market by the relevant regulator(s).
- **Risk of associated with Bond Connect** – Investing in the China Interbank Bond Market via Bond Connect is subject to regulatory risks and various risks such as volatility risk, liquidity risk, settlement and counterparty risk as well as other risk factors typically applicable to debt securities. The relevant rules and regulations are subject to change which may have potential retrospective effect. In the event that the relevant PRC authorities suspend account opening or trading on the China Interbank Bond Market, the Sub-Fund’s ability to invest in the China Interbank Bond Market will be adversely affected. In such event, the Sub-Fund’s ability to achieve its investment objective will be negatively affected.
- **Risks associated with urban investment bonds** – Urban investment bonds are issued by LGFVs, and are

typically not guaranteed by local governments or the central government of Mainland China. In the event that the LGFVs default on payment of principal or interest of the urban investment bonds, the Sub-Fund could suffer substantial loss and the Net Asset Value of the Sub-Fund could be adversely affected.

- 7. Emerging market risk** – The Sub-Fund’s investment in emerging markets may involve increased risks and special considerations not typically associated with investment in more developed markets, such as liquidity risks, currency risks/control, political and economic uncertainties, legal and taxation risks, settlement risks, custody risk and the likelihood of a high degree of volatility.
- 8. Risks associated with investment in FDI** - Risks associated with FDI include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of an FDI can result in a loss significantly greater than the amount invested in the FDI by the Sub-Fund. Exposure to FDI may lead to a high risk of significant loss by the Sub-Fund.
- 9. Dividends paid out of capital** – The dividends distributed by the Sub-Fund may be paid out of the capital of the Sub-Fund, resulting in an increase in distributable income for the payment of dividends by the Sub-Fund and an immediate reduction of the net asset value per unit of the Sub-Fund. Payment of dividends out of capital amounts to a return or withdrawal of part of an investor’s original investment or from any capital gains attributable to that original investment.

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 interest reinvested.

These figures show by how much the D2 Class Income Plus Units** increased or decreased in value during the calendar year being shown. Performance data has been calculated in USD 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.

Sub-Fund launch date: 8 January 2020

D2 Class Income Plus Units launch date: 21 May 2020

****The Manager views D2 Class Income Plus Units, being the retail unit class denominated in the Sub-Fund's base currency offered to Hong Kong investors, as the most representative unit class.**

Is there any guarantee?

This Sub-Fund does not have any guarantees. You may not get back the full amount of the money you invest, and negative returns may be generated under certain circumstances.

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 (Preliminary Charge)	Up to 5% of the amount you buy
Switching fee	Four free switches in a 12-month period. Up to 1% of the amount you are switching for any 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 attributable to the relevant unit class)
Management fee	0.70%

	Annual Rate (as a % of the Sub-Fund's Net Asset Value)	
Trustee fee		
	minimum	USD 15,000
	Up to	0.022%
Performance fee	N/A	
Administration fee	0.15 %	
Marketing and distribution fee	0.65%	

- 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 “Fees and Expenses” of the Summary Prospectus for details.

You will be given not less than 3 months’ prior notice should there be an increase in any of the above fees and charges from the current level up to the specified maximum level. Please refer to the section “Fees and Expenses” of the Summary Prospectus for details of the maximum level of the above fees and charges (if applicable).

Additional Information

- You generally 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 or before 5:00 p.m. (Hong Kong time) (being the dealing cut-off time) on a particular dealing day. If you place your subscription or redemption orders through your distributor, 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 of the Sub-Fund will be calculated by reference to prices of the underlying assets of the Sub-Fund as at 11:00 p.m. (Dublin time) on a given dealing day.
- The net asset value per unit of the Sub-Fund will be published on each dealing day and available online at <http://www.principal.com.hk>. *
- The information pertaining to the composition of the dividends distributed (i.e. the relative amounts paid out of (i) net distributable income; and (ii) capital) for the last 12 months can be obtained from the Hong Kong Representative upon request and also on the internet website of <http://www.principal.com.hk>. *
- Investors may obtain the past performance information of other unit classes offered to Hong Kong investors from the internet website of <http://www.principal.com.hk>. *

*This 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.