

# Guotai Junan Greater China Growth Fund

Eligible Collective Investment Scheme under "Capital Investment Entrant Scheme"

Monthly Report - 31 May 2026



## 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 Performance (Class A)

Calendar Year Performance	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
The Fund (%)	18.42	12.02	1.37	-6.99	-8.66	27.53	-16.33	13.85	42.28	-6.00	-19.49	-13.36	15.08	25.08
Hang Seng Total Return Index (%) <sup>3</sup>	27.46	6.55	5.48	-3.92	4.30	41.29	-10.54	13.04	-0.29	-11.83	-12.54	-10.46	22.93	32.51

1. Calculated since 1 Jan 2011 2. Measured as of 31 May 2026  
3. A reference index for comparative purposes only

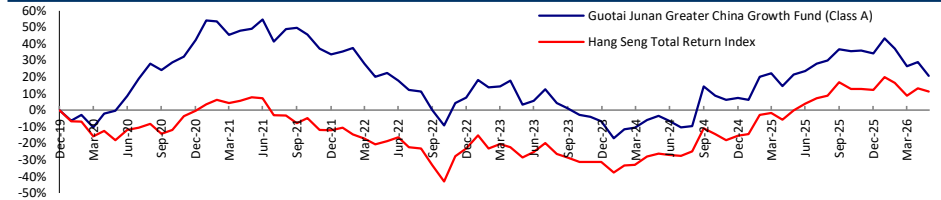
Cumulative Performance	1 Mth	3 Mths	6 Mths	YTD <sup>2</sup>	1 Yrs	3 Yrs	5 Yrs
The Fund (%)	-6.42	-12.04	-11.09	-10.07	-0.56	16.91	-18.99
Hang Seng Total Return Index (%) <sup>3</sup>	-1.74	-4.56	-1.38	-0.81	11.37	55.49	3.19

## 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 107.28
Bloomberg Code	GJGCHGR HK Equity
ISIN Code	HK0000315355

Last update: 31 May 2026 The performance is measured in NAV-to-NAV in fund currency with net income reinvested

## Fund Performance (Since 2020)



Source: Guotai Junan Assets (Asia) Limited Last update: 31 May 2026  
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

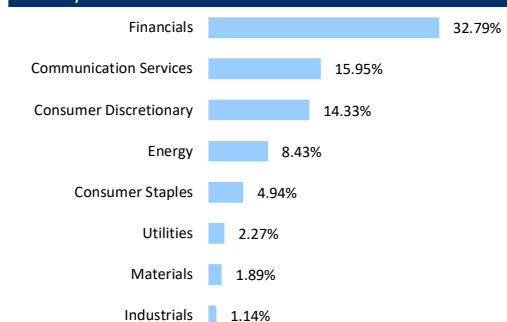
\*Please refer to the Explanatory Memorandum for fee details

## Top Five Holdings<sup>4</sup>

Company	%
China Construction Bank-H	9.37
Tencent Holdings Ltd	8.74
Alibaba Group Holding Ltd	8.21
Cnooc Ltd-H	7.45
Ping An Insurance Group Co-H	5.35

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

## Industry Allocation<sup>6</sup>



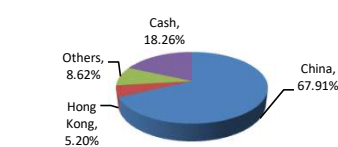
6. Sources: Bloomberg, Guotai Junan Assets (Asia) Ltd, based on the Global Industry Classification Standard.

## Contact

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

## Exposure by Major Revenue Source<sup>5</sup>



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

## Market Outlook and Investment Strategy

Following the temporary rebound in April, the rally in the Hong Kong stock market lost momentum in May. While the market edged higher amidst volatility in the first half of the month—with the Hang Seng Index (HSI) briefly reclaiming the 26,500 level—multiple headwinds subsequently emerged to weigh on both valuations and market sentiment. These included escalating tensions in the Middle East, which triggered a resurgence in risk-off sentiment, coupled with hawkish signals from the Federal Reserve's May meeting minutes. Additionally, driven by the quarterly rebalancing of the MSCI index series, the main board's single-day turnover on the final trading day of the month surged to a year-to-date high of HKD 462 billion. For the full month, the HSI declined 2.30% at 25,182.39, while the Hang Seng Tech Index managed a modest gain of 0.27%, closing at 4,884.23. Sector performance within the Hong Kong market diverged significantly in May. Among the Hang Seng Composite Industry Indices, the industrial sector bucked the trend to post gains, whereas the energy, healthcare, and materials sectors underperformed the broader market. The Southbound recorded a minor net outflow of approximately HKD 3.5 billion for the month, a reversal from the net inflow of HKD 56.5 billion in April. As of the end of May, the year-to-date cumulative net inflow of Southbound capital exceeded HKD 273.9 billion, marking a notable deceleration compared to the approximately HKD 633.3 billion recorded during the same period last year.

On the domestic front, economic data were mixed. CPI and industrial enterprise profits both beat market expectations; however, retail sales and fixed-asset investment fell short of forecasts. Overall, structural divergence across industries widened, as investment and consumption within domestic demand weakened further due to the waning effects of front-loaded supportive policies and the drag from high oil prices. On the diplomatic front, US President Donald Trump visited China in mid-May as scheduled. The two sides reached a consensus on several fronts, including economic and trade cooperation, the establishment of communication mechanisms (specifically the formation of a Trade Council and an Investment Council), tariff reductions in non-critical sectors, and geopolitical coordination—such as addressing the Middle East supply chain crisis and de-escalating regional tensions. These outcomes have released positive signals for subsequent bilateral cooperation.

Globally, geopolitical tensions in the Middle East flared up once again. Incidents involving commercial ship explosions and fires at oil facilities disrupted the brief period of peace, triggering volatility across global commodity markets and reviving market anxieties over a potential resurgence of inflation. In the United States, the April CPI rose to 3.8% year-on-year, hitting its highest level since May 2023. Against this backdrop, the Federal Reserve minutes from the April meeting, released on May 20, hinted that officials would deem a resumption of rate hikes necessary if geopolitical conflicts continue to exacerbate inflationary pressures. Consequently, the core focus of CME interest rate futures pricing has shifted from "when to cut rates" to "whether the Fed will raise rates by 25 basis points this year." This renewed tightening of overseas liquidity expectations has exerted downward pressure on the relatively sensitive Hong Kong equity market.

Overall, Hong Kong equities transitioned from a phase of "temporary rebound" to "overseas macroeconomic and geopolitical shocks" in May. Looking ahead, key catalysts to monitor include: The evolution of the situation in the Middle East; the Fed's stance on "resuming rate hikes" at the upcoming FOMC, along with statements from the newly appointed Fed Chair; the implementation progress of bilateral agreements following Trump's visit to China. Given the liquidity pressures and volatile geopolitical landscape, we lean toward maintaining an overall cautious stance. While keeping our focus squarely on value, we aim to capture potential positioning opportunities that may emerge following market consolidation. From a long-term perspective, the recovery momentum in Chinese economy still requires time to be fully validated. We therefore remain cautiously optimistic on the long-term development of the Chinese economy.

## Disclaimer:

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