

BOCHK INVESTMENT FUNDS

BOCHK CHINA CONSUMPTION GROWTH FUND

June 2024 Issue
(Data as of 31 May 2024)

Important Notes:

- Investment involves risks and the BOCHK China Consumption Growth Fund (the "Sub-Fund") may not be suitable for everyone. Past performance is not indicative of future performance. The Sub-Fund is subject to market and exchange rate fluctuations and to the risks inherent in all investments. Price of Units and the income (if any) generated from the Sub-Fund may go down as well as up. Investors could face no returns and/or suffer significant loss related to the investments. There is no guarantee in respect of repayment of principal.
- The key risks to which the Sub-Fund is subject to include: general investment risk, concentration risk, emerging market/ the People's Republic of China ("PRC") market risk, equity market risk, risk associated with high volatility of the equity market in Mainland China, risk associated with regulatory/ exchanges requirements/ policies of the equity market in Mainland China, risks associated with Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect (collectively, "Shanghai and Shenzhen Connect"), foreign exchange and RMB currency and conversion risks, risk of investing in ELIs, risks relating to investment in ETFs, PRC tax risk, derivative instruments risk, risk in relation to distribution, risk relating to those class(es) of units denominated in a currency other than the base currency, cross-class liability risk and potential conflicts of interest.
- Investing in emerging markets / the PRC market may involve increased risks and special considerations not typically associated with investment in more developed markets.
- The relevant rules and regulations on Shanghai and Shenzhen Connect are subject to change which may have potential retrospective effect. Each of Shanghai and Shenzhen Connect is subject to a set of Daily Quota, which does not belong to the Sub-Fund and can only be utilized on a first-come-first serve basis. Where a suspension in the trading through the programme is effected, the Sub-Fund's ability to invest in A shares or access the PRC market through the programme will be adversely affected. In such event, the Sub-Fund's ability to achieve its investment objective could be negatively affected.
- As the Sub-Fund may invest in A shares indirectly through ELIs, the Sub-Fund is exposed to the risks relating to investment in ELIs:
 - Credit risk: If any one of the ELIs issuers fails to perform its obligations under the ELIs, the Sub-Fund may suffer losses potentially equal to the full value of the instrument issued by the relevant issuer. Any such loss would result in the reduction in the Net Asset Value of the Sub-Fund and impair the ability of the Sub-Fund to achieve its investment objective.
 - Illiquidity risk: There may not be an active market for those ELIs which are not listed or quoted on a market. Even if the ELIs are quoted, there is no assurance that there will be an active market for them. Therefore investment in ELIs can be highly illiquid.
 - QI risk: The issuance of the ELIs depends on the ability of the QI to buy and sell A shares. Any restrictions or any change in the QI laws and regulations may adversely affect the issuance of ELIs and impair the ability of the Sub-Fund to achieve its investment objective.
- The Sub-Fund is subject to 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 Shanghai and Shenzhen Connect or ELIs on the Sub-Fund's investments in the PRC. Any future changes in the taxation policies in respect of QI's or the Sub-Fund's investment in A shares in the PRC will impact on the Sub-Fund's returns. It is possible that any future announcement by the PRC tax authority may subject the Sub-Fund to unforeseen tax obligations, which may have retrospective effect.
- In respect of Class A – HKD Dis Units, Class A – USD Dis Units and Class A – RMB Dis Units for the Sub-Fund, the Manager will normally make distributions out of net income received or receivable. However, in the event that the net income is insufficient to pay the distributions that it declares, the Manager may also, in its absolute discretion, determine distributions be paid out of capital, or the Manager may, in its discretion, pay distributions out of the gross income while charging/paying all or part of the fees and expenses to/out of capital, resulting in an increase in distributable income for the payment of distributions and therefore, the Sub-Fund may effectively pay distributions out of capital. This may reduce the capital available for investment in future and may constrain capital growth.
- Investors should be aware that in circumstances where distributions are paid out of capital or effectively out of capital, this amounts to a return or withdrawal of part of the amount investor's originally invested or from any capital gains attributable to that original investment. Any distributions involving payment of distributions out of capital or payment of distributions effectively out of capital (as the case may be) may result in an immediate decrease in the Net Asset Value per Unit of the relevant class.
- Please refer to the offering document of the Sub-Fund for further details including investment objectives and policies, charges and expenses, and risk factors (especially for the parts relating to Shanghai and Shenzhen Stock Connect, ELIs and QI), before making any investment decision.

INVESTMENT OBJECTIVES AND POLICIES

The BOCHK China Consumption Growth Fund seeks to provide investors with long-term capital growth by investing primarily (at least 70% of its non-cash assets) in listed equities or equity-related securities (including warrants and convertible securities) issued by or linked to companies which activities relate to or benefit from growth in domestic consumption in Hong Kong and/or Mainland China. Such companies are principally engaged in the manufacture, sale, provision or distribution of goods and/or services to consumers. The Sub-Fund may generally invest in all consumer staples, consumer discretionary sectors and consumer-oriented industries, which may include information technology, industrials, insurance, financials, food, beverages, personal products, materials, energy, utilities, travel, hotels, resorts, media, telecommunications and health care sectors etc. The Sub-Fund will mainly invest in Hong Kong-listed stocks, H shares, shares of red-chip companies (directly and/or indirectly through investments in SFC authorised collective investment schemes ("CISs") (including CISs managed by the Manager) and/or exchange traded funds ("ETFs") listed on the Stock Exchange of Hong Kong Limited ("SEHK") (including ETFs managed by the Manager). The Sub-Fund may also invest (a) less than 30% of its Net Asset Value in A shares (i) directly through Shanghai-Hong Kong Stock Connect and/or Shenzhen-Hong Kong Stock Connect (collectively "Shanghai and Shenzhen Connect"); and/or (ii) indirectly through investments in: (A) equity linked instruments ("ELIs") (which may take the form of notes, contracts or other structures) issued by institutions or their affiliates with Qualified Foreign Investors/Qualified Investors or QI ("QI") status in the PRC, (B) ETFs listed on the SEHK (including ETFs managed by the Manager), (C) eligible ETFs listed on the stock exchanges in Mainland China (via Shanghai-Hong Kong Stock Connect and/or Shenzhen-Hong Kong Stock Connect) and/or (D) SFC authorised CISs (including CISs managed by the Manager); and/or (b) up to 15% of its Net Asset Value in B shares listed on the stock exchanges in Mainland China. The Sub-Fund may also invest in other PRC-related securities listed or quoted outside Mainland China and Hong Kong if such securities are issued by companies which are related to the PRC's consumption sector. These securities may be listed on various stock exchanges in New York, London or Singapore, such as ADRs (American depository receipts) and GDRs (global depository receipts). The aggregate exposure to the A shares and B shares market will not exceed 30% of the Sub-Fund's Net Asset Value.

CUMULATIVE PERFORMANCE [Gross Distribution Reinvested]

Sub-Fund — Class A		3 Months	Year to date	1 Year	3 Years	5 Years	Since Inception
HKD Dis Units ^Δ		9.44%	4.39%	-3.38%	-42.56%	5.68%	95.53%
USD Dis Units		9.52%	4.19%	-3.32%	-43.01%	—	-27.25%
RMB Dis Units		10.47%	6.35%	-1.39%	-35.01%	—	-22.65%
HKD Acc Units		9.43%	4.38%	-3.41%	-42.62%	—	-25.97%
USD Acc Units		9.50%	4.17%	-3.35%	-43.07%	—	-26.67%
RMB Acc Units		10.46%	6.33%	-1.42%	-35.07%	—	-22.03%

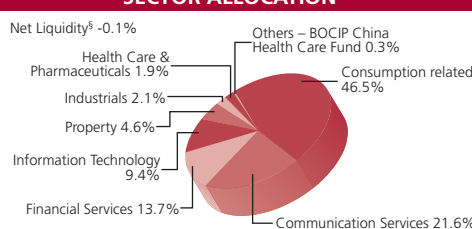
CALENDAR YEAR PERFORMANCE

	Sub-Fund – Class A					
	HKD Dis Units	USD Dis Units ⁽¹⁾	RMB Dis Units ⁽¹⁾	HKD Acc Units ⁽¹⁾	USD Acc Units ⁽¹⁾	RMB Acc Units ⁽¹⁾
2019	29.21%	N/A	N/A	N/A	N/A	N/A
2020	49.38%	24.06%	17.91%	24.70%	24.65%	18.46%
2021	-12.86%	-13.33%	-15.17%	-12.50%	-12.98%	-14.82%
2022	-22.43%	-22.51%	-15.69%	-22.45%	-22.54%	-15.72%
2023	-16.16%	-16.19%	-13.75%	-16.18%	-16.22%	-13.78%

TOP 10 HOLDINGS

1	TENCENT HOLDINGS LTD	10.0%
2	ALIBABA GROUP HOLDING LTD	9.6%
3	XIAOMI CORP-CLASS B	5.0%
4	HAIER SMART HOME CO LTD-H	4.4%
5	BYD CO LTD-H	4.3%
6	MEITUAN-CLASS B	4.3%
7	BANK OF CHINA LTD-H	4.1%
8	LENOVO GROUP LTD	3.3%
9	GALAXY ENTERTAINMENT GROUP LTD	2.7%
10	CHINA TELECOM CORP LTD-H	2.7%

SECTOR ALLOCATION**



RECENT 12 MONTHS DISTRIBUTION^Δ HISTORY

Record Date	Distribution Per Unit	Fund Price on Record Date
Mar 31, 2024	Class A – HKD Dis Units	HKD 0.1025
	Class A – USD Dis Units	USD 0.0131
	Class A – RMB Dis Units	RMB 0.0950
Dec 31, 2023	Class A – HKD Dis Units	HKD 0.1066
	Class A – USD Dis Units	USD 0.0136
	Class A – RMB Dis Units	RMB 0.0975
Sep 30, 2023	Class A – HKD Dis Units	HKD 0.1164
	Class A – USD Dis Units	USD 0.0149
	Class A – RMB Dis Units	RMB 0.1088
Jun 30, 2023	Class A – HKD Dis Units	HKD 0.1221
	Class A – USD Dis Units	USD 0.0156
	Class A – RMB Dis Units	RMB 0.1130

FUND DATA (Class A)

Investment Manager	Marvin Wong & Team					
Fund Size (Million)	HKD 1,212.01					
Inception Date	Class A – HKD Dis Units	Class A – USD Dis Units	Class A – RMB Dis Units	Class A – HKD Acc Units	Class A – USD Acc Units	Class A – RMB Acc Units
	28 March 2008	25 September 2020	25 September 2020	25 September 2020	25 September 2020	25 September 2020
Base Currency	HKD					
Currency Class	HKD/USD/RMB					
Management Fee (p.a.)	1.8%					
Initial Charge	5%					
Switching Fee	1%* or Nil*					
Distribution	Aim to make distribution quarterly [^] for Class A - HKD Dis Units, Class A - USD Dis Units and Class A - RMB Dis Units (Distributions rate is not guaranteed; distributions may be paid out of capital <small>Please note points 7 & 8 of Important Notes</small>)					
Risk Level [*]	High					
	Class A – HKD Dis Units	Class A – USD Dis Units	Class A – RMB Dis Units	Class A – HKD Acc Units	Class A – USD Acc Units	Class A – RMB Acc Units
NAV per unit	HKD 14.6118	USD 1.8677	RMB 13.5745	HKD 7.4027	USD 0.9462	RMB 6.8772
12 Months NAV ^{††}	Highest: HKD 17.5175	USD 2.2462	RMB 16.0459	HKD 8.6771	USD 1.1126	RMB 7.9482
	Lowest: HKD 12.5389	USD 1.6040	RMB 11.5066	HKD 6.3063	USD 0.8067	RMB 5.7871
Morningstar Overall Rating ^{†††}	★★★★	★★★★	★★★★	★★★★	★★★★	★★★★
Standard Deviation	28.54%	28.86%	25.28%	28.54%	28.86%	25.28%
Bloomberg Ticker	BOCCOMS HK EQUITY	BOCCAUD HK EQUITY	BOCCARD HK EQUITY	BOCCOAH HK EQUITY	BOCCOAU HK EQUITY	BOCCARA HK EQUITY
ISIN Code	HK0000045358	HK0000654225	HK0000654233	HK0000654191	HK0000654209	HK0000654217

The value of the investment products managed by BOCI-Prudential Asset Management Limited represents 0.3% of the Sub-Fund's fund size.

ⓘ The Sub-Fund is regarded as an "Eligible Collective Investment Scheme" under the new Capital Investment Entrant Scheme (the "New CIES") launched by the Government of Hong Kong Special Administrative Region on 1 March 2024. For further details of the New CIES, please visit the relevant website at www.newcies.gov.hk.

⁽¹⁾ The calendar year performances for 2020 of Class A – USD Dis Units, Class A – RMB Dis Units, Class A – HKD Acc Units, Class A – USD Acc Units and Class A – RMB Acc Units refer to the period from the inception date (25 September 2020) to 31 December 2020.

[†] Data Source – © 2024 Morningstar, Inc. All Rights Reserved.

^{*} For switching into a different class of Class A Units relating to the same Sub-Fund (such as switching between different currency classes or from Accumulation Classes to Distribution Classes or vice versa) or switching into Class A Units of another Sub-Fund which is not a Money Market Sub-Fund (as defined in the Explanatory Memorandum).

^{*} For switching into Units of a Money Market Sub-Fund.

[^] With effect from 1 December 2017, the distribution policy of the Sub-Fund has been revised such that the Manager may, subject to its discretion, declare distributions for the Sub-Fund on a quarterly basis. With effect from 21 September 2020, Units of the Accumulation Classes relating to the Sub-Fund, including Class A – HKD Acc Units, Class A – USD Acc Units and Class A – RMB Acc Units have been launched. The existing Class A – HKD Units are categorised as Units of the Distribution Class and re-designated as Class A – HKD Dis Units. Class A – USD Dis Units and Class A – RMB Dis Units relating to the Sub-Fund have also been launched. Details of Units of the Accumulation Classes and Units of the Distribution Classes in respect of the Sub-Fund are as follows:

Accumulation Classes: No distribution is intended to be made in respect of Accumulation Classes. Therefore, any net income and net realised capital gains attributable to Units of the Accumulation Classes will be accumulated and reflected in their respective Net Asset Value.

Distribution Classes: The Manager will declare and pay distributions in such amount, on such date and at such frequency as the Manager may determine. In respect of Class A – HKD Dis Units, Class A – USD Dis Units and Class A – RMB Dis Units for the Sub-Fund, the Manager intends to declare distributions to Unitholders on a quarterly basis, by the end of March, June, September and December respectively. The distributions may not be made equally in each quarter. The Manager will normally make distributions out of net income received or receivable. However, in the event that the net income is insufficient to pay the distributions that it declares, the Manager may also, in its absolute discretion, determine that distributions be paid out of capital, or the Manager may, in its discretion, pay distributions out of the gross income while charging / paying all or part of the fees and expenses to / out of capital, resulting in an increase in distributable income for the payment of distributions and therefore, the Sub-Fund may effectively pay distributions out of capital. This may reduce the capital available for investment in future and may constrain capital growth. The Manager has discretion as to whether or not to make any distributions for the Sub-Fund, the frequency of distributions, the dates and the amount of distributions. However, there is no guarantee as to whether or not distributions will be made and the amount of distributions to be paid. Investors should also note that there is no guarantee of regular distribution payments during the period investors hold the Units of the Sub-Fund. The Manager also has the discretion to determine if and to what extent distributions will be paid out of capital of the Sub-Fund. No distributions will be paid by the Sub-Fund if the capital is insufficient to pay the distributions. Please refer to the Manager's website for the composition of the latest distribution (i.e. the relative amounts paid out of (i) net distributable income and (ii) capital). Information contained in the website of the Manager has not been reviewed by the SFC.

^{**} With effect from 17 December 2018, sector classification methodology for the Sub-Fund has been updated slightly. Accordingly, the sector allocation has been restructured and the sector named "Telecom" has been replaced by "Communication Services".

[§] "Net Liquidity" was formerly named as "Cash & Deposit".

^{*} Risk levels are categorized into low, low to medium, medium, medium to high and high. The risk levels are determined by BOCI-Prudential Asset Management Limited based on the investment mix of each Sub-Fund and/or its underlying investments, and represent only the views of BOCI-Prudential Asset Management Limited in respect of the relevant Sub-Fund. Such risk levels are for reference only and should not be regarded as investment advice. You should not rely on the risk levels only when making any investment decision. The risk level is determined based on data as at 29 December 2023 and will be reviewed and (if appropriate) updated at least annually without prior notice, taking into account the prevailing market circumstances. If you are in doubt about the information of risk level, you should seek independent financial and professional advice.

^{††} 12 Months Highest / Lowest NAV per Unit was calculated by reference to the NAV per Unit on each month's last dealing day.

Investors should note that Bank of China (Hong Kong) Limited is not the Manager of the Sub-Fund and will only act as the Sponsor and Distributor whilst BOCI-Prudential Asset Management Limited is the Manager. Fund performance is calculated in the base currency of the Sub-Fund or the denominated currency of the relevant class of Units of the Sub-Fund on NAV-to-NAV basis with gross distribution reinvested. The data for "Standard Deviation", "Beta" and "Morningstar Overall Rating^{†††}" will not be shown for the Sub-Fund or the relevant class of the Units of the Sub-Fund with less than 3-year history. "Standard Deviation", a risk measurement, is based on the monthly return of the Sub-Fund or the relevant class of Units of the Sub-Fund over the past 3 years in the base currency of the Sub-Fund or the denominated currency of the relevant class of Units of the Sub-Fund. "Beta" measures the sensitivity of the return of the Sub-Fund or the relevant class of Units of the Sub-Fund to the changes in its reference index. This document is issued by BOCI-Prudential Asset Management Limited and has not been reviewed by the SFC.