



FSSA China Growth Fund

Fund snapshot

- High-conviction portfolio with bottom-up stock selection
- Aims to provide long-term capital appreciation
- Managed by a team of Asia and Global Emerging Markets specialists with a long track record



Minimum market cap
All cap



Geographical sector
China

- The Fund invests primarily in equity or equity-related securities issued by companies with either assets in, or revenues derived from China.
- The Fund invests in emerging markets which may have increased risks than developed markets including liquidity risk, currency risk/control, political and economic uncertainties, high degree of volatility, settlement risk and custody risk.
- Investing in securities of small /mid-capitalisation companies may have lower liquidity and their prices are more volatile to adverse economic developments.
- The Fund's investments may be concentrated in China and single sector which may have higher volatility or greater loss of capital than more diversified portfolios.
- The Fund may expose to China market risk including repatriation risk, uncertainties to PRC taxation policies and risks associated with StockConnects, QFII/RQFII, the ChiNext market and/or the STAR board. The Fund may also expose to RMB currency and conversion risk.
- The Fund may use FDIs for hedging and efficient portfolio management purposes, which may subject the Fund to additional liquidity, valuation, counterparty and over the counter transaction risks.
- It is possible that a part or entire value of your investment could be lost. You should not base your investment decision solely on this document. Please read the offering document including risk factors for details.

Lead portfolio manager	Approx. no. of stocks	Benchmark	Maximum cash	Minimum market cap
Martin Lau	40 - 60	MSCI China Net Index	10%	All cap
Minimum initial investment		US\$1,000	Initial charge	5.0%
Minimum subsequent investment		US\$500	Management fee	2.0% p.a.
Share class		Class I (USD - Acc)	NAV/share	US\$199.30
Inception date		17 August 1999	ISIN code	IE0008368742

Source: First Sentier Investors, as at 30 June 2022. The Fund is a sub fund of Ireland domiciled First Sentier Investors Global Umbrella Fund Plc.

Why invest in the FSSA China Growth Fund?

1. China 2.0: Evolution and innovation

- Driven by increasing innovation, the market is developing and broadening out; it is no longer just about state-owned companies
- In 2020, China received the most number of patent applications globally¹
- More graduates are returning overseas, transferring their knowledge and skillsets
- Tap into China's transformation with these long-term structural investment themes:



Dominant consumer franchises



Beneficiaries of the rise in healthcare spending



High-quality financials



A more connected and automated world

2. A differentiated, high-conviction portfolio constructed from the bottom up

- High-conviction portfolio built from the bottom up with a focus on quality management, strong financials and sustainable growth drivers

Portfolio characteristics	
Differentiated (high active share)	73.6%
High conviction (# holdings)	59
Concentrated (top 20 holdings)	60.5%
Cash generative, asset light companies (ROCE [#])	23.7%
Profitability (ROE [*])	22.4%
P/E ratio (next 24 month) [†]	12.8x

Source: First Sentier Investors, FactSet, MSCI as at 30 June 2022.

[#] Weighted Average Post-Tax ROCE run excluding values below zero or above 200% (GICS financial companies are excluded).

^{*} Weighted Average Return on Equity run excluding values below zero.

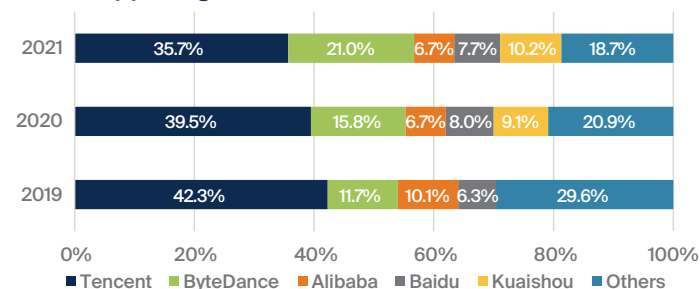
[†] Weighted Harmonic Average P/E ratio.

¹Source: WIPO IP Portal, as at November 2021.

3. Tencent: Largest social media network and online gaming company in China

- Still at an early stage of monetisation with most revenues from gaming, but has growing businesses in online advertising, cloud services and e-commerce
- Beneficiary of the rise in everyday technology and smart devices
- Helmed by a visionary management team and is well aligned with shareholders, with high governance standards
- Recent headwinds (e.g. changing regulations, Covid-19) are temporary setbacks and have made valuations attractive

Mobile app usage time share



Sources: Bloomberg, Questmobile, Morgan Stanley, FSSA Investment Managers as of 30 June 2022.

Cumulative performance in USD %

	3 months	YTD	1 year	3 years	5 years	10 years	Since inception
FSSA China Growth Fund	-0.9	-16.3	-25.7	15.5	40.5	119.7	1,893.1
MSCI China Net Index [#]	3.4	-11.3	-31.8	-1.7	11.2	72.4	464.6

Calendar year performance in USD %

	2021	2020	2019	2018	2017
FSSA China Growth Fund	-6.0	32.0	30.6	-17.6	55.7
MSCI China Net Index [#]	-21.7	29.5	23.5	-18.9	54.1

Source: Lipper, Nav-Nav (USD total return, non-dividend distributing), as at 30 June 2022. Since inception: 17 August 1999. [#]The benchmark displayed is the MSCI Golden Dragon Index until 31 May 2002 and the MSCI China Net Index from 1 June 2002 onwards. Gross of tax benchmark performance is shown before 1 July 2016 and net of tax benchmark performance is shown after the aforementioned date. FSSA China Growth Fund refers to Class I (USD - Acc), the non-dividend distributing share class.

Why FSSA Investment Managers?

FSSA Investment Managers are specialists in Asia and Global Emerging Markets. Operating as an autonomous investment team within First Sentier Investors Group, we are a team of dedicated investment professionals based in Hong Kong and Singapore. Established in 1988, we are bottom-up investors with a different perspective, using fundamental research and analysis to construct high-conviction portfolios.



Quality focused



Absolute return mind-set



Benchmark indifference



ESG fully integrated

Important information

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