

AGCM China Stars Fund



November 4, 2024

BRICS meeting gathers half of the World and Ford's CEO drives Xiaomi

During the month of October, the NAV of AGCM China Stars Fund RC SEK increased by +0.1%.

The BRICS meeting in Kazan in late October gathered the leaders of 36 nations representing 47% of World economic output and 57% of the World's population. Of the 26 attending nations not yet members, 13 countries received "partner nation" status which is an intermediate step before becoming full BRICS members. The new partner list includes Turkey, Indonesia, Vietnam and Thailand. The meeting agenda included areas such as peace and conflict resolution, trade, commerce and infrastructure. The expansion of BRICS illustrates the dissatisfaction around the World with US foreign policy and trade practices. Western media barely covered the three-day meeting where issues such as de-dollarization were discussed. A new grain trading platform, the BRICS Grain Exchange, has been launched with more commodities to be added later. A new cross-border settlement and deposit infrastructure, the BRICS Interbank Cooperation Mechanism (ICM), has also been launched. In their opening speeches, the heads of state of the BRICS countries stressed that the new institutions are intended as compliments, not substitutes, for the already existing ones such as the World Bank, the IMF and the United Nations. Hitherto, BRICS is more to be viewed as a club rather than an organization because it lacks a charter, but this may change over time.

On the corporate front, battery producer CATL reported a 26% profit increase for the third quarter year-over-year. Net profit came in at CNY13.1 billion (USD1.8 billion) in the three months ending September 30. The company has benefited from the introduction of new products with higher premiums, pushing its gross profit margin to a record 31.2%. Electric car producer BYD reported Q3 revenues of RMB 201 bn, up +24.0% year-over-year.

The CEO of Ford Motor Company, Jim Farley, said in an interview in "The Fully Charged Podcast" that for the past six months he has been driving the Chinese electric car Xiaomi U7. He praised both the car and its manufacturer, Xiaomi. "We flew one from Shanghai to Chicago, and I've been driving it for six months now," Farley said. "And I don't want to give it up." Xiaomi is a leading consumer electronics player in China, sometimes referred to as "China's Apple", and now also a contender in the global EV-industry. AGCM Funds are shareholders in Xiaomi, and we don't want to give it up either.

Alibaba launched an updated version of its AI-powered translation tool that it claims is better than products offered by Google and ChatGPT. Alibaba's translator supports 15 languages including English, Chinese, Japanese, Arabic, French, German, Italian, Turkish and Korean. "We want this AI tool to help the bottom line of the merchants, because if the merchants are doing well, the platform will be doing well," said Kaifu Zhang, vice president of Alibaba International Digital Commerce and AI, in an interview.

China's Ministry of Industry and Information Technology (MIIT) is rolling out a series of initiatives to promote technological transformation and the upgrading of equipment to boost consumption and increase demand. The measures include the release of CNY 150 billion (USD 21 billion) for technological upgrading and launch of new technologies in manufacturing. MIIT will lay the groundwork for emerging fields, such as atomic-level manufacturing, human-computer interface and 6G telecom technology.

Gustav Rhenman, Chief Investment Officer

AGCM China Stars Fund

Monthly Report

October 2024



ASIA GROWTH CAPITAL MANAGEMENT

Performance

| As of 31/10/2024 | 1 month | YTD | 2 year | 5 year | Since launch August 28, 2017 |
|-------------------------------|---------|--------|--------|--------|---------------------------------|
| AGCM China Stars Fund RC1 SEK | +0.1% | +32.4% | +39.3% | +33.5% | +52.7% |
| AGCM China Stars Fund RC8 SEK | +0.2% | +33.0% | +40.7% | +36.9% | +59.4% |

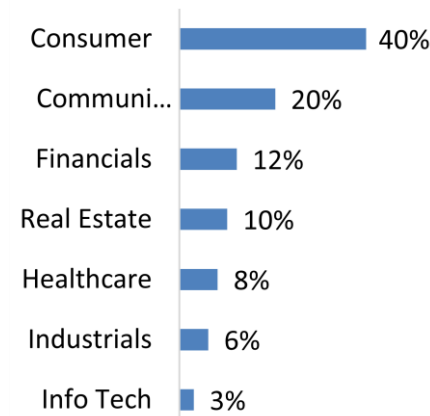
Top 5 holdings

As of 31/10/2024

| Company name |
|------------------|
| Tencent Holdings |
| Alibaba Group |
| JD.com |
| CATL |
| Trip.com |

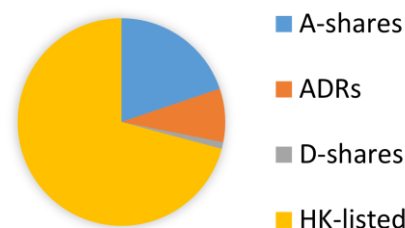
Industry breakdown

As of 31/10/2024



Market breakdown

As of 31/10/2024



About Asia Growth Capital Management

Asia Growth Capital Management AB (AGCM) is a specialized investment management company managing investment funds investing in listed equities in Asia. The company was founded in Sweden in 2013 by a group of investment professionals and executives with extensive experiences from a wide range of different industries. The Chief Investment Officer has twice before been awarded by Lipper (Thomson Reuters) for managing the best performing Asia Fund among all regulated Asia funds registered for marketing in any EU country.

Fund Facts

| | |
|--------------------------|--|
| Portfolio manager: | Gustav Rhenman |
| Inception date: | 28-August-2017 |
| Fund size: | SEK 120 million |
| Number of holdings: | 37 |
| Management fee (RC1): | 1.35% + 10% perf. Fee |
| Fund management Company: | FundRock Management Company S.A. |
| NAV: | (RC1) SEK 152.7 (RC8) SEK 159.4 |
| Minimum subscription: | n.a. |
| ISIN code: | SEK RC1 LU 1608617111 SEK RC8 LU 1608617384 |

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Risk information: Money you invest in the Fund can both increase and decrease in value. Historic performance is no guarantee of future return. Saving in funds should be viewed in a long-term perspective, which then may potentially offer a better return than traditional savings in fixed income. We recommend that you read the KIID and prospectus available at www.agcm.se before you make an investment. You can also request such information via e-mail to info@agcm.se.