

Press Release
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East Capital launches China A-Shares Fund

East Capital, a specialist in emerging and frontier markets, announces that it has launched the East Capital China A-Shares Fund. East Capital is the first fund management firm domiciled in the Nordic region to receive a quota approval from the State Administration of Foreign Exchange (SAFE) under the Qualified Foreign Institutional Investor (QFII) programme.

The East Capital China A-Shares Fund, which invests in Renminbi-denominated A-shares listed on China's mainland stock exchanges in Shanghai and Shenzhen, is registered in Luxembourg and already fully subscribed. Access to the Chinese onshore markets opens up opportunities to gain exposure to attractive investment themes offering enhanced return potential, as well as effective risk diversification, as they have historically exhibited low correlation to other equity markets.

East Capital's Asian operations are managed out of Stockholm and Hong Kong. Karine Hirn, Partner and Co-Founder, has been leading the operations since 2010 when the firm established an office in Shanghai. Hirn recently relocated from Shanghai to Hong Kong.

"The A-Share market offers deeper and broader exposure to the changing dynamics in the Chinese economy and to emerging domestic themes including for instance China's continued urbanisation, the development of its healthcare sector and the increase in domestic consumption of consumer goods on the back of rising incomes," said Karine Hirn, Partner and Co-Founder of East Capital.

"We also believe that reforms in the financial sector in China and the impending reduction of global investors' current major underweight to Chinese equities could potentially trigger a re-rating of the market. With valuations in China currently trading at historically low levels and the pace of growth likely to remain higher than in other major economies, the return potential offered by the A-Shares market is significant."

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About East Capital

East Capital is a specialist in emerging and frontier markets. The company, founded in 1997, bases its investment strategy on thorough knowledge of the markets, fundamental analysis and frequent company visits by its investment teams. East Capital actively manages EUR 3.5 billion in public equity, private equity and real estate. It is headquartered in Stockholm, with offices in Hong Kong, Kyiv, Luxembourg, Moscow, Oslo, Paris and Tallinn www.eastcapital.com