Mainland-HK Mutual Recognition of Funds Series – CIFM China Emerging Power Fund (Class H)

September 2017

- The Fund seeks to explore investment opportunities in growing emerging industries with a focus on high-quality listed companies in emerging industries as well as listed companies in traditional industries that have new impetus for growth.
- The Fund is therefore exposed to investment, concentration, Mainland market, RMB currency and conversion risks. The Fund has exposure to the Mainland China equity and will be subject to market, volatility, policy, small/mid-capitalisation companies, and high valuation and liquidity risks. The Fund will also subject to SME board and/or ChiNext market risk, Mainland debt securities risk and risks relating to repurchase/reverse repurchase transactions.
- The Fund is a Mainland fund authorized for public offering in Hong Kong pursuant to the Mainland-Hong Kong Mutual Recognition of Funds (MRF) scheme and risks associated with the MRF arrangement include (1)Quota restrictions; (2)Failure to meet eligibility requirements under MRF; (3)Mainland tax risk; and (4)Different market practices between Mainland and Hong Kong.
- The Fund may at its discretion make distributions out of accrued net distributable income carried over from the previous financial year(s) amounts to distributions out of capital under Hong Kong regulatory disclosure requirements. Investors should note that the payment of distributions out of capital represents a return or a withdrawal of part of the amount they originally invested or capital gain attributable to that amount. Any distributions involving payment of dividends out of capital of the share class will result in an immediate decrease in the NAV per unit of the relevant units.
- Investors should not only base on this marketing material alone to make investment decisions.

INVESTMENT OBJECTIVE

The Fund aims to achieve stable appreciation of the Fund’s assets while subject to control of risk. With a view to capture economic structure adjustments and rising trend of industrial upgrading, the Fund seeks to explore investment opportunities in growing emerging industries with a focus on high-quality listed companies in emerging industries as well as listed companies in traditional industries that has new impetus for growth.

PORTFOLIO INFORMATION

Fund manager Du Meng, China
Launch date 21 January 2016
Net Asset Value of the Fund (m) CNY 1,445
(at as at 30 June 2017)
Denominated currency and NAV per unit CNY 2.866
Current charge: Subscription Up to 5% NAV Redemption 0.13%NAV (Up to 0.5%)
Management fee 1.5% p.a.
Last distribution (ex date) None paid / -
Distribution frequency Not more than 4 times in a calendar year
ISIN code CNE100002458
Bloomberg code CHIEMOH CH Equity

STATISTICAL ANALYSIS

3 years 5 years Since launch
Alpha % - - 13.42
Beta - - 1.46
Annualised volatility % - - 25.57
Sharpe ratio - - 0.92
Average annual return % - - 23.60

PERFORMANCE FROM 26.01.16 TO 31.08.17 (in denominated currency)

CUMULATIVE PERFORMANCE % (in denominated currency)

<table>
<thead>
<tr>
<th></th>
<th>1 month</th>
<th>1 year</th>
<th>3 years</th>
<th>5 years</th>
<th>Since launch</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class H</td>
<td>+7.42</td>
<td>+28.12</td>
<td>-</td>
<td>-</td>
<td>+40.35%</td>
</tr>
<tr>
<td>Benchmark*</td>
<td>+1.85</td>
<td>+12.07</td>
<td>-</td>
<td>-</td>
<td>+18.43%</td>
</tr>
</tbody>
</table>

CALENDAR YEAR PERFORMANCE % (in denominated currency)

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>20166</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class H</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>+1.57</td>
<td>+38.19</td>
</tr>
<tr>
<td>Benchmark*</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>+5.22</td>
<td>+12.49</td>
</tr>
</tbody>
</table>

PORTFOLIO ANALYSIS (as at 30 June 2017)

By Asset (Percentage of total asset) By Equity Sector6 (Percentage of NAV) By Bond Type (Percentage of NAV)
Stocks Manufacturing 91.75% Information Technology 82.52%
Bank Deposits and Cash Reserve 7.94% Wholesale and Retail 5.93%
Others Reserve 0.31% Environment and Public Facilities 3.33%

TEN FIVE HOLDINGS OF THE FUND (Percentage of NAV) (as at 30 June 2017)

<table>
<thead>
<tr>
<th>Holding</th>
<th>Sector6</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tianli Lithium Corporation</td>
<td>Manufacturing</td>
<td>9.69</td>
</tr>
<tr>
<td>Shenzhen O-Film Tech Co., Ltd.</td>
<td>Manufacturing</td>
<td>9.16</td>
</tr>
<tr>
<td>Shenzhen Sunway Communication Co., Ltd</td>
<td>Manufacturing</td>
<td>8.83</td>
</tr>
<tr>
<td>Shenzhen Evenwin Precision Technology Co., Ltd</td>
<td>Manufacturing</td>
<td>8.02</td>
</tr>
<tr>
<td>Zhejiang Dahua Technology Co., Ltd.</td>
<td>Manufacturing</td>
<td>7.78</td>
</tr>
</tbody>
</table>

Unless stated otherwise, all information as at 31 August 2017. Source: CFM/BVDO (Performance is calculated on NAV to NAV basis with dividend reinvested). The classification of the Fund is based on the distribution location. Different share classes will have different fee structures and performance may not be the same. 1) The benchmark of the Fund is the CSI 300 Index Yield × 80% + SSE Treasury Bond Index Yield × 20% (Dividends reinvested after deduction of withholding tax). The Fund is not managed with reference to the index. The index is provided for performance comparison only. 2) Performance data are calculated from the first trading day after inception to the first trading day after inception. 3) Performance data are calculated from the first trading day after inception to end of year for fund classes with inception in that year. 4) The classification under the equity sector adopted the industry sector of CSRC with certain simplification. Asset allocation only incepted in that year. 5) The classification of the Fund is based on the distribution location, different share classes will have different fee structures and performance may not be the same. 6) The benchmark of the Fund is the CSI 300 Index Yield × 80% + SSE Treasury Bond Index Yield × 20% (Dividends reinvested after deduction of withholding tax). The Fund is not managed with reference to the index. The index is provided for performance comparison only. 7) Performance data are calculated from the first trading day after inception to the first trading day after inception. 8) Performance data are calculated from the first trading day after inception to end of year for fund classes with inception in that year. 9) The classification of the Fund is based on the distribution location, different share classes will have different fee structures and performance may not be the same.

The information above is for reference only. Investment involves risk. Past performance is not indicative of future performance. Please refer to the offering document(s) for details, including the risk factors and also disclaimer at the back of the report.

For more information, please contact your bank, financial adviser or visit www.jpmorganam.com.hk

Fund Manager: China International Fund Management

Main Distributor in Hong Kong: J.P.Morgan Asset Management
Investment involves risk. The fund manager undertakes to manage and utilize the fund assets in good faith and with due diligence, however, there is no guarantee that the fund will make a profit nor is there guaranteed minimum return. Past performance and net asset value of the fund are no indication of future performance. The value of investments and the income from them may fluctuate and your investment is not guaranteed. Investors may not get back the full amount invested. Exchange rates may cause the value of underlying overseas investments to go down or up. Investments in emerging markets may be more volatile than other markets and funds which are invested in emerging markets are usually more sensitive to price movements and the risk to your capital is therefore greater. Also, the economic and political situations may be more volatile than in established economies and these may adversely influence the value of investments made. Please refer to the offering documents for details including the risk factors, before making investment decisions. Investors should ensure that they fully understand the characteristics and potential risks and rewards of the product and independently determine whether the investment product is suitable for them having regard to their own investment objectives, experience, financial and operational resources and relevant circumstances before making any decision to invest in the investment product. Please seek professional advice where needed.

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Risk Rating for Mainland-HK Mutual Recognition of Funds
中港互認基金之風險評級

Please refer to the following funds' risk rating:
請參考以下基金之風險評級：

<table>
<thead>
<tr>
<th>Fund Name</th>
<th>Risk Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>CIFM China Multi-Assets Fund (Class H)</td>
<td>5</td>
</tr>
<tr>
<td>CIFM China Emerging Power Fund (Class H)</td>
<td>5</td>
</tr>
<tr>
<td>CIFM China Sector Rotation Fund (Class H)</td>
<td>5</td>
</tr>
</tbody>
</table>

Remarks:
備註：

• Risk Ratings are as at January 2017.
風險評級均截至2017年1月。

• Fund risk is classified into 5 different risk ratings, ranging from 1 to 5 with 5 being the highest risk rating.
風險評級分為5個級別，由1至5，5為最高風險級別。

• Risk ratings are based on J.P. Morgan Asset Management’s assessment of relative risk by asset class and historical volatility of the fund where applicable. The risk ratings are reviewed annually or as appropriate and for reference only. Investors are advised to consult our Investment Advisers before investing.
風險評級乃基於摩根資產管理就各類資產之相對風險及基金過去波幅評估而定，並每年（或適當時候）作檢討，僅供參考。投資者務請在投資前向我們的投資顧問查詢。

Investment involves risk. Past performance is not indicative of future performance. Please refer to the offering document(s) for details, including the risk factors.
投資涉及風險。過去業績並不代表將來表現。請參閱銷售文件所載詳情，包括風險因素。

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