

PRODUCT KEY FACTS

ChinaAMC Select Fund - ChinaAMC Select China Leap Equity Fund (the “Sub-Fund”) April 2024



- ***This statement provides you with key information about this product.***
- ***This statement is a part of the offering document and must be read in conjunction with the Explanatory Memorandum of ChinaAMC Select Fund (“Explanatory Memorandum”).***
- ***You should not invest in this product based on this statement alone.***

Quick facts

Fund Manager	China Asset Management (Hong Kong) Limited (the “ Manager ”)
Trustee:	BOCI-Prudential Trustee Limited
Custodian	Bank of China (Hong Kong) Limited
Base currency:	HKD
Financial year end of the Sub-Fund:	31 December
Dealing frequency:	Daily
Distribution policy:	No dividends or distributions will be made by the Sub-Fund
Ongoing charges over a year:	Class A HKD Units: 2.50 % [^] Class A RMB Units: 2.50 % [^] Class I HKD Units: 2.50 % [#] Class I RMB Units: 2.50 % [^]

[^] As the unit class has not yet been launched, the figure is an estimate only and represents the sum of the estimated ongoing expenses chargeable to the relevant unit class expressed as a percentage of the estimated average net asset value of the relevant unit class. This figure may vary from year to year.

[#] The ongoing charges figure is based on expenses for the year ended 31 December 2023. This figure may vary from year to year. It represents the sum of the ongoing expenses chargeable to the relevant unit class expressed as a percentage of the average net asset value of the relevant unit class.

Minimum subscription:	<p>Class A HKD Units: HKD 10,000 initial, HKD 10,000 additional</p> <p>Class A RMB Units: RMB 10,000 initial, RMB 10,000 additional</p> <p>Class I HKD Units: HKD 5,000,000 initial, HKD 1,000,000 additional</p> <p>Class I RMB Units: RMB 5,000,000 initial, RMB 1,000,000 additional</p>
Minimum holding:	<p>Class A HKD Units: units with aggregate minimum value of HKD 10,000</p> <p>Class A RMB Units: units with aggregate minimum value of RMB 10,000</p> <p>Class I HKD Units: units with aggregate minimum value of HKD 5,000,000</p> <p>Class I RMB Units: units with aggregate minimum value of RMB 5,000,000</p>
Minimum redemption:	<p>Class A HKD Units: units with aggregate minimum value of HKD 10,000</p> <p>Class A RMB Units: units with aggregate minimum value of RMB 10,000</p> <p>Class I HKD Units: units with aggregate minimum value of HKD 100,000</p> <p>Class I RMB Units: units with aggregate minimum value of RMB 100,000</p>

What is this product?

- ChinaAMC Select China Leap Equity Fund is a sub-fund of ChinaAMC Select Fund, a Hong Kong domiciled umbrella structure unit trust. It is governed by the laws of Hong Kong.

Investment Objective and Investment Strategy

Investment Objective

The Sub-Fund seeks to maximize capital growth by investing primarily (i.e. at least 70% of its net assets) in equity securities (such as but not limited to listed shares, depositary receipts, and exchange traded funds) of China-related companies with registered offices located in the People's Republic of China ("PRC") and/or Hong Kong, and/or China-related companies that do not have their registered offices in the PRC or Hong Kong but either (a) carry out a predominant proportion of their business activities in the PRC or Hong Kong, or (b) are holding companies which predominantly own companies with registered offices in the PRC or Hong Kong, which, in the opinion of the Manager, have strong prospects for leap growth or will benefit from leap growth of China ("**China Leap Equity Securities**"). In assessing a company's prospects for leap growth, the Manager will assess whether the company's business revenue is driven by Chinese consumption increase, technology progress or demographic trend, or whether the company is covered by the development plans of the Chinese government, including but not limit to the "14th Five-Year Plan of China", the "Made in China 2025 Plan", the "Carbon Neutrality Strategy of China". Such companies may have innovative products or business model that can challenge and ultimately overtake existing products or business models or have great chance to benefit from government policy and development of new market in China. Not more than 30% of the Sub-Fund's net asset value may be invested in small or mid-capitalisation companies, For the avoidance of doubt, exchange traded funds are considered and treated as listed securities for the purposes of and subject to the requirements in 7.1, 7.1A and 7.2 of the

Code on Unit Trusts and Mutual Funds, and small or mid-capitalisation companies refer to those with market capitalisation less than USD 5 billion.

The Sub-Fund may invest not more than 30% of its net asset value in American depository receipts (“ADR”).

The Sub-Fund’s investment in equity securities listed on the stock exchanges of Mainland China and collective investment schemes which are authorized by SFC or are recognized jurisdiction schemes which invest directly in securities issued within Mainland China will respectively and in aggregate not exceed 20% of its net asset value. As part of the foregoing exposure to the Mainland China market, the Sub-Fund may gain exposure to the A-Share markets by investing via the Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect (the “**Stock Connect**”) or via the Manager’s RQFII quota.

The above equity securities may include up to 15% of the Sub-Fund’s net asset value in pre-IPO and cornerstone investment. “Cornerstone investment” is a preferential placing to certain investors who are guaranteed to receive allocation of securities to be listed on a stock exchange irrespective of final offer price.

The Sub-Fund may also invest up to 30% of its net assets in listed equity securities or equity related derivative instruments (including but not limited to participating notes, stock options and stock futures) which do not fulfil the criteria referred to in (a) or (b) in the first paragraph.

The Sub-Fund may invest up to 30% of its net assets in fixed income securities issued and/or guaranteed by any single country (including its government or a public or local authority of such country) of any credit rating, of which not more than 10% of its net assets may be invested in such fixed income securities with a credit rating below investment grade. For the avoidance of doubt, the Sub-Fund will not invest in debt instruments with loss-absorption features.

The Sub-Fund may invest up to 10% of its net assets in collective investment schemes which are not authorized by the SFC.

The Sub-Fund may have limited exposure to investments denominated in RMB.

The Sub-Fund may hold up to 30% of its net assets in cash, cash equivalent instruments, and short-term money market instruments (such as bank deposits, certificates of deposit, commercial paper, treasury bills and money market funds managed by a third party, the Manager, or its Connected Persons) for defensive purposes. In particular, under exceptional circumstances (e.g. in times of extreme volatility of the markets or during severe adverse market conditions), the Manager may temporarily hold a substantial portion of the Sub-Fund’s net assets in cash, cash equivalents, and short-term money market instruments to preserve the value of the assets in the investment portfolio of the Sub-Fund.

The Sub-Fund may invest in financial derivative instruments (“**FDIs**”) for hedging or investment purposes to the extent permitted by the provisions set out under the section “Investment and Borrowing Restrictions” in the Explanatory Memorandum.

Investment Strategy

In order to achieve the investment objective, the Sub-Fund may obtain exposure to China related listed equity securities through direct investment of up to 100% of the Sub-Fund’s net assets in China Leap Equity Securities, including investment in A-Shares and direct exposure to B-Shares which, in aggregate, account for no more than 20% of the Sub-Fund’s net assets.

The Manager currently does not intend to enter into any securities lending, repurchase or reverse repurchase transactions, other similar over-the-counter transactions, asset-backed securities or

mortgage-backed securities in respect of the Sub-Fund. The Manager will seek the prior approval of the SFC and provide at least one month's prior notice to Unitholders before the Manager engages in any such transactions.

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

Indicative Asset Allocation

China Leap Equity Securities:	at least 70% of its net assets
Listed equity securities or equity related derivative instruments other than China Leap Equity Securities, fixed income securities, collective investment schemes (authorised by the SFC or are recognized jurisdiction schemes), FDIs and cash, cash equivalents, and short-term money market instruments:	up to 30% of its net assets

Use of Derivatives / investment in Derivatives

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

What are the key risks?

Investment involves risks. For further information on risk, refer to the Sub-Fund's Explanatory Memorandum.

1. Investment risk

- The Sub-Fund is an investment fund and not a bank deposit. The Sub-Fund may both gain and lose value and there is no guarantee of repayment of capital.

2. Risks relating to equity securities

- The Sub-Fund will invest in equity securities. Investment in equity securities is subject to market risk and the prices of such securities may be volatile. Factors affecting the stock values are numerous, including but not limited to changes in investment sentiment, political environment, economic environment, regional or global economic instability, currency and interest rate fluctuations. If the market value of equity securities in which the Sub-Fund invests in goes down, the net asset value of the Sub-Fund may be adversely affected, and investors may suffer substantial losses.

3. Risks associated with depositary receipts

- Exposure to depositary receipts may generate additional risks compared to a direct exposure to the underlying stocks, including the risk of non-segregation of the underlying stocks from the depositary banks' own assets and liquidity risk (as depositary receipts are often less liquid than the underlying stock). These may negatively affect the performance and/or liquidity of the Sub-Fund. Also, depositary receipts holders generally do not have the same right as the direct shareholders of the underlying stocks. The performance of depositary receipts may also be impacted by the related fees. Depositary receipts listed on stock exchange(s), like listed equity securities, are also subject to delisting risk. In particular, depositary receipts listed on stock exchange(s) may be delisted as a result of regulatory actions by local government(s) and/or the relevant stock exchange(s). Certain investors would not be allowed to invest in such depositary receipt(s), which would also become difficult to trade and value. This may in turn have an adverse impact on the Sub-Fund.

4. Concentration risk

- The Sub-Fund will focus its investments in China-related equities. The Sub-Fund is likely to be more

volatile than a broad-based fund, as the Sub-Fund is more susceptible to fluctuations in value resulting from limited number of holdings or from unfavourable performance in such equity that the Sub-Fund invests in.

- In addition, concentration of the Sub-Fund's investments in China Leap Equity Securities may involve significant volatility and risks greater than those generally associated with more diversified funds. Companies that may be experiencing "leap growth" at any time, may be challenged by change of government policy, dynamic market conditions, new competing products and services, and rapid improvements in existing products and services. As such, valuations of such companies may be subject to significant instability and fluctuations in valuations. In addition, the valuation of securities of such companies may be higher than those of providing more traditional products or services, and the Sub-Fund may suffer a loss when there is a revaluation of these securities.

5. PRC market risk

- The Sub-Fund may invest in the PRC markets, which involve certain risks and special considerations not typically associated with investment in more developed economies or markets, such as greater political, tax, economic, foreign exchange, liquidity, legal and regulatory risk.

6. Debt instruments risk

- The Sub-Fund will invest in debt instruments. Debt instruments, such as notes and bonds, are subject to liquidity risk, credit risk, interest rate risk, credit rating risk, valuation risk, downgrade risk and sovereign debt risk which are explained in detail in the Explanatory Memorandum. The net asset value of the Sub-Fund may be adversely affected when the value of debt instruments falls.

7. Risk of investing in other funds

- The Sub-Fund may invest in other funds. Investor should note that there are additional fees involved when investing into these underlying funds, including fees and expenses charged by investment manager of these underlying funds. Furthermore, there can be no assurance that 1) the liquidity of the underlying funds will always be sufficient to meet redemption requests; and 2) investment objective and strategy will be successfully achieved.
- If the Sub-Fund invests in an underlying fund managed by the Manager or connected person of the Manager, potential conflict of interest may arise. The Manager will have regards to its obligations to the Sub-Fund and will endeavour to ensure that such conflicts are resolved fairly. For more information, please refer to the Explanatory Memorandum.

8. Risks associated with RMB Classes of Units

- Investors may invest in Class A RMB Units and Class I RMB Units ("**RMB classes**"). It should be noted that the RMB is currently not a freely convertible currency as it is subject to foreign exchange control policies and restrictions (if any) of the Chinese government.
- There is also no assurance that the RMB will not be subject to devaluation or depreciation. Any devaluation or depreciation of the RMB could adversely affect the value of investors' investments in the Sub-Fund, including RMB classes of units.
- When calculating the value of the RMB classes of units, reference to the CNH rate (i.e. the exchange rate for the offshore RMB market in Hong Kong) rather than the CNY rate (i.e. the exchange rate for the onshore RMB market) will be made and the value of the RMB classes of units thus calculated will be affected by fluctuations in the CNH rate. While CNH and CNY represent the same currency, they are traded in different and separate markets which operate independently. Any divergence between CNH and CNY may adversely impact investors.
- The PRC government's imposition of exchange controls and restrictions on the repatriation of RMB out of China may result in a risk that payment of investors' redemption proceeds in RMB may be delayed when there is not sufficient RMB for currency conversion for settlement of the redemption proceeds.

9. Foreign currency risk

- It is because some Classes of Units or certain investments acquired by the Sub-Fund are denominated in currencies (such as RMB) different from the Base Currency, Unitholders may be affected favourably or unfavourably by the exchange rates between the Base Currency and currencies of those Units or investments acquired by the Sub-Fund. Changes in currency exchange rates may influence the value of certain Classes of Units in the Sub-Fund, certain investments acquired by the Sub-Fund, the dividends or interest earned and the gains and losses realised.

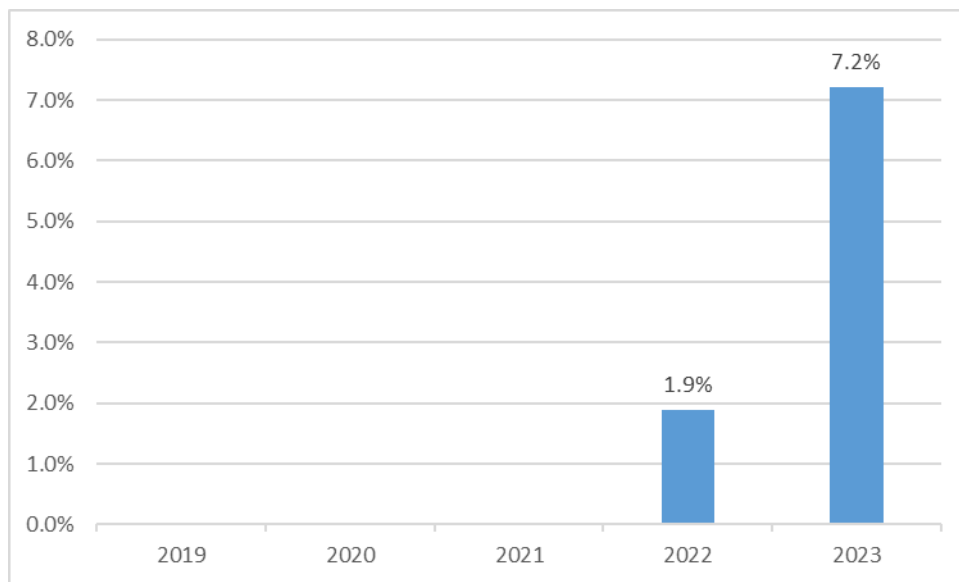
10. Risks associated with investment in FDIs

- Risks associated with FDIs include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of a 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.

11. Hedging risk

- The Sub-Fund may acquire FDIs for hedging and in adverse situations, such hedging may become ineffective and the Sub-Fund may suffer significant losses. The price of a derivative instrument can be very volatile which may result in losses in excess of the amount invested in the derivative instruments by the Sub-Fund. A derivative instrument is subject to the risk that the counterparty of the instrument will not fulfil its obligations to the Sub-Fund, and this may result in losses to the Sub-Fund.

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 dividend reinvested.
- These figures show by how much the Class I HKD Units increased or decreased in value during the calendar year being shown. Performance data has been calculated in HKD including ongoing charges and excluding subscription fee and redemption fee you might have to pay.
- When no past performance is shown there was insufficient data available in that year to provide performance.
- Sub-Fund launch date: 25 June 2021
- Class I HKD Units launch date: 25 June 2021
- Class I HKD Unit is selected as the representative unit class for the purpose of presenting past performance information by the Manager on the basis that Class I HKD Unit is the sole class that has been launched.
- For further information on the performance of other unit classes, please refer to www.chinaamc.com.hk¹

Is there any guarantee?

The Sub-Fund makes no guarantee of investment return or avoidance of loss. You may not get back the full amount of money you invest.

¹ This website has not been reviewed by the SFC.

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*	Up to 5% of the amount you buy [^]
Conversion or switching fee*	Up to 1% of the total redemption proceeds of the original Class of Units (current level at 1%) [^]
Redemption fee	None

[^] investor should check with distributor for current level of the subscription and conversion fee. Note that no subscription fee is payable in respect of subscription for Class I HKD Units and Class I RMB Units.

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 % p.a. of the NAV)
Management fee*#:	Up to 1.75% per annum (current level at 1.75% per annum for Class A HKD Units and Class A RMB Units, and 1.0% per annum for Class I HKD Units and Class I RMB Units) of the Sub-Fund's NAV
Trustee fee*:	Up to 0.5% per annum (current level up to 0.15% per annum) of the Sub-Fund's NAV and subject to a minimum monthly fee of HKD 40,000
Custodian fee*:	Up to 0.10% per annum of the Sub-Fund's NAV (current level up to 0.06% per annum)
Performance fee:	Not applicable
Administration fee:	Not applicable

* You should note that the subscription fee, conversion / switching fee, management fee, trustee fee and custodian fee might be increased up to the specified permitted maximum level by providing not less than one month's prior notice to Unitholders.

Where the Sub-Fund invests in funds which are managed by the Manager or its connected persons (the "underlying funds"), the Manager will procure that either the Sub-Fund or the underlying fund(s) will not charge any management fee in order to ensure no double-charging of management fees.

Other fees

You may have to pay other fees when dealing in the units of the Sub-Fund.

Additional Information

- You generally buy and redeem units at the Sub-Fund's next-determined net asset value (NAV) after the trustee receives your request in good order on or before 4:00 p.m. (Hong Kong time) being the dealing cut-off time. Different distributors may impose different dealing deadlines for receiving requests from investors.
- The NAV is calculated and the price of units is published each Business Day on the website of the Manager at www.chinaamc.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.