

PRODUCT KEY FACTS



SWS STRATEGIC INVESTMENT FUNDS

Issuer: Shenwan Hongyuan Asset Management (Asia) Limited

Shenyin Wanguo
China Policy Focus Fund

December 2019

- ***This statement provides you with key information about Shenyin Wanguo China Policy Focus Fund (the “Sub-Fund”).***
- ***This statement is a part of the offering document and must be read in conjunction with the Explanatory Memorandum of SWS Strategic Investment Funds.***
- ***You should not invest in this Sub-Fund based on this statement alone.***

Quick facts

Manager:	Shenwan Hongyuan Asset Management (Asia) Limited
Trustee:	Bank of Communications Trustee Limited
Dealing frequency:	Daily
Base currency:	HKD
Dividend policy:	No dividend distribution
Ongoing charges over a year[#]:	Class A: 3.00% Class I: 3.00%

[#] The ongoing charges figures represent the ongoing expenses expressed as a percentage of the average net asset value of the relevant class of the Sub-Fund over a year. The ongoing charges figure has been capped at a maximum of 3.00% of the average net asset value of the relevant class of the Sub-Fund since February 2019. Any ongoing expenses of the relevant class of the Sub-Fund will be borne by the Manager and will not be charged to the relevant class of the Sub-Fund if such expense would result in the ongoing charges figure exceeding 3.00%. An increase or removal of the cap is subject to prior approval of the SFC and one month's prior written notice to unitholders.

Financial year end of this

Sub-Fund:	31 December
Min. investment:	Class A: HK\$10,000 initial, HK\$5,000 additional Class I: HK\$10,000,000 initial, HK\$100,000 additional

What is this product?

- Shenyin Wanguo China Policy Focus Fund (the “Sub-Fund”) is a sub-fund of SWS Strategic Investment Funds which is a Hong Kong domiciled umbrella structure unit trust governed by the laws of Hong Kong.

Objective and Investment Strategy

Investment Objective

The Shenying Wanguo China Policy Focus Fund seeks to achieve long-term capital appreciation by investing primarily in securities issued by companies operating in sectors and industries that in the Manager's view, are likely to benefit from the macro economic policies of the PRC Government.

In particular, the PRC Government may consider certain sectors, industries and geographic locations as bearing strategic importance to the healthy growth and the stability of the domestic economy as well as the improvement of the welfare of a great proportion of Chinese society according to prevailing market, such other conditions and circumstances which may be reviewed from a policy perspective from time to time. As a result, the PRC Government will seek to enact new economic policies from time to time in order to manage the macro economy of the PRC. These economic policies may be implemented by various means (including, but are not limited to, tax reduction, subsidies, preferential loans and government projects) and may favour the growth and development of certain sectors and industries. The investment of the Sub-Fund will focus on securities issued by companies in these sectors and industries. The Manager will leverage its expertise in relation to Chinese securities and identify undervalued securities belonging to these sectors and industries. At the same time the Manager will seek to capture the long-term growth potential of such investments. The Sub-Fund has a medium to long-term investment horizon and seeks to achieve long-term stability. The Sub-Fund does not intend to focus on investing in a specific sector and industry and the Manager will review the Sub-Fund's investment in various sectors and industries at least on an annual basis.

Investment Strategy

The Sub-Fund seeks to achieve its investment objective by investing primarily in listed equities and equity related securities of China concept companies (i.e. companies with a business exposure to the PRC) listed on international stock exchanges (including but not limited to stock exchanges in the PRC, Hong Kong and the United States). These include, but are not limited to, China B-Shares, shares of PRC enterprises which are listed in Hong Kong (such as China H-Shares), China Red Chips¹ and IPO (initial public offering) stocks. The Sub-Fund may use financial derivative instruments (whether listed on exchanges or traded on over-the-counter markets) such as options, futures or warrants for hedging purpose.

Currently the Sub-Fund does not intend to gain any direct or indirect exposure to China A-Shares. The Manager currently does not intend to enter into any securities lending or sale and repurchase or reverse repurchase transactions in respect of the Sub-Fund.

Use of derivatives / investment in derivatives

The Sub-Fund's net derivative exposure may be up to 50% of the Sub-Fund's net asset value.

What are the key risks?

¹ "China Red Chips" refers to the equity securities issued by a company based in the PRC that is incorporated internationally and listed on the Hong Kong Stock Exchange.

Investment involves risks. Please refer to the Explanatory Memorandum for details including the risk factors.

1. Investment risk

- The Sub-Fund is an investment fund. There is no guarantee of the repayment of principal.
- The instruments invested by the Sub-Fund may fall in value and therefore your investment in the Sub-Fund may suffer losses.

2. Strategy risk

- There is no assurance that the investment strategy of the Sub-Fund will be successful in achieving capital appreciation.
- In particular, there can be no assurance that the companies, sectors or industries identified by the Manager will benefit from the macro economic policies of the PRC Government and will generate capital appreciation for the Sub-Fund. In addition, the prices of securities may be affected by factors other than government policies and there is no guarantee that the value of securities in the relevant sectors or industries will rise in the long term.

3. Concentration risk

- The Sub-Fund's investments are concentrated in the PRC. This may, in general, result in greater volatility than funds which comprise broad-based global investments.

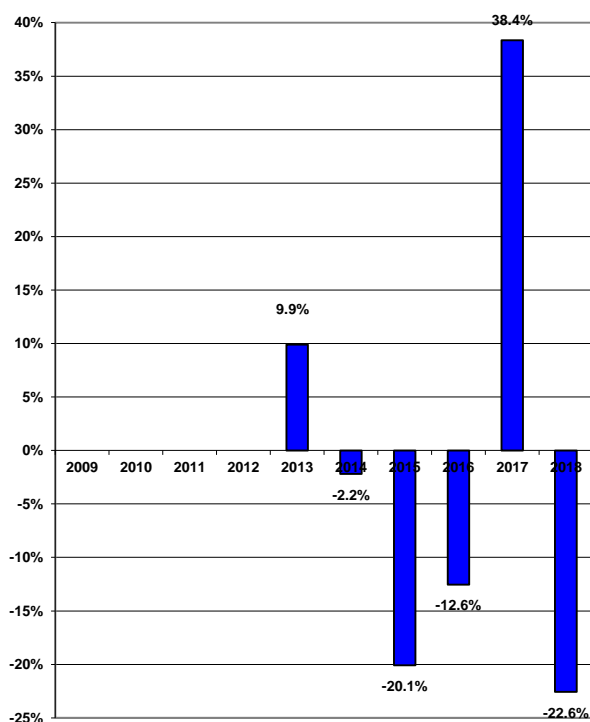
4. PRC and emerging market risk

- Investing in the PRC involves greater risk of loss than investing in more developed markets due to, among other factors, greater political, social, economic, tax, foreign exchange, liquidity and regulatory risks.

5. PRC tax considerations

- The Sub-Fund may be exposed to risks associated with changes in current Chinese tax laws, regulations and practice (which may have retrospective effect).

How has the Sub-Fund performed?



- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the calendar year end, NAV-To-NAV, with dividend reinvested.
- These figures show by how much the Class A increased or decreased in value during the calendar year being shown. Performance data has been calculated in HKD including ongoing charges and excluding subscription fee and redemption fee you might have to pay.
- When no past performance is shown there was insufficient data available in that year to provide performance.
- Sub-Fund launch date: 2012
- Class A launch date: 2012
- The Manager views Class A, being the only unit class offered to Hong Kong retail investors, as the most appropriate representative unit class.

Is there any guarantee?

This Sub-Fund does not have any guarantees. You may not get back the full amount of money you invest.

What are the fees and charges?

Charges which may be payable by you

You may have to pay the following fees when dealing in the Units of the Sub-Fund.

<u>Fee</u>	<u>What you pay</u>
Subscription Fee (Initial charge)	Class A and Class I: up to 5% of the subscription amount
Redemption Fee (Redemption Charge)	Class A and Class I: nil
Switching Charge	Class A and Class I: up to 1% of the amount being switched out of the existing class

Ongoing fees payable by the Sub-Fund

The following expenses will be paid out of the Sub-Fund. They affect you because they reduce the return you get on your investments.

<u>Fee</u>	<u>Annual rate (as a % of the Sub-Fund's net asset value)</u>
Management Fee	Class A: 1.5% p.a.

Trustee Fee	Class I: 1% p.a.* Class A and Class I: up to 1% p.a., subject to a minimum monthly fee of USD2,000 for each class of Units
Performance Fee	Class A and Class I: not applicable
Administration Fee	Class A and Class I: not applicable

*You should note that the current rate may be increased, up to a specified permitted maximum, by giving unitholders not less than one month's prior notice. For details, please refer to the Explanatory Memorandum.

Other fees

You may have to pay other fees and charges when dealing in the Units of the Sub-Fund. The Sub-Fund will also bear the costs which are directly attributable to it, as set out in the Explanatory Memorandum.

Additional Information

- You generally buy and redeem Units at the Sub-Fund's next-determined Net Asset Value after the Manager or the Authorised Distributors receives your request in good order on or before 12:00 p.m. (Hong Kong time) on the relevant Dealing Day, which is generally every Business Day. The Authorised Distributor(s) may impose different dealing deadlines for receiving instructions for subscriptions, redemptions or switching. Investors should pay attention to the arrangements of the Authorised Distributor(s) concerned.
- The Net Asset Value per Unit of the Sub-Fund is calculated on each business day and will be published at least once a month in Hong Kong in the Hong Kong Economic Times, The Standard and South China Morning Post.
- For further information on the past performance of other unit class offered to Hong Kong investors, please refer to <http://www.swhyhk.com>. Please note that the aforesaid website has not been reviewed by the SFC.

Important

If you are in doubt, you should seek professional advice.

The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.