

Foundation China Equity Fund

Monthly Report as at 31 Mar 2025



邦德資產管理
FOUNDATION
ASSET MANAGEMENT

NAV per unit: Class A USD 0.9185 Class A HKD 0.9246



Foundation China Equity Fund
★★★★★

Important Information

- Foundation China Equity Fund (the "Fund") primarily invests in listed equities with a substantial exposure to Greater China.
- The Fund focuses its investments in China-related equity securities, which involve certain risks not typically associated with investment in more developed markets, such as greater political, tax, economic, foreign exchange, liquidity and regulatory risks. The Fund is likely to be more volatile than broad-based global investments, as the Fund is more susceptible to fluctuations in value resulting from limited number of holdings or from unfavourable performance in such equity securities that the Fund invests in.
- The Fund may invest in financial derivative instruments ("FDI") for hedging purposes only, which may expose to higher leverage, counterparty, liquidity, valuation, volatility, market and over the counter transaction risks.
- The Fund's investments may be denominated in RMB. RMB is currently not a freely convertible currency and is subject to foreign exchange control policies, as well as repatriation restrictions imposed by the PRC government. Investors whose base currencies of investments are not in RMB should take into account the potential risk of loss arising from fluctuations in value between such currencies and the RMB.
- This investment may involve risks that could result in loss of part or entire amount of investors' investment.
- In making investment decisions, investors should not rely solely on this material. Please read the explanatory memorandum for details and risk factors.

Investment Objective

Foundation China Equity Fund (the "Fund") aims to maintain a consistent value-investing approach with a focus on liquidity and high return by primarily investing in equities issued by companies that are incorporated in China or companies which have significant operations in or derive a significant portion of revenue or profits from China.

The Fund seeks to achieve its investment objective by investing primarily (at least 70% of the Fund's Net Asset Value) in equity securities listed in the Hong Kong and China markets. The Fund may invest in aggregate up to 50% in A-shares and B-shares listed in Shanghai and/or Shenzhen. The Fund may temporarily include cash and cash equivalents, up to 100% of its Net Asset Value under exceptional market conditions.

Fund Information

Foundation China Equity Fund (the "Sub-Fund") is a sub-fund of Foundation Fund Series which is a unit trust established by a trust deed dated 20 September 2018 as an umbrella fund under the laws of Hong Kong. The Trust and each Sub-Fund have been authorised by the Securities and Futures Commission in Hong Kong (the "SFC") under Section 104 of the Securities and Futures Ordinance of Hong Kong.

Inception Date	11 Jul 2019
Investment Manager	Foundation Asset Management (HK) Limited
Fund Size	HKD 15 million
Base Currency	HKD
Non-Base Currency Class	USD and RMB
Dealing Frequency	Daily
Trustee	ICBC (Asia) Trustee Company Limited
Legal Advisor	Simmons & Simmons
Auditor	Ernst & Young

Calendar Year Return of Foundation China Equity Fund¹

(NAV, %)	2025	2024	2023	2022	2021	2020
The Fund	-2.8	6.9	-13.4	-20.4	-4.7	30.8
Hang Seng Index	15.3	17.7	-13.8	-15.5	-14.1	3.4

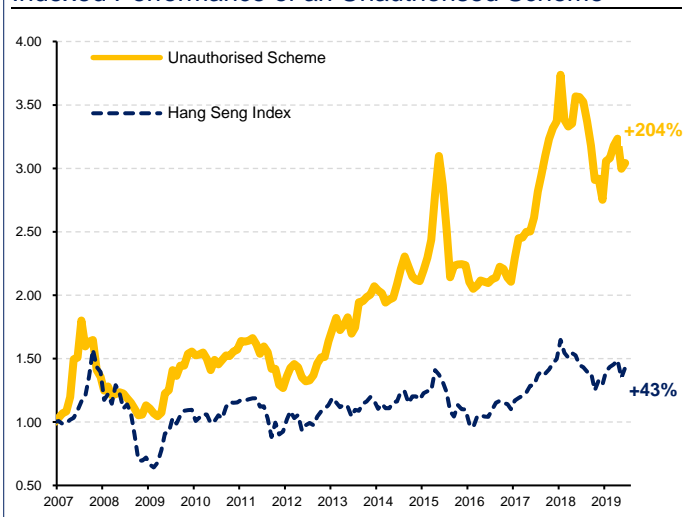
Calendar Year Return of an Unauthorised Scheme²

(NAV, %)	2019	2018	2017	2016	2015	2014
Unauthorised Scheme	10.6	-18.3	60.0	-5.8	5.9	2.0
Hang Seng Index	10.4	-13.6	36.0	0.4	-7.2	1.3

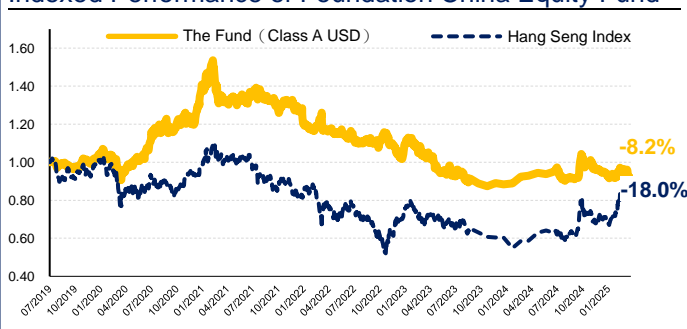
Performance Update of Foundation China Equity Fund¹

(NAV, %)	Month to Date	Year to Date	1 Year	3 Year	5 Year	Since Inception
The Fund	-1.5	-2.8	-1.2	-21.7	-2.8	-8.2
Hang Seng Index	0.8	15.3	39.8	5.1	-2.1	-18.0

Indexed Performance of an Unauthorised Scheme²



Indexed Performance of Foundation China Equity Fund¹



Monthly Performance Since Inception: Class A USD (NAV, %)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2025	-2.24	0.92	-1.46										-2.78
2024	0.58	4.02	0.55	1.62	-0.83	1.58	-3.45	0.10	9.01	-1.83	-2.44	-1.62	6.91
2023	8.56	-5.18	-0.23	-6.27	-3.29	-1.30	1.09	-3.50	-2.77	-1.69	1.95	-0.79	-13.35
2022	-8.49	1.72	-1.64	-2.17	-0.23	0.59	-2.95	-0.11	0.06	4.28	-5.38	-6.24	-20.41
2021	5.28	-2.92	-4.29	2.31	0.66	1.14	-0.86	-1.69	-2.22	1.49	-1.08	-2.24	-4.71
2020	-0.51	-4.04	-3.72	5.71	1.74	5.42	8.92	4.22	-3.54	3.94	-1.63	12.06	30.76

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Fund Manager's Report³

The fund fell by 1.5% in March, while the Hang Seng Index rose by 1.8% in USD terms during the same period. Since the fund's inception, its net value has remained relatively stable, whereas the Hang Seng Index has dropped by 18.0% during the same period.

The fund has liquidated its positions this month and has suspended subscriptions. Please refer to the company's announcement for details.

Sector Exposure

Industrials	0%
Consumer Discretionary	0%
Information Technology	0%
Communication Services	0%
Consumer Staples	0%
Financials	0%
Health Care	0%
Materials	0%
Energy	0%
Cash	100%

Top 5 Holdings

Company	Sector	%

Market Capitalisation Exposure

>USD 20 bn
USD 5-20 bn
USD 1-5 bn
<USD 1 bn
Total

Geographical Exposure by Listing

China	0%
Hong Kong	0%
United States	0%
Cash	100%

Fee Structure

	Class A HKD	Class A HKD (Dist)	Class A USD	Class A RMB	Class QD USD
Minimum Subscription	50,000	50,000	6,500	50,000	10,000,000
Minimum Subsequent Subscription	1,000	1,000	130	1,000	1,000,000
Subscription Fee	Up to 5 %	Up to 5 %	Up to 5 %	Up to 5 %	Up to 5 %
Management Fee	1.50%	1.50%	1.50%	1.50%	0.75%
Performance Fee	15% HWM	15% HWM	15% HWM	15% HWM	15% HWM
Redemption Fee	NIL	NIL	NIL	NIL	NIL

NAV & Codes

	Class A USD	Class A HKD	Class A HKD (Dist)	Class A RMB	Class QD USD
NAV	0.9185	0.9246	0.9334	-	-
ISIN	HK0000490851	HK0000490828	HK0000490836	HK0000490844	HK0000490869
Bloomberg	FOCEQAU HK	FOCEAHA HK	FOCEAHD HK	FOCEQAR HK	FOCEQDU HK

¹Performance is calculated from the Class A USD, source: Bloomberg, Foundation Asset Management (HK) Limited, as of 31st Mar 2025.

²Source: Bloomberg, as of 28th Jun 2019.

³The Manager's comment above solely reflects the opinion, view and interpretation of the fund managers as of the date of issuance of this document. Investors should not solely rely on such information to make any investment decision.

Important Note

Investment involves risks. Past performance is not indicative of future performance. Investors should read the explanatory memorandum for details, including the risk factors and product features. This material has not been reviewed by the Securities and Futures Commission and is issued by Foundation Asset Management (HK) Limited. All data is as of the date of this document and sourced from Foundation unless otherwise stated. Investors should seek independent advice from a financial adviser before making any investments. Portfolio weightings and allocations are subject to change. The weightings for each breakdown are rounded to the nearest tenth or hundredth of a percent; therefore, the aggregate weightings for each breakdown may not equal 100%.

Warning Notes

The Unauthorised Scheme is not authorised by the Securities and Futures Commission (the "Commission") and is not available for sale to the public in Hong Kong. The investment objective of the Unauthorised Scheme is substantially the same as that of the Fund, and has similar investment strategy, restrictions and risk profile as the Fund. The past performance figures of the Unauthorised Scheme presented are not those of the Fund. The past performance information of the Unauthorised Scheme and the Fund is not indicative of future performance of the Fund. The purpose of presenting the past performance information of the Unauthorised Scheme is to provide additional information to investors relating to the investment experience of Foundation Asset Management (HK) Limited in managing the same strategy. The Fund is authorised by the Commission and its authorisation does not imply official recommendation.