

## Ping An of China Asset Management Fund China High Yield Private Strategy Bond Fund

### Risk Disclosure

- Ping An of China Asset Management Fund – China High Yield Private Strategy Bond Fund (the “Fund”) aims to achieve absolute return from investment income and long term capital appreciation by primarily investing in high yield securities issued by sovereign, sovereign agencies in Greater China and / or companies having their main operations in Greater China, both offshore and onshore via Bond Connect.
- The Fund may invest in (i) debt securities rated below investment grade or unrated; (ii) debt securities issued via private placements which are subject to the risk of not being able to liquidate when the price falls, higher volatility and bid/ask spreads; (iii) fixed-income securities with loss absorption features which are subject to the risk of being written down or converted to ordinary shares upon the occurrence of trigger events resulting in a significant or total reduction in value; and (iv) asset-backed securities and mortgage-backed securities, all of which are typically subject to higher default, volatility and liquidity risks. The Fund is also subject to other risks associated with debt securities (e.g. interest rate, credit rating and downgrading, valuation, convertible bond and urban investment bond risks) and is exposed to risks relating to securities lending, over-the-counter sale and repurchase and/or reverse repurchase transactions.
- The Fund’s investments are concentrated in China which is an emerging market. The Fund may be more volatile than a fund with a more diverse portfolio. The Fund is also subject to RMB and PRC tax risks.
- The Fund may use derivatives for investment, hedging and efficient portfolio management purposes. Use of derivatives may expose the Fund to significant losses.
- There is no guaranteed dividend payment. Distribution may be paid out of capital which amounts to a return or withdrawal of part of the amount of an investor’s original investment or from any capital gains attributable to that original investment and may result in an immediate decrease in the NAV per share.
- The investment decision is yours. You should not base your investment decision on this material alone. Please refer to the Fund’s Hong Kong Offering Documents for further details, including the risk factors.

### Investment Objective

The Fund aims to achieve absolute return from investment income and long term capital appreciation by primarily investing in high yield securities issued by or linked to sovereign, sovereign agencies and/or companies having their main operations in Greater China.

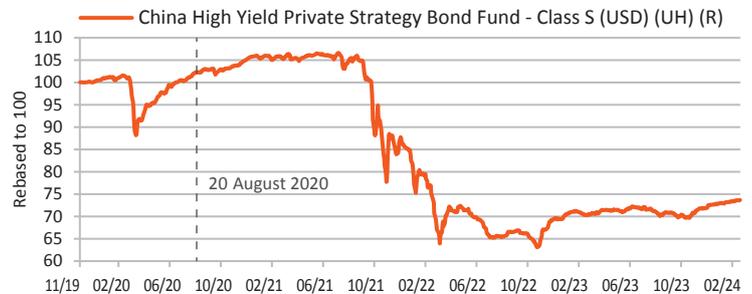
### Fund Details

Investment Manager	Ping An of China Asset Management (Hong Kong) Company Limited
Domicile	Luxembourg
Base Currency	USD
Other Currencies of Share Classes	HKD/ CNH
Fund Inception Date	8 November 2019
Fund Size	USD 26.8 million
Dealing Frequency <sup>(1)</sup>	Daily
Distribution Policy <sup>(2)</sup>	Semi-annually
Minimum Investment Amount	Retail Share Classes - USD 10,000 (Initial) - USD 10,000 (Subsequent)
Subscription Fee	Up to 1%
Management Fee	Up to 2% p.a.
Redemption Fee	Up to 0.6%
Custodian & Administrator	HSBC Continental Europe, Luxembourg

### Portfolio Statistics

Average Yield to Maturity <sup>(3)</sup>	7.48%
Average Modified Duration <sup>(3)</sup>	1.16 years
Average Credit Rating <sup>(3)</sup>	BBB-

### Fund Performance



### Cumulative Performance

	YTD	1-Month	3-Month	6-Month	1-Year	3-Year	Since Inception <sup>†</sup>
Class S (USD) (UH) (R)	1.40%	0.67%	2.68%	4.14%	4.78%	-30.34%	-26.32%
Class RE (USD) (UH) (D)	1.05%	0.51%	2.16%	3.09%	2.66%	-	-33.81%
Class RE (HKD) (UH) (D)	1.25%	0.61%	2.37%	2.87%	2.36%	-	-33.32%

### Calendar Year Performance

	2023	2022	2021*	2020	2019*
Class S (USD) (UH) (R)	4.64%	-18.36%	-19.66%	5.23%	0.61%
Class RE (USD) (UH) (D)	2.53%	-20.02%	-20.13%	-	-
Class RE (HKD) (UH) (D)	2.77%	-20.07%	-19.83%	-	-

Class S (USD) (UH) (R) is not available to the public of Hong Kong.

**Past performance is not a guide to future performance.** Performance is calculated based on NAV-to-NAV with dividend reinvested (if any). (UH): Unhedged. (R): Capital-accumulation. (D): Dividend distribution. The period from 11 November 2019 to 11 March 2020 was portfolio construction period of the Fund.

The historical performance that is displayed here corresponds to the period where the Fund was qualifying as a different type of fund, i.e. a Reserved Alternative Investment Fund (RAIF), before its conversion into an Undertaking Collective Investment in Transferable Securities (UCITS) on 20 August 2020. Although the investment objectives, strategies and policies of the Fund have not materially changed at the time of the conversion, the past performance disclosed is for indicative purposes only, should not be relied on in connection with any investment decision and does not constitute any guarantee for future returns.

\* Performance of Class S (USD) (UH) (R) for calendar year 2019 and Class RE (USD) (UH) (D) and Class RE (HKD) (UH) (D) for calendar year 2021 is calculated from its share class performance inception date to 31 December 2019 and 31 December 2021 respectively.

### Share Class Information

Share Class	Class S (USD) (UH) (R)	Class RE (USD) (UH) (D)	Class RE (HKD) (UH) (D)
ISIN	LU2071385418	LU2069525637	LU2069526791
Bloomberg Ticker	PCHYPBS LX	PIPSBUI LX	PIPSBHI LX
Performance Inception Date	11 November 2019	8 July 2021	8 July 2021
Month-end NAV	USD 73.68	USD 66.19	HKD 66.68

<sup>Δ</sup> The Fund is recognized as one of the eligible collective investment schemes under the New Capital Investment Entrant Scheme (“New CIES”) in Hong Kong with effect from 1 March 2024.

<sup>1</sup> Any day on which the banks are fully open for normal business banking in Luxembourg and Hong Kong.

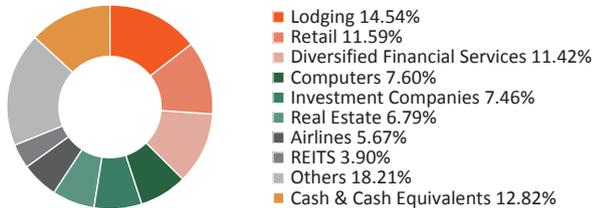
<sup>2</sup> Currently in June and December each year for each dividend distribution share class. Dividend payout is not guaranteed.

<sup>3</sup> Source: FactSet.

For further details about the Fund, please refer to the Offering Document.

Ping An of China Asset Management Fund  
**China High Yield Private Strategy Bond Fund**

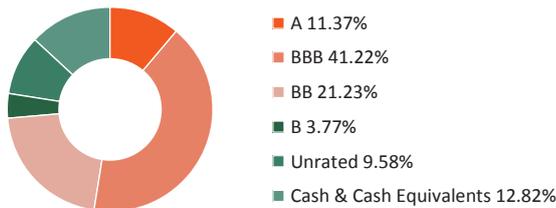
**Sector Allocation (%)**



**Country/Region Allocation (%)**



**Credit Rating Allocation <sup>(4)</sup> (%)**



**Top 5 Holdings (%)**

Holdings	Coupon	Maturity	(%)
Lenovo Group Ltd	5.875%	24/04/2025	7.60%
Huarong Finance 2019 Co Ltd	3.750%	29/05/2024	7.46%
Sands China Ltd	5.125%	08/08/2025	7.35%
Greentown China Holdings Ltd	5.650%	13/07/2025	6.79%
Zhongsheng Group Holdings Ltd	-	21/05/2025	4.10%

**Review**

The Fund's return in February is 0.67%<sup>^</sup>, in line with the general market.

In February, China's credit market fluctuated mainly following the equity market sentiment and expectations of policy rollouts from the central government.

We have kept the Fund's holdings well diversified in terms of industries, along with the barbell strategy which is well positioned to both high-yield bond carry in the short-end and high-quality credit in the belly of the curve. Our selective convertible bond holdings have contributed to the risk return profile as well. We are underweight in the local government financing vehicle (LGFV) sector.

<sup>4</sup> Credit rating allocation by Ping An of China Asset Management (Hong Kong) Company Limited assigns each security or its parent company the higher rating from three credit agencies (Moody's, S&P and Fitch). If only one agency assigns a rating, that rating will be used. Securities that are not rated by all three agencies are reflected as unrated. The lower the overall credit rating, the riskier the portfolio. The credit rating is expressed as a regular letter rating (from high to low quality): AAA, AA, A, BBB, BB, ...D. <sup>5</sup> Source: Bloomberg Businessweek/Chinese Edition, ESG Leading Enterprise Awards 2021 and 2022 as of November 2021 and December 2022 respectively. <sup>6</sup> Source: Risk.net and Asia Risk Magazine, Asia Risk Awards 2020 and 2022 as of September 2020 and November 2022 respectively. <sup>^</sup> Based on Class S (USD) (UH) (R).

**Fund Allocation:** Fund allocations are a percentage of investments in asset categories (i.e. total sum of investments in securities, cash at bank and interest receivable on securities) as of the end of the period. The asset category of the Fund is based on its predominant investments under normal market conditions. The Fund may shift allocations among asset classes at any time without prior notice. Percentage may not equal 100% due to rounding. **Top Holdings:** These securities do not represent all of the securities purchased, sold or recommended for clients, and the reader should not assume that investment in the securities listed was or will be profitable. The portfolio manager for the Fund reserves the right to withhold release of information with respect to holdings that would otherwise be included in the top holdings list. **Review and Outlook:** Unless otherwise specified, all market data contained herein are from Bloomberg.

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**Disclaimer**

China High Yield Private Strategy Bond Fund (the "Fund"), a sub-fund of Ping An of China Asset Management Fund, has been authorized by the Securities and Futures Commission of Hong Kong ("SFC") (SFC authorization is not an official recommendation or endorsement of the Fund nor does it guarantee the commercial merits of the Fund or its performance. It does not mean the Fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors). Information herein has not been independently verified but is based on sources believed to be accurate and reliable as at the date it was made. Any projections or other forward-looking statements regarding future events or performance of countries, markets or companies are not necessarily indicative of, and may differ from, actual events or results. No warranty of accuracy is given and no liability in respect of any error or omission is accepted. Ping An of China Asset Management (Hong Kong) Company Limited ("PAAMC") reserves the right to revise any information herein at any time without notice. The contents of this factsheet are for information only and no offer or solicitation to buy or sell securities and no investment advice or recommendation is made herein. Investment involves risks. Investors should not only base investment decisions on this factsheet alone. The past performance is not indicative of future performance. The price of the Fund may rise or fall and investors may lose some or all of their investment. This factsheet is issued by PAAMC and has not been reviewed by the SFC.

For more information about Ping An of China Asset Management (Hong Kong), please visit our website: <https://asset.pingan.com.hk> (This website has not been reviewed by the SFC)

**Outlook**

For China's USD bond market, we believe that the focus remains on the macro and policy level, especially for the real estate sector. Top-down there is better policy coordination and implementation in China. We do not think the growth target and easing measures are going to be underwhelming this year, on top of what has already been announced, especially via non-conventional tools and central government support. The focal points should be to analyze the effectiveness and timeliness of these policy packages.

We think the property sector itself will become a smaller drag on the economy at the margin. However, despite the improvement in existing home sales, new home sales still experience a double-digit decline compared to the previous year. At the same time, multiple creditors of real estate companies have filed lawsuits in court, indicating that the debt crisis in the real estate sector has yet to be effectively addressed. It still requires further efforts from the policy side to focus on resolving debt and funding issues, determining who should be responsible for ensuring delivery, and how it can be achieved. These issues necessitate a thorough consideration in policy formulation and will need much wisdom in terms of policymaking.

**Awards**

**House Awards**



Investment house of the year  
Ping An

(6)



Asset management firm of the year  
Ping An of China  
Asset Management (Hong Kong)

(6)