

Guotai Junan Greater China Growth Fund

Eligible Collective Investment Scheme under "Capital Investment Entrant Scheme"

Monthly Report - 31 Jan 2019



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 82.32 |
| Bloomberg Code | GJGCHGR HK Equity |
| ISIN Code | HK0000315355 |

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

Ms. Kathy Yuen
Phone: (852) 2509 7746
Fax: (852) 2509 7784

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

Market Outlook and Investment

US stock market has strongly recovered last month, although during the same time US government has experienced the longest shut down in the history. During the month, Nasdaq has surged by 9.74%, Dow Jones increased by 7.17%, and S&P 500 gained by 7.87%. The market was recovered from the poor liquidity condition that presented at the end of last year, while several leading tech companies have revealed unsatisfied quarterly results. We believe the fundamental in US holds solid as the disposable income increase, which may benefit top line growth, while the margin might flatten as wages go up, and we would re-access the entry point as the market sentiment improved.

China official manufacturing PMI in Jan recorded at 49.5 which remained in contraction territory for second month, while the Exports growth plunged to -4.4% compared to the previous 5.4%, which we believe is largely due to the seasonality effect. We expect the CPI to remain at 2% level, as a slowdown in prices of food was offset by a faster rise in cost of non-food products. PBOC announced RRR cut by 100 bps in a bid to increase liquidity prior to the Chinese New Year, which is within our expectations. We believe there shall be more easing policies coming in 2019 for China since US Fed has turned dovish. As for the stock market, the CSI300 rebounded strongly by 6.34% to 3201.63.

In regard to our investment strategy for Hong Kong/China market, we think that the market would focus more on fundamentals as the result season is approaching. The possibility that we see consensus-beating results is significant due to the fact that analysts have already adjusted forecasts to very bearish numbers. Therefore we cannot ignore the chance of meaningful rebounding looking ahead, yet in long run, however, we still feel cautious toward the fundamentals, as china is in pain with both external and internal issues, including broken liquidity chain and policy uncertainties that may slow down fund flow to private sectors, while trade dispute still remained unresolved. Looking forward, we will focus on fundamental analysis and identify leading sectors and names with strong growth certainty and quality, to accommodate our investment strategy.

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.

27F, Low Block, Grand Millennium Plaza, 181 Queen's Road, Central, Hong Kong Tel: (852) 2509 7740 Fax: (852) 2509 7784 Web-site: www.gtja.com.hk

Fund Performance

| | 2008 ¹ | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 ² |
|----------------------------------|-------------------|-------|-------|--------|-------|-------|------|-------|-------|-------|-------|-------------------|
| The Fund (%) | ##### | 99.45 | 12.15 | -33.38 | 18.42 | 12.02 | 1.36 | -4.12 | -8.66 | 27.53 | ##### | 5.50 |
| Hang Seng Total Return Index (%) | ##### | 56.65 | 8.57 | -17.38 | 27.46 | 6.55 | 5.48 | -3.92 | 4.30 | 41.29 | ##### | 8.14 |

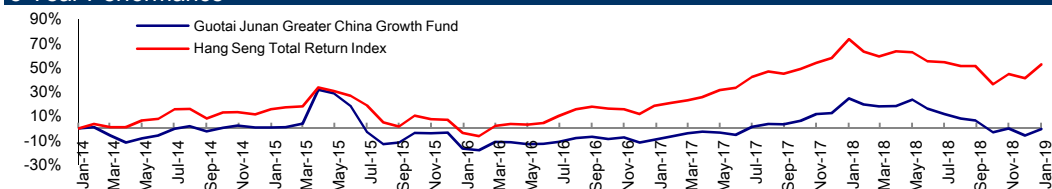
1. Calculated since 1 Jan 2008
2. Measured as of 31 Jan 2019

| | 1 Mth | 3 Mths | 6 Mths | YTD | 1 Yrs | 3 Yrs | 5 Yrs |
|----------------------------------|-------|--------|--------|------|--------|-------|-------|
| The Fund (%) | 5.50 | 2.58 | -11.17 | 5.50 | -20.28 | 19.11 | -0.60 |
| Hang Seng Total Return Index (%) | 8.14 | 12.03 | -1.21 | 8.14 | -11.99 | 58.72 | 52.82 |

Last update: 31 Jan 2019

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

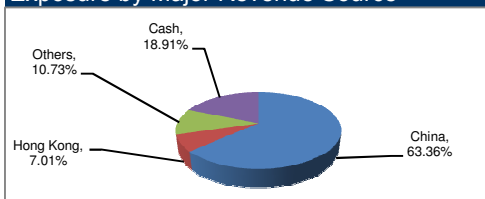
Last update: 31 Jan 2019

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

Top Ten Holdings

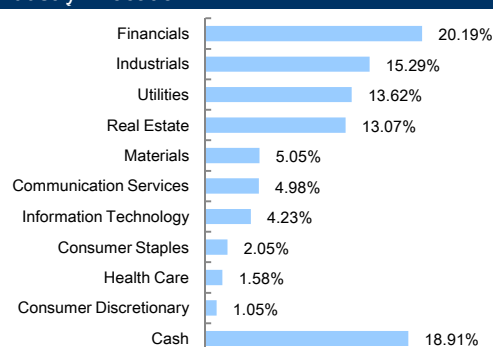
| | % |
|----------------------------|------|
| China Merchants Bank | 9.46 |
| CLP | 6.70 |
| BOC Aviation | 6.11 |
| Link Reit | 4.76 |
| Hong Kong & China Gas | 4.71 |
| China Railway | 4.05 |
| China Railway Construction | 4.01 |
| China Resources Land | 3.37 |
| Tencent | 3.19 |
| China Taiping Insurance | 3.10 |

Exposure by Major Revenue Source³



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

Industry Allocation⁴



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 |