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)	420.7
UK's investment association sector	China/Greater China Sector
Benchmark	MSCI Golden Dragon Net Index*
Number of holdings	44
Fund manager(s)	Helen Chen/Martin Lau
Research rating ^	Square Mile:Responsible AA RSM:Rated
Fund yield	1.5%

* 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 31 March 2026

	12 mths to 31/03/26	12 mths to 31/03/25	12 mths to 31/03/24	12 mths to 31/03/23	12 mths to 31/03/22
FSSA Greater China Growth Fund	9.9	7.6	-13.6	1.5	-10.1
MSCI Golden Dragon Net Index	26.1	22.0	-7.2	-1.6	-17.6
Sector return	11.4	20.9	-21.0	-3.7	-21.8

Cumulative performance in GBP (%) to 31 March 2026

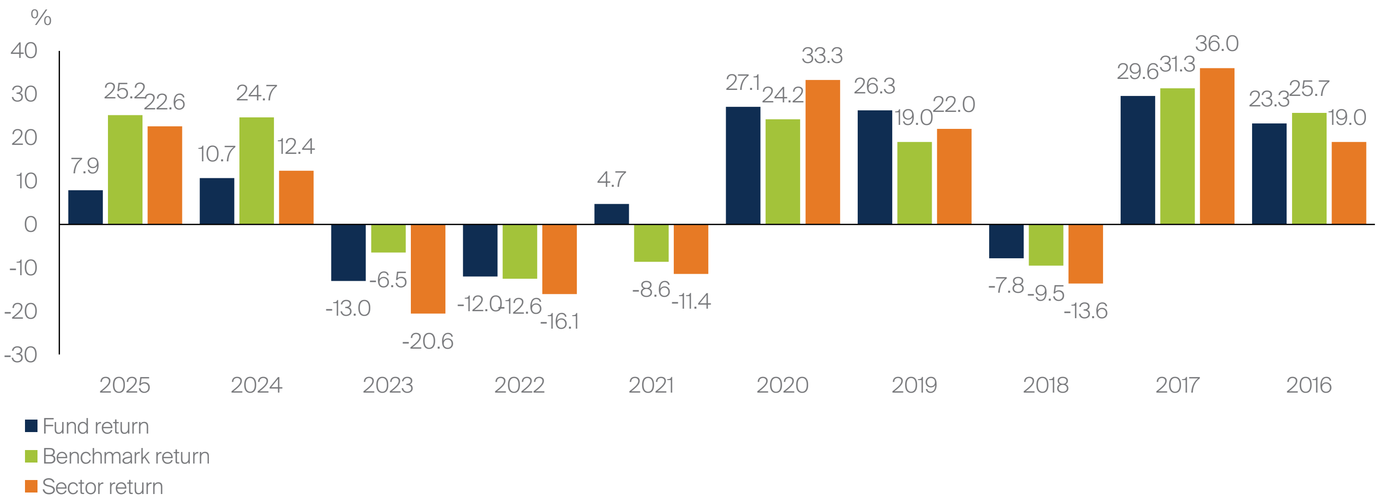
	Since Inception	10 yrs	5 yrs	3 yrs	1 yr	YTD	6 mths	3 mths
FSSA Greater China Growth Fund	1192.3	129.3	-6.8	2.2	9.9	0.6	-2.0	0.6
MSCI Golden Dragon Net Index	658.3	156.4	15.8	42.7	26.1	1.3	1.0	1.3
Sector return	693.3	80.1	-18.6	7.4	11.4	-3.6	-7.2	-3.6

Performance review

Key contributors to performance over the past 12 months included **Taiwan Semiconductor Manufacturing (TSMC)**, the leading foundry of advanced chips. Its recent earnings results were stronger than expected: with AI demand driving higher profits and strong guidance for the year ahead, TSMC announced new capital expenditure plans to try and narrow the gap between its supply of advanced chips and customer demand. **Delta Electronics** also rose. Delta has seen surging profits thanks to AI demand, as the company has a dominant share in power-supply solutions for Big Tech firms. New AI chips consume more power, and Delta's leading market share means it is well positioned to earn more revenue from its existing customer base as data-centre construction continues.

On the negative side, **Shenzhen Mindray** fell. The company faces headwinds in its domestic market, including the government's centralised procurement policies for medical equipment, which have put pressure on its pricing, and slowing capital expenditure among China's hospitals. However, Mindray's domestic franchise remains strong, and it continues to build its overseas business, particularly in emerging markets such as India, Mexico and Brazil. **Meituan** also declined after its earnings results disappointed. The company is facing intense competition in food delivery from Alibaba and JD.com, but retains key competitive advantages, with better unit economics than its peers.

Calendar year performance (% in GBP) to 31 March 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 31 March 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

New purchases over the quarter included Centre Testing, the biggest private testing, inspection and certification (TIC) company in China. We like the company's prospects, given the potential for industry consolidation, the fact it is gaining market share from inefficient state-owned enterprises (SOEs), and deepening business with key accounts such as Wal-Mart.

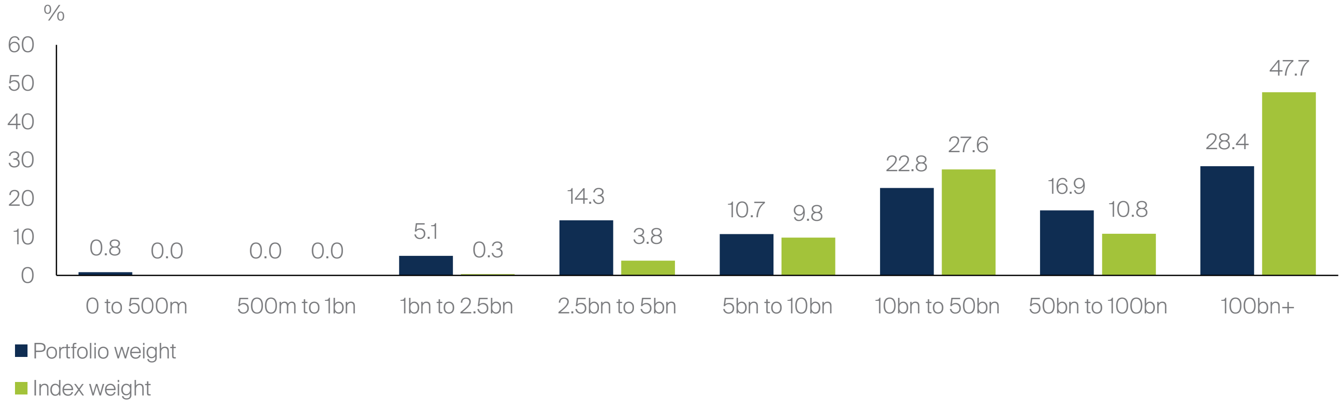
We also reinitiated a position in China Resources Land, a property developer and owner of malls across China, using the proceeds from a reduction in our stake in China Resources Mixc, as the former was trading on more attractive valuations. CR Land's market capitalisation is twice the size of CR Mixc, but its profit is more than seven times over. Additionally, CR Land's share price has held up well despite the earnings downturn, indicating its resilience amid a challenging environment.

We sold Haitian International to raise cash for other ideas and divested AirTac as it reached our fair market valuation.

Stock spotlight

Tencent is the largest social media network and online gaming company in China, with growing businesses in online advertising, cloud services and e-payments/e-commerce. It is, in our view, one of the best companies to own in the Chinese internet space. Tencent has created an ecosystem of businesses which are unrivalled and should continue growing over the medium term. It has continued to develop new functions within WeChat (such as Video Accounts and Mini Shops), which should slowly improve monetisation and enhance the quality of the franchise. Tencent has been a major beneficiary of the rise in AI technology and 'smart' devices. It continues to deliver high rates of growth on top of an already substantial base. Its focus on evergreen games and the deployment of artificial intelligence (AI) internally has helped drive productivity gains and better advertising outcomes. Meanwhile, the rollout of various "user-friendly" AI capabilities within its ecosystem will further cement usage of its WeChat app while creating new avenues of growth. Tencent's Yuanbao AI assistant is already ranked top 3 in China (by daily active users), with integrated search, translation, writing and summarising tools.

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

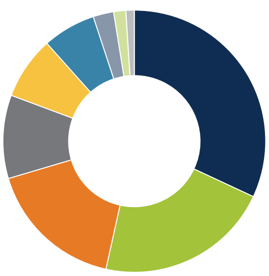
Our long-term investment themes:

- 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 31 March 2026

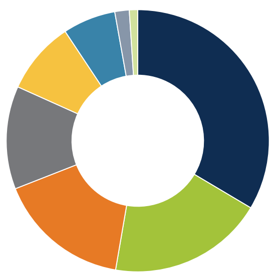
Stock name	Country	Sector	Portfolio weight (%)
Taiwan Semiconductor (TSMC)	Taiwan	Information Technology	9.3
Tencent Holdings Ltd	China	Communication Services	7.7
AIA Group Limited	Hong Kong	Financials	4.2
Huazhu Group Ltd	China	Consumer Discretionary	4.0
PDD Holdings Inc. Sponsored ADR Class A	China	Consumer Discretionary	3.7
MediaTek Inc	Taiwan	Information Technology	3.7
Quanta Computer Inc.	Taiwan	Information Technology	3.4
Realtek Semiconductor Corp	Taiwan	Information Technology	3.3
Delta Electronics, Inc.	Taiwan	Information Technology	3.2
ZTO Express (Cayman), Inc. Class A	China	Industrials	3.1

Sector breakdown



*Index weight

Share class breakdown



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 31 March 2026

Stock name	Country	Sector	Value added (bps*)
Taiwan Semiconductor Manufacturing Co., Ltd.	Taiwan	Information Technology	139
Delta Electronics, Inc.	Taiwan	Information Technology	99
Silergy Corp.	Taiwan	Information Technology	99
ZTO Express (Cayman), Inc. Class A	China	Industrials	51
China Mengniu Dairy Company Limited	China	Consumer Staples	34

12 months to 31 March 2026

Stock name	Country	Sector	Value added (bps*)
Taiwan Semiconductor Manufacturing Co., Ltd.	Taiwan	Information Technology	682
Delta Electronics, Inc.	Taiwan	Information Technology	353
AIA Group Limited	Hong Kong	Financials	149
Huazhu Group Ltd USD0.00001	China	Consumer Discretionary	129
Contemporary Amperex Technology Co., Limited Class A	China	Industrials	106

Bottom 5 contributors to absolute performance

3 months to 31 March 2026

Stock name	Country	Sector	Value added (bps*)
Tencent Holdings Ltd	China	Communication Services	-155
Netease Inc	China	Communication Services	-59
Kanzhun A ADR	China	Industrials	-51
Shenzhou International Group Holdings Limited	China	Consumer Discretionary	-44
Lite-On Technology Corp.	Taiwan	Information Technology	-35

12 months to 31 March 2026

Stock name	Country	Sector	Value added (bps*)
Meituan Class B	China	Consumer Discretionary	-153
Shenzhen Mindray Bio-Medic-A	China	Health Care	-86
Silergy Corp.	Taiwan	Information Technology	-53
JD.com, Inc. Class A	China	Consumer Discretionary	-50
China Mengniu Dairy Company Limited	China	Consumer Staples	-49

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 31 March 2026

Risk measure	Value	Risk description
Beta	0.90	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	-1.96	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	16.07%	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	16.90%	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	5.50%	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 31 March 2026

Risk measure	Value	Risk description
Dividend Yield (Fund)	2.67%	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)	2.15%	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)	3.13	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)	2.50	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)	17.41	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)	16.63	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

For further information

Sales Directors, Germany and Austria Emmanuel Litique	+49 (0) 69 2443 71631	emmanuel.litique@firstsentier.com
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