Guotai Junan Greater China Growth Fund

^Eligible Collective Investment Scheme under "Capital Investment Entrant Scheme"

Monthly Report - 29 Feb 2024

國泰君安資產管理(亞洲) GUOTAI JUNAN ASSETS (ASIA)

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 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 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
Dealing Frequency	Daily
Base Currency	Hong Kong Dollar
NAV	HKD 78.59
Bloomberg Code	GJGCHGR HK Equity
ISIN Code	HK0000315355

Fund Performance (Class A)

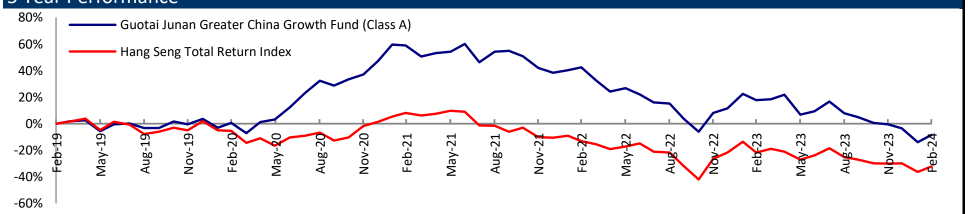
Calendar Year Performance	2010 [1]	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
The Fund (%)	12.15	-33.37	18.42	12.02	1.37	-6.99	-8.66	27.53	-16.33	13.85	42.28	-6.00	-19.49	-13.36
Hang Seng Total Return Index (%) [3]	8.57	-17.38	27.46	6.55	5.48	-3.92	4.30	41.29	-10.54	13.04	-0.29	-11.83	-12.54	-10.46

1. Calculated since 1 Jan 2010 2. Measured as of 29 Feb 2024
3. A reference index for comparative purposes only

Cumulative Performance	1 Mth	3 Mths	6 Mths	YTD [2]	1 Yrs	3 Yrs	5 Yrs
The Fund (%)	6.38	-7.91	-15.20	-5.16	-22.20	-42.37	-8.45
Hang Seng Total Return Index (%) [3]	6.63	-2.98	-9.32	-3.14	-13.29	-37.16	-32.13

Last update: 29 Feb 2024 The performance is measured in NAV-to-NAV in fund currency with net income reinvested

5 Year Performance



Source: Guotai Junan Assets (Asia) Limited Last update: 29 Feb 2024

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

Subscription and Redemption

Min. Initial Subscription	HKD 10,000
Subscription Fee	Up to 5%
Annual Management Fee	1.5% p.a.
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	Waived

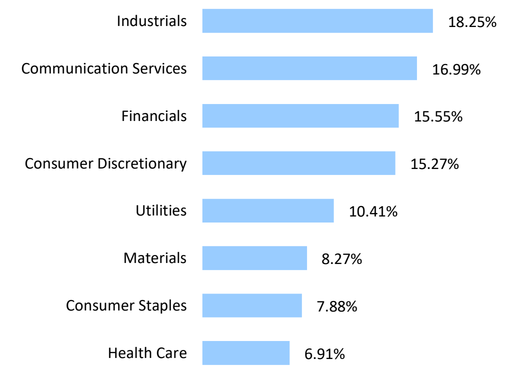
*Please refer to the Explanatory Memorandum for fee details

Top Ten Holdings[4]

Top Ten Holdings	%
Aia Group Ltd	7.12
Alibaba Group Holding Ltd	6.57
Baidu Inc-Class A	5.98
Kunlun Energy Co Ltd	5.56
China Mobile Ltd	5.39
China Bluechemical Ltd - H	4.82
Ping An Insurance Group Co-H	4.79
China State Construction Int	4.29
Samsonite International Sa	3.79
Cspc Pharmaceutical Group Lt	3.68

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

Industry Allocation[6]



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

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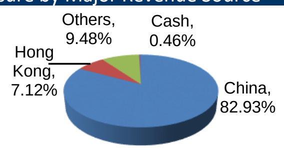
^The Fund is approved as Eligible Collective Investment Scheme under "Capital Investment Entrant Scheme" of HKSAR

Exposure by Major Revenue Source[5]



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

Market Outlook and Investment Strategy

US equities extended the strong rally in February supported by positive earnings releases of the "Magnificent Seven". The S&P 500, the Nasdaq Composite and the Dow jumped by 5.17%, 6.12% and 2.22%, respectively. Data wise, US 4Q23 GDP expanded by 3.1% YoY, the strongest rise in about two years. US annual inflation rate fell back to 3.1% in January, higher than forecasts of 2.9%. The core personal consumption expenditures (PCE) price, the Fed's preferred inflation gauge, stood at 3.9% in January, above market expectation of 3.7%. The Nonfarm Payrolls added 353K jobs in January, way above consensus of 180K. It is the biggest rise in employment in a year, signaling the labor market remained tight. Investors seemed confused about how policymakers would weigh progress in slowing inflation against signs of a strong labor market and positive surprises from other economic data. All eyes on the FOMC in March with rates decision and other comments on potential rate cuts in the future. Going forward, we believe the impact of peaking interest rates and softened demand will weigh on the US economy in 2024. The outlook still remains challenging, while a soft landing should be achievable as it is the year of presidential election.

A-share rode on a roller coaster in February, thanks to supports from the state funds and bets on the upcoming Two Session in early March. The CSI300 Index soared by 9.35%, and the ChiNext Index skyrocketed by 14.85%. Recent economic data suggested economic recovery remained fragile with more supports from the government needed. The official NBS Manufacturing PMI edged down to 49.1 in February from 49.2 in January, the fifth straight month of contraction in factory activity, amid an impact of the week-long Lunar New Year. The official NBS Non-Manufacturing PMI increased to 51.4 in February from 50.7 in the previous month, exceeding market forecasts of 50.8. CPI fell by 0.8% YoY in January, the most in more than 14 years and worse than market forecasts of a 0.5% fall. It was the fourth straight month of decline in CPI, the longest streak of drop since October 2009. Official figures showed tourism revenues over the Lunar New Year holidays were higher than in the same period before COVID (2019), however, the average selling price (ASP) recorded a 10% YoY decline, indicating the trend of consumption downgrading. Chinese authorities took further steps to restore market confidence, including limits on equity net sales, stock purchases by state funds and restrictions on quantitative trading. Moreover, the PBoC surprisingly cut the 5-yr Loan Prime Rate (LPR) by 25bps while keep the 1-yr LPR the same, in order to help with the struggling housing market. Looking forward, the economic outlook is quite challenging as reflected by insufficient internal demand and lack of confidence. We believe the policy stance will stick to pro-growth and more measures will be announced to protect further downside of the economy. Considering internal uncertainties and external challenges, we are cautiously optimistic with the long-term development of Chinese economy.

Hong Kong equity market performance was similar to A-share in February. The HSI rebounded by 6.74%, and the HSTECH surged by 14.16%. Recent local economic data were mixed. HK imports and exports continued to improve, rising by 21.7% and 33.6% in January, respectively. HK retail sales dropped 1.2% YoY in January, reversing a 4.8% growth in the previous month. The annual inflation rate slowed to 1.7% in January from 2.4% in the previous month, the lowest inflation rate since March 2023. Towards the end of the month, HK Financial Secretary Paul Chan announced to bolster the real estate market by scrapping all tightening measures for residential properties (including all additional stamp duties) with immediate effect in his annual budget. This could stimulate the housing market in short term, while the long-term effectiveness remained to be seen as the key draggers were high mortgage rates and a weak macro environment. Looking ahead, we remain bearish on HK local economy. It takes time for both the real economy and investors' confidence to restore. We have been patient and prudent to catch up opportunities from irrational selloffs. There should be more structural opportunities for long term investments.

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