

# FSSA Hong Kong Growth Fund

- The Fund invests primarily in equity or equity-related securities listed on HKEx or issued by companies which in Investment Manager's opinion have significant assets, business, production activities, trading or other business interests in Hong Kong.
- The Fund's investments will be concentrated in Hong Kong or may be concentrated single sector which may have higher volatility or greater loss of capital than more diversified portfolios.
- Investing in small /mid-capitalisation securities may have lower liquidity and their prices are more volatile to adverse economic developments.
- The Fund may expose to China market risk including repatriation risk, uncertainties to PRC taxation policies and risks associated with StockConnects, SME board, the ChiNext market and/or the STAR board . The Fund may also expose to RMB currency and conversion risk.
- The Fund may use FDLs for hedging and efficient portfolio management purposes, which may subject the Fund to additional liquidity, valuation, counterparty and over the counter transaction risks.
- It is possible that a part or entire value of your investment could be lost. You should not base your investment decision solely on this document. Please read the offering document including risk factors for details.

| Lead portfolio manager | Approx. no. of stocks | Benchmark                | Maximum cash | Minimum market cap |
|------------------------|-----------------------|--------------------------|--------------|--------------------|
| Martin Lau             | 40 - 50               | MSCI Hong Kong Net Index | 10%          | All Cap            |

|                               |                     |                |              |
|-------------------------------|---------------------|----------------|--------------|
| Minimum initial investment    | US\$1,000           | Initial charge | 5.0%         |
| Minimum subsequent Investment | US\$500             | Management fee | 1.5% p.a.    |
| Share class                   | Class I (USD - Acc) | NAV/share      | US\$90.93    |
| Inception date                | 22 February 2000    | ISIN code      | IE0008369823 |

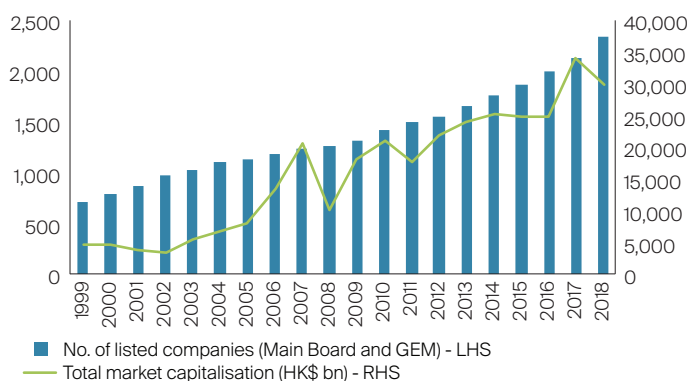
Source: First Sentier Investors, as at 31 December 2020. The Fund is a sub fund of Ireland domiciled First Sentier Investors Global Umbrella Fund Plc.

## What does the FSSA Hong Kong Growth Fund invest in?

### 1. An opportunity to invest in quality Hong Kong and China companies

- The Fund is not benchmark constrained – companies in the portfolio are selected on a bottom-up basis according to Quality, Franchise and Valuations
- More than 2,000 companies listed on the Hong Kong Stock Exchange (HKEX) to choose from
- Includes both Hong Kong and China companies

### Hong Kong market highlights

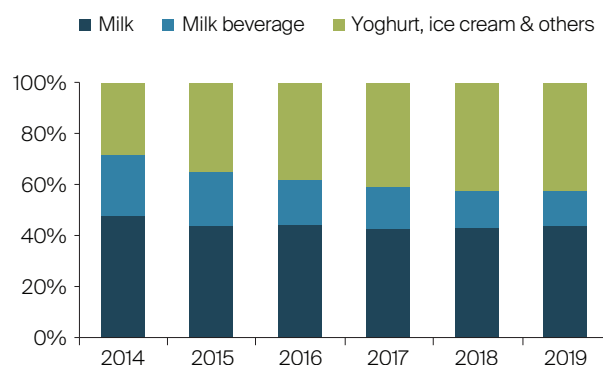


Source: HKEX, as at end of June 2019

### 2. Good mix of products increase market share

- China Mengniu's product mix has improved with fresh and healthy new products such as yogurt, cheese and plant protein drinks. Outdated products with low margins have been cut
- Consistent investment in brand building has led to market share gains
- Inclusive corporate culture, transparent management style and solid corporate governance

### China Mengniu Dairy - product mix has improved



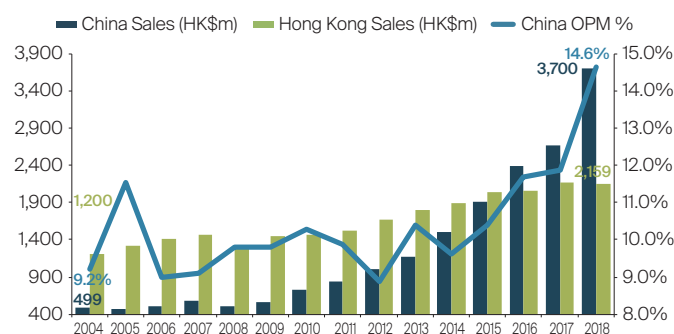
Source: FactSet, Bloomberg and FSSA Investment Managers, as at 30 June 2020



### 3. Domestic consumer brands boosted by a growing middle class

- China sales have grown over 7x since 2004. Hong Kong sales have grown steadily
- Operating leverage from scale has led to China operating margin improving from 9% to 15%
- Huge potential – Vitasoy’s sales of soy milk and lemon tea is \$500Mn vs. \$16.5Bn market size in China

### Vitasoy – leading brand in healthy, nutritious foods



Source: Vitasoy, FSSA Investment Managers, as at 30 June 2019

### Cumulative performance in USD (%)

|                            | 3 months | YTD  | 1 year | 3 years | 5 years | Since inception |
|----------------------------|----------|------|--------|---------|---------|-----------------|
| FSSA Hong Kong Growth Fund | 14.0     | 12.3 | 12.3   | 23.2    | 82.2    | 809.3           |
| MSCI Hong Kong Net Index   | 15.5     | 5.8  | 5.8    | 7.6     | 49.9    | 274.9           |

Source: First Sentier Investors, as at 31 December 2020. Since inception: 22 February 2000. The FSSA Hong Kong Growth Fund Class I (USD – Acc) and is the non-dividend distributing class of the fund. The performance quoted are based on USD total return (non-dividend distributing). Nav-Nav (USD total return). The Fund’s calendar year performance: 12.3% (2020); 18.9% (2019); -7.8% (2018); 43.0% (2017); 3.5% (2016). Gross of tax benchmark performance is shown before 1 July 2016 and net of tax benchmark performance is shown after the aforementioned date. Acc represents share class with dividends accumulated. On 22 September 2020, First State Hong Kong Growth Fund was rebranded as FSSA Hong Kong Growth Fund.

### About FSSA Investment Managers

FSSA Investment Managers is an autonomous investment management team within First Sentier Investors, with dedicated investment professionals based in Hong Kong, Singapore, Tokyo and Edinburgh. 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.

### Important Information

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