Guotai Junan Greater China Growth Fund

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

Monthly Report - 31 Jul 2026

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 109.85
Bloomberg Code	GJGCHGR HK Equity
ISIN Code	HK0000315355

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 (%) [3]	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

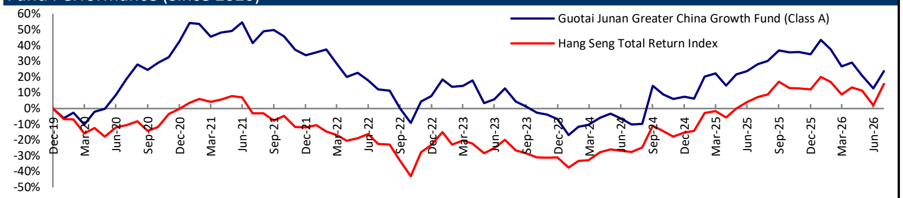
1. Calculated since 1 Jan 2011 2. Measured as of 31 Jul 2026

3. A reference index for comparative purposes only

Cumulative Performance	1 Mth	3 Mths	6 Mths	YTD [2]	1 Yr	3 Yrs	5 Yrs
The Fund (%)	9.81	-4.18	-13.69	-7.91	-3.37	9.74	-12.53
Hang Seng Total Return Index (%) [3]	13.46	2.01	-3.64	2.99	7.73	44.14	19.26

Last update: 31 Jul 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 Jul 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

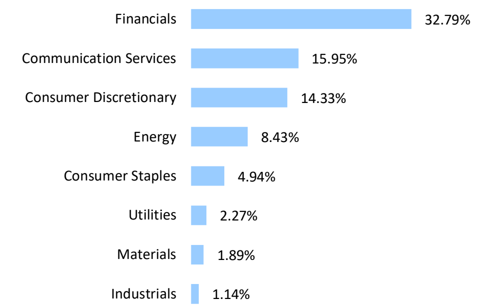
*Please refer to the Explanatory Memorandum for fee details

Top Five Holdings[4]

Top Five Holdings[4]	%
China Construction Bank-H	9.59
Hsbc Holdings Plc	7.83
Ind & Comm Bk Of China-H	7.74
China Mobile Ltd-H	7.28
Clp Holdings Ltd	5.70

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.

Contact

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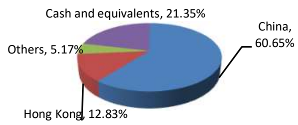
^The Fund is approved as Eligible Collective Investment Scheme under "Capital Investment Entrant Scheme" of HKSAR

Exposure by Major Revenue Source[5]



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

Market Outlook and Investment Strategy

In July, against the backdrop of a broad correction in the global technology sector, the Hong Kong equity market staged a remarkable "decoupled rally." Dispelling the gloom of June, the HSI fully recouped its June losses, surging 13.13% for the month to close at 25,884.43, ranking among the top-performing major equity indices globally in July. The HSTECH advanced 7.98% over the month, closing at 4,829.22. By sector, Information Technology, Consumer Discretionary, and Industrials led the gains, while Energy, Utilities, and Healthcare came under relative pressure. Regarding Stock Connect, net Southbound inflows accelerated in July versus June, with cumulative net inflows reaching approximately HKD 62.9 billion for the month. As of end-July, year-to-date cumulative net Southbound inflows stood at approximately HKD 364.0 billion.

On the domestic front, the economy continued to exhibit a "K-shaped divergence" pattern: the high-end manufacturing sector demonstrated resilience and strength, while traditional consumption remained under pressure. The manufacturing PMI declined 1.1 percentage points MoM to 49.2 in July, falling below market consensus and slipping back into contractionary territory. July CPI declined 0.1% MoM and edged up a mere 0.5% YoY, with weak domestic demand constraining upward price momentum. July PPI fell 0.7% MoM, though a favorable base effect kept the YoY reading at a positive 3.5%, indicating a somewhat diminished pass-through of upstream industrial product prices to the mid- and downstream segments. In the first half of 2026, GDP grew 4.7% YoY, with second-quarter growth at 4.3%, below the full-year target of 5%, weighed down by the dual headwinds of a sluggish domestic demand recovery and disruptions from external tariff policies. The Politburo meeting convened at the end of July reaffirmed the need to "intensify counter-cyclical policy adjustments" and to "fully leverage the effectiveness of all existing policies while promptly formulating practical and effective incremental policy measures," signaling a clear policy backstop.

On the international front, the Fed announced at its July meeting that it would maintain the target range for the federal funds rate at 3.50%–3.75%, in line with market expectations, marking the fifth consecutive pause in rate adjustments. However, the vote was 9-3, with the presidents of the Federal Reserve Banks of Cleveland, Minneapolis, and Dallas dissenting in favor of a 25bps rate hike. This marks the first instance since 2016 in which three dissenting votes have uniformly favored a rate increase, signaling a materially elevated hawkish sentiment within the Committee. On inflation, U.S. headline CPI YoY growth decelerated from 4.2% in May to 3.5% in June, with a MoM decline of 0.4%, primarily attributable to a 5.7% MoM drop in energy prices. Core CPI YoY eased to 2.6%, reflecting some moderation in housing and select service price pressures. Nevertheless, Fed Chair Warsh emphasized at the press conference that a single CPI data point carries limited interpretive value, and that multiple consecutive declines would be required to confirm a sustained downtrend, reaffirming the Fed's unwavering commitment to its 2% inflation target. Following this FOMC meeting, market-implied expectations for rate hikes this year were scaled back from two to one. The Fed is highly likely to hold rates steady at its September and October meetings, but subsequent meetings could see a shift toward a more hawkish posture, warranting continued monitoring of potential headwinds for Hong Kong equity market liquidity.

Overall, in July, the Hong Kong equity market achieved a strong rebound following the deep correction in June, driven by the combined forces of accelerating Southbound inflows, improving policy expectations, and valuation normalization arising from portfolio rebalancing. Looking ahead, the market faces an interplay of multiple positive catalysts and potential risks, and is likely to exhibit a range bound trading pattern. On the positive side: first, the July Politburo meeting's renewed emphasis on "intensifying counter-cyclical policy adjustments" suggests that incremental policy measures are likely to be rolled out in succession; second, sustained net Southbound inflows are expected to continue providing liquidity support to the market; and third, the reduced probability of further Fed rate hikes this year points to a marginal improvement in global liquidity conditions. On the risk side: first, investors should monitor whether the growing hawkish dissent within the FOMC will further escalate into concrete rate hike actions, alongside potential disruptions to global commodity markets and inflation expectations arising from geopolitical developments in the Middle East; second, given the "K-shaped divergence" persisting in the domestic economy, the July PMI's return to contractionary territory underscores that the foundation for economic recovery remains insufficiently solidified; and third, the overall valuation percentile of the Hong Kong equity market is not at a particularly low level, coupled with the intensive interim-results disclosure period underway, warranting vigilance against stock-specific volatility triggered by earnings disappointments. Against this backdrop, high-dividend assets stand out as core portfolio holdings, underscoring their defensive characteristics and strategic allocation value.