Guotai Junan Greater China Growth Fund

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

Monthly Report - 31 Jul 2023

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 100.1
Bloomberg Code	GJGCHGR HK Equity
ISIN Code	HK0000315355

Fund Performance (Class A)

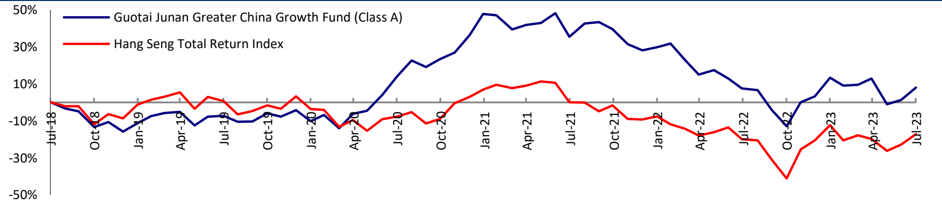
Calendar Year Performance	2009 [1]	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
The Fund (%)	99.44	12.15	-33.37	18.42	12.02	1.37	-6.99	-8.66	27.53	-16.33	13.85	42.28	-6.00	-19.49
Hang Seng Total Return Index (%) [3]	56.65	8.57	-17.38	27.46	6.55	5.48	-3.92	4.30	41.29	-10.54	13.04	-0.29	-11.83	-12.54

1. Calculated since 1 Jan 2008 2. Measured as of 31 Jul 2023
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 (%)	6.58	-4.29	-4.70	4.65	0.47	-5.21	8.02
Hang Seng Total Return Index (%) [3]	7.16	3.20	-5.62	4.22	3.32	-10.38	-17.25

Last update: 31 Jul 2023 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: 31 Jul 2023

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

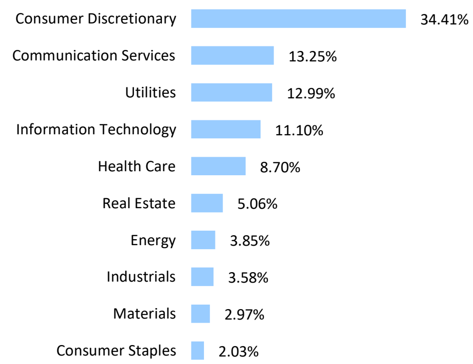
*Please refer to the Explanatory Memorandum for fee details

Top Ten Holdings[4]

Top Ten Holdings	%
Alibaba Group Holding Ltd	8.96
Baidu Inc-Class A	8.43
Meituan-Class B	5.68
China Resources Power Holdin	5.34
Kunlun Energy Co Ltd	4.67
China Oilfield Services-H	3.85
Lenovo Group Ltd	3.83
BYD Co Ltd-H	3.66
Swire Pacific Ltd-Cl B	3.19
Trip.Com Group Ltd	3.12

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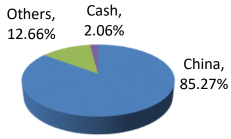
^The Fund is approved as Eligible Collective Investment Scheme under "Capital Investment Entrant Scheme" of HKSAR

Exposure by Major Revenue Source[5]



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

Market Outlook and Investment Strategy

Buoyed by moderating inflation and resilient GDP data, US equities continued to rally in July. The S&P 500, the Nasdaq Composite and the Dow rallied by 3.11%, 4.05% and 3.35%, respectively. The US annual inflation marginally accelerated to 3.2% in July from 3% in June, but below forecasts of 3.3%. It marks a halt in the 12 consecutive months of declines, due to base effects. US Nonfarm Payrolls added 187K jobs in June, below consensus of 200K. US 2Q23 GDP growth accelerated to 2.6% YoY from 1.8% in 1Q23. In July's FOMC meeting, the Fed raised the policy rates by 25bps to 5.25%~5.50%, in line with expectation and marking eleven rate hikes this cycle to curb inflation. Fed Chair Powell emphasized data dependence for September's decision. The consensus is that the Fed will impose an additional 25bps rate hike before the end of the year. Going forward, we think inflation and softened demand will continue to weigh on the US economy. The outlook remains challenging, while a soft landing should be achievable.

A-share rallied in the last week of July, thanks to policy easing and hopes of further stimulus. The CSI300 Index jumped by 4.46%, and the ChiNext Index ticked up by 0.98%. The official NBS Manufacturing PMI rose to 49.3 in July from 49 in June, exceeding market forecasts of 49.2 while still in negative territory. The official NBS Non-Manufacturing PMI declined to 51.5 in July from 53.2 a month earlier. China 2Q23 GDP expanded by 6.3% YoY on the back of a low-base from strict lockdowns, but falling short of market estimates of 7.3%. Although recent economic data were still weak, these were recognized as past tense and optimism arose as policies came out. The July Politburo meeting analyzed the current economic condition and pointed out the policy direction for the rest of the year. Beijing highlighted several aspects, such as boosting domestic consumption, reviving housing market, promulgating local government debt resolution plans, and strengthening capital market development etc. In addition, the Chinese government pledged more forceful countercyclical efforts to improve market confidence in short term, and issued a series of structural reform measures to prevent risks in longer term. Looking forward, the economic outlook will be bumpy as reflected by insufficient demand and lack of confidence. We believe the policy stance will stick to pro-growth and more measures will be announced to protect the downside of the economy. Considering internal uncertainties and external challenges, we expect a mild recovery in 2023 and we are cautiously optimistic with the long-term development of Chinese economy.

For similar reasons, Hong Kong equity market rebounded in July. The HSI jumped by 6.15%, and the HSTECH soared by 16.33%. Economic data were generally disappointing. HK imports fell by 12.3% YoY and exports shrank by 11.4% YoY in June. HK retail sales rose by 17.4% in June, accelerating from 16.6% YoY in May. The HK government emphasized that retail sales would continue to improve in the coming months, supported by increasing tourist arrivals and another round of consumption vouchers. Looking ahead, although HK local economy will still be affected by worsening external conditions, the comprehensive reopen and other supportive measures should bring some hope of recovery. 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.