ChinaAMC China Focus Fund

Fund Factsheet

华夏基金(香港)有限公司
CHINA ASSET MANAGEMENT (HONG KONG) LIMITED

As of 30 Apr 2024 **37/F, Bank of China Tower, 1 Garden Road, Hong Kong**

Investment involves risks, including the loss of principal. The price of units or shares of the Funds may go up as well as down. Past performance is not indicative of future results. The value of the Funds can be extremely volatile and could go down substantially within a short period of time. You should read the Fund's Placing Memorandum or Explanatory Memorandum and Product Key Facts Statement for details, including risk factors. Investors should not base investment decisions on this marketing material alone. Please note:

- The Fund seeks to take investment exposure to companies in or have significant business exposure to China. Investment in China-related companies and in Chinese markets may involve (i) heightened political, tax, economic, foreign exchange, liquidity and regulatory (including the QFII policy) risks, compared to more developed economies or markets; and (ii) concentration risk which may result in greater volatility than broad-based investments. The China A Share market is also unstable, subject to risks of stock suspension, government intervention and foreign investment restrictions.
- The Fund will obtain exposure to the A Share market, partly or fully by investing into access products and will be exposed to the counterparty risk of the issuer of the access products. The availability of access products is limited by applicable regulations in China, and as a result the cost of investment is subject to market supply and demand forces. Where the supply is low relative to the demand, acquiring access products may involve a higher cost or a premium.
- The Fund is subject to risks associated with the Stock Connect, such as change of relevant rules and regulations, quota limitations, suspension of the Stock Connect and information technology limitation. In the event that the Fund's ability to invest in A Shares through the Stock Connect on a timely basis is adversely affected, the Manager will rely on A Share access products investment.
- The Fund will invest in A Share ETFs and is subject to the fees and charges and the risk of tracking errors of the relevant A Share ETFs. If the Fund invests in synthetic ETFs, it will also subject to risks related to derivative instruments.
- There are risks and uncertainties associated with the current PRC tax laws, regulations and practices in respect of capital gains (which may have retrospective effect). Possible changes on the actual applicable tax rates imposed by the SAT and possible expiration of the current exemption of corporate income tax on capital gains may increase the Fund's tax liability and adversely affect the Fund's NAV.
- The Fund will hold investments denominated in currencies different to the base currency of the Fund, meaning the Fund will be at risk to adverse movements in the foreign currency rates.

▲ Investment Objective

The Fund seeks to provide investors with long term capital growth through exposure to China-related companies by investing in equities and equity related instruments.

▲ Fund Performance[1]

▲ Fund Information[2]

Legal Structure	Hong Kong domiciled umbrella structure unit trust
Investment Manager	China Asset Management (Hong Kong) Limited
Inception Date	10 December, 2010
Fund Size	USD 16.53 million
Base Currency	USD
Available Dealing Currencies	USD/EUR/GBP/AUD/SGD/HKD
Dealing Frequency	Daily
Trustee	Cititrust Limited
Custodian	Citibank, N.A. (Hong Kong branch)
Management Fee	1.8% p.a.
Subscription Charge:	Up to 5%
Performance Fee:	10% of appreciation in the NAV per unit during a performance period above the high watermark of the relevant class of units

	USD unit	**AUD unit**	**EUR unit**	**HKD unit**	**SGD unit**
Fund Price	USD11.402	AUD16.140	EUR 14.373	HKD 11.718	SGD 12.184
Bloomberg Ticker	CACFUSD HK	CACFAUD HK	CACFEUR HK	CACFHKD HK	CACFSGD HK
ISIN Number	HK0000352960	HK0000352911	HK0000352929	HK0000352945	HK0000352952

▲ Cumulative Return[1]

	1 Month	3 Month	6 Month	1 Year	Since Inception[3]	Annualized-Since Inception[3]
Fund (USD)	+3.58%	+7.36%	+7.92%	+2.30%	+14.02%	+0.98%
Fund (AUD)	+4.07%	+9.31%	+5.23%	+4.11%	+61.40%	+3.64%
Fund (EUR)	+4.62%	+9.08%	+6.69%	+5.62%	+43.73%	+2.75%
Fund (HKD)	+3.52%	+7.43%	+7.88%	+1.93%	+17.18%	+1.19%
Fund (SGD)	+4.67%	+9.58%	+7.43%	+4.57%	+21.84%	+1.49%

▲ Yearly Return[1]

	2019	2020	2021	2022	2023	2024YTD
Fund (USD)	+16.79%	+27.63%	-6.11%	-28.72%	+2.31%	+0.55%
Fund (AUD)	+16.90%	+16.27%	+1.17%	-23.56%	+1.67%	+5.66%
Fund (EUR)	+18.97%	+17.46%	+2.38%	-24.04%	-1.16%	+3.88%
Fund (HKD)	+16.22%	+27.23%	-4.58%	-28.64%	+2.36%	+0.71%
Fund (SGD)	+14.97%	+25.75%	-2.71%	-29.08%	+0.62%	+3.96%

[1] 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 calculated on NAV-to-NAV, with dividend reinvested. Since 28 July 2017, the Manager of the Fund changed from Citigroup First Investment Management Limited to China Asset Management (Hong Kong) Limited and the Trustee of the Fund changed from Cititrust (Cayman) Limited to Cititrust Limited. The performance of the Fund prior to 28 July 2017 was achieved under circumstances that no longer apply.

[2] Please refer to the Explanatory Memorandum for full product disclosure including fees.

[3] Calculated since the inception date of respective share class.

Source: China Asset Management (Hong Kong) Limited and Bloomberg unless specified otherwise.

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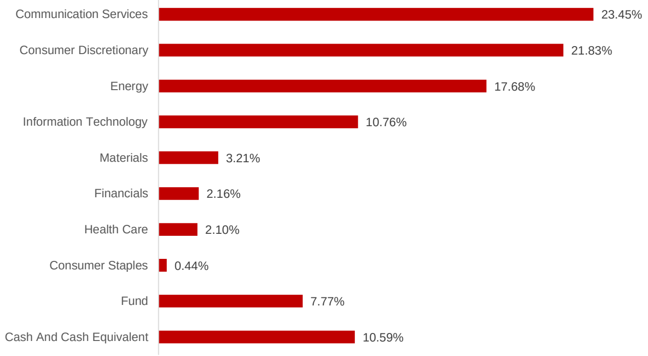
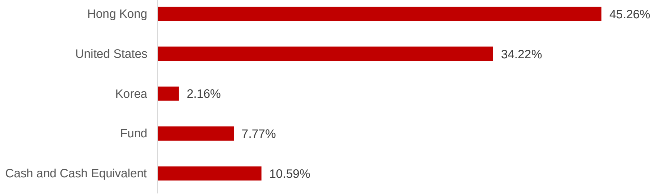
▲ Portfolio Allocation

Sector Exposure (%)



Geographical Exposure (%)



▲ Manager's Comment

In April, the Hong Kong market saw the Hang Seng Index rise by 7.39% and the Hang Seng Tech Index rise by 6.42%. The fund achieved a positive return of 3.58% for the month, underperforming the Hang Seng Index by approximately 3.81% and the MSCI China Index by approximately 3.02%.

In April, China's official manufacturing Purchasing Managers' Index (PMI) exceeded expectations, boosting market confidence. The manufacturing PMI for April was 50.4, a decrease of 0.4 percentage points from the previous value but better than expected. It marked the second consecutive month of expansion, with the production index reaching its highest level since April 2023. The non-manufacturing PMI for April was 51.2, a decrease of 1.8 percentage points from the previous value, but it remained above the threshold of expansion. The level of activity in the service sector declined slightly, while the construction sector saw a slight acceleration in expansion.

On April 30th, the Political Bureau of the Communist Party of China Central Committee held a meeting and decided to convene the Third Plenary Session of the 20th Central Committee of the Communist Party of China in July in Beijing. The meeting emphasized the early issuance and effective use of ultra-long-term special government bonds, accelerated progress in the issuance and use of special bonds, flexible use of policy tools such as interest rates and reserve requirements, increased support for the real economy, coordinated research on policy measures for existing housing stock digestion and optimization of new housing supply, and the urgent need to build a new model for real estate development and promote high-quality development in the real estate sector. The meeting addressed key concerns in the market and contributed to boosting confidence among various market participants.

In April, the People's Bank of China (PBOC) maintained the Loan Prime Rate (LPR) unchanged. On April 22nd, the PBOC kept the one-year and five-year or above LPR unchanged, in line with market expectations. Officials from the PBOC stated that conducting bond transactions in the secondary market could serve as a liquidity management method and a reserve monetary policy tool, but it differs from the quantitative easing operations of central banks in developed economies. The overall long-term government bond yields will remain within a reasonable range that matches long-term economic growth expectations. UBS strategy team upgraded the rating of the MSCI China Index to overweight, stating that the signals of Chinese household savings gradually flowing into the market have strengthened, leading to a more optimistic outlook for the future profitability of the Chinese market.

Date source: Bloomerg. As of 30 Apr 2024。

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