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 2023 **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 19.12 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	USD11.146	AUD15.503	EUR 13.608	HKD 11.496	SGD 11.651
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)	-2.60%	-6.62%	+12.96%	-8.13%	+11.46%	+0.88%
Fund (AUD)	-1.29%	-0.42%	+9.30%	-1.21%	+55.03%	+3.60%
Fund (EUR)	-4.15%	-8.13%	+1.13%	-12.21%	+36.08%	+2.52%
Fund (HKD)	-2.61%	-6.48%	+12.96%	-8.09%	+14.96%	+1.13%
Fund (SGD)	-2.27%	-5.21%	+6.49%	-11.24%	+16.51%	+1.24%

▲ Yearly Return[1]

	2018	2019	2020	2021	2022	2023YTD
Fund (USD)	-25.59%	+16.79%	+27.63%	-6.11%	-28.72%	+0.56%
Fund (AUD)	-17.15%	+16.90%	+16.27%	+1.17%	-23.56%	+3.19%
Fund (EUR)	-21.77%	+18.97%	+17.46%	+2.38%	-24.04%	-2.79%
Fund (HKD)	-25.37%	+16.22%	+27.23%	-4.58%	-28.64%	+1.13%
Fund (SGD)	-23.85%	+14.97%	+25.75%	-2.71%	-29.08%	+0.03%

[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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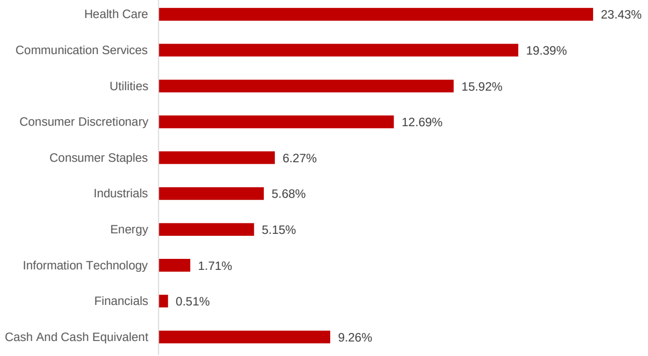
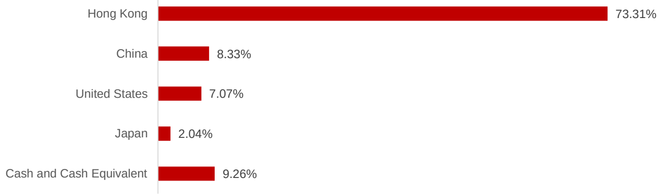
▲ Portfolio Allocation

Sector Exposure (%)



Geographical Exposure (%)



▲ Manager's Comment

In April, the Hang Seng Index fell by 2.48%, and the Hang Seng Tech Index fell by 9.35%. The fund recorded a positive return of 1.4% this month, slightly underperforming the Hang Seng Index by about 0.1% and outperforming the MSCI China Index by about 0.5%.

China's 1Q GDP growth exceeded expectations, and the National Bureau of Statistics and the central bank responded to discussions of deflation. China's 1Q GDP grew by 4.5% YoY, higher than the expected value of 4%; in March, the total retail sales of consumer goods increased by 10.6% YoY, higher than the expected value of 7.2%, and the growth rate reached a new high since June 2021; the value added of industries above designated size increased by 3.9% YoY in March, and industrial production continued to rebound. From January to March, fixed asset investment in China increased by 5.1% YoY, with infrastructure maintaining high growth in the off-season, real estate investment declining, and manufacturing investment falling, showing a pattern where infrastructure is stronger than manufacturing and stronger than real estate in terms of absolute growth rate levels. A spokesperson for the National Bureau of Statistics stated that China's economy does not have deflation and is not expected to experience deflation in the next stage. The endogenous driving force of economic growth is gradually increasing, and macro policies are showing effective measures. The economic growth rate in the second quarter may increase significantly due to the low base of the first quarter. The People's Bank of China stated in its first-quarter press conference that there is no basis for long-term deflation or inflation in China, and credit and social financing growth are expected to remain stable in 2023.

The meeting of the Central Political Bureau pointed out that the current improvement in China's economic operation is mainly due to the recovery and the endogenous driving force is not strong. Demand is still insufficient, and the transformation and upgrading of the economy face new obstacles. Overcoming many difficulties is still needed to promote high-quality development. The meeting emphasized the need to consolidate and expand the advantages of new energy vehicles, attach importance to the development of general artificial intelligence, and promote the stable and healthy development of the real estate market. In addition, Bloomberg reported that Biden is considering signing executive orders in the coming weeks to restrict US companies' investments in China's critical economic sectors. The plan is to take action before and after the G7 summit, which will open on May 19, which may have a negative impact on the market sentiment.

Energy stocks benefited from the earnings of leading companies exceeding expectations and the continuation of the theme of energy conservation and emission reduction. Financial stocks were driven by insurance companies' earnings, which were generally higher than expected. Internet and technology stocks were relatively weak due to geopolitical risks, while real estate stocks fell sharply due to the short-term impact of the trend of weakening sales and the full implementation of unified real estate registration. The market's response to the policy direction and the concerns of geopolitical risks after the economic data exceeded expectations was relatively sufficient in the early stage, and the Hong Kong stock market's performance has been under pressure recently. It is expected that with the landing of more worrying factors and the emergence of positive factors, the market performance will gradually recover.

Date source: Bloomerg. As of 30 Apr 2023。

▲ Top 5 Holdings

Security Name	Sector	Weight
China Mobile Ltd	Communication Services	10.39%
Kunlun Energy Co Ltd	Utilities	7.82%
China Datang Corp Renewable Power Co Ltd	Utilities	7.04%
Shanghai Pharmaceuticals Holding Co Ltd	Health Care	5.83%
PRADA SpA	Consumer Discretionary	5.18%

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Important Note

Investment involves risks. The price of the Fund's units may go up as well as down. Past performance is not indicative of future performance, future return is not guaranteed and a loss of your original capital may occur. This material does not constitute an offer or solicitation of any transaction in any securities or collective investment schemes, nor does it constitute any investment advice. This document is provided for information purposes only and shall not be relied upon for making any investment decision. Certain information or data in this document has been obtained from unaffiliated third parties; we have reasonable belief that such information or data is accurate, complete and up to the date as indicated; China Asset Management (Hong Kong) Limited accepts responsibility for accurately reproducing such data and information but makes no warranty or representation as to the completeness and accuracy of data and information sourced from such unaffiliated third parties. You should read the Fund's offering documents for further details, including risk factors. If necessary, you should seek independent professional advice. This material has been prepared and issued by China Asset Management (Hong Kong) Limited. This material has not been reviewed by the Securities and Futures Commission.