

## Important Notes:

- The Principal Sustainable Asian Income Fund ("Fund") will primarily (i.e. at least 70% of the Fund's Net Asset Value) invest in a diversified portfolio of fixed income securities and fixed income-related securities of companies and issuers in Asia Pacific (ex-Japan), which may involve ESG investment policy risk, risks associated with debt securities, specific risks in investing in emerging markets, currency risk and concentration risk.
- The use of ESG criteria may affect the Fund's investment performance and, as such, the Fund may perform differently compared to similar funds that do not use such criteria. For instance, ESG criteria used in the Fund's investment policy may result in the Fund forgoing opportunities to buy certain securities when it might otherwise be advantageous to do so, and/or selling securities due to such securities no longer meeting the Fund's ESG criteria when it might be disadvantageous to do so. As such, the application of ESG criteria may restrict the ability of the Fund to acquire or dispose of its investments at a price and time that it wishes to do so, and may therefore result in a loss to the Fund. The use of ESG criteria may also result in the Fund being concentrated in companies with a focus on ESG criteria and its value may be more volatile than that of a fund having a more diverse portfolio of investments. The selection of securities may involve the subjective judgement of the Fund Manager's Sub-Delegates. There is also a lack of standardized taxonomy of ESG criteria evaluation methodology and the way in which different funds apply such ESG criteria may vary. The Fund Manager and the Fund Manager's Sub-Delegates' ESG assessment takes into account ESG data and research from external data providers, which may be incomplete, inaccurate or unavailable. As a result, there is a risk associated with the assessment of a security or issuer based on such information or data.
- The Fund's net derivative exposure may be up to 50% of the Fund's net asset value, which exposes the Fund to risks associated with investment in financial derivative instruments (FDI).
- The dividend distributed by the Fund in respect of Income Class Units may be paid effectively out of the capital of the Fund (i.e. making the distribution from gross income while charging all or part of the relevant Fund's fees and expenses to capital), resulting in an increase in distributable income for the payment of dividend by the Fund and may result in an immediate reduction of the net asset value per unit of the relevant class. Dividend for Income Plus Class Units may be paid out capital. Such payment of dividend out of capital or effectively 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. Dividend is not guaranteed.
- Investment involves risk. There is no assurance on investment returns and you may not get back the amount originally invested.
- The investment decision is yours and you should not invest in this Fund unless the intermediary who sells it to you has advised you that it is suitable for you and explained how it is consistent with your investment objectives.
- You should not rely solely on this marketing material when making your investment decision. You should read the Explanatory Memorandum and Product Key Facts of Principal Prosperity Series for further details (including investment policy, risk factors, fees and charges, and fund information).

## Investment Objective

The Fund will primarily (i.e. at least 70% of the Fund's net asset value) invest in a diversified portfolio of fixed income securities and fixed income-related securities of companies and issuers in Asia which are considered to be outperforming their peers with respect to sustainability performance based on environmental, social and governance ("ESG") factors ("ESG leaders") as well as ESG-focused exchange traded funds ("ETF") and other collective investment schemes ("CIS") which primarily invest in debt securities and companies or issuers that maintain better ESG profiles than their corresponding traditional counterparts (collectively "ESG-focused ETF/CIS"), and provide a return consisting of income and capital growth over medium to long term. The Manager adopts a best-in-class strategy under which the Manager will screen all securities investable by the Fund (including ETF and CIS) with the aim of identifying ESG leaders and ESG-focused ETF/CIS.

## Fund Information

Fund Managers	Howe Chung Wan 19 years of industry experience
	Prakash Gopalakrishnan 22 years of industry experience
Fund Base Currency	USD
Fund Size	US\$17.04 million
Fund Launch Date	15 December 2021
Preliminary Charge	Up to 5%
For other charges and expenses, please refer to the Explanatory Memorandum.	

## Fund Performance

Cumulative Return <sup>1</sup> (%)	1 month	3 months	1 year	3 years	5 years	Since Inception
Fund <sup>2</sup>	-2.4	2.9	-10.2	N/A	N/A	-14.9
Index <sup>3</sup>	-1.5	2.7	-7.0	N/A	N/A	-11.7

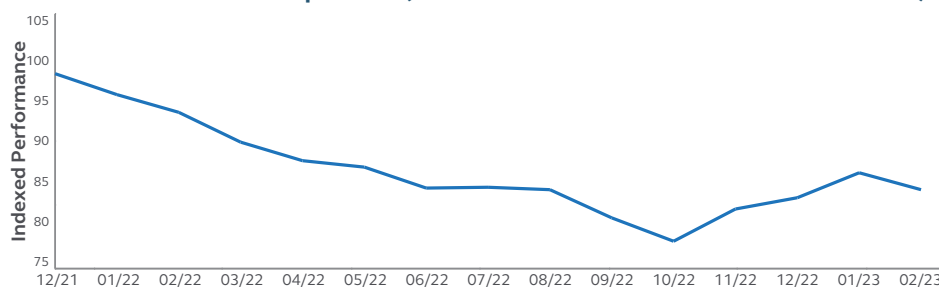
## Calendar Year Return<sup>1</sup> (%)

	YTD	2022
Fund <sup>2</sup>	1.2	-15.5
Index <sup>3</sup>	1.3	-12.5

## ESG Information

	Fund	Index
Weighted Average Proprietary ESG Score <sup>4</sup>	5.5	4.5

## Performance Since Inception<sup>1,2</sup> (Accumulation Class Units – Retail – USD)



<sup>1</sup> Source: © Morningstar 2023 and Principal Asset Management Company (Asia) Limited. Bid to bid, in fund currency (Dividend reinvested). Overall Morningstar Rating™ 2023 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information in this document.

<sup>2</sup> Accumulation Class Units – Retail – USD is for reference only.

<sup>3</sup> ICE BofA Merrill Lynch Asian Dollar Index. The index is for comparative purposes only.

<sup>4</sup> The ESG scores are measured through the use of proprietary research and ESG data from third-party providers.

# Principal Prosperity Series - Principal Sustainable Asian Income Fund



As of 28/02/2023

## Available Share Class

Share Class	Accumulation Class Units - Retail	Income (monthly) Class Units - Retail	Income Plus (monthly) Class Units - Retail
Share Class Currency	USD / HKD / RMB	HKD	USD / HKD / RMB
Management Fee	0.90% p.a.	0.90% p.a.	0.90% p.a.
Minimum Investment	US\$1,000 / HK\$5,000 / RMB5,000	HK\$5,000	US\$1,000 / HK\$5,000 / RMB5,000
Dividend Frequency <sup>^</sup>	N/A	Monthly	Monthly
Annualized Distribution Yield <sup>*</sup>	N/A	2.98%	6.51% (USD) / 6.50% (HKD) / 8.50% (RMB hedged)
ISIN	HK0000799012 (USD) / HK0000799103 (HKD) / HK0000799194 (RMB hedged)	HK0000799111	HK0000799038 (USD) / HK0000799129 (HKD) / HK0000799210 (RMB hedged)
Bloomberg Code	PSAIARD HK (USD) / PSAIARH HK (HKD) / PSAIARC HK (RMB hedged)	PSAIRH HK	PSAIPRD HK (USD) / PSAIPRH HK (HKD) / PSAIPRC HK (RMB hedged)

## Top Ten Bond Holdings\*

Bond	Sector	%
US TREASURY - 2.75% 15/08/2032	Government	4.1
HK ELECTRIC FIN HKE - 1.875% 27/08/2030	Utilities	2.6
ALIBABA GROUP BABA - 3.4% 06/12/2027	Consumer Discretionary	2.4
PERUSAHAAN GAS PGASIJ - 5.125% 16/05/2024	Utilities	2.3
ICBCIL FINANCE CO LTD - 1.75% 25/08/2025	Financials	2.2
YONGDA INVST SHCONS - 2.25% 16/06/2025	Industrials	2.2
AIA GROUP AIA - 3.375% 07/04/2030	Financials	2.1
STAR ENERGY CO STENGE - 4.85% 14/10/2038	Utilities	2.0
HONG KONG HKINTL - 5.25% 11/01/2053	Government	1.9
PHILIPPINES(REP) PHILIP - 5.95% 13/10/2047	Government	1.9
		23.7

## Portfolio Characteristics

Portfolio Yield <sup>#</sup>	6.00% <sup>#</sup>
Modified Duration	4.70
Average Bond Quality	A-

## Location Breakdown (%)

Location	Fund
China	27.7
Indonesia	11.4
Hong Kong	11.4
Singapore	8.8
India	8.4
Korea	8.3
United States	5.8
Macao	2.9
Thailand	2.6
Philippines	1.9
Others	3.5
Cash and Equivalents	7.4
<b>Sub-Total</b>	<b>100.0</b>

## Industry Breakdown (%)

Industry	Fund
Financials	42.8
Government	14.8
Utilities	13.0
Consumer Discretionary	6.5
Communications	5.9
Industrials	3.7
Energy	3.0
Technology	1.4
Materials	1.4
Cash and Equivalents	7.4
<b>Sub-Total</b>	<b>100.0</b>

Investments do not always add up to 100% due to rounding.

<sup>#</sup> The figure is for reference only and does not represent the actual yield received by investors.

<sup>\*</sup> Investors should be aware that the exposure of the Fund can change significantly on a daily basis.

<sup>^</sup> Source: Principal Asset Management Company (Asia) Limited, as of 28 February 2023. Distributions of the Income Class Units and Income Plus Class 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. For funds offering classes with a distribution feature, dividend rate is not guaranteed. Distributions may be paid from capital.

<sup>\*</sup> Annualized Distribution Yield = [(1+dividend per unit/ex-dividend NAV)<sup>distribution frequency</sup>]-1, the annualized distribution yield is calculated based on the latest dividend distribution, and may be higher or lower than the actual annual distribution yield. Positive distribution yield does not imply positive return.

Investment involves risks. Past performance is no guarantee to future performance. For details of the Fund and risk of emerging markets, please refer to the Fund's Explanatory Memorandum.

This material has not been reviewed by the Securities and Futures Commission.

Issuer: Principal Asset Management Company (Asia) Limited