

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

May 2026

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.

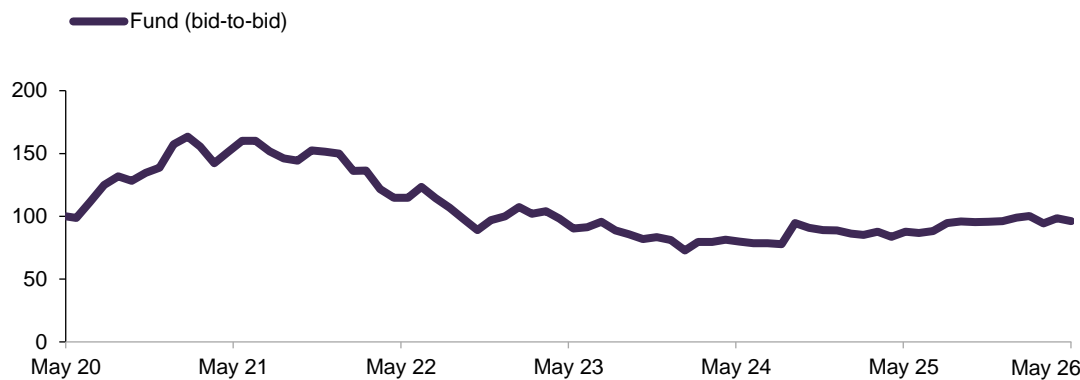
The investment universe will include, but is not limited to, exchange traded funds, listed warrants, index futures, securities investment funds, listed onshore bonds, money market funds, cash and other financial instruments qualifying as QFI Eligible Securities.

SFDR Classification:

Article 6 fund.

The Fund uses alternative investment strategies and the risks inherent in the Fund are not typically encountered in traditional Funds. Please refer to the Fund's Prospectus for more information.

Performance (%)



	1 mth	3 mths	6 mths	1 yr	3 yrs	5 yrs	Sl. Ann. Ret.	Sl. Ann. Vol.
Fund (bid-to-bid)	-2.42	-4.30	0.05	8.57	1.30	-10.44	-1.48	20.95

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. 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

08 May 2020

Fund size

USD 39.68 million

Base Currency

USD

Pricing Date

31 May 2026

NAV*

USD 9.14

Management fee**

Currently 0.8%, up to 1% 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**

1.44% p.a. (For financial year ended 31 Mar 2025)

Preliminary Charge**

Not applicable for Class R

Dealing day

Daily

Deadline

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

Bloomberg Code

FUCAERU LX

ISIN Code

LU2148510915

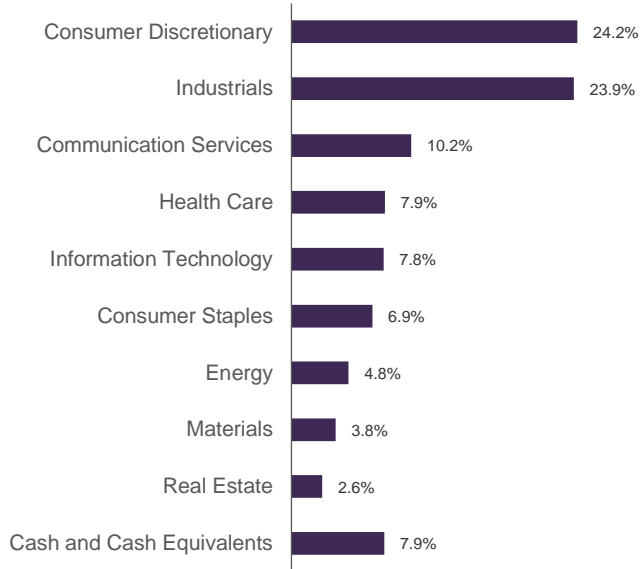
* Figures have been truncated to 2 decimal places. The official price is published on Fullerton's website.

** 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	8.6%
China Mobile Ltd	8.0%
Shandong Himile Mechanical Science & Technology Co Ltd	6.6%
Haier Smart Home Co Ltd	6.1%
Contemporary Amperex Technology Co Ltd	5.0%

Market Review

In May, global stock markets showed divergent performance. China's A-share Shanghai Composite Index and Hong Kong's Hang Seng Index both fell, recording -1.06% and -2.31%, respectively. The US Nasdaq Composite Index, however, surged sharply, up 8.36%. The MSCI China Index fell 3.0%, significantly underperforming the MSCI World Index (+4.6%) and the MSCI Emerging Markets Index (+9.7%). Quoted in US dollar terms unless otherwise stated.

Within MSCI China, information technology, real estate, utilities, and industrials posted gains of 14.5%, 5.2%, 2.8%, and 0.8%, respectively. Sectors with larger declines are materials, energy, consumer discretionary, consumer staples, and healthcare, which fell -7.7%, -7.7%, -7.5%, -6.7%, and -6.2%, respectively.

The political bureau meeting on April 28 clarified the direction of implementing a more proactive fiscal policy and enhancing monetary policy's forward-looking and flexible nature. At the local level, such as Shenzhen, measures like easing purchase restrictions in certain areas and increasing provident fund mortgage limits were introduced to boost the property market. However, economic data still reflected substantial downward pressure. In May, regulators significantly strengthened governance of the financial market. On May 22, the CSRC together with eight other departments launched a two-year campaign to clean up illegal cross-border securities and futures fund activities. It prohibits overseas institutions such as Futu and Tiger from providing new buy-side services to domestic investors during the transition period, and authorities plan to impose heavy fines on relevant entities.

Kevin Warsh officially took the oath as the new Chair of the US Federal Reserve on May 18. Against the backdrop of the US April CPI year-on-year rising 3.8%, the highest since May 2023, concerns about a resurgence of inflation intensified. As a result, expectations for rate cuts were pushed back significantly. In the interest-rate futures market, pricing began to reflect the possibility of rate hikes, which also drove stronger 10-year US Treasury yield.

Regarding trade policy, although the US Court of International Trade ruled that the 10% global tariffs imposed earlier by President Trump were invalid. However, since those tariffs were originally set to expire in July, the ruling's immediate impact has been relatively limited.

In terms of China economic data, April industrial production rose 4.1% year-on-year, down from 5.7% in March. April retail sales (total social retail sales of consumer goods) increased 0.2% year-on-year, slowing by 1.5 percentage points from 1.7% in March. The cumulative fixed-asset investment growth rate for January to April shifted to -1.6%, from +1.7% in January to March.

In the property sector, the year-on-year decline in sales area of newly built commercial/residential properties in April widened to -9.5%, from -7.4% in March.

On prices, April PPI expanded from +0.5% year-on-year last month to +2.8%, with PPI up 1.7% month-on-month, also rising further from +1.0% in the previous month. April CPI increased +1.2% year-on-year, up 0.2 percentage points from the prior month. The increase was mainly supported by higher energy prices and service prices related to holiday travel.

In terms of financial data, April aggregate financing to the real economy (social financing) reached RMB 620.7 billion, which was RMB 539.2 billion less than a year earlier. The year-on-year growth rate of social financing stock slowed from 7.9% to 7.8%. New RMB lending to the real economy was -RMB 399.6 billion, down by RMB 488.0 billion year-on-year. Net government debt financing was RMB 906.4 billion, down by RMB 66.5 billion.

Investment Strategy

Over the past month, the A-share market traded sideways within a broader downward drift. On the domestic front, although the Politburo meeting struck a positive tone, economic data continued to reflect downside pressure on growth. In addition, the CSRC, together with eight other government departments, tightened supervision over domestic investors' participation in overseas markets. Internationally, Kevin Warsh was formally inaugurated as the new Chair of the Federal Reserve. Coupled with higher-than-expected U.S. CPI prints, concerns over a secondary resurgence of inflation intensified, pushing back market expectations for rate cuts. Geopolitically, the U.S. and Iran conflict shows no sign of abating, and the Strait of Hormuz remains effectively closed; developments in subsequent negotiations warrant close monitoring. By sector, Information Technology, Real Estate, Utilities, and Industrials posted positive returns, while Materials, Energy, Consumer Discretionary, and Healthcare underperformed with notable declines.

We adhere to a fundamental, company-specific approach to stock selection, placing emphasis on cash flow generation capabilities. We construct positions in high-quality companies across industries and make timely adjustments in light of changes in fundamentals. Going forward, our portfolio will continue to be anchored by a value-oriented core - focusing on companies with solid competitive moats and sufficient margin of safety - while opportunistically allocating to assets with distinct growth attributes, with a view to delivering superior long-term investment returns.

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

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