FSSA Investment Managers



FSSA China Growth Fund (Irish VCC)

Investment objective and policy

The Fund aims to grow your investment.
The Fund invests at least 70% of its assets in shares of companies based in, or closely associated with, mainland China.
The Fund may invest up to 100% of its assets in any industry and in companies of any size.
The Fund will invest less than 100% of its assets in China A Shares. The Fund may use derivatives with the aim of risk reduction or efficient management.

Fund information

Fund launch date	20 May 1992
Fund size (US$m)	2325.7
Benchmark	MSCI China Net Index*
Number of holdings	58
Fund manager(s)	Martin Lau/Winston Ke

* The benchmark changed from MSCI Golden Dragon Index to the above on 01/06/2002. The benchmark of the Fund changed from MSCI China Gross to MSCI China Net with effect from 1 July 2016. This change has been reflected in the calculation of the benchmark performance.

Available share classes

Share class	Sedol	ISIN
FSSA China Growth Fund USD Class I (Accumulation)	0844877	IE0008368742
FSSA China Growth Fund USD Class I (Distributing)	B031HY2	IE00B031HY20
FSSA China Growth Fund USD Class V (Accumulation)	BJFT2B9	IE00BJFT2B93
FSSA China Growth Fund USD Class V (Distributing)	BDRM775	IE00BDRM7756
FSSA China Growth Fund GBP Class VI (Distributing)	BDRM786	IE00BDRM7863
FSSA China Growth Fund USD Class VI (Accumulation)	BG1V0V4	IE00BG1V0V41
FSSA China Growth Fund EUR Class VI (Accumulation)	BYXW390	IE00BYXW3909
FSSA China Growth Fund USD Class VI (Distributing)	BQMPXY9	IE00019VAKG2
FSSA China Growth Fund CNH Class I Hedged N (Accumulation)	BLGYYC2	IE000KX3CXG6

About FSSA Investment Managers

FSSA Investment Managers is an autonomous investment management team within First Sentier Group, with dedicated investment professionals based in Hong Kong and Singapore. We are specialists in Asia Pacific and Global Emerging Markets equity strategies, managing assets on behalf of clients globally.
We are bottom-up investors, using fundamental research and analysis to construct high-conviction portfolios. We conduct more than a thousand direct company meetings a year, seeking to identify high quality companies to invest in. We look for founders and management teams that act with integrity and risk awareness; and dominant franchises that have the ability to deliver sustainable and predictable returns over the long term. As responsible, long-term shareholders, we have integrated ESG analysis into our investment process and engage extensively on environmental, labour and governance issues.

Risk factors

This document is a financial promotion for the FSSA China Growth Fund in the EEA and elsewhere where lawful. Investing involves certain risks including:

- **The value of investments and any income from them may go down as well as up and are not guaranteed. Investors may get back substantially less than the original amount invested.**
- **Currency risk:** The Fund invests in assets which are denominated in other currencies; changes in exchange rates will affect the value of the Fund and could create losses. Currency control decisions made by governments could affect the value of the Fund's investments and could cause the Fund to defer or suspend redemptions of its shares.
- **China market risk:** Although China has seen rapid economic and structural development, investing there may still involve increased risks of political and governmental intervention, potentially limitations on the allocation of the Fund's capital, and legal, regulatory, economic and other risks including greater liquidity risk, restrictions on investment or transfer of assets, failed/delayed settlement and difficulties valuing securities.
- **Single country / specific region risk:** investing in a single country or specific region may be riskier than investing in a number of different countries or regions. Investing in a larger number of countries or regions helps spread risk.

Reference to specific securities (if any) is included for the purpose of illustration only and should not be construed as a recommendation to buy or sell. Reference to the names of any company is merely to explain the investment strategy and should not be construed as investment advice or a recommendation to invest in any of those companies.

For a full description of the terms of investment and the risks please see the Prospectus and Key Information Document.

If you are in any doubt as to the suitability of our funds for your investment needs, please seek investment advice.
If you are unsure of the terminology used in this report, please seek independent financial advice.

Annual performance in USD (%) to 30 September 2026

	12 mths to 30/09/26	12 mths to 30/09/25	12 mths to 30/09/24	12 mths to 30/09/23	12 mths to 30/09/22
FSSA China Growth Fund	-8.5	13.7	10.0	0.8	-31.6
MSCI China Net Index	-18.4	30.8	23.9	5.2	-35.4

Cumulative performance in USD (%) to 30 September 2026

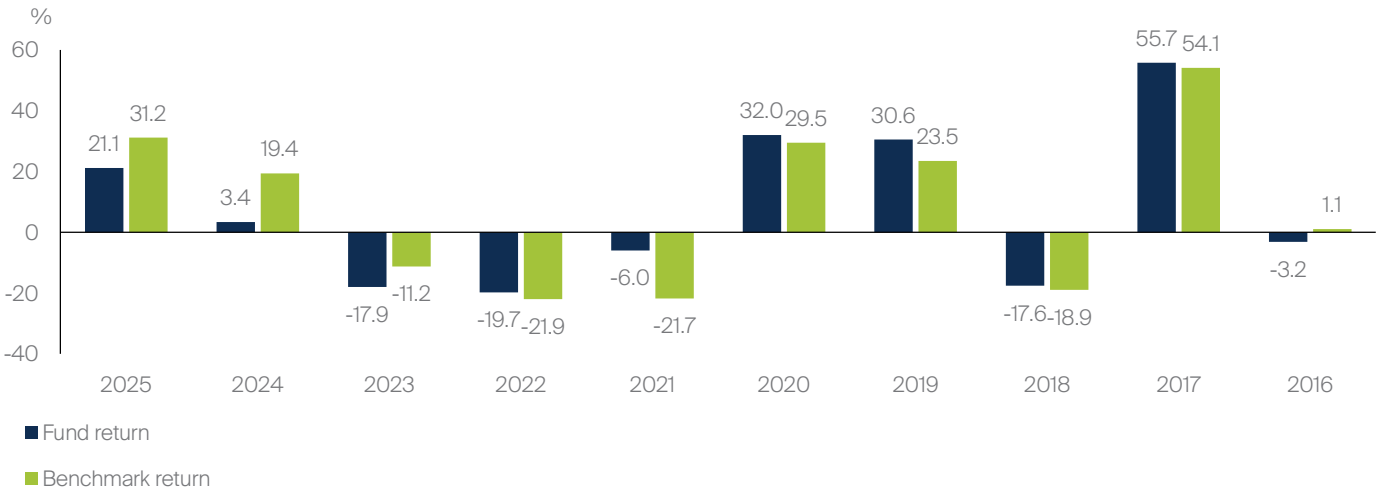
	Since Inception	10 yrs	5 yrs	3 yrs	1 yr	YTD	6 mths	3 mths
FSSA China Growth Fund	1760.2	56.1	-21.0	14.5	-8.5	-5.3	0.3	-4.0
MSCI China Net Index	509.0	39.1	-10.1	32.2	-18.4	-11.9	-3.2	3.7

Performance review

Positive contributors to performance over the last 12 months included **MediaTek**, which rose amid growing optimism around its AI application-specific integrated circuit (ASIC) business and strong sales growth momentum. In addition, MediaTek announced it would deepen its relationship with US chip giant NVIDIA across AI data-centre infrastructure, with NVIDIA investing US$3.5bn in MediaTek's convertible bonds. Impro Precision also rose. The company has performed strongly thanks to rising demand for its components used in high-horsepower engines for data-centre infrastructure. At the same time, demand has recovered in several non-AI businesses, including construction equipment, and the company has continued to gain market share from European competitors.

On the negative side, **Trip.com** declined on concerns about regulatory uncertainty as well as the pace of China's consumer recovery. While domestic and outbound travel demand remained resilient, investors questioned the potential impact of a recent antitrust ruling on the company's long-term competitive position and profitability. **XCMG** also fell. Despite strong growth in its excavator business, soft sales of aerial work platforms in China, along with sluggish mining demand, weighed on its earnings. It was also impacted by FX headwinds from RMB appreciation.

Calendar year performance (% in USD) to 30 September 2026



These figures refer to the past. Past performance is not a reliable indicator of future results. For investors based in countries with currencies other than USD, the return may increase or decrease as a result of currency fluctuations. Since inception performance figures have been calculated from 17 August 1999. All performance data for the FSSA China Growth Fund Class I (Accumulation) USD as at 30 September 2026. Source for fund - Lipper IM / First Sentier Group. Performance data is calculated on a net basis by deducting fees incurred at fund level (e.g. the management fee and other fund expenses), save that it does not take account of initial charges or switching fees (if any). Income reinvested is included on a net of tax basis. Source for benchmark - MSCI, income reinvested net of tax.

▲On 22 September 2020, First State China Growth Fund was rebranded as FSSA China Growth Fund.

Portfolio review

New investments over the quarter included **Luxshare Precision**, an electronics contract manufacturer that counts Apple as its largest client. In recent years the company has been diversifying its business away from smartphone assembly towards automotive components and segments related to AI data centre infrastructure, such as connection components, optical components and cooling systems. Luxshare's disciplined management and track record of scaling new businesses give us confidence in its prospects.

We also initiated a position in **ASMPT**, a technology company specialising in surface mount technology (SMT) and semiconductor packaging. As a cyclical business, earnings have been depressed during the prolonged downcycle. However, we believe this is masking an improving business mix and quality, some of which is reflected in the company's higher gross profit margins. When the cycle turns, we believe earnings could rebound strongly, given management's focus on controlling operating expenses.

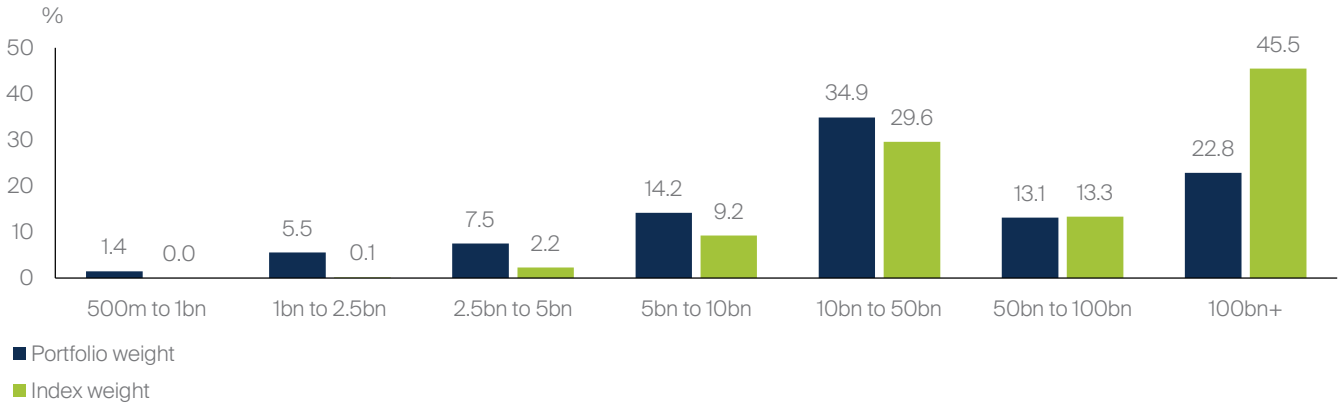
Sales included **ZTO Express**, as we are sceptical of the competitive dynamics and long-term profitability in the logistics industry and believe internet companies offer better risk-reward.

We also sold a small position in **China Resources Beer** to raise cash for higher-conviction opportunities.

Stock spotlight

Shenzhen Mindray is the leading medical device manufacturer in China. We believe it is well positioned to benefit from the world's ageing population and increased healthcare spending. Founded in Shenzhen in 1991, the company has demonstrated a strong track record of new product innovation, mergers and acquisitions, and expansion into new geographies. It has grown successfully beyond patient monitoring systems into more advanced areas such as medical imaging and in vitro diagnostics. Key to these results is their core competency in research and development (R&D). As sales grew, Mindray maintained R&D spending at 9-10% of revenue, creating a self-perpetuating cycle of new products and sales growth, along with cost savings to customers. Among the most important elements driving Mindray's success are its people and culture; and in Mindray's case this comes from the co-founder and chairman, Li Xiting. We believe his risk-aware approach has been integral to the company's strong growth and execution.

Market capitalisation breakdown (USD)



Data source: For illustration purposes only. Portfolio weights may not add up to 100% as cash holdings are excluded and full coverage of stocks is not always available. This information is calculated by First Sentier Group. Past performance is not indicative of future performance. Reference to specific securities (if any) is included for the purpose of illustration only and should not be construed as a recommendation to buy or sell the same. All securities mentioned herein may or may not form part of the holdings of First Sentier Group' portfolios at a certain point in time, and the holdings may change over time. These figures refer to the past. Past performance is not a reliable indicator of future results. For investors based in countries with currencies other than USD, the return may increase or decrease as a result of currency fluctuations.

Outlook

As bottom-up investors, our focus remains on selecting well-run companies with capable leaders, strong franchises, attractive earnings growth and sound balance sheets. Our portfolio is aligned with the structural trends shaping China's economy, and our holdings in market-leading businesses, led by secular growth trends and underpinned by rising incomes, are likely to remain resilient under different macro conditions.

Domestically, the prolonged weakness in the economy is changing the way Chinese consumers spend. While we still believe in consumption upgrading, we see people spending more on experiences – such as leisure, travel and tourism services. To support this growth, the government is continuing its targeted efforts to boost the demand side, with policies to support employment growth and higher minimum wages. We also expect further actions to stabilise the property sector which should bode well for consumer confidence.

On the manufacturing front, innovation and technological self-sufficiency remain among the key areas of focus for Chinese companies, and thanks to multi-year investments in R&D and supply chains, they are becoming increasingly competitive on the global stage. From electric vehicles to medical devices, Chinese companies are growing their overseas businesses, while the government's "anti-involution" policy should help curb overcapacity and destructive price competition in key market sectors.

Looking forward, we are optimistic about China's future, despite the occasional bumps in the road. Meanwhile, the risk-reward looks favourable as many of our portfolio companies are trading at attractive valuations.

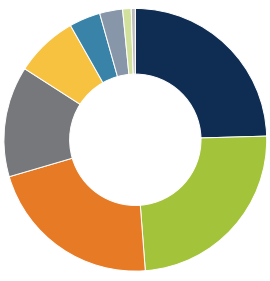
Our long-term investment themes:

- Dominant consumer franchises which have an edge in brand, distribution and innovation.
- The rise in healthcare spending, due to increasing incomes and healthy consumer choices.
- Beneficiaries of a smarter, more connected world.
- An ageing population and the growing trend of automation.
- Globally competitive exporters with a growing international business.

Ten largest company holdings as at 30 September 2026

Stock name	Country	Sector	Portfolio weight (%)
Tencent Holdings Ltd	China	Communication Services	9.3
H World Group Limited	China	Consumer Discretionary	4.2
Netease Inc	China	Communication Services	3.5
Atour Lifestyle Hldgs Ltd Sponsored Ads	China	Consumer Discretionary	3.5
Midea Group	China	Consumer Discretionary	3.4
Shenzhen Mindray Bio-Medic-A	China	Health Care	3.3
Sunny Optical Technology (Group) Co., Ltd.	China	Information Technology	3.3
Contemporary Amperex Technology Co., Limited Class A	China	Industrials	3.2
XCMG Construction Machinery Co., Ltd. Class A	China	Industrials	2.9
Silergy Corp.	Taiwan	Information Technology	2.8

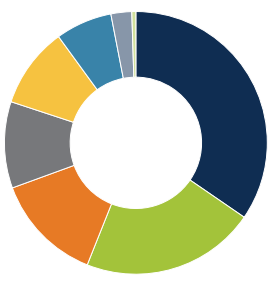
Sector breakdown



- Information Technology **24.6%** (11.5%*)
- Industrials **24.2%** (5.4%*)
- Consumer Discretionary **21.7%** (22.6%*)
- Communication Services **13.6%** (17.9%*)
- Financials **7.7%** (21.0%*)
- Health Care **3.8%** (6.4%*)
- Real Estate **2.8%** (1.5%*)
- Materials **1.1%** (5.5%*)
- Other **0.0%** (8.3%*)
- Cash **0.5%** (0.0%*)

*Index weight

Share class breakdown



- China A Shares **34.6%**
- P Chip **21.4%**
- Hong Kong **13.4%**
- China H Shares **10.6%**
- Taiwan **9.9%**
- Red Chips **7.0%**
- US Listed **2.6%**
- Cash **0.5%**

Sector and Country classifications provided by Factset and First Sentier Group. The Fund may hold multiple equity securities in the same company, which have been combined to provide the Fund's total position in that company. Index weights, if any, typically include only the main domestic-listed security. The above Fund weightings may or may not include reference to multiple securities. Allocation percentage is rounded to the nearest one decimal place and the total allocation percentage may not add up to 100%.

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Top 5 contributors to absolute performance

3 months to 30 September 2026

Stock name	Country	Sector	Value added (bps*)
Shenzhen Mindray Bio-Medic-A	China	Health Care	51
MediaTek Inc	Taiwan	Information Technology	44
Lite-On Technology Corp.	Taiwan	Information Technology	36
Midea Group Co. Ltd. Class A	China	Consumer Discretionary	28
Bank of Ningbo Co., Ltd. Class A	China	Financials	21

12 months to 30 September 2026

Stock name	Country	Sector	Value added (bps*)
MediaTek Inc	Taiwan	Information Technology	284
Hongfa Technology Co., Ltd. Class A	China	Industrials	102
Silergy Corp.	Taiwan	Information Technology	89
ACM Research, Inc. Class A	USA	Information Technology	87
Shengyi Technology Co., Ltd. Class A	China	Information Technology	76

Bottom 5 contributors to absolute performance

3 months to 30 September 2026

Stock name	Country	Sector	Value added (bps*)
Silergy Corp.	Taiwan	Information Technology	-122
Luxshare Precision Industry Co., Ltd. Class A	China	Information Technology	-89
Contemporary Amperex Technology Co., Limited Class A	China	Industrials	-82
Wasion Holdings, Ltd.	China	Information Technology	-75
ACM Research, Inc. Class A	USA	Information Technology	-59

12 months to 30 September 2026

Stock name	Country	Sector	Value added (bps*)
Tencent Holdings Ltd	China	Communication Services	-364
Trip.com Group Ltd.	China	Consumer Discretionary	-160
NetEase Cloud Music Inc.	China	Communication Services	-121
XCMG Construction Machinery Co., Ltd. Class A	China	Industrials	-106
Shenzhen Mindray Bio-Medic-A	China	Health Care	-106

Stock contributions show the impact of the individual stock's performance to the total fund performance. These stock contributions show the top 5 and bottom 5 contributors to the fund and are not representative of the performance of the fund as a whole.
These figures refer to the past. Past Performance is not a reliable indicator of future results. For investors based in countries with currencies other than USD, the return may increase or decrease as a result of currency fluctuation.
This stock information does not constitute any offer or inducement to enter into investment activity.
Contributions are calculated at the investee company level before the deduction of any fees incurred at fund level (e.g. the management fee and other fund expenses) but after deduction of transactional costs. Stocks held/listed in non-index countries have economic activity > 50% from developing economies.
* A basis point is a unit of measure used in finance to describe the percentage change in value or rate of a financial instrument. One basis point is equivalent to 0.01% (1/100th of a percent) or 0.0001 in decimal form.
Data source: This information is calculated by First Sentier Group.

Portfolio risk analysis - ex-post 3 years annualised to 30 September 2026

Risk measure	Value	Risk description
Beta	0.84	Beta is a measure of volatility relative to the market. A beta of 1 would indicate that the fund tended to move in line with the market; a beta greater than 1 would indicate that the fund has been more volatile than the market; whereas a beta less than 1 would indicate that the fund has been less volatile than the market.
Information Ratio	-0.33	The fund's excess return divided by its tracking error. It is designed to assess a portfolio's performance relative to its level of benchmark risk. The higher the fund's information ratio, the more excess return it generates for each unit of tracking error.
Portfolio Standard Deviation	20.79%	A measure of how much the returns of the fund vary relative to the arithmetical average. The higher the fund's standard deviation, the more its returns tend to deviate from the mean.
Benchmark Standard Deviation	22.40%	A measure of how much the returns of the index vary relative to the arithmetical average. The higher the index's standard deviation, the more its returns tend to deviate from the mean.
Tracking Error	9.65%	The standard deviation of the difference between the fund's returns and those of the index. The higher the fund's tracking error, the more its performance relative to the benchmark may vary.

Portfolio risk analysis - ex-ante at 30 September 2026

Risk measure	Value	Risk description
Dividend Yield (Fund)	2.41%	The annual dividend yield paid per share divided by the share price. This factor measures the value of company shares according to the stream of dividend income resulting from share ownership.
Dividend Yield (Index)	2.38%	The annual dividend yield paid per share divided by the share price. This factor measures the value of company shares according to the stream of dividend income resulting from share ownership.
Price to Book (Fund)	2.46	The ratio of the company's book value (the sum of shareholders' equity plus accumulated retained earnings from the P & L account) to its share price. This factor has been one of the most successful measures of the intrinsic value of company shares.
Price to Book (Index)	1.83	The ratio of the company's book value (the sum of shareholders' equity plus accumulated retained earnings from the P & L account) to its share price. This factor has been one of the most successful measures of the intrinsic value of company shares.
Price to Earnings (Fund)	14.91	Annual earnings (adjusted for amortizations of intangibles, extraordinary charges and credits) per share divided by the share price. This factor measures the worth of a company's ability to support each share with after tax earnings.
Price to Earnings (Index)	11.67	Annual earnings (adjusted for amortizations of intangibles, extraordinary charges and credits) per share divided by the share price. This factor measures the worth of a company's ability to support each share with after tax earnings.

Data source: Ex-post information is calculated by First Sentier Group, ex-ante information is provided by FactSet.

Important information

This document has been prepared for informational purposes only and is only intended to provide a summary of the subject matter covered and does not purport to be comprehensive. The views expressed are the views of the writer at the time of issue and may change over time. It does not constitute investment advice and/or a recommendation and should not be used as the basis of any investment decision.
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Further information is contained in the Prospectus and the relevant key information documents which are available free of charge by writing to: 2nd Floor, Block A, City East Plaza, Towlerton, Ballysimon, Limerick, V94 X2N9, Ireland or by telephoning +353 1 434 5018 between 9am and 5pm (Dublin time) Monday to Friday or by visiting www.firstsentierinvestors.com Telephone calls may be recorded.

For further information

Head of Institutional Sales, UK and EMEA
Peter Swan +44 (0)20 7332 9428 peter.swan@firstsentier.com

Head of UK Wholesale FSI
John bennett +44 (0) 20 7332 6832 john.bennett@firstsentier.com