As of 30/10/2026

SWS STRATEGIC INVESTMENT FUNDS
Shenyin Wanguo RMB Mainland Investment Fund

申萬宏源香港 SHENWAN HONGYUAN
申萬宏源投資管理（亞洲）有限公司
Shenwan Hongyuan Asset Management (Asia) Limited

The Product

The Shenyin Wanguo RMB Mainland Investment Fund (the "Sub-Fund") invests primarily in RMB-denominated and settled debt securities issued in the PRC through a RQFII quota of the RQFII Holder which is a holding company of the Fund Manager.

Risk Disclosure

- The investments of the Sub-Fund are concentrated on securities related to the PRC market. Investment in the PRC market is exposed to various emerging market risks including political, economic, regulatory, legal, foreign exchange, settlement and liquidity risks.
- The Sub-Fund invests in securities through a RQFII which is subject to applicable rules and regulations imposed by the PRC authorities. The RQFII rules are novel in nature, and their application may depend on the interpretation of the Chinese authorities. Any changes to the relevant rules may have an adverse impact on the investment of investors in the Sub-Fund.
- Renminbi is currently not freely convertible and is subject to exchange controls by the Chinese government. Investors may be adversely affected by the movement of the exchange rates between Renminbi and other currencies.
- The Sub-Fund may be exposed to risks associated with changes in PRC tax laws. Such changes may have retrospective effect and may adversely affect the Sub-Fund.
- Investment in the Sub-Fund is exposed to interest rate risk that applies to debt securities. The macro-economic policies and controls of the Chinese government will have significant influence over the capital markets in the Mainland China.
- The Sub-Fund is exposed to credit risk arising from issuers of the RMB denominated debt securities in which it invests. Such securities are typically unsecured debt obligations and are not supported by collateral. The Sub-Fund is therefore fully exposed to the credit/insolvency risk of its counterparties as an unsecured creditor.
- Investment grade securities invested by the Sub-Fund may be subject to the risk of being downgraded to below investment grade securities. The Manager may or may not dispose of the securities being downgraded. If the Sub-Fund continues to hold such securities, it will be exposed to additional risk of loss.
- The RMB denominated debt securities market is at a developing stage and the trading volume may be lower than those of more developed markets. The Sub-Fund may invest in debt securities which are not listed. Even if the debt securities are listed, the market for such securities may be inactive. The Sub-Fund may suffer losses in trading such instruments.
- Some of the RMB denominated debt securities invested by the Sub-Fund may be unrated or below investment grade. Such debt securities are exposed to greater risk.
- Valuation of the investments of the Sub-Fund may involve uncertainties and judgmental determinations, and independent pricing information may not at all times be available. If such valuations are proved to be incorrect, the Net Asset Value of the Sub-Fund may be adversely affected.
- Distributions of the Sub-Fund may be paid from income and/or capital of the Sub-Fund. The Sub-Fund or the Fund Manager may at its discretion pay dividend out of capital of the Sub-Fund. The payment of dividends out of capital represents and amounts to a return or withdrawal of part of original investment or from any capital gains attributable to that original investment. Any distributions involving payment of dividends out of the Sub-Fund's capital may result in an immediate reduction of the Net Asset Value per Unit. The Sub-Fund or the Fund Manager may amend the Sub-Fund's distribution policy with respect to payment of dividend out of the capital of the Sub-Fund subject to the SFC's prior approval and by giving not less than one month's prior notice to investors. The compositions of the dividends (i.e. the relative amounts paid out of (i) net distributable income and (ii) capital) for the last 12 months are available from the Fund Manager upon request and on the website of the Fund Manager at http://www.swhyhk.com Please note that the aforesaid website has not been reviewed by the Securities and Futures Commission of Hong Kong.

Fund Objective
The Sub-Fund aims at providing medium to long-term capital appreciation by investing primarily in RMB-denominated and settled debt securities issued in the PRC through a RQFII quota of the RQFII Holder which is a holding company of the Manager.

Fund Manager
Shenwan Hongyuan Asset Management (Asia) Limited

Base Currency	RMB
Launch Date	5 March 2012
Unit NAV	Class A: RMB 82.395 Class I: RMB 89.488
Dividend Policy	Quarterly (Dividend policy is subject to the Manager's discretion. Periodic distribution of dividend is not guaranteed. If distributed, dividend amount is not guaranteed. Please also see footnote 1))
Minimum Subscription Amount	Class A: RMB 10,000 (Initial) RMB 5,000 (Subsequent) Class I: RMB 10,000,000 (Initial) RMB100,000 (Subsequent)
Bloomberg	Class A: SHWRMBA HK Class I: SHWRMBI HK
ISIN	Class A: HK0000098407 Class I: HK0000098415
Reuters	Class A: 68125485 Class I: 68125486
Subscription Fee	Class A & Class I: Up to 5%
Management Fee	Class A: 1.2% p.a. Class I: 0.5% p.a.
Trustee Fee	Class A & Class I: Up to 1% p.a. (subject to a minimum monthly fee of RMB33,000 for two classes of units)
RQFII Custodian Fee	Class A & Class I: Up to 0.5% p.a. (excluding transaction charges)
Performance Fee	N/A
Redemption Fee	N/A

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Market Review

China's economy continued to exhibit strong external demand alongside weak domestic demand and a K-shaped divergence, with domestic demand momentum still requiring consolidation. In October, the bond market fluctuated but strengthened overall, with the government bond yield curve shifting lower compared with the previous month-end. Liquidity conditions were generally ample, supported by the PBOC's outright reverse repo operations in excess of maturities and overnight reverse repo operations on consecutive business days. However, tax payments, government bond settlements and funding needs around month-end continued to cause temporary disruptions. At the end of October, the 10-year Chinese government bond yield had declined by approximately 3 bps from the end of September to 1.65%, while the 1-year yield fell by approximately 5 bps to 1.17%. Credit spreads fluctuated at low levels during the month, before widening on some bonds towards month-end amid rising credit concerns and institutional preventive redemptions. Convertible bonds weakened over the month alongside weaker equity markets.

Market Outlook and Strategy

Looking ahead to November, net government bond supply is expected to remain relatively high, with accelerated use of remaining local government debt quotas potentially creating temporary supply pressure. Nevertheless, moderately accommodative monetary policy, a domestic demand recovery that remains tentative and demand for bond allocations should support continued range-bound trading, with opportunities concentrated in specific segments. However, yields have already declined to relatively low levels, potentially limiting further near-term declines. Fresh catalysts and changes in redemption pressures warrant continued monitoring. For interest rate bonds, we will look for long-end allocation opportunities following corrections, while avoiding excessive duration extension at low yields and monitoring the timing of government bond settlements and PBOC liquidity injections. For credit bonds, our strategy will focus on coupon income from high-grade bonds with short to intermediate duration, without moving down the credit quality spectrum. Once redemption pressures ease and credit risks become clearer, we will selectively add 3–5-year high-grade credit bonds while maintaining prudent control over portfolio duration.

Comments on portfolio

In October, the Net Asset Value (Class I) return of the RQFII Fund was -0.82%, whereas the ChinaBond Composite Full Price Index (CBCFPI) rose by 0.23% over the month, with the fund underperforming the index. As of the end of October, approximately 89.87% of the portfolio's holdings were in fixed-income assets, including 9.90% in convertible bonds; additionally, 5.31% was held in public funds/equities. The vast majority of corporate bonds were rated AAA. As of the end of October, the average duration of the fund was 1.25 years, and the average coupon rate was 1.87%. The fund held a total of 26 underlying assets, maintaining a fully diversified profile.

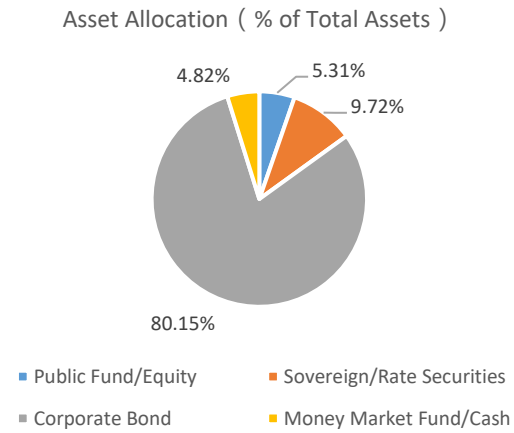
Cumulative Return (Footnote 1 & Footnote 2)	1 month	3 months	6 months	1 year	3 years	5 years	YTD	Since Launch
Class A	-0.84%	-1.45%	-2.12%	-2.37%	-0.68%	-5.07%	-2.20%	15.83%
Class I	-0.82%	-1.36%	-1.92%	-1.92%	0.77%	-2.93%	-1.84%	22.82%

Source : Shenwan Hongyuan Asset Management (Asia) Limited
Last update: 30 October 2026

Top 5 Holdings (% of Total Assets)	
CGB 1.42 11/15/27	9.72%
SHEYAN 2.65 04/15/29	6.64%
MIRAIL 2.02 03/19/30	6.59%
HUADIA 2.17 09/02/27	6.51%
GZFINH 3 1/2 03/07/27	6.51%

Duration and coupon rate*	
Average duration (Years)	1.25
Average coupon rate (%)	1.87

*Average duration and average coupon rate do not include the data of Money Market Fund and Cash



Footnote 1 : The investment returns are denominated in RMB. US/HK dollar-based investors are therefore exposed to fluctuations in the US/HK dollar/RMB exchange rate.
Footnote 2 : Performance is calculated on NAV (RMB), with dividends reinvested and net of fees. The performance data are compared to include all dividends that have been distributed.

Warning Statement
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