

This Notice is important and requires your immediate attention. If you are in any doubt about the contents of this Notice or the action to be taken, you should seek independent professional advice.

Principal Global Investors (Ireland) Limited accepts responsibility for the information contained in this Notice as being accurate at the date of publication. Unless otherwise defined in this Notice, capitalised terms used in this Notice shall have the same meaning as those used in the Hong Kong Summary Prospectus dated 26 March 2018 (the “Hong Kong Summary Prospectus”).

26 November 2018

Principal Global Investors (Ireland) Limited (the Manager)
Principal Global Investors Funds (the Trust)
Japanese Equity Fund (the Fund)

Dear Unitholder

Purpose

We are writing to you as a Unitholder of the Fund to inform you that the Board of Directors of the Manager (the “**Board**”), in accordance with the provisions of the current Trust Deed governing the Trust and the Hong Kong Summary Prospectus, have decided that it is in the best interests of all Unitholders to close the Fund (the “**Proposed Closure**”) and terminate the Fund (the “**Proposed Termination**”). The termination of the Fund will only take place after the Proposed Closure and on the date when the Fund has no liabilities or assets (the “**Termination Date**”).

Background

Pursuant to Clause 8.4 of the Trust Deed and as disclosed in the Hong Kong Summary Prospectus, the Manager may in its absolute discretion to terminate a sub-fund of the Trust if its Net Asset Value amounts to less than US\$10 million. The termination of a sub-fund of the Trust by the Manager is subject to the giving of at least three months’ notice to Unitholders.

As at 31 October 2018, the Net Asset Value of the Fund was USD 326,000. The Manager is in the opinion the Fund is at a size where it is no longer economically viable to run.

Effective Date of the Proposed Closure

The Proposed Closure will take effect from 26 February 2019 (the “**Closure Date**”).

Next steps

The Fund will continue to be managed in accordance with its investment objective and policy as set out in the Hong Kong Summary Prospectus as closely as practicable until the Closure Date. However, in the event that further redemptions are received in advance of the Closure Date, please note that it may become increasingly difficult to effectively manage the Fund in accordance with its investment objective, policy and restrictions and it is possible that the Fund may be managed on a less diversified basis with an increased allocation to cash as investments are realised during this period.

The Fund has not been marketed in Hong Kong and no new subscriptions or conversions of Units into the Fund has been permitted since 21 August 2018. Requests for redemptions of Units of the Fund or

conversion of Units of the Fund to another sub-fund of the Trust which is authorised by the SFC¹ may be made until 5:00p.m. (Hong Kong time) on the Closure Date, in accordance with the Hong Kong Summary Prospectus, free of any redemption fees or switching fees. Unitholders who wish to convert their Units to another sub-fund of the Trust which is authorised by the SFC¹ should refer to Hong Kong Summary Prospectus and the relevant product key facts statement for details (including the relevant risk factors).

On the Closure Date, all outstanding Units in the Fund will be compulsorily redeemed. Distribution of proceeds with respect to the redemptions on the Closure Date to Unitholders will be completed on the third business day after the Closure Date, or within a suitable timescale as the Board think advisable.

After the Closure Date, no further redemptions of Units will be permitted.

If all Unitholders in the Fund redeem their holdings in full before the Closure Date, the Closure Date may be brought forward to the Dealing Day on which the last redemptions are accepted. Thereafter the Manager will commence the process to terminate the Fund.

Effective Date of the Proposed Termination

The Manager will terminate the Fund on the Termination Date which will fall on a date on which the Fund ceases to have liabilities or assets. Following the termination of the Fund, an application will be made to the SFC for the withdrawal of authorisation of the Fund in Hong Kong.

Costs and Expenses

The total expense ratio ("TER") of the Fund was 2.3055% on 31 October 2018. The TER represents the expenses and fees (excluding transaction costs) as a percentage of the Fund's average Net Asset Value for the period from 01 November 2017 to 31 October 2018.

As of the date of this notice, there are no unamortised preliminary expenses of the Fund.

The costs and expenses associated with the Proposed Termination, which is approximately USD 20,000, will include any cost of the closure, the termination and subsequent withdrawal of approval/authorisation of the Fund by the Central Bank of Ireland/the SFC and will be borne by the Fund. A provision for such anticipated costs has been included in the Fund's Net Asset Value.

While it is anticipated that all costs and expenses have been included in the Fund's Net Asset Value it may be possible that a balance remains within the Fund on the Termination Date. Under this circumstance, a further payment may be made to those Unitholders who hold Units at the Closure Date. On the other hand, if the actual costs and expenses associated with the Proposed Termination are higher than the aforesaid estimate, the amount in excess will be borne by the Manager.

Payment Details

Proceeds from scheduled redemptions or further payments will be made electronically by the Fund's administrator, BNY Mellon Fund Services (Ireland) DAC, in accordance with the payments details held by them on file.

Tax Implications

Hong Kong

The Fund

As the Fund has been authorised by the SFC¹ in Hong Kong, profits of the Fund arising from the sale or disposal of securities, interest received by or accruing to the Fund and certain other profits of the Fund (including those under foreign exchange contracts and certain futures contracts) are exempt from Hong Kong profits tax. It is not expected that any other significant profits arising from the activities of the Fund will be subject to Hong Kong profits tax.

¹ SFC authorisation is not a recommendation or endorsement of a scheme nor does it guarantee the commercial merits of a scheme or its performance. It does not mean the scheme is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

Unitholders

Except as mentioned below, Unitholders will not be subject to any Hong Kong tax on distributions from the Fund or on capital gains realised on the sale of any Units in the Fund.

If the acquisition and redemption of Units in the Fund is or forms part of a trade, profession or business carried on in Hong Kong, gains realised by the relevant Unitholder may attract Hong Kong profits tax.

Units will not attract Hong Kong estate duty and no Hong Kong stamp duty will be payable on the issue or transfer of Units in the Fund.

Unitholders should consult their own professional advisers on the potential taxation consequences of their transferring, selling, redemption, conversion or otherwise disposing of the Units in the Fund.

Other

The following documents can be inspected free of charge at the offices of the Hong Kong Representative at 30/F Millennium City 6, 392 Kwun Tong Road, Kwun Tong, Kowloon during normal business hours and copies of such documents can be obtained from there at a reasonable charge :-

- the Trust Deed
- the Hong Kong Summary Prospectus
- the Product Key Facts Statement of the Fund
- the annual and half-yearly reports (available in English only) relating to the Trust most recently prepared and published by the Manager
- the Regulations
- the UCITS notices issued by the Central Bank
- the Investment Advisers Agreement between the Manager and the Investment Adviser
- the Administration Agreement
- the Hong Kong Representative Agreement
- a list of past and current directorships held by each Director of the Manager over the last five years

Many thanks for your continued support. Please do not hesitate to contact the customer hotline of Principal Investment & Retirement Services Limited, the Hong Kong Representative, at (852) 2117-8383, 30/F Millennium City 6, 392 Kwun Tong Road, Kwun Tong, Kowloon, or visit our website at www.principal.com.hk² with any questions you may have in relation to this matter.

Yours sincerely



Greg Thornton
Director, for and on behalf of
Principal Global Investors (Ireland) Limited

² This website has not been reviewed by the SFC.

此乃重要通知，請即閱讀。如您對本通知的內容或將予採取的行動有任何疑問，應諮詢獨立的专业意見。

Principal Global Investors (Ireland) Limited就本通知所載資料於刊發日期的準確性承擔責任。除本通知另有界定者外，本通知所用詞彙應與日期為2018年3月26日的香港說明書概要（「香港說明書概要」）所用者具有相同含義。

2018年11月26日

Principal Global Investors (Ireland) Limited（「經理人」）
信安環球投資基金（「信託」）
日本股票基金（「本基金」）

致單位持有人：

目的

我們現向作為本基金單位持有人的您發函告知以下事宜，根據規管信託的當前信託契據的條文及《香港說明書概要》，經理人董事會（「董事會」）已決定，關閉本基金（「**擬議關閉**」）及終止本基金（「**擬議終止**」）乃符合全體單位持有人的最佳利益。本基金的終止將僅於擬議關閉之後及本基金不擁有負債或資產的日期（「**終止日期**」）方執行。

背景

根據信託契據第 8.4 條以及《香港說明書概要》所披露者，倘信託的某一子基金的資產淨值少於 1,000 萬美元，經理人可全權酌情終止該子基金。管理人終止信託的某一子基金須向單位持有人發出至少三個月的通知。

於 2018 年 10 月 31 日，本基金的資產淨值為 326,000 美元。經理人認為，本基金的資產管理規模過小，令基金營運不再符合經濟效益。

擬議關閉的生效日期

擬議關閉將自 2019 年 2 月 26 日起生效（「**關閉日期**」）。

後續步驟

本基金將繼續在盡量切實可行的情況下根據《香港說明書概要》所載的投資目標及策略進行管理，直至關閉日期。然而，倘於關閉日期之前收到進一步贖回，請注意，根據投資目標、策略及限制有效地管理本基金或會變得越來越困難，並且因為於此期間變現投資，本基金可能在多元化程度較低的基礎上進行管理，加大現金配置。

自 2018 年 8 月 21 日起，本基金已不再於香港買賣，並且概不准許任何新認購或轉換成本基金單位。根據《香港說明書概要》，贖回本基金單位或將本基金單位轉換成獲證監會認可¹的信託的另一子基金的請求可於關閉日期下午 5 時（香港時間）之前作出，毋需任何贖回費或轉換費。欲將手中的單位轉換成獲證監會認可¹的信託的另一子基金的單位持有人應參閱《香港說明書概要》及相關產品資料概要以了解詳情（包括相關風險因素）。

¹ 證監會認可並非對一項投資計劃的推薦或認許，亦不是對一項投資計劃的商業價值或其表現作出保證。該認可並不代表該計劃適合所有投資者，或認許該計劃適合任何個別投資者或任何類別的投資者。

註冊辦事處：如上

於愛爾蘭註冊成立。公司編號：303982。

受愛爾蘭中央銀行監管。

董事：Mike Beer（美國）、James Firn（英國和美國）、Christopher Henderson（美國）、Greg Thornton（英國）、John O'Connell、David Shubotham、Bronwyn Wright

於關閉日期，本基金的所有未贖回單位將被強制性贖回。就關閉日期的贖回所得款項向單位持有人作出的分派將於關閉日期後的第三個營業日或董事會認為屬明智的合適時間內完成。

關閉日期後，概不准許任何進一步單位贖回。

如果全體本基金單位持有人於關閉日期之前悉數贖回持倉，關閉日期或會提前到最後贖回獲接納的交易日。之後，經理人將開始本基金的終止程序。

擬議終止的生效日期

經理人將於終止日期終止本基金。終止日期將為本基金不再擁有負債或資產的日期。於本基金終止後，將向證監會申請撤回本基金於香港的認可。

成本及開支

於 2018 年 10 月 31 日，本基金的總開支比率（「**總開支比率**」）為 2.3055%。總開支比率指開支及費用（不包括交易成本）佔本基金於 2017 年 11 月 1 日至 2018 年 10 月 31 日期間平均資產淨值的百分比。

截至本通知日期，本基金並無未攤銷的初步開支。

擬議終止涉及的成本及開支（約為 20,000 美元）將包括任何關閉、終止及其後愛爾蘭中央銀行／證監會撤回本基金的批准／認可的成本，並將由本基金承擔。有關預期成本的撥備已計入本基金的資產淨值。

儘管預期所有成本及開支已計入本基金的資產淨值，但於終止日期本基金仍可能有結餘。於此情況下，本基金可能會於關閉日期向持有單位的單位持有人作出進一步付款。另一方面，如果擬議終止涉及的實際成本及開支高於上述估計金額，則超出金額將由經理人承擔。

付款詳情

預定贖回款項或進一步付款將由本基金的行政管理人 BNY Mellon Fund Services (Ireland) DAC 按照其存檔的付款明細以電子方式支付。

稅收影響

香港

本基金

由於本基金在香港獲證監會認可¹，本基金因出售或處置證券所產生的利潤、本基金所收到或累計的利息及本基金的若干其他利潤（包括外匯合約及若干期貨合約的利潤）獲豁免繳納香港利得稅。本基金的活動所產生的任何其他重大利潤預期將毋須繳納香港利得稅。

單位持有人

除下文所提述者外，單位持有人將毋須就本基金的分派或出售任何本基金單位所變現的資本收益繳納任何香港稅項。

倘收購及贖回本基金單位屬於或構成在香港進行貿易、專業或業務的一部份，則相關單位持有人所變現的收益可能須繳納香港利得稅。

單位持有人毋須就單位繳納香港遺產稅，亦毋須就發行或轉讓本基金單位支付任何香港印花稅。

單位持有人應就彼等轉讓、出售、贖回、轉換或以其他方式處置本基金單位的潛在稅務結果諮詢其專業顧問。

其他

下列文件可於正常營業時間在香港代表辦事處（地址為九龍觀塘觀塘道392號創紀之城六期30樓）免費查閱，及可以合理費用獲取有關文件副本：-

- 信託契據
- 《香港說明書概要》
- 本基金的產品資料概要
- 經理人最近編製及刊發的有關信託的年度及半年度報告（僅有英文版本）
- 規例
- 愛爾蘭中央銀行發佈的UCITS通知
- 經理人與投資顧問簽訂的投資顧問協議
- 行政管理協議
- 香港代表協議
- 經理人的每位董事於過去五年曾任及現任董事職務的列表

感謝您一直以來的不斷支持。如您對該事項有任何疑問，請立即致電香港代表信安投資及退休金服務有限公司的客戶服務熱線(852) 2117-8383，地址為九龍觀塘觀塘道392號創紀之城六期30樓，或瀏覽我們的網站www.principal.com.hk²。

謹啟



Greg Thornton
董事，代表
Principal Global Investors (Ireland) Limited

²該網站未經證監會審閱。