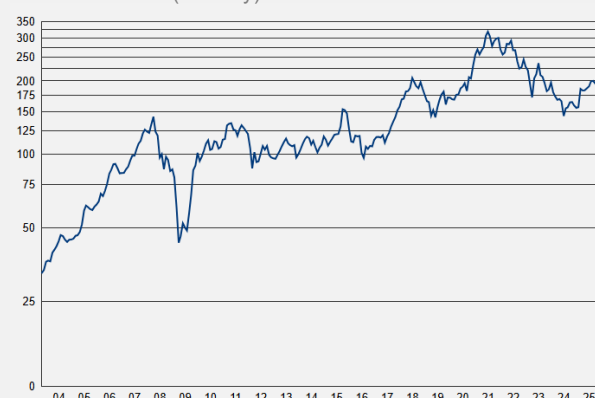


Figures as of	June 30, 2025
Net Asset Value	USD 208.39, CHF 129.63, EUR 227.74
Fund Size	USD 145.2 million
Inception Date*	May 27, 2003
Cumulative Total Return	541.2% in USD
Annualized Total Return	8.8% in USD

* The track record is the combination of two consecutive track records of China Investment Corporation (CIC) and HSZ China Fund (HCF). From May 27, 2003 to November 17, 2006, it is the performance of CIC, a trust account managed by HSZ (Hong Kong) Limited for listed Chinese equities. Since the launch of HCF on November 17, 2006 it is the performance of HCF.

Net Asset Value (Monthly)



Performance

	June	YTD	1 Year	May 2003
USD Class	2.9%	11.7%	31.2%	541.2%
CHF Class	(0.4%)	(1.5%)	16.4%	286.4%
EUR Class	(0.6%)	(0.8%)	19.9%	538.4%

Largest Holdings

Envicool Technology	6.9%
China Yangtze Power	5.8%
Tencent Holdings	5.7%
Eoptolink	5.4%
Nongfu Spring	5.2%
Alibaba Group	5.0%

Exposure

Consumer Discretionary	21.3%
Information Technology	18.1%
Industrials	17.6%
Consumer Staples	14.3%
Financials	9.1%
Cash	4.4%

Newsletter June 2025

- China Introduces Measures to Support Consumption Upgrade
- HSZ China Fund was up 2.9% in USD in June
- AIA Announces Return of Former CEO as Chairman
- Alibaba Restructures Organization
- Meituan Sharpens Strategic Focus on Instant Retail

China Introduces Measures to Support Consumption Upgrade. For goods consumption, China is enhancing consumer credit for big-ticket items like cars and home appliances while promoting trade-in financing services. By June, CNY 162 billion from special treasury bonds supported trade-in programs, boosting sales of over CNY 1.4 trillion. An additional CNY 138 billion will be disbursed gradually. More robust consumption-stimulating policies are expected soon.

HSZ China Fund was up 2.9% in USD in June. The biggest positive contribution came from Eoptolink Technology and Shenzhen Envicool technology. The biggest negative contribution came from Meituan and Xingyu Automotive.

AIA Announces Return of Former CEO as Chairman. AIA Group announced the return of former CEO Mark Tucker as the Chairman. Tucker, who led AIA's 2010 Hong Kong IPO and started the "Premier Agency" strategy, aims to drive strategic upgrades in China and Asian markets. His reappointment may speed up AIA's Pan-Asia expansion and restructure China's distribution model.

Alibaba Restructures Organization. Alibaba has restructured its e-commerce operations, integrating Ele.me (instant retail) and Flamingo (travel services) into its Taobao and Tmall Group. The move aims to evolve the group from an "e-commerce platform" into a "comprehensive consumption platform." Alibaba plans to leverage its "88VIP" membership program to connect its ecosystem, covering needs of high-value consumers like takeout, shopping, and travel. This positioning is meant to directly challenge Meituan's local services and JD.com's instant retail operations.

Meituan Sharpens Strategic Focus on Instant Retail. Meituan is shifting focus to its instant retail business, offering rapid delivery within hours. The company is closing loss-making parts of its community group-buying service, Meituan Select, keeping only core markets due to high costs and low user loyalty. This move aims to boost profitability and emphasize instant retail opportunities. Nationwide, Meituan's flash shopping service has over 30,000 stores, and the "Little Elephant Supermarket" plans to expand in all Tier 1 and 2 cities. Additionally, a pilot version has launched in Riyadh, Saudi Arabia.

General Information

Investment Opportunity

Once the world's largest trading power, China's gradual decline during the second millennium culminated in the Maoist purgatory. However, since the 1980s economic development has taken center stage. China has become the engine of the fastest growing region in the world attracting substantial foreign investments and developing into the world's manufacturing hub. Furthermore, an increasing middle class is fueling demand for consumer products. The growth momentum is set to continue as China strives to catch up with mature economies, producing attractive investment opportunities.

Investment Strategy

The objective of HSZ China Fund is to create sustained shareholder value by acquiring and managing equity and equity-linked investments in a select number of high-quality companies that are rooted in China. At least two-thirds of the total assets are to be invested in companies which are domiciled in China or participate as holding companies in enterprises domiciled there. At most one-third of the total volume of funds can be invested in equity-oriented stocks and money market instruments of issuers worldwide. Based on fundamental analysis and a bottom-up approach, investment opportunities are identified as are assessed to provide above-average return on invested capital, have strong earnings per share growth and are priced attractively.

Risk Management

The Chinese stock market has many of the risks and characteristics of emerging markets. HSZ (Hong Kong) Limited exerts itself for reducing specific risks by accurately screening and monitoring high quality assets. That is why the long-lived experience of its specialists based locally is invaluable for investors. The fund is well diversified to avoid concentration risk. The weight of each position in the portfolio is subject to a maximum limit of 15%. No portfolio leverage is employed. The fact that HSZ China Fund invests in listed equity provides the investor with a reasonable degree of liquidity.

Investment Manager

HSZ (Hong Kong) Limited is a Hong Kong based independent investment management company. Its investment team has been managing Asian equity portfolios since 1994.

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Name	HSZ China Fund
Theme	Entrepreneurial China
Nature	Long-only equity fund, actively managed
Focus	Listed Chinese equities focusing on privately controlled companies

Structure	Swiss investment fund, regulated by FINMA, open-ended
Distributions	Income annually
Fiscal Year End	December 31
Reporting	Semi-annually in USD
Currency Classes	USD, CHF, EUR (all unhedged)
Trading	Daily issuance and redemption, based on net asset value

Fund Manager	FundPartner Solutions (Suisse) S.A.
Custodian Bank	Banque Pictet & Cie SA
Investment Manager	HSZ (Hong Kong) Limited
Auditors	PricewaterhouseCoopers AG

Management Fee	1.35% annually
Performance Fee	10% above hurdle rate of 5%, high water mark
Issuance Fee	None
Redemption Fee	None

USD Class	ISIN CH0026828035, Valor 2682803 WKN A0LC13
CHF Class	Bloomberg HSZCHID SW Equity ISIN CH0026828068, Valor 2682806 WKN A0LC15
EUR Class	Bloomberg HSZCFCH SW Equity ISIN CH0026828092, Valor 2682809 WKN A0LC14
	Bloomberg HSZCHEU SW Equity

Orders via Banks	Banque Pictet & Cie SA Client Services Tel: +352 46 71 71 7666 Email: pfcs.lux@pictet.com
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