



## Press Release

### **Principal Brings Award-winning Funds from CCB Principal to Hong Kong under Mainland-Hong Kong Mutual Recognition of Funds Scheme**

Hong Kong, [22 June 2016] – Principal Hong Kong (“Principal”) today announced that the company will distribute two southbound funds – CCB Principal Selected Growth Mixed Asset Fund and CCB Principal Dual Income Bond (the “Funds”) in Hong Kong under the Mainland-Hong Kong Mutual Recognition of Funds (“MRF”) scheme starting from today.

The Funds are managed by CCB Principal Asset Management Company (“CCB Principal”), the fund management joint venture between China Construction Bank, the second largest bank in the world, and Principal Financial Group. CCB Principal was ranked 8 out of 105 mutual fund companies in China with RMB 314.6 billion in assets under management as of 31 December 2015<sup>1</sup>.

“We are very excited to bring the two award winning funds from CCB Principal to the Hong Kong market. Our distribution partners can take advantage of the Funds to capture the attractive long-term investment potentials in the A-share market and the China onshore bond market. The introduction of the Funds will broaden local investors’ investment choice for investing in Chinese onshore securities, and offer diversification and investment alternatives to their RMB holdings,” said Keith Yuen, Managing Director of Principal Asset Management Company (Asia) Limited.

CCB Principal Selected Growth Mixed Asset Fund seeks to achieve long term capital appreciation for the investors by investing in potential listed companies for potential profitable growth and attractive investment value. CCB Principal Dual Income Bond seeks to achieve higher than benchmark return for investors whilst maintaining stable asset growth.

“There are very few Chinese onshore bond funds available to HK investors under MRF and we believe the CCB Principal Dual Income Bond fund offers a unique investment proposition to investors looking for an alternative channel to tap into the Chinese economic growth story,” added Mr. Keith Yuen. The CCB Principal Dual Income Bond



is the winner of the Bond Fund in 2016 Morningstar China Fund Awards<sup>2</sup>. The Funds are also rated as 5-star fund in the category of overall Aggressive Bond Fund and Aggressive Allocation Fund by Morningstar<sup>3</sup>.

### **About Principal Hong Kong**

Principal Hong Kong is a provider of investment and retirement solutions in Hong Kong. Our member companies, including Principal Trust Company (Asia) Limited, Principal Investment & Retirement Services Limited and Principal Asset Management Company (Asia) Limited, provide investment and retirement management capabilities, as well as award-winning mutual funds and investment products for both individual and institutional investors. All of the above companies are member companies of the Principal Financial Group<sup>®</sup>.

### **About CCB Principal Asset Management**

Established in September 2005, CCB Principal Asset Management Corporation Limited is one of the first asset management firms initiated by the commercial banks. CCBPAM has a joint venture sponsorship of China Construction Bank Corporation, Principal Financial Service, Inc., and China Huadian Capital Holdings Company Limited, holding stakes of 65%, 25% and 10% respectively. Since its establishment, CCBPAM has been developing a broad range of public fund offerings, designing and managing numerous segregated mandates, as well as providing investment consultation service to various institutions. CCBPAM is also one of the leaders in the areas of segregated mandate management and investment consultation service. As of 31 December 2015, the asset under management (AUM) of CCBPAM's public funds was over RMB 314.6 billion. This included 61 fund offerings with a wide range of risk-return features, providing wealth management service to about 6.11 million clients.

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1. Source: China Galaxy Securities [www.yhzqjj.com](http://www.yhzqjj.com)
2. Source: Morningstar China Fund Awards 2016  
<https://corporate.morningstar.com/us/asp/subject.aspx?xmlfile=174.xml&filter=PR5613>
3. Source: Morningstar as of 31 March 2016