

Fullerton Lux Funds - China Equities - Class I (USD) Acc

August 2025

Investment Objective

The investment objective of the Fund is to generate long term capital appreciation.

Investment Focus and Approach

The Investment Manager seeks to achieve the objective of the Fund by investing primarily in China "A" Shares listed on PRC Stock Exchanges through the Investment Manager's QFI license and stocks listed on the Hong Kong Stock Exchange.

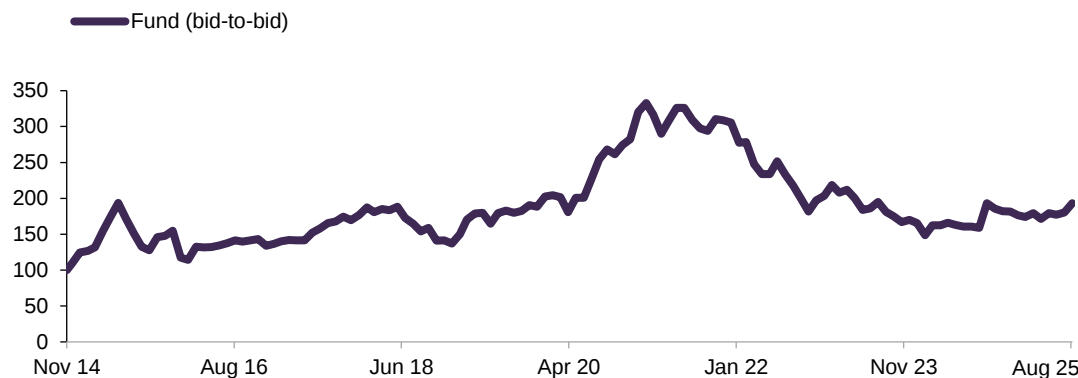
The investment universe will include, but is not limited to, exchange traded funds, listed warrants, index futures, securities investment funds, listed onshore bonds, money market funds, cash and other financial instruments qualifying as QFI Eligible Securities.

SFDR Classification:

Article 8 fund.

In line with its ESG methodology, the fund promotes environmental characteristics but does not commit to make environmentally sustainable investments as defined in the taxonomy regulation.

Performance (%)



	1 mth	3 mths	6 mths	1 yr	3 yrs	5 yrs	10 yrs	Sl. Ann. Ret.	Sl. Ann. Vol.
Fund (bid-to-bid)	7.14	7.31	10.30	20.07	-4.96	-7.38	2.71	5.12	24.05
Fund (offer-to-bid)	2.04	2.20	5.05	14.35	-6.50	-8.28	2.21	4.65	NA

Returns of more than 1 year are annualised. Returns are calculated on a single pricing basis in USD with net dividends and distributions (if any) reinvested. Offer-to-bid returns include an assumed preliminary charge of 5% which may or may not be charged to investors. Past performance is not indicative of future returns.

Benchmark: Prior to 12 Jun 2025, the benchmark is MSCI China A Onshore Net (USD). From 12 Jun 2025, the fund will be actively managed without reference to a benchmark.

Fullerton Lux Funds - China A Equities updated its name to Fullerton Lux Funds - China Equities on 12 Jun 2025.

Source: Fullerton Fund Management Company Ltd and Bloomberg.

Inception date

10 Nov 2014

Fund size

USD 39.98 million

Base Currency

USD

Pricing Date

31 Aug 2025

NAV*

USD 17.17

Management fee**

Up to 1.00% p.a.

Management company^ fee**

Up to 0.04% p.a. subject to a minimum monthly fee of EUR 750.00 per Fund per month applied at the Company level

Expense Ratio**

1.59% p.a. (For financial year ended 31 Mar 2025)

Preliminary Charge**

Up to 5% of subscription amount (equivalent to a max. of 5.26315% of the Net Asset Value per share)

Dealing day

Daily

Deadline

1pm (CET); 5pm (Singapore time) on each Business Day

Bloomberg Code

FCAIUAC LX

ISIN Code

LU1064130708

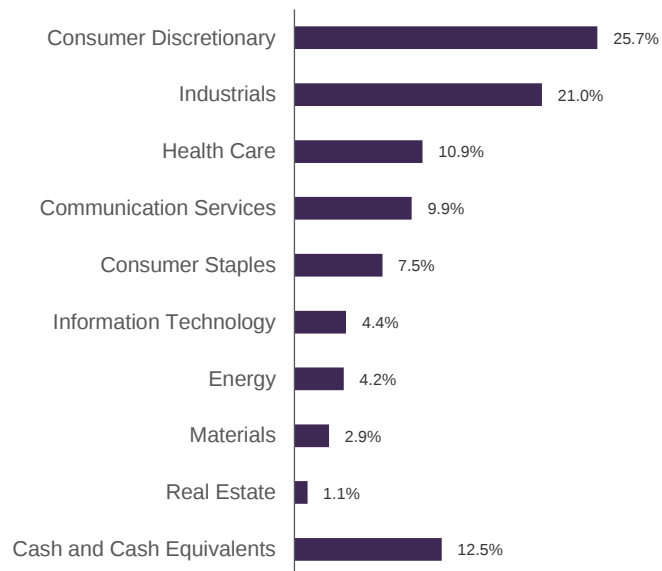
* Figures have been truncated to 2 decimal places. The official price is published on Fullerton's website.

** The list of cost is not exhaustive and the fund may incur other expenses. Please refer to the Prospectus/KIID for more information.

^ Management Company of the Fund is FundSight S.A.

■ Portfolio

Sector Breakdown



Top 5 Holdings

Midea Group Co Ltd	7.7%
Shandong Himile Mechanical Science & Technology Co Ltd	7.2%
China Mobile Ltd	7.1%
CNOOC Ltd	4.2%
Contemporary Amperex Technology Co Ltd	4.2%

Market Review

The global stock market performed well overall in August, with A-shares, Hong Kong stocks, and U.S. stocks all recording positive returns. The MSCI China Index rose by 4.2%, outperforming the MSCI Global Index's 2.6% and the MSCI Emerging Markets Index's 1.5%. In terms of sectors, the vast majority recorded positive returns this month, with the materials index showing a significant lead at 20.0%. The information technology, telecommunications services, and consumer staples indices also delivered solid gains, while the energy, utilities, and financial indices experienced some pullbacks.

On August 18, Premier Li Qiang presided over the ninth plenary meeting of the State Council, explicitly stating the need to "take strong measures to consolidate the stabilization of the real estate market." This marked a more proactive stance compared to the Politburo meeting in July, leading to the gradual implementation of real estate policies. On August 28, the Central Committee of the Communist Party of China and the State Council issued opinions on promoting high-quality urban development, addressing issues like urban village construction, stock renovations, affordable housing development, and super-large cities.

Overseas, Federal Reserve Chairman Powell's dovish remarks at the Jackson Hole conference exceeded expectations, significantly increasing the probability of an interest rate cut in September. Recently, the Trump administration has frequently interfered with the composition of the Federal Reserve Board, announcing on August 27 the dismissal of Lisa Cook, marking the first time a sitting president directly fired a Federal Reserve governor in the institution's century-long history. This action could accelerate the interest rate cut process in the short term but may weaken the Fed's decision-making independence in the long run, raising market concerns about U.S. dollar assets. Additionally, the U.S. Federal Circuit Court ruled that most global tariffs imposed by the Trump administration were illegal, and the Trump administration has appealed to the Supreme Court; we will continue to monitor the progression of this event.

The Chinese economy is showing signs of stabilization and improvement, with both domestic and foreign investment institutions raising their full-year growth expectations for China. In terms of prices, July's CPI was 0.0% year-on-year, and PPI was -3.6%, with the year-on-year decline narrowing. On the production side, July's manufacturing PMI reached 49.4, still below the threshold, while industrial output grew by 5.7% year-on-year, with cement and electricity production showing year-on-year changes of -5.6% and 3.1%, respectively—indicating a continued recovery in industrial production.

On the investment side, fixed asset investment grew by 1.6% year-on-year, with infrastructure investment rising by 3.2%, while real estate investment fell by 12.4%, indicating a slowdown in investment growth. The real estate market remains weak, with the average residential price in 70 cities declining by 3.37% year-on-year, although the decline has slightly narrowed. New home sales have decreased cumulatively by 6.5% year-on-year, with the decline further expanding, suggesting that stabilizing the real estate market may still require policy support. The ten-year bond yield has begun to rise, reaching 1.86% by the end of August, while the exchange rate of the dollar against the yuan stands at 7.10, with the yuan slightly appreciating.

Investment Strategy

In the past month, the A-share market has continued its upward trend, with the Shanghai Composite Index breaking through 3,800 points, reaching a ten-year high, and outpacing other global markets in terms of growth. Domestically, the State Council's plenary meeting explicitly mentioned "taking strong measures to consolidate the stabilization of the real estate market," indicating a more proactive stance compared to the Politburo meeting in July. Relevant policies are being implemented in major cities at both the central and local levels. Additionally, there is close attention from both domestic and international observers on the "September 3rd military parade" commemorating the 80th anniversary of the victory of the Chinese People's War of Resistance Against Japanese Aggression and the World Anti-Fascist War. For overseas market, Powell's speech at the Jackson Hole conference was more dovish than expected, significantly increasing the probability of an interest rate cut in September. In terms of sector performance, materials, information technology, telecommunications services, and consumer staples sectors led the gains, while energy, utilities, and financial sectors experienced some pullbacks.

We adhere to a stock-picking approach based on company value, emphasizing cash flow generation capabilities, and selectively allocating to high-quality companies across various industries. Since August, the A-share and Hong Kong markets have entered a period of intensive mid-year earnings disclosures, and we have made moderate adjustments to our portfolio based on the fundamentals of the companies. Looking ahead, our investment portfolio will continue to focus on value as a core strategy, selecting high-quality companies with solid economic moats and sufficient safety margins, while also opportunistically allocating to assets with strong growth characteristics, striving for better long-term investment returns., with expectations of increased market volatility surrounding this event.

For additional information on Fullerton and its funds, please contact:

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For EU investors:

This is a marketing communication. The investment which is promoted concerns the acquisition of shares in a fund. The Fund is actively managed without reference to a benchmark. You should read the prospectus and the key investor information before making any final investment decision. A summary of investor rights can be found in English at <https://www.fundsight.com/corporate-governance/>. A copy of the prospectus and the key investor information is available in English and other languages (as applicable), and can be obtained from the registered office of the Fund or at www.fullertonfund.com. Please also refer to https://www.fullertonfund.com/literature/fullerton-lux-funds/?_sft_registered=luxembourg for the sustainability-related disclosures of the Fund. The Management Company of the Fund is FundSight S.A. ("FundSight"). Please note that FundSight may terminate the marketing arrangements of the Fund in accordance with Article 93a of Directive 2009/65/EC.

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