

# FSSA Greater China Growth Fund (UK OEIC)

## Investment objective and policy

The Fund aims to achieve capital growth over the medium to long term (at least three years).
The Fund invests at least 70% in shares of companies based in or where the majority of their activities take place in China, Hong Kong and Taiwan and that are listed on exchanges worldwide. The Fund may invest up to 10% in other funds. The Fund will only use derivatives to reduce risk or to manage the Fund more efficiently in limited cases.

## Fund information

| | |
|---|---|
| Fund launch date | 01 December 2003 |
| Fund size (£m) | 497.3 |
| UK's investment association sector | China/Greater China Sector |
| Benchmark | MSCI Golden Dragon Net Index* |
| Number of holdings | 47 |
| Fund manager(s) | Helen Chen/Martin Lau |
| Research rating ^ | Square Mile:Responsible AA RSM:Rated |
| Fund yield | 1.3% |

* The benchmark and IA sector for this Fund have been identified as a means by which investors can compare the performance of the Fund and have been chosen because their constituents most closely represent the scope of the investable assets. The benchmark and sector are not used to limit or constrain how the portfolio is constructed nor are they part of a target set for Fund performance.

^ This does not constitute an investment recommendation and is not indicative of future results. Methodology available on rating provider's website.

## Available share classes

| Share class | Sedol | ISIN |
|---|---|---|
| FSSA Greater China Growth Fund EUR Class A (Accumulation) | B2PF5G4 | GB00B2PF5G46 |
| FSSA Greater China Growth Fund GBP Class B (Accumulation) | 3387432 | GB0033874321 |
| FSSA Greater China Growth Fund GBP Class A (Accumulation) | 3387410 | GB0033874107 |

## 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 Greater China Growth Fund in the UK 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.**
- **Smaller companies risk:** investments in smaller companies may be riskier and more difficult to buy and sell than investments in larger companies.
- **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 Investor 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 GBP (%) 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 Greater China Growth Fund | 14.2 | 10.6 | 8.1 | -4.3 | -16.3 |
| MSCI Golden Dragon Net Index | 23.1 | 29.0 | 19.5 | -0.5 | -18.6 |
| Sector return | -5.6 | 26.2 | 4.8 | -11.3 | -20.9 |

## Cumulative performance in GBP (%) to 30 September 2026

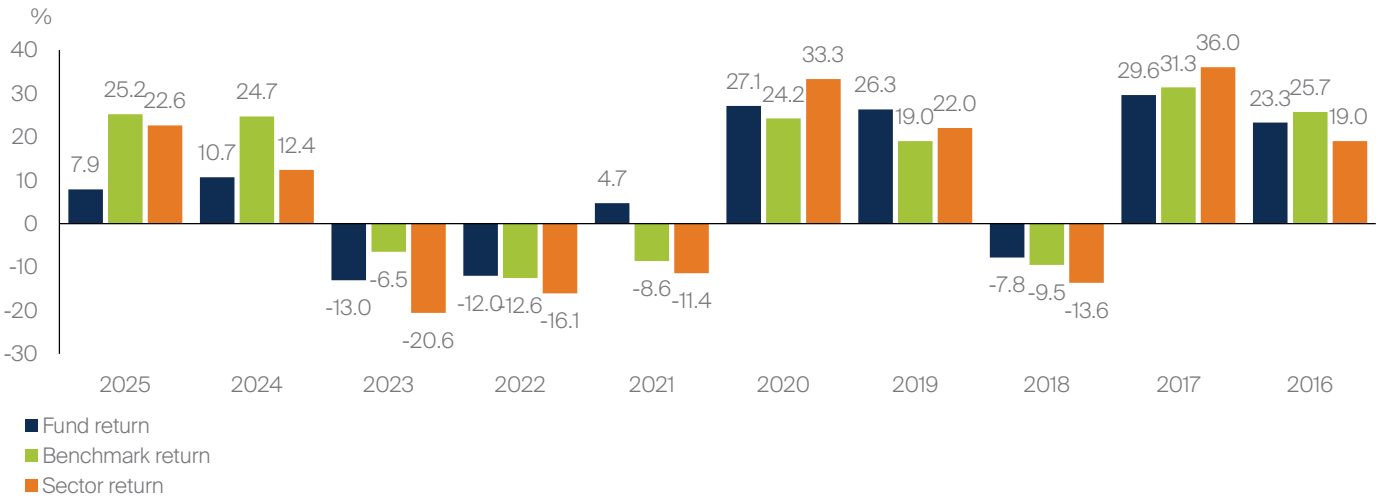
| | Since Inception | 10 yrs | 5 yrs | 3 yrs | 1 yr | YTD | 6 mths | 3 mths |
|---|---|---|---|---|---|---|---|---|
| FSSA Greater China Growth Fund | 1406.5 | 113.9 | 9.5 | 36.6 | 14.2 | 17.3 | 16.6 | -0.3 |
| MSCI Golden Dragon Net Index | 824.1 | 149.0 | 53.8 | 89.9 | 23.1 | 23.4 | 21.9 | 4.4 |
| Sector return | 754.3 | 49.8 | -10.0 | 25.0 | -5.6 | -2.0 | 1.5 | -4.2 |

## Performance review

Key contributors to performance over the past 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. **Lite-On Technology** also rose after reporting better-than-expected earnings results, with operating profits ahead of forecasts on strong data-centre demand for its power-supply equipment. Management has lifted guidance on full-year sales growth, based on order visibility from AI clients, with strong momentum expected to roll forward into next year.

On the negative side, **Meituan** fell as rising competition in food delivery led the company to increase subsidies to defend its leading market position, weighing on near-term profitability. However, the industry's competitive intensity has started to ease and Meituan is now eyeing overseas opportunities and new growth initiatives in grocery retail. **Contemporary Amperex Technology (CATL)** also fell on concerns about losing market share to competitors, the introduction of a consumption tax on batteries (which triggered OEMs to diversify to lower-cost battery suppliers) and a government clampdown on excess supply.

## Calendar year performance (% in GBP) 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 GBP, the return may increase or decrease as a result of currency fluctuations. Since inception performance figures have been calculated from 01 December 2003. All performance data for the FSSA Greater China Growth Fund Class B (Accumulation) GBP 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.

▲Sector returns calculated by Lipper and denote the arithmetic mean performance of funds in the relevant UK's Investment Association Sector. On 22 September 2020, First State Greater China Growth Fund was rebranded as FSSA Greater China Growth Fund.

## Portfolio review

We initiated a position in **Bank of Ningbo**. The bank has built a solid track record of risk management and growth over credit cycles in China over the last 20 years. Growth has been accelerating of late, as the bank has seen increasing fee-based income and progress in corporate banking, while its cost ratio has also improved. Additionally, a well-planned and executed leadership succession process has bolstered our confidence in the bank's governance. We believe Bank of Ningbo should continue to gain market share while maintaining a disciplined approach to growth.

We also participated in the secondary listing of **Luxhare Precision** in Hong Kong (we were already holders of the company's A-shares). An electronics contract manufacturer that counts Apple as its largest client, 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.

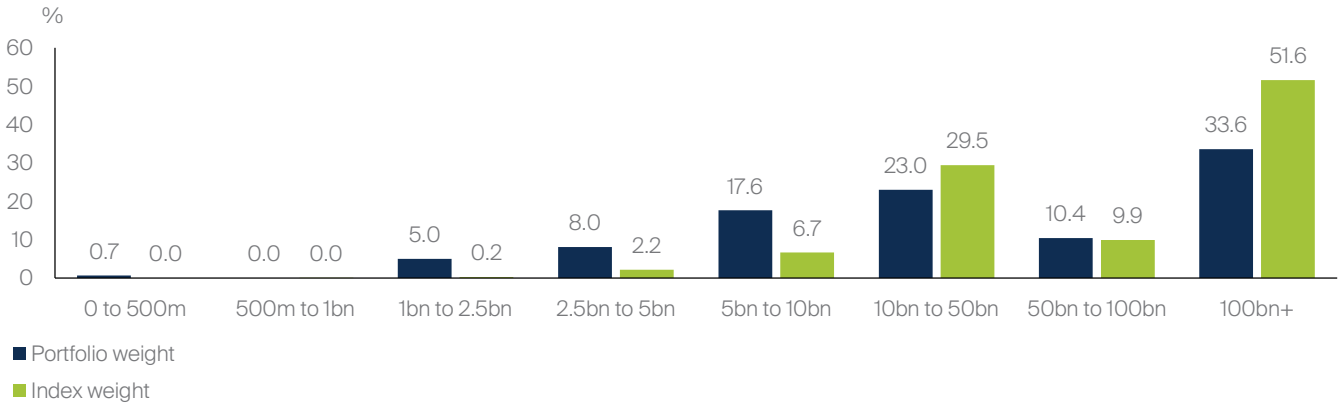
We sold **China Merchants Bank** to switch to Bank of Ningbo, which offered stronger growth at comparable valuations. We also sold a small position in **Yadea** to raise cash for higher-conviction ideas.

## Stock spotlight

**Mediatek** is one of the largest chip design companies globally. We have been following Mediatek for many years and have witnessed its performance through the cycles. Throughout the ups and downs in its history, its talented engineers and well-aligned management team usually find a way through to the next "big thing". From optical drives for computers to scan CDs, it entered the smartphone supply chain with 2G modem chips and benefited from technology upgrades each year – until it collapsed in 2015-17 amid poor execution and competition from both low- and high-end competitors.

In 2018 Rick Tsai joined Mediatek from TSMC and focused on getting the basics right again. We believe Mediatek has been transformed under his leadership into a better-quality company. In recent years, the company has improved its competitiveness, and we believe its market share will likely remain stable. With the smartphone market now in the mature stages, the company is investing into new areas (ASIC, auto, augmented reality/virtual reality, Internet of Things, artificial intelligence) to diversify and internationalise its business.

## Market capitalisation breakdown (GBP)




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 GBP, 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.

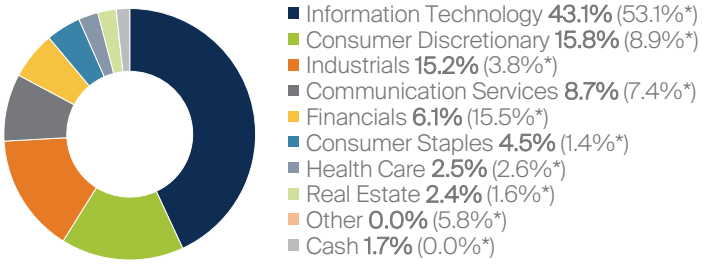
### Our long-term investment themes:

- 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.

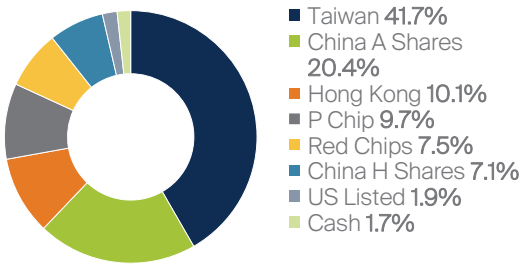
### Ten largest company holdings as at 30 September 2026

| Stock name | Country | Sector | Portfolio weight (%) |
|---|---|---|---|
| Taiwan Semiconductor (TSMC) | Taiwan | Information Technology | 9.9 |
| MediaTek Inc | Taiwan | Information Technology | 6.8 |
| Tencent Holdings Ltd | China | Communication Services | 5.9 |
| Delta Electronics, Inc. | Taiwan | Information Technology | 4.9 |
| Tripod Technology Corporation | Taiwan | Information Technology | 3.7 |
| Lite-On Technology Corp. | Taiwan | Information Technology | 3.6 |
| H World Group Limited | China | Consumer Discretionary | 3.5 |
| PDD Holdings Inc. Sponsored ADR Class A | China | Consumer Discretionary | 3.5 |
| Silergy Corp. | Taiwan | Information Technology | 3.2 |
| SINBON Electronics Co., Ltd. | Taiwan | Information Technology | 3.0 |

### Sector breakdown




### Share class breakdown




*Index weight

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%.

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 Investors' 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 GBP, the return may increase or decrease as a result of currency fluctuations.

## Top 5 contributors to absolute performance

### 3 months to 30 September 2026

| Stock name | Country | Sector | Value added (bps*) |
|---|---|---|---|
| MediaTek Inc | Taiwan | Information Technology | 98 |
| Lite-On Technology Corp. | Taiwan | Information Technology | 76 |
| Shenzhen Mindray Bio-Medic-A | China | Health Care | 38 |
| Taiwan Semiconductor Manufacturing Co., Ltd. | Taiwan | Information Technology | 29 |
| Kanzhun A ADR | China | Industrials | 22 |

### 12 months to 30 September 2026

| Stock name | Country | Sector | Value added (bps*) |
|---|---|---|---|
| MediaTek Inc | Taiwan | Information Technology | 754 |
| Taiwan Semiconductor Manufacturing Co., Ltd. | Taiwan | Information Technology | 657 |
| Delta Electronics, Inc. | Taiwan | Information Technology | 282 |
| Silergy Corp. | Taiwan | Information Technology | 190 |
| Lite-On Technology Corp. | Taiwan | Information Technology | 152 |

## Bottom 5 contributors to absolute performance

### 3 months to 30 September 2026

| Stock name | Country | Sector | Value added (bps*) |
|---|---|---|---|
| Silergy Corp. | Taiwan | Information Technology | -150 |
| Contemporary Amperex Technology Co., Limited Class A | China | Industrials | -77 |
| SG MICRO CORP H | China | Information Technology | -28 |
| Realtek Semiconductor Corp | Taiwan | Information Technology | -24 |
| ZTO Express (Cayman), Inc. Class A | China | Industrials | -19 |

### 12 months to 30 September 2026

| Stock name | Country | Sector | Value added (bps*) |
|---|---|---|---|
| Tencent Holdings Ltd | China | Communication Services | -342 |
| PDD Holdings Inc. Sponsored ADR Class A | China | Consumer Discretionary | -176 |
| Shenzhen Mindray Bio-Medic-A | China | Health Care | -99 |
| Meituan Class B | China | Consumer Discretionary | -83 |
| Netease Inc | China | Communication Services | -64 |

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 GBP, 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 | 0.92 | 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 | -2.27 | 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 | 16.09% | 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 | 16.62% | 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 | 5.16% | 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) | 2.23% | 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) | 1.87% | 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) | 3.24 | 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) | 2.97 | 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) | 18.10 | 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) | 17.71 | 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 Key Investor Information Documents of the OEIC which are available free of charge by writing to: Client Services, First Sentier Group, PO Box 404, Darlington, DL1 9UZ or by telephoning 0800 587 4141 between 9am and 5pm (UK time) Monday to Friday or by visiting www.firstsentierinvestors.com. Telephone calls may be recorded.

The distribution or purchase of shares in the funds, or entering into an investment agreement with First Sentier Group, may be restricted in certain jurisdictions.

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