

# SMD-AM Funds- SMD-AM China A Shares Fund - Class A (USD)

SMD-AM FUNDS | MONTHLY FACTSHEET

31 December 2024

## Important Information

SMD-AM China A Shares Fund (the "Fund") will under normal market circumstances invest at least 70% of its net assets in China A Shares. The Fund may invest up to 100% of its net assets in China A Shares through the Shanghai-Hong Kong Stock Connect and/or the Shenzhen-Hong Kong Stock Connect (collectively, the "Stock Connect"), subject to applicable quota limitations which apply to both of these markets. The Fund may also invest less than 70% of its net assets in China A Shares through the Qualified Foreign Investor ("QFI") program. The Fund may also invest in China A Shares indirectly by way of access products (e.g. ADRs, GDRs and P-Notes) for up to 100% of its net assets, and by way of funds investing in China A Shares for up to 10% of its net assets.

Investment risk: The Fund's investment portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Fund may suffer losses. There is no guarantee of the repayment of principal.

Mainland China market risk: Investing in the mainland China market may involve a greater risk of loss than investing in more developed markets due to, among other factors, greater political, tax, economic, foreign exchange, liquidity, settlement, custody, legal, regulatory, accounting and reporting risks.

Risks relating to China A-Shares: The Fund's assets may be invested in China A Shares. The securities market in China, including China A Shares, may be more volatile, unstable (for example, due to the risk of suspension/limitation in trading of a particular stock or government implementing policies that may affect the financial markets) than markets in more developed countries and has potential settlement difficulties.

RMB currency and conversion risks: RMB is currently not freely convertible and is subject to exchange controls and restrictions. The Fund is exposed to foreign exchange risk and there is no guarantee that the value of RMB against the Fund's base currency will not depreciate. Any depreciation of RMB could adversely affect the value of investor's investment in the Fund.

Risks associated with the Stock Connect: The relevant rules and regulations on the Stock Connect are subject to change which may have potential retrospective effect. The Stock Connect are subject to quota limitations. Where a suspension in the trading through the programme is effected, the Fund's ability to invest in China A Shares or access the PRC market through the programme will be adversely affected. In such event, the Fund's ability to achieve its investment objective could be negatively affected.

Risks associated with investment made through the QFI regime: The Fund may suffer substantial losses if the approval of the QFI status is being revoked/terminated or otherwise invalidated as the Fund may be prohibited from trading of relevant securities and repatriation of the Fund's monies, or if any of the key operators or parties (including QFI custodian/brokers) is bankrupt/in default and/or is disqualified from performing its obligations (including execution or settlement of any transaction or transfer of monies or securities).

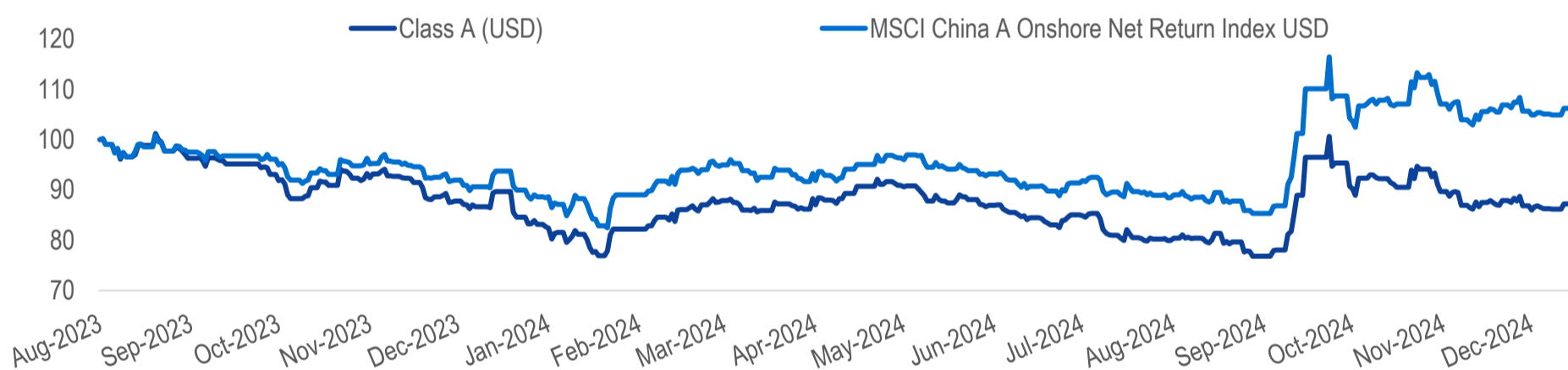
PRC tax risk: There are risks and uncertainties associated with the current PRC tax laws, regulations and practice in respect of capital gains realised via QFI status or the Stock Connect or access products on the Fund's investments in the PRC (which may have retrospective effect). Any increased tax liabilities on the Fund may adversely affect the Fund's value. Based on professional and independent tax advice, the Fund will not make any tax provisions on realised and/or unrealised capital gains and/or dividends on China A Shares.

The Fund may use financial derivative instruments for hedging and/or efficient portfolio management purposes and/or to manage foreign exchange risks. There is however no guarantee that the financial derivative instruments employed by the manager will be successful. In an adverse situation, the Fund may suffer significant losses from its use of financial derivative instruments. Investors should refer to the Fund's offering document in order to fully understand the associated risk factors. Investors should not base any of their investment decisions solely on this marketing material alone. Sumitomo Mitsui DS Asset Management Company, Limited hereinafter referred to as "SMDAM". And Sumitomo Mitsui DS Asset Management (UK) Limited hereinafter referred to as "SMDAM (UK)".

## Investment Objective

The Fund aims for long-term growth of its assets through investment in equity and equity related securities (e.g. American Depository Receipts ("ADRs"), Global Depository Receipts ("GDRs") and participatory notes ("P-Notes")) of companies incorporated in mainland China whose shares are predominantly listed and traded on China A Shares Equity Markets of the People's Republic of China ("PRC") (i.e. the stock exchanges of mainland China) and traded in Renminbi (RMB) ("China A Shares").

## Fund Performance



Source: SMDAM and Bloomberg, data as at 31 December 2024.

Note: The Fund's performance is calculated using Class A (USD) on a NAV-to-NAV basis, denominated in USD, with dividend reinvested, net of fees.

Benchmark Performance is shown in USD and rebased to have an initial value of 100 and for comparative purpose only.

## Cumulative Performance

	1 month	3 months	6 months	YTD	1 year	Since Inception <sup>^</sup>
Class A (USD)	-0.24%	-9.53%	3.41%	-2.60%	-2.60%	-12.66%
MSCI China A Onshore Net Return Index USD #	0.97%	-3.23%	17.56%	13.73%	13.73%	6.62%

## Calendar Year Performance

	2023*	2024
Class A (USD)	-10.33%	-2.60%
MSCI China A Onshore Net Return Index USD #	-6.25%	13.73%

Source for all Fund data is SMDAM and SMDAM (UK) data as at 31 December 2024.

Note: The Fund's performance is calculated using Class A (USD) on a NAV-to-NAV basis, denominated in USD with dividend reinvested, net of fees.

# Where the Class A (USD) performance is compared to MSCI China A Onshore Net Return Index USD performance, this is done for reference purposes only as the Fund is benchmark-agnostic.

<sup>^</sup> Inception date of Class A (USD) is 16 August 2023

\*Calculated since 16 August 2023



# SMD-AM Funds-

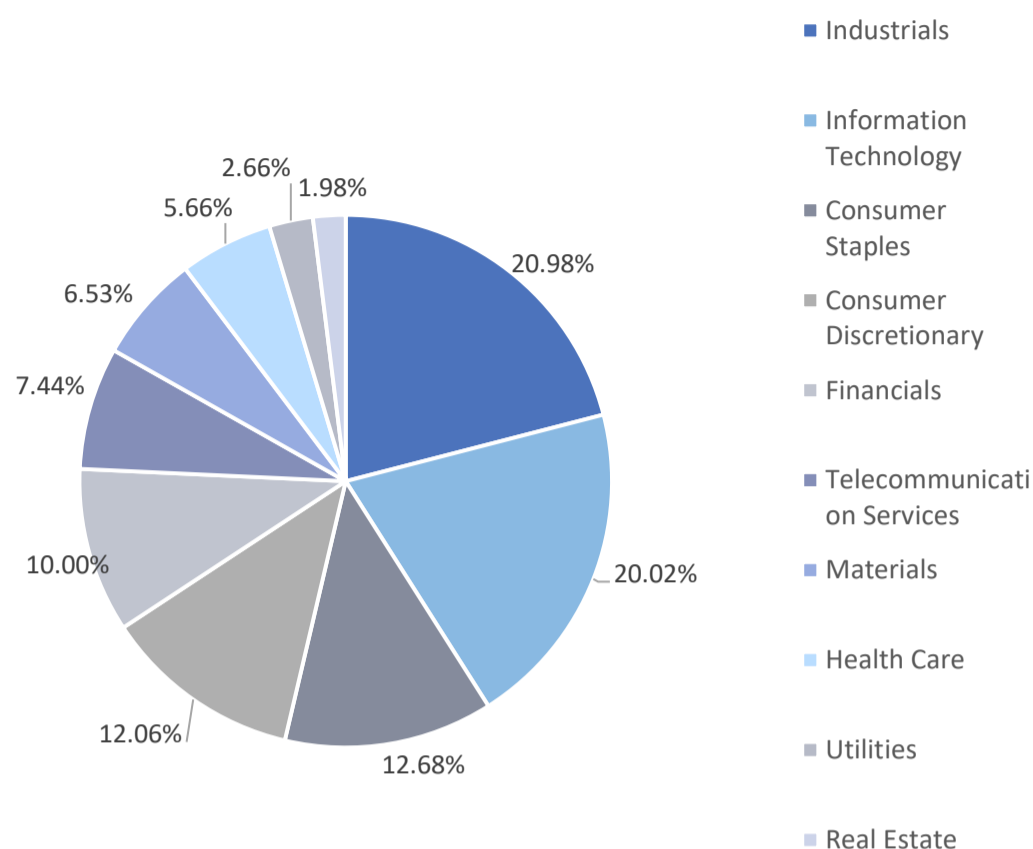
## SMD-AM China A Shares Fund - Class A (USD)

SMD-AM FUNDS | MONTHLY FACTSHEET

31 December 2024

### Fund Characteristics

#### GICS Sector Weightings



### Key Facts

Fund Manager	Wei SUN & Yoshinobu UEHARA
Legal Structure	SICAV
Fund Domicile	Luxembourg
Portfolio Manager	Sumitomo Mitsui DS Asset Management (UK) Limited
Sub-Portfolio Manager	Sumitomo Mitsui DS Asset Management Company, Limited
Depository	Brown Brothers Harriman (Luxembourg) S.C.A.
Base Currency	USD
Investment Management Fee (% of the net asset value of the share class)	1.60% p.a.
Reference Benchmark	MSCI China A Onshore Net Return Index USD
Inception Date	16 August 2023
Dealing Frequency	Daily, each day which is a full banking day in Luxembourg, and Tokyo and simultaneously a stock exchange day in Shanghai, Shenzhen, Hong Kong, except non-working days of Northbound transactions in the Stock Connect. (Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect (collectively, the "Stock Connect"))
Distribution Frequency	No distribution
Bloomberg Ticker	SMCAAUU
ISIN	LU2560015609
Fund AUM (As of 31 December 2024 Million USD)	8.58

Top 10 Holdings	Holding %
KWEICHOW MOUTAI CO LTD-A	4.97
SIEYUAN ELECTRIC CO LTD-A	4.29
SHANXI XINGHUACUN FEN WINE-A	3.91
CONTEMPORARY AMPEREX TECHN-A	3.60
SHANGHAI BOCHU ELECTRONIC-A	3.58
LUZHOU LAOJIAO CO LTD-A	3.47
BANK OF NINGBO CO LTD -A	3.38
CHINA MERCHANTS BANK-A	3.35
CHINA CSSC HOLDINGS LTD-A	3.09
WANHUA CHEMICAL GROUP CO -A	3.03
<b>Total</b>	<b>36.67</b>

Source: SMDAM.

Data as at 31 December 2024

This document is issued by Sumitomo Mitsui DS Asset Management (Hong Kong) Limited ("SMDAM (HK)") for informational purpose only and has not been reviewed by the Hong Kong Securities and Futures Commission. Unless otherwise specified, all data is from SMDAM and SMDAM (UK) and refers to the Fund as of the end of December 2024. Minor Discrepancies are due to rounding. All benchmark performance provided refers to MSCI China A Onshore Net Return Index USD. The information contained in this document has been obtained from sources believed to be reliable but its accuracy is not guaranteed. It should not be copied or distributed to third parties without the written consent of SMDAM (HK). SMDAM (HK) and its related entities accept no liability whatsoever whether direct or indirect that may arise from any third party's use of information contained in this document. This document is not intended as an invitation, offer or solicitation with respect to the purchase or sale of securities, including shares or units of funds. All views expressed and/or reference to companies cannot be construed as a recommendation by SMDAM (HK). Opinions and estimates are subject to change based on market and other conditions without notice. The information provided does not constitute investment advice and it should not be relied on as such. This document may contain certain statements that may be deemed forward-looking statements. Please note that any such statements are not guarantees of any future performance and actual results or developments may differ materially from those projected. Investment involves risk. The past performance information of the market, manager and investments and any forecasts on the economy, stock market, bond market or the economic trends of the markets are not indicative of future performance. If investment returns are not denominated in HKD or USD, US/HK dollar-based investors will be exposed to exchange rate fluctuations. The

