# Barings Hong Kong China Fund

*This is a marketing communication.*

BARINGS

JANUARY 2024 / FACTSHEET

OVERALL MORNINGSTAR RATING™*

★★★

## FUND FACTS

**NAV ($m)**
908.8

**Inception Date**
December 3, 1982

**Domiciled**
Ireland, UCITS Fund

**Dealing Frequency**
Daily

**Management Company**
Baring International Fund Managers (Ireland) Limited

**Investment Manager**
Baring Asset Management Limited

**Share Classes**
USD/EUR/GBP/HKD/RMB

**Distribution Frequency**
Annual

**Base Currency**
USD

**Benchmark[1]**
MSCI China 10/40

**SFDR Classification**
Article 8

## PORTFOLIO MANAGERS

**William Fong, CFA**
23 years of experience

**Nicola Lai**
17 years of experience

## KEY RISK

During exceptional market conditions there may be insufficient buyers and sellers to allow the Fund to buy and sell investments, which could affect the Fund's ability to meet investors' redemption requests. Losses may occur if an organisation through which we buy an asset fails to meet its obligations. Custody of assets involves a risk of loss if a custodian becomes insolvent or breaches duties of care. Fund investments in derivatives are sensitive to changes in the value of the underlying asset on which they are based and their use may result in losses greater than the amount originally invested. Fund investments in overseas assets may lose value due to movements in foreign exchange rates. Fund investments in equities may be subject to significant fluctuations in value. The Fund can hold smaller company shares which can be more difficult to buy and sell and more volatile than those of larger companies. Region specific funds have a narrower focus than those which invest broadly across markets and are therefore more risky. Further information on the Fund's risks can be found in the offering (constitutional) documents.

## OBJECTIVE

The investment objective of the Fund is to seek long-term capital growth primarily through active investment in a diversified portfolio of shares of companies where the predominant part of their income is derived from Hong Kong or China.

## STRATEGY & MARKETING OPPORTUNITY

Identify investment opportunities through a differentiated and innovative investment process using fundamental, bottom-up analysis.

- Large-scale, all-cap Hong Kong China strategy with long history dating back to 1982.
- Flexible investment universe and ability to capture China growth story through a holistic approach by investing in domestic Hong Kong listed, onshore Chinese (A-shares), Taiwanese and multi-national companies with significant exposure to China.
- Investment process tailored for asset class by experienced team.

| FUND PERFORMANCE (%) | Class A USD Inc (Gross of Fees) | Class A USD Inc (Net of Fees) | Benchmark[1] |
|---|---|---|---|
| 1 Year | -32.19 | -33.34 | -28.81 |
| 3 Years | -24.95 | -26.23 | -22.30 |
| 5 Years | -3.38 | -5.03 | -6.33 |
| 10 Years | 2.14 | 0.38 | 0.91 |
| Since Inception | 13.95 | 11.95 | 10.01 |

| ROLLING 12 MONTH PERFORMANCE (%) | Class A USD Inc (Gross of Fees) | Class A USD Inc (Net of Fees) | Benchmark[1] |
|---|---|---|---|
| 12/31/2022 - 12/31/2023 | -16.02 | -17.45 | -10.97 |
| 12/31/2021 - 12/31/2022 | -28.72 | -29.94 | -21.53 |
| 12/31/2020 - 12/31/2021 | -14.84 | -16.29 | -20.14 |
| 12/31/2019 - 12/31/2020 | 57.22 | 54.55 | 30.75 |
| 12/31/2018 - 12/31/2019 | 28.06 | 25.88 | 22.41 |

**PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.** An investment entails a risk of loss. Returns for periods greater than one year are annualized.
Source: Morningstar/Barings: Performance figures are shown in USD on a NAV per unit basis, with gross income reinvested.
1. The benchmark is MSCI China 10/40 (Total Net Return) Index. Previously Hang Seng (Total Gross Return) Index until August 31, 2006, followed by MSCI Zhong Hua (Total Gross Return) Index until January 31, 2008, then MSCI China (Total Gross Return) Index until June 30, 2018, then MSCI China 10/40 (Total Gross Return) Index until December 31, 2019.
*Morningstar Rating as of previous month end, please refer to page 3 for additional detail.

## EQUITY PLATFORM[1]

Barings manages $381+ billion of equities, fixed income, real estate and alternative assets globally

We focus on building high-conviction, research-driven equity solutions for our clients. We have a long history of being early investors in new and established markets

- Global Equities
- Emerging Markets Equities
- Small-Cap Equities

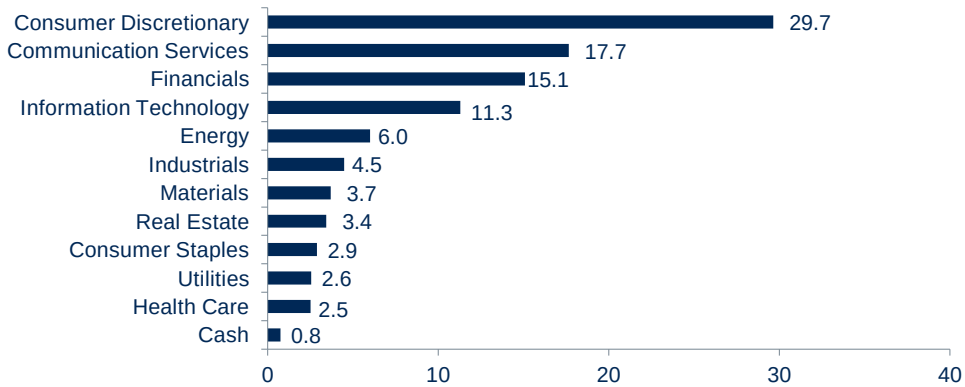
Equities investor base includes financial institutions, pensions, foundations and endowments and wholesale distributors

| CHARACTERISTICS[2,3,4] | BARINGS HONG KONG CHINA FUND |
|---|---|
| Number of Holdings | 64 |
| Active Share (%) | 48.51 |
| Off Benchmark (%) | 19.19 |
| Tracking Error (%) (3Y Ann) | 4.32 |
| Information Ratio (3Y Ann) | -0.61 |
| Standard Deviation (3Y Ann) | 27.71 |
| Alpha (3Y Ann) | -4.61 |
| Beta (Ex Ante) | 0.95 |
| Av. Market Cap (USDb) | 114.88 |

## SUMMARY OF CHINESE ASSET ALLOCATION (% OF NAV)[3]

| | | | |
|---|---|---|---|
| A Share | 9.96 | Other- Listed in HK | 37.96 |
| H Share | 24.22 | Other- Listed Outside HK | 6.60 |
| Red Chip | 4.23 | Cash | 0.75 |

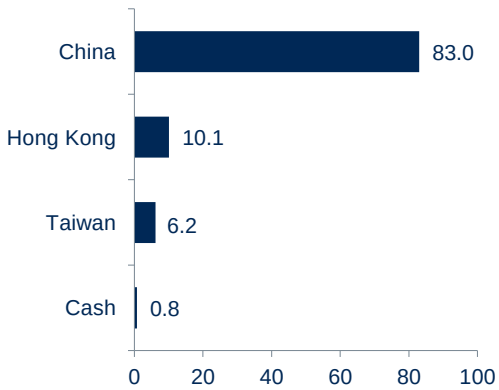
## TOP SECTOR WEIGHTING (% OF NAV)[3]




## TOP HOLDINGS (% OF NAV)[3]

| | |
|---|---|
| Tencent | 8.75 |
| Alibaba | 7.14 |
| China Construction Bank | 6.88 |
| PDD Holdings | 4.77 |
| Netease | 3.75 |
| Taiwan Semiconductor Manufacturing | 3.22 |
| Li Auto | 2.61 |
| Ping An Insurance | 2.42 |
| AIA | 2.35 |
| PetroChina | 2.30 |

## TOP COUNTRY WEIGHTING (% OF NAV)[3]




1. Barings assets as of December 31, 2023.
2. Risk statistics based on gross performance.
3. As of January 31, 2024.
4. Refer to glossary on our website for definitions of terms. Characteristics are subject to change.

## FEE SCHEDULE

| | Min Investment | Management Fee (p.a.) | OCF[1] |
|---|---|---|---|
| Class A USD ACC | Initial—$5K<br>Subsequent—$500 | Initial—5.00%<br>Annual—1.25% | 1.70% |

Be aware of currency risk. If you are buying this product in a different currency to your local currency you will receive payments in a different currency, so the final return you will get will depend on the exchange rates between the two currencies.

1. The OCF represents annual charges and other payments taken from the Fund, including the Management Fee. The OCF excludes the costs of buying and selling assets for the Fund. The OCF is based on ex-post expenses for the year ended Oct 31, 2023 and may vary from year to year.

## CLASS A ACTIVE SHARE CLASSES

| Name | ISIN | Bloomberg | Lipper |
|---|---|---|---|
| EUR INC | IE0004866889 | BRGHKGE ID | 60013065 |
| GBP INC | IE00B3YQ0H18 | BRGHKCA ID | 68035314 |
| HKD INC | IE00B4YN5X00 | BRGHKAU ID | 68058295 |
| RMB HEDGED ACC | IE00B7JY7775 | BHKCARH ID | 68255436 |
| USD ACC | IE00B7JY6H00 | BHKCAUA ID | 68147404 |
| USD INC | IE0000829238 | BRGHKGI ID | 60000680 |

*Please refer to prospectus for additional currency class information.

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Barings Hong Kong China A USD Inc share class was rated against the following numbers of EAA Fund China Equity investments over the following time periods: 768 investments in the last three years, 546 investments in the last five years, and 313 investments in the last ten years. **Past performance is no guarantee of future results.**

Morningstar Rating is for the A share class only; other classes may have different performance characteristics.

Benchmark: The benchmark is currently MSCI China 10/40 (Total Net Return) Index. Previously Hang Seng (Total Gross Return) Index until August 31, 2006, followed by MSCI Zhong Hua (Total Gross Return) Index until January 31, 2008, then MSCI China (Total Gross Return) Index until June 30, 2018, then MSCI China 10/40 (Total Gross Return) Index until December 31, 2019.

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emea.info@barings.com

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