

KEY FACTS

Investment Objective

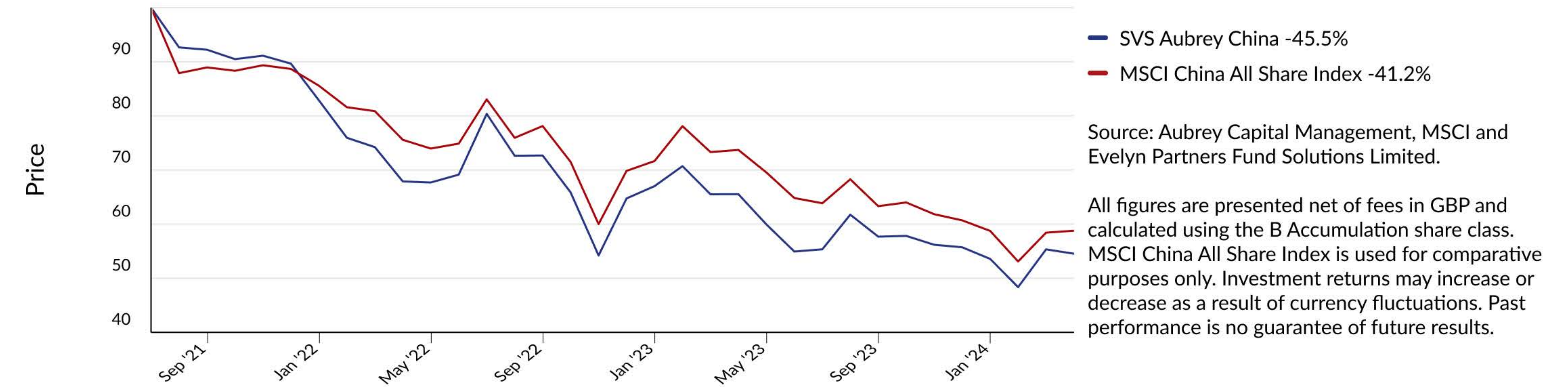
The Fund aims to achieve capital growth over the long term (5 years plus) and will invest at least 80% in shares of Chinese companies. These are companies which are quoted and listed on Chinese Stock Exchanges, including in A-Shares and B-Shares of such companies or which have their headquarters or a significant part of their activities in China but which are quoted on a regulated market elsewhere, as well as others which are, in the Investment Manager’s opinion, Chinese businesses. The Fund may be invested in any industry sector with the Investment Manager’s focus on growth companies expected to deliver increasing revenue and profit from the expansion of their business over the medium to long term.

Fund Information

FUND NAME	SVS Aubrey China Fund	INCEPTION DATE	1st July 2021
LEGAL FORM	Open-Ended Investment Company (OEIC)	FUND SIZE	£7.5m
UMBRELLA	SVS Aubrey Capital Management Investment Funds	BENCHMARK	MSCI China All Share Index
ADMINISTRATOR	Evelyn Partners Fund Solutions Limited	PRICING FREQUENCY	Daily
DOMICILE	UK	MANAGERS	Andrew Dalrymple, John Ewart, Rob Brewis
CURRENCIES	GBP, USD, EUR		

NET PERFORMANCE

NET PERFORMANCE % AS AT 31/03/2024	1M	3M	6M	1Y	2023	2022	INCEPTION
SVS Aubrey China Fund	-1.4	1.8	-5.7	-16.8	-20.1	-19.1	-45.5
MSCI China All Share Index	0.6	0.0	-8.2	-20.3	-18.0	-16.3	-41.2



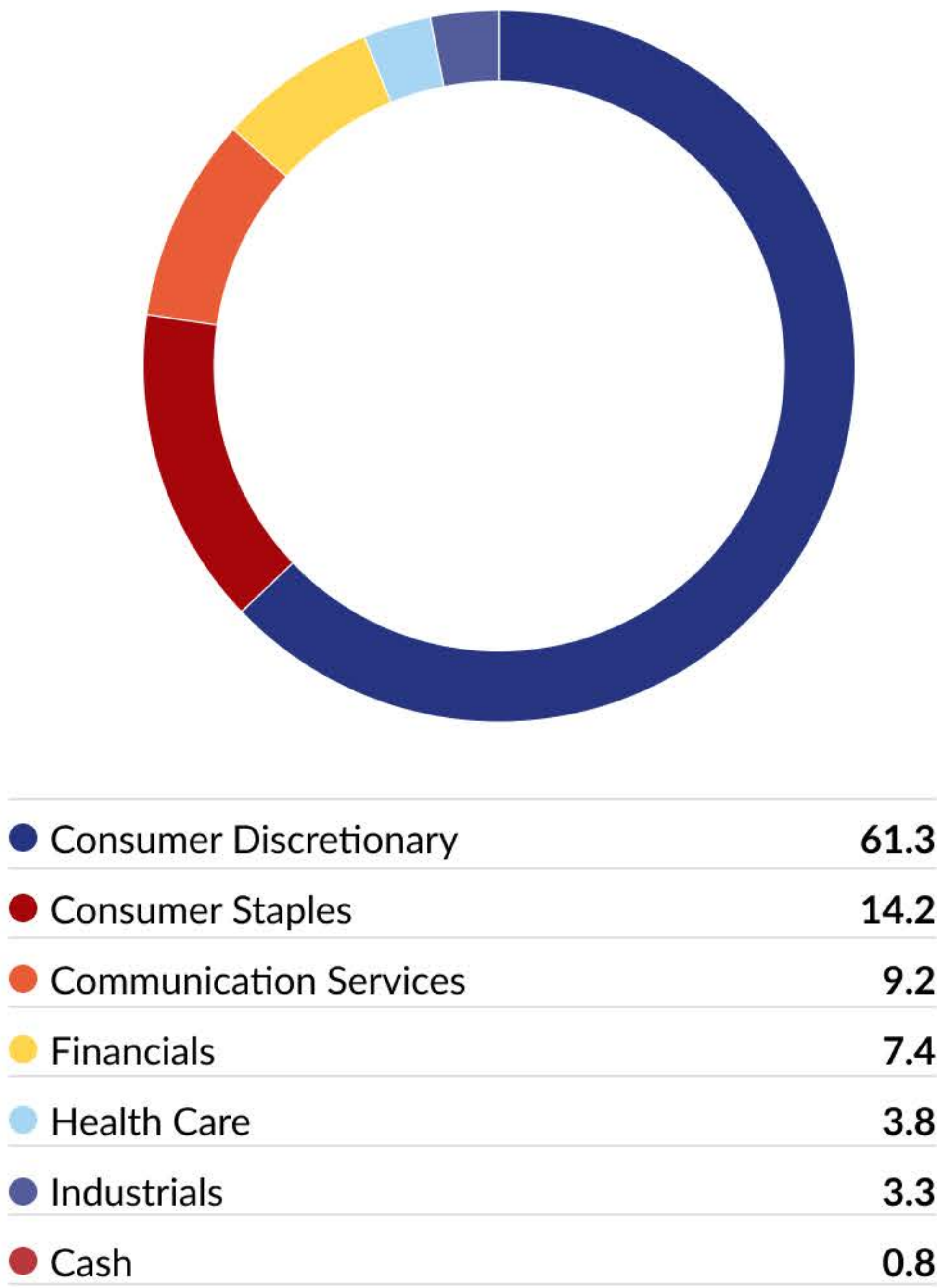
PORTFOLIO BREAKDOWN

Top 10 Positions

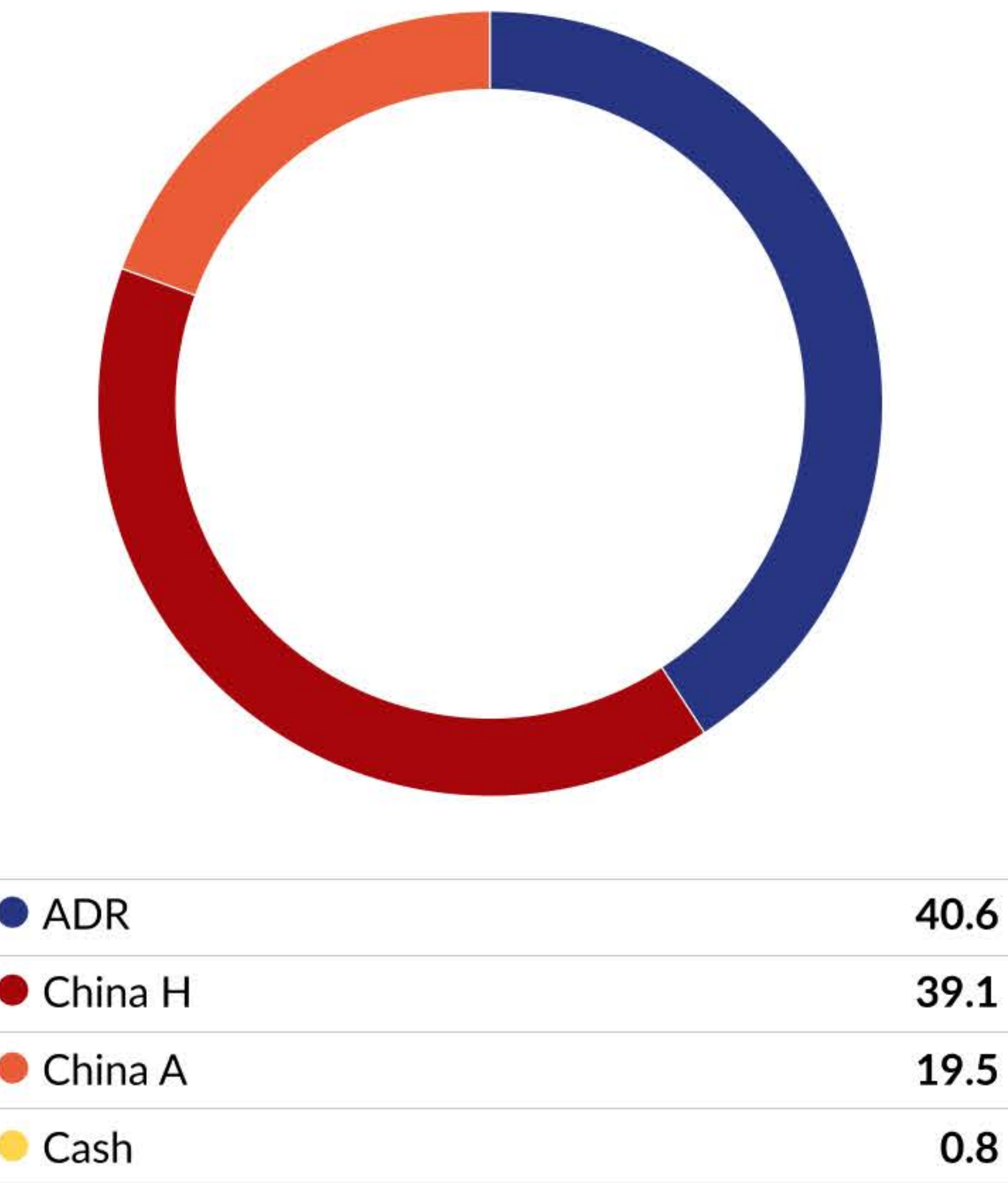
Company	% of Holding
New Oriental Education	7.8
Pinduoduo	5.0
Tencent	5.0
Trip.Com	4.7
Vipshop	4.6
Meituan	4.4
Tencent Music	4.2
Proya Cosmetics	3.9
Miniso	3.8
BYD	3.8
Number of Holdings	30

The securities identified and described do not represent all of the securities purchased, sold or recommended for client accounts. The reader should not assume that an investment in the securities identified was or will be profitable.

Sector Allocation



Asset Allocation



MANAGER'S COMMENTARY

The first quarter of 2024 continued with the subdued tone that has hung over China during 2023. The MSCI China Index measured in GBP was flat over the quarter but had enjoyed a rally of over 10% from the January low. The Fund return of almost 2% reflected the positive impact of stock selection during the quarter. The wider MSCI Emerging Markets Index (USD) rallied over 2.5% in March, with the tech heavy Taiwan Index in particular leading the charge.

We have been well aware of the steady decline in the China market's valuation during the last 18 months and the Index now trades at a discount to the longer-term average measure. However, consumer sentiment in particular remains subdued and the uncertainty that surrounds the property sector has not been helpful. The Chinese consumer tends to spend on the back of balance sheet wealth, which contrasts with many developed economies where the disposable income is key.

Despite these concerns there have been areas of encouragement within the portfolio holdings, and this confirms that the consumer is spending in selective areas such as travel and 'experience' occasions which continue to gain popularity. **Trip.com** is the leading online travel agent (OTA) and its results for Q4 23 were excellent, with revenue more than doubling and supported by domestic and outbound international travel. Support for the industry in the near term looks promising with the New Year celebrations in February recording more travel by the population than the pre Covid numbers in 2019.

The Q4 reporting season provided further encouragement from a number of portfolio holdings. **New Oriental Education** continued to gain traction with fiscal Q2 revenue increasing over 35% year over year, and management increasing guidance to 35-40% revenue growth for the full fiscal year to end June. **Haier Smart Home** saw growth across the portfolio of products with air conditioners particularly strong, but also from refrigerators, washing machines, and kitchen appliance. New property sales may be challenging at present, but the consumer continues to upgrade their existing home comforts.

Coincidentally, but encouragingly, the Chinese government has continued to announce various measures to support economic stimulus with incentives for household goods being a recent addition. This strategy has proved successful in the past and we expect a similar boost to growth as the consumer enjoys healthy savings levels but appears to need a degree of encouragement to spend more.

A new addition to the portfolio was **Tencent Music**, which as the name suggests is a subsidiary of **Tencent** with a 52% shareholding, but also has global player **Spotify** with an 8% stake. The Chinese consumer is moving toward the paying model that has been adopted in developed markets and the recent results demonstrated this trend. Revenue growth of over 40% was supported by subscription growth of over 45% and monthly revenue per user is also accelerating.

Whilst not enthusiasts of government intervention, the appointment of Wu Qing as the new market regulator in February seems to have calmed the nerves of investors. He has been credited with encouraging selective equity market buying by government funds and curbing the practices of aggressive quant funds and short selling.

We continue to argue that selective valuations look compelling, but we need to see a return of consumer confidence and a loosening of their purse strings to support a sustained market recovery.

AVAILABLE SHARE CLASS PRICES

SHARE CLASS	PRICE	ISIN	BLOOMBERG	MANAGEMENT FEE	ONGOING CHARGES FIGURE	MINIMUM SUBSCRIPTION	MIN. ADDITIONAL SUBSCRIPTION
B Acc GBP	54.53	GB00BNDMHS07	SVACBGA LN	0.75%	1.15%	GBP 5,000	GBP 5,000
I Acc GBP	54.76	GB00BNDMHW43	SVSACGA LN	0.60%	1.00%	GBP 50,000,000	No Minimum

Prices in pence/cents

Ongoing charges figure (OCF) is based upon the expenses incurred but does not include transaction costs. The transaction costs for 2023 were 0.18%.

Management fee includes Aubrey's fee and excludes ACD fee.

CONTACTS

Investment Enquiries

EMAIL	clientservices@aubreycm.co.uk
TELEPHONE	+44 (0)131 226 2083

Dealing Enquiries

CONTACT	Evelyn Partners Fund Solutions Limited
TELEPHONE	+44 (0)141 222 1150

Head Office

ADDRESS	Aubrey Capital Management Limited 10 Coates Crescent Edinburgh EH3 7AL
---------	---

ENVIRONMENTAL, SOCIAL & GOVERNANCE

Aubrey bases its measures for ESG analysis on the United Nations Global Compact. This framework provides us with a foundation for assessing corporate sustainability where we focus our analysis on four themes:

- 1. Human Rights: Companies should respect the internationally declared human rights laws.
- 2. Labour: Elimination of discrimination in the workplace as well as all forms of forced labour.
- 3. Environment: Encourage companies to develop and create initiatives that promote sustainability.
- 4. Anti-Corruption: Businesses should eliminate corruption in all forms, including bribery.

Signatory of:



IMPORTANT INFORMATION

This is a marketing communication issued by Aubrey Capital Management Limited who are authorised and regulated by the Financial Conduct Authority. Please refer to the prospectus and the KIID before making any final investment decisions and if you are still unsure, seek independent professional advice. Investors in the Fund are exposed to fluctuations in the Fund's value, which can go down as well as up, and may be subject to significant volatility due to market conditions and changes in foreign exchange rates. Past investment performance is not an indication of future performance. As the Fund aims to invest in just one country, it may be more volatile than a geographically diversified portfolio.

Aubrey Capital Management has taken reasonable care to ensure the accuracy of this information at the time of publication but it is subject to change without notice and it does not in any way constitute investment advice or an offer or invitation to deal in securities. The Fund is not registered for sale in the United States and is not available to, or for the benefit of, U.S. persons as defined by U.S. securities laws.

MSCI: The MSCI information may only be used for your internal use, may not be reproduced or disseminated in any form and may not be used as a basis for or a component of any financial instruments or products or indices. None of the MSCI information is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such. Historical data and analysis should not be taken as an indication or guarantee of any future performance analysis, forecast or prediction. The MSCI information is provided on an "as is" basis and the user of this information assumes the entire risk of any use made of this information. MSCI, each of its affiliates and each other person involved in or related to compiling, computing or creating any MSCI information (collectively, the "MSCI Parties") expressly disclaims all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages. (www.msci.com).

Please click [here](#) to access the Fund's documentation.

PLATFORMS

M&G

MARKETING COMMUNICATION