

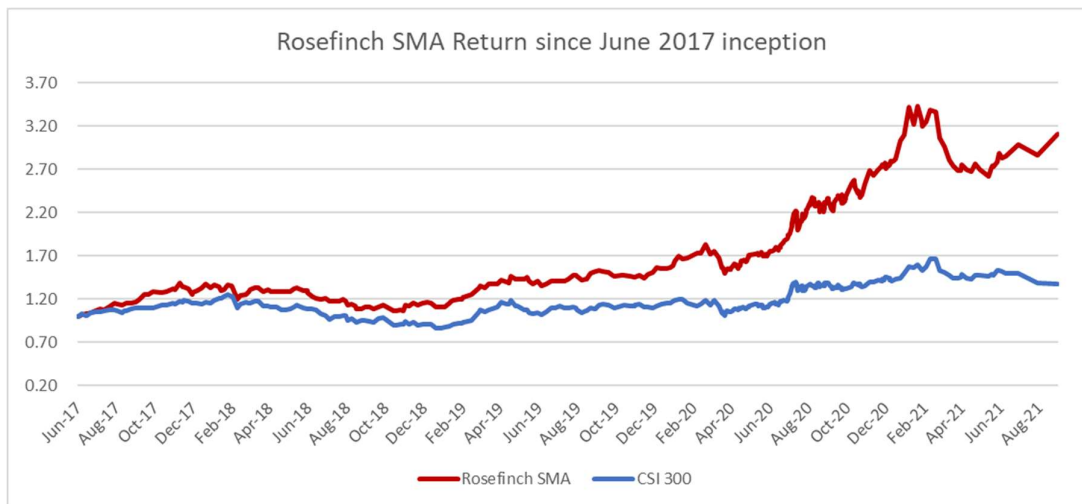
## ROSEFINCH GREATER CHINA EQUITY STRATEGY SMA

In August, the Rosefinch SMA was +8.6% for the month and +0.3% YTD. CSI300 was -0.1% for August and -7.8% YTD. MSCI China was +0.0% for August and -13.0% YTD. While there was continued market volatility in August, we see this as an opportunity to enter into long positions on companies with good price-performance ratio and high certainty of future growth. We increased our total exposure from 56% in end of July to 75% in end of August. Most of the increase came in advanced manufacturing sector, while other increases came through well-researched long-term companies with favorable valuations.

The biggest theme we are actively involved in is “3060”, which refers to China’s commitment to achieve Carbon-peak by 2030 and Carbon-neutral by 2060. From investors’ perspectives, “3060” theme has high certainty, long time-horizon, multiple sectors across both emerging industries and upgraded old industries. There are further opportunities amongst the new core companies or geographical upgrades. Take new energy sector, for example. We drill down into four main areas of the new energy sector: new technology, new scenario, main industry chain, and energy storage. We believe these areas will provide long-term growth potential as China aligns its economy to leverage its manufacturing prowess.

Looking ahead, the government has ample fiscal and monetary policy tools to support a steady economy over the year-end. After recent waves of government policies aimed at reducing child-education cost and improving SME viability, we’ll likely see a stable economy ahead of next year’s government reshuffle. With this background, and the increased market volume for the past month – average daily volume is over 1 trillion RMB – we see favorable conditions for the equity market to maintain its gradual rise for the coming few months.

### Performance



Source: Rosefinch, Wind as of 2021/8/31

Year	Monthly Net Performance of Rosefinch SMA Fund since inception (%)												Annual Return	
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Rosefinch SMA	CSI300
2017						6.1%	8.8%	1.2%	9.8%	3.1%	-5.1%	6.3%	33.2%	15.4%
2018	1.2%	-4.5%	1.8%	-2.3%	1.1%	-6.8%	-2.7%	-5.8%	1.6%	-5.0%	8.4%	-4.5%	-17.1%	-25.3%
2019	8.7%	11.1%	2.7%	4.7%	-1.9%	-0.4%	5.1%	2.8%	-3.2%	-0.8%	3.9%	5.1%	43.8%	36.1%
2020	5.0%	2.7%	-9.8%	10.7%	0.2%	11.7%	16.9%	3.0%	3.6%	5.8%	8.2%	13.3%	94.9%	27.2%
2021	3.3%	-4.4%	-12.2%	0.5%	6.9%	3.6%	-4.2%	8.6%					0.3%	-7.8%

	Rosefinch SMA	CSI 300
<b>Annualized Return since inception<sup>1</sup></b>	31.4%	8.0%
<b>3 Year Return</b>	180.6%	44.1%
<b>1 Year Return</b>	34.7%	-0.2%
<b>6M Return</b>	1.6%	-10.0%
<b>3M Return</b>	7.7%	-9.9%
<b>1M Return</b>	8.6%	-0.1%
<b>Maximum Drawdown</b>	-23.4%	-32.5%
<b>Return since inception</b>	210.6%	37.8%
<b>Annualized Volatility</b>	21.0%	17.4%
<b>Annualized Sharpe</b>	1.04	0.34
<b>Annualized Sortino</b>	2.24	0.52

Exposure by Sector (% NAV)	%NAV	Top Holdings	% NAV
Advanced Manufacturing	55.9	Top 1	11.8
Consumer	6.3	Top 5	34.4
Pharmaceutical	2.6	Top 10	55.4
Others	10.1	<b>Number of Stock Positions</b>	
<b>Total Exposure</b>	75.0	Long	16

Source: Rosefinch, Wind as of 2021/8/31

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<sup>1</sup> Inception since 2017/6/2