

# ChinaAMC Select China Leap Equity Fund

## Fund Factsheet



As of 28 Jun 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:

- ChinaAMC Select China Leap Equity Fund (the "Fund") invests primarily in equity securities 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 which in the opinion of the Manager, have strong prospects for leap growth or will benefit from leap growth of China, by accessing 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 limited to the "14th Five-Year Plan of China", the "Made in China 2025 Plan", the "Carbon Neutrality Strategy of China".
- The Fund may invest in fixed income securities issued and/or guaranteed by any single country any credit rating, pre-IPO and cornerstone investment, collective investment schemes (authorised by the SFC), cash equivalent instruments and financial derivative instruments ("FDIs") for hedging or investment purposes.
- The Fund may invest in depositary receipts that 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. These may negatively affect the performance and/or liquidity of the Fund.
- Investment in equity securities is subject to market risk and the prices of such securities may be volatile, including but not limited to changes in investment sentiment, political environment, economic environment, regional or global economic instability, currency and interest rate fluctuations.
- The Fund will focus its investments in China-related equities. The Fund is likely to be more volatile than a broad-based fund, as the Fund is more susceptible to fluctuations in value resulting from limited number of holdings or from unfavourable performance in such equity that the Fund invests in. Invest in the China Leap Equity Securities is subject to significant volatility, risk greater than diversified funds, government policy, dynamic market conditions, new competing products and services, and rapid improvements in existing products and services.
- Investment in PRC markets is subject to greater political, tax, economic, foreign exchange, liquidity, legal and regulatory risk.
- Investment in debt instruments are subject to liquidity risk, credit risk, interest rate risk, credit rating risk, valuation risk, downgrade risk and sovereign debt risk.
- Investment in other funds may no assurance that the liquidity of the underlying be sufficient to meet redemption request and investment objective and strategy is successfully achieved.
- Some Classes of the Fund are denominated and settled in RMB; subscription and redemption must be made in RMB. RMB is not free ly convertible and is subject to exchange controls and restrictions. There is no guarantee that RMB will not depreciate. If you convert HKD or any other currencies into RMB in investing in the Fund and subsequently convert the RMB redemption proceeds back to HKD or such other currencies, you may suffer a loss if RMB depreciates against HKD or such other currencies.
- 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.
- The Fund may acquire FDIs for investment and/or hedging purposes. Risks associated with FDIs include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. In adverse situations, hedging may become ineffective and the Fund may suffer significant losses.

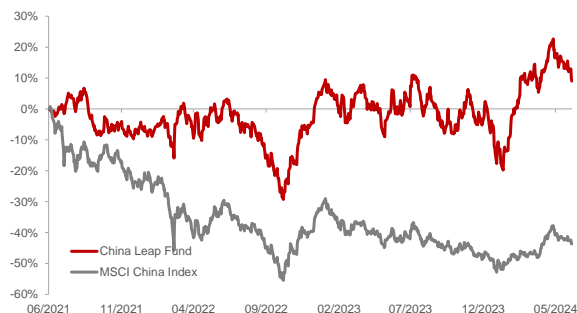
### ▲ Investment Objective

The 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").

### ▲ Fund Information<sup>2</sup>

Legal Structure	Hong Kong domiciled umbrella structure unit trust
Investment Manager	China Asset Management (Hong Kong) Limited
Fund Size	HKD 2.11 million
Base Currency	HKD
Dealing Frequency	Daily
Custodian	Bank of China (Hong Kong) Limited
Trustee	BOCI-Prudential Trustee Limited

### ▲ Fund Performance<sup>1</sup>



Launch Date	25 June, 2021
NAV per share	HKD 10.8987
Bloomberg Code	CHCLEIH HK
ISIN Code	HK0000738044
Management Fee	Up to 1% p.a.
Minimum Initial Subscription	HKD 5,000,000

### ▲ Cumulative Return<sup>1</sup>

	1 Month	3 Month	6 Month	1 Year	Since Inception <sup>3</sup>	Annualized-Since Inception <sup>3</sup>
Class I Acc HKD	-3.92%	-0.08%	+6.43%	+10.60%	+8.99%	+2.90%
MSCI China (in HKD)	-2.09%	+6.83%	+4.72%	-1.99%	-43.95%	-17.49%

	2019	2020	2021 <sup>3</sup>	2022	2023	2024YTD
Class I Acc HKD	-	-	-6.25%	+1.89%	+7.22%	+6.43%
MSCI China (in HKD)	-	-	-22.92%	-21.84%	-11.16%	+4.72%

<sup>1</sup> 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.

<sup>2</sup> Please refer to the Fund's prospectus for further details (including fees).

<sup>3</sup> Calculated since the inception date of each respective share class.

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

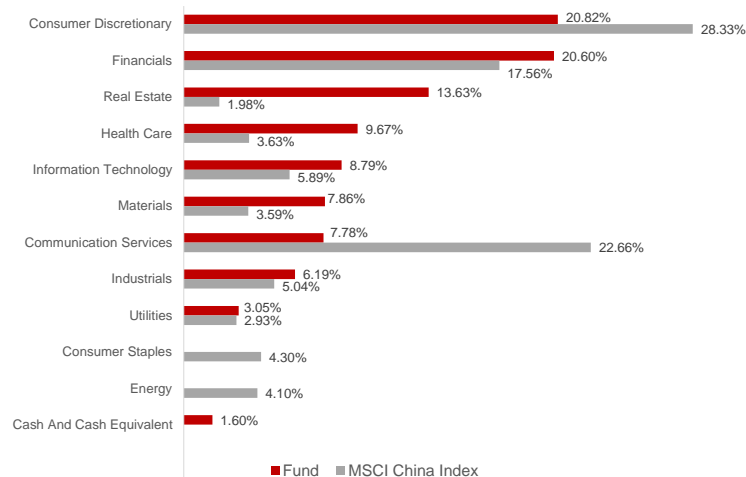
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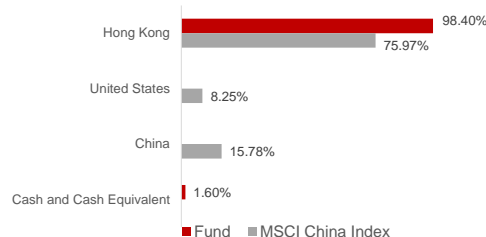


### ▲ Portfolio Allocation

#### Sector Exposure (%)



#### Geographical Exposure (%)



### ▲ Manager's Comment

MSCI China Index dropped by 2.63% in June, mainly driven by the slower-than-expected domestic economic recovery. The real estate market showed improvement in sales after the policy measures introduced on May 17, but investment was constrained by transmission lags and may experience a slow recovery. Consumer spending may face pressure in June, as passenger car sales weakened both month-on-month and year-on-year. Retail and wholesale sales of passenger cars for the week ending June 30th both declined by double-digit percentages compared to the same period last year. On Jun 25, Premier Li Qiang attended the opening ceremony of the 2024 Summer Davos Forum and emphasized the importance of maintaining the direction of building an open world economy, focusing on strengthening the foundation of economic development and implementing a combination of short-term and long-term measures to promote high-quality development. On Jun 27, the Politburo of the Communist Party of China held a meeting to discuss further comprehensive deepening of reforms and advancing the development of a Chinese-style modernization. It was decided that the Third Plenary Session of the 20th Central Committee of the Communist Party of China would be held in Beijing from Jul 15 to Jul 18. Looking forward, we maintain our long-term positive view of the Chinese equity market. According to data from Centaline Property, the total transaction volume of pre-owned houses in Beijing exceeded 2,000 units during the first weekend after the implementation of the "517" real estate policy, indicating that the recent combination of the real estate policies has shown significant effectiveness. At the end of June, the government held various meetings and repeatedly emphasized the promotion of high-quality development and the aim to guide long-term funds. Additionally, the government is deepening further opening up of key sectors to foreign investment, implementing the requirement to remove restrictions on foreign access to the manufacturing industry, and launching new rounds of pilot measures to expand the opening of the service industry. In terms of portfolio positioning, we will continue to seek a balance between value and growth.

Date source: Bloomberg As of 28 Jun 2024.

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#### Risk Warning

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.