

Guotai Junan Greater China Growth Fund

Eligible Collective Investment Scheme under "Capital Investment Entrant Scheme"



Monthly Report - 30 Sep 2017

Important Information

The Fund may invest in listed companies that derive a significant portion of their revenues from goods produced or sold, investments made or services performed in the Greater China region, which includes the People's Republic of China, the Hong Kong & Macau Special Administrative Regions and Taiwan.

The Fund may invest in the Greater China securities markets, which are emerging markets. As such, the Fund may involve a higher degree of risk and is usually more sensitive to price movements.

The value of the Fund can be volatile and could go down substantially within a short period of time.

The investment decision is yours. You should not invest unless the intermediary who sells this Fund to you has advised you that this Fund is suitable for you and has explained why, including how investing in it would be consistent with your investment objectives.

Investors should not make investment decisions based on this material alone. Please refer to the explanatory memorandum, including the risk factors involved.

The Manager may at its discretion pay dividends out of or effectively out of the capital of the Sub-Fund. Payment of distributions out of capital or effectively out of capital amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment and may result in an immediate reduction of the Net Asset Value per Unit of the Sub-Fund.

Investment Objective

To achieve medium- to long-term capital appreciation by investing in listed companies which are domiciled in or have operating incomes from the Greater China region (Mainland China, Hong Kong, Macau and Taiwan).

Fund Facts

| | |
|---------------------|--|
| Manager | Guotai Junan Assets (Asia) Limited |
| Inception Date | 19 Nov 2007 |
| Domicile | Hong Kong |
| Trustee & Registrar | HSBC Institutional Trust Services (Asia) Limited |
| Auditor | Ernst & Young Limited |
| Dealing Frequency | Daily |
| Base Currency | Hong Kong Dollar |
| NAV | HKD 85.74 |
| Bloomberg Code | GJGCHGR HK Equity |
| ISIN Code | HK0000315355 |

Fund Performance

| | 2007 ¹ | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 ² |
|----------------------------------|-------------------|--------|-------|-------|--------|-------|-------|------|-------|-------|-------------------|
| The Fund (%) | 12.93 | -61.96 | 99.45 | 12.15 | -33.38 | 18.42 | 12.02 | 1.36 | -4.12 | -8.66 | 17.24 |
| Hang Seng Total Return Index (%) | 1.55 | -46.40 | 56.65 | 8.57 | -17.38 | 27.46 | 6.55 | 5.48 | -3.92 | 4.30 | 29.81 |

- Calculated since the launch of the Fund as at 19 November 2007.
- Measured as of 30 Sep 2017

| | 1 Mth | 3 Mths | 6 Mths | YTD | 1 Yrs | 3 Yrs | 5 Yrs |
|----------------------------------|-------|--------|--------|-------|-------|-------|-------|
| The Fund (%) | -0.26 | 9.29 | 7.82 | 17.24 | 11.12 | 6.19 | 39.17 |
| Hang Seng Total Return Index (%) | -1.17 | 8.61 | 17.85 | 29.81 | 22.96 | 34.26 | 59.36 |

Last update: 30 Sep 2017

The performance is measured in NAV-to-NAV in fund currency with net income re-investment

5 Year Performance



Source: Guotai Junan Assets (Asia) Limited

Last update: 30 Sep 2017

The performance is measured in NAV-to-NAV in fund currency with net income re-investment

Subscription and Redemption

| | |
|---------------------------------------|------------|
| Min. Initial Subscription | HKD 10,000 |
| Subscription Fee | Up to 5% |
| Annual Management Fee | 1.5% |
| Redemption Fee* | |
| Less than 6 mths | 1% |
| 6 mths or more but less than 12 mths | 0.75% |
| 12 mths or more but less than 18 mths | 0.50% |
| 18 mths or more but less than 24 mths | 0.25% |
| 24 mths or more | Waive |

* Redemption fee will be waived for investors who subscribed through nominee account.

Contact

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*The Fund is approved as Eligible Collective Investment Scheme under "Capital Investment Entrant Scheme" of HK SAR

Market Outlook and Investment

The global economy remains on the steady growth track. US just reported the highest ISM manufacturing PMI after five years, at 60.8 for September 2017. US Fed reiterated on tapering and interest rate hike, even though the current CPI growth has not yet reached the Fed's initial target. ECB and BOE also indicated plans for ending the QE programs and possible interest rate hike in future. We believe that the amiable economic environment will help to bolster the strong performance of global equities.

China also reported encouraging macro data. In particular, the NBS manufacturing PMI in September reached five-year high at 52.4, which stayed in expansionary territory for the 14th consecutive month. We expect the central government will address more concrete policy plans for long term development of China's economy at the 19th Party's meeting. After the PBOC has tightened the monetary policies to rein in leverage and financial risks for more than one year, we expect a modest loosening for the 4Q17 to stabilize the GDP growth. Looking forward to the rest of the year, we remain positive in Hong Kong / China equities despite the possibility that economic data may soften after rounds of solid growth data since the start of the year. In regard to our investment strategy, we will keep the well-balanced sector mix, and we will keep relatively high equity exposure on domestic A-share market. We will tilt in sectors that will benefit from the consumption upgrade momentum in China, such as the domestic consumption and technology leaders. In light of the global growth recovery, we also will seek opportunity in quality exporters which exhibit solid market shares and margin expansion.

Disclaimer

The information and data contained in this document is for reference only and does not constitute investment advice, or an offer to sell, or a solicitation of an offer to buy any security, investment product or service.

Certain data in this document has been obtained from third parties. Guotai Junan Assets (Asia) Limited has taken its best endeavour to ensure the accuracy of such data, and in good faith believes it is reliable, and however does not guarantee the accuracy of such data.

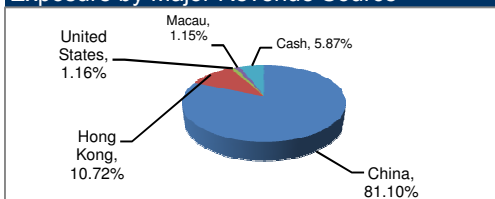
Investment involves risk. The prices of units may go up as well as down. Past performance is not indicative of future performance. Please refer to the Explanatory Memorandum for details including risk factors.

This document is issued by Guotai Junan Assets (Asia) Limited and has not been reviewed by the Securities and Futures Commission.

Top Ten Holdings

| | % |
|------------------------------------|------|
| Tencent | 9.87 |
| Ping An Insurance | 9.56 |
| HKEX | 8.04 |
| Sinopec Shanghai Petrochemical | 5.33 |
| Zijin Mining | 4.33 |
| China Everbright International | 4.11 |
| Sihuan Pharmaceutical | 3.97 |
| Alibaba | 3.90 |
| Sunny Optical Technology | 3.47 |
| China Communications Constructions | 3.41 |

Exposure by Major Revenue Source³



3. Sources: Bloomberg, Guotai Junan Assets (Asia) Ltd.

Industry Allocation⁴

| | |
|------------------------|--------|
| Financials | 25.06% |
| Information Technology | 24.32% |
| Industrials | 12.79% |
| Materials | 11.27% |
| Consumer Discretionary | 8.73% |
| Health Care | 5.52% |
| Real Estate | 3.97% |
| Utilities | 1.31% |
| Consumer Staples | 1.16% |
| Cash | 5.87% |

4. Sources: Bloomberg, Guotai Junan Assets (Asia) Ltd, based on the Global Industry Classification Standard.

Dividend Distribution History (Since Launch)

| Record Date | Distribution Per Unit | Fund Price On Record Date |
|-------------|-----------------------|---------------------------|
| 30-Jun-15 | HKD 3.03 | HKD 100.9 |