

YF Life Trustees Ltd.

Asian Pacific Equity Fund

Published in May 2023

IMPORTANT NOTES:

1. The MASS Mandatory Provident Fund Scheme ("Scheme") is a mandatory provident fund scheme.
2. Investment involves risks and not all investment choice available under the Scheme would be suitable for everyone. There is no assurance on investment returns and your investments/accrued benefits may suffer significant loss.
3. You should consider your own risk tolerance level and financial circumstances before making any investment choices. When, in your selection of constituent funds, you are in doubt as to whether a certain constituent fund is suitable for you (including whether it is consistent with your investment objectives), you should seek financial and/or professional advice and choose the constituent fund(s) most suitable for you taking into account your circumstances. In the event that you do not make any investment choices, please be reminded that your contributions made and/or benefits transferred into the Scheme will be invested according to the Default Investment Strategy as stated in Clause 6 of the MPF Scheme Brochure of the Scheme, and such arrangement may not necessarily be suitable for you.
4. For further details including the product features and risks involved, please refer to the relevant clauses, in particular Clause 3, of the MPF Scheme Brochure of the Scheme.
5. The risk level mentioned in Clause 3 of the MPF Scheme Brochure is for reference only and is not a substitute for independent professional advice. The risk level of each constituent fund is determined by the Trustees based on the percentage of Scheme assets of the relevant constituent funds being invested in equities and subject to regular review by the Trustees, and may change without any prior notice. The risk level is not a financial tool and must not be relied upon to make any investment decisions and selection of constituent funds.

Investment Objective

The investment objective of the Asian Pacific Equity Fund is to seek capital growth over the medium to longer-term. The Asian Pacific Equity Fund seeks to achieve the above objective by investing into the Templeton MPF Asian Pacific Equity Fund of Templeton MPF Investment Funds.

As a result of investing into the Templeton MPF Asian Pacific Equity Fund of Templeton MPF Investment Funds, the portfolio of the Asian Pacific Equity Fund will primarily invest in equity securities (common stocks) of companies listed on Asian stock markets, excluding Japan. Other investment assets used by the portfolio of the Asian Pacific Equity Fund include debt obligations (bonds) and other publicly traded securities, including preferred stocks, convertible securities and fixed income securities. The Asian Pacific Equity Fund is actively managed to achieve as high a return as possible commensurate with the lower level of risk considered appropriate for retirement scheme investors.

The Asian Pacific Equity Fund is subject to market fluctuations, and to the risks inherent in all investments. Investors should regard the Asian Pacific Equity Fund as a high risk investment.

Fund Data as at March 31, 2023

Launch Date:

March 19, 2007

Investment Manager:

Franklin Templeton Investments (Asia) Ltd.

Fund Size:

HKD242.59million

Fund Risk Indicator ^b:

18.94%

Risk Class ^c:

6

Fund Descriptor:

Equity Fund - Asian Pacific

Latest Fund Expense Ratio:

1.73%

Fund Price (HKD)

Month	Since Inception	End* of					
	Mar 2007	Oct 2022	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023
Price	10.0000	11.4667	13.8250	13.6341	14.8752	13.8188	14.1626

Notes:

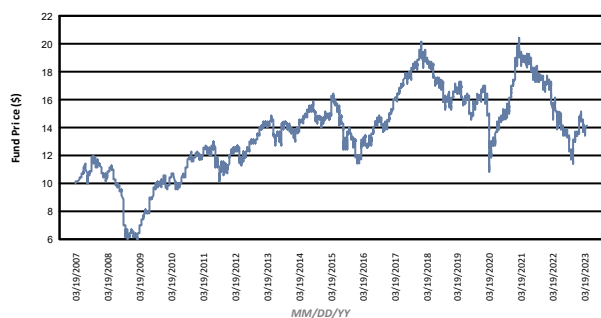
Source: YF Life Trustees Ltd.

- a. Fund prices are quoted in Hong Kong dollars whilst the investments of the underlying fund are denominated in different currencies. This may therefore involve some risk due to exchange rate fluctuations.
 - b. Fund Risk Indicator is an annualized standard deviation based on the monthly rates of return over the past 3 years. It is calculated in accordance with Part C of the Performance Presentation Standards for MPF Investment Funds published jointly by the Hong Kong Investment Funds Association and Hong Kong Trustees' Association and recognized by the Mandatory Provident Fund Schemes Authority.
 - c. The risk class is prescribed by the Mandatory Provident Fund Schemes Authority according to the Code on Disclosure for MPF Investment Funds and the risk class has not been reviewed or endorsed by the Securities and Futures Commission.
- * Ending Date is the last valuation date of the month.

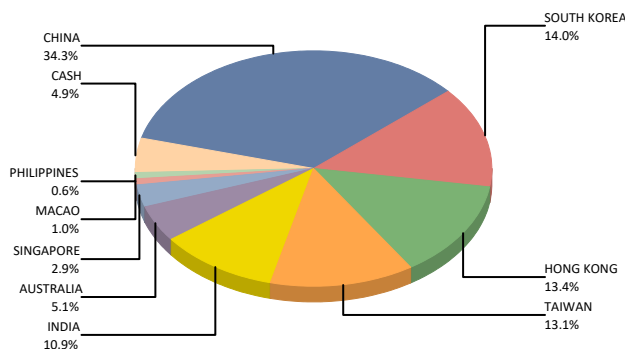
The fund is subject to market fluctuations and to the risks inherent in all investments. The prices of units of any investment fund may go down as well as up. The past performance of a fund is not indicative of future performance and yields are not guaranteed.

The fund will abide by the general investment fund restrictions in accordance with the MPFS Ordinance, MPFS (General) Regulation and Scheme Rules.

Fund Price Trend Since Inception



Portfolio Asset Allocation#^



Source: Franklin Templeton Investments (Asia) Ltd.

Individual Year Return	2014 Jan-Dec	2015 Jan-Dec	2016 Jan-Dec	2017 Jan-Dec	2018 Jan-Dec	2019 Jan-Dec	2020 Jan-Dec	2021 Jan-Dec	2022 Jan-Dec	2023 Jan-Mar
	3.45%	-9.92%	6.56%	36.24%	-18.16%	7.88%	6.40%	-3.90%	-20.89%	3.88%

Fund Performance	1 year	3 years	5 years	10 years	Since launch
Annualized	-9.85%	4.94%	-5.58%	-0.21%	2.19%

Source: YF Life Trustees Ltd. Performance is net of fees and is calculated on a NAV to NAV basis.

Top 10 Holdings#

Asset Holdings	% of NAV
TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD	9.30%
SAMSUNG ELECTRONICS CO LTD	7.31%
TENCENT HOLDINGS LTD	5.51%
ALIBABA GROUP HOLDING LTD	4.82%
AIA GROUP LTD	4.11%
UNITED OVERSEAS BANK LTD	2.93%
TOPSPORTS INTERNATIONAL HOLDINGS LTD	2.91%
LENOVO GROUP LTD	2.89%
SUN HUNG KAI PROPERTIES LTD	2.81%
RELIANCE INDUSTRIES LTD	2.79%

Source: Franklin Templeton Investments (Asia) Ltd.

Fund Review

The fund outperformed its benchmark in the first quarter of 2023, when our overweight exposure and stock selection in the information technology (IT) sector contributed to relative performance. A lack of exposure to the utilities sector and an underweight financials exposure also helped.

As expectations for less hawkish central bank policies continued to build, growth sectors—chiefly IT—performed well during the quarter, especially in the month of March. Within our portfolio, the top three contributing stocks were all from the IT sector, led by Taiwan Semiconductor Manufacturing Company. Meanwhile, we have a very selective exposure to the banking sector, which helped stabilise our relative return in the first quarter. We do have a high conviction in the bank stocks we hold—these are robust institutions that can better withstand market shocks with strong balance sheets and diversified funding, in our view.

In contrast, stock selection in the consumer staples and energy sectors detracted from relative performance. Our consumer staples exposure includes an overweight stance on the food products sub-sector compared to the benchmark. Over the quarter under review, we have exited some of these positions whilst adding to existing positions that command a higher conviction, thereby improving our risk-reward profile amidst market uncertainties.

Fund Performance

The fund's net asset value increased 2.49% from last month.

The assets of Asian Pacific Equity Fund are invested exclusively into the Templeton MPF Asian Pacific Equity Fund of the Templeton MPF Investment Funds.

^ Due to rounding, the sum of portfolio may not equal 100%.