

Marketing communication

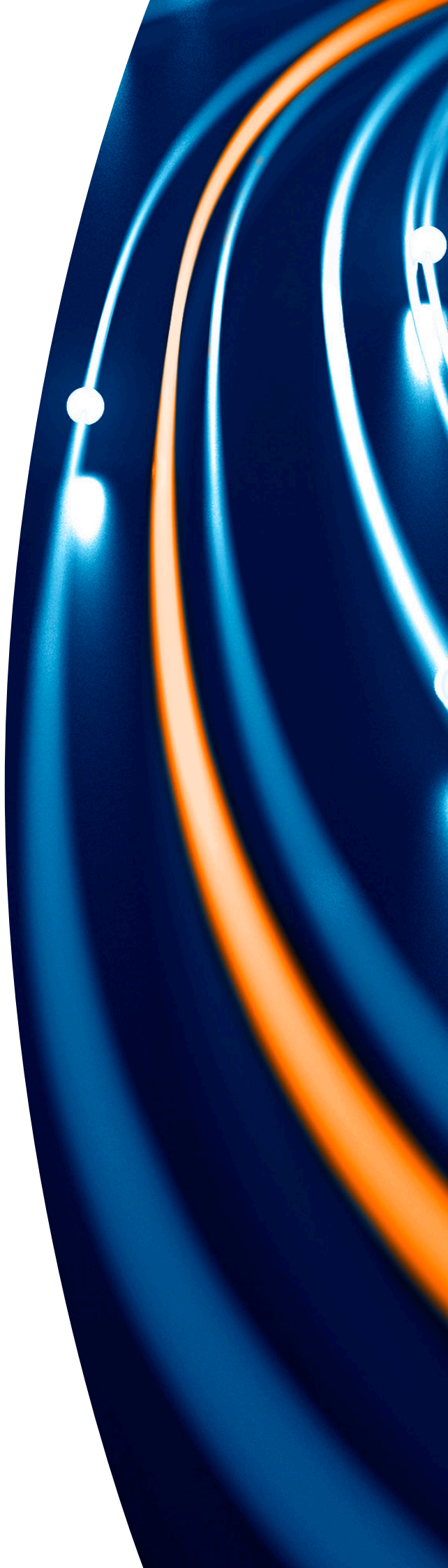
FINTECH REVOLUTION GENERATING ALPHA IN GLOBAL FINANCIAL EQUITIES

JUPITER FINANCIAL EQUITIES STRATEGY

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Jupiter's Financial Equities strategy takes a high conviction investment approach, investing in innovative and dynamic companies that benefit from long-term structural trends driving change in the global fintech and financial services sectors.

The strategy's experienced manager, Guy de Blonay, believes in opportunistic, effective and dynamic capital allocation across geographies, sub-sectors, growth, yield and special situations categories. The strategy invests in both the adopters and the drivers of financial innovation.



Why should you consider changing the way you allocate to financial equities?

1. DIGITAL INNOVATION IS TRANSFORMING THE GLOBAL FINANCIAL SECTOR

Financial institutions need to leverage modern technologies to compete successfully. We look to identify and invest in the companies that are driving change in fintech and financial services.



We want to be a tech company with a banking licence.

Ralph Hamers

Previously CEO at ING (currently CEO at UBS)

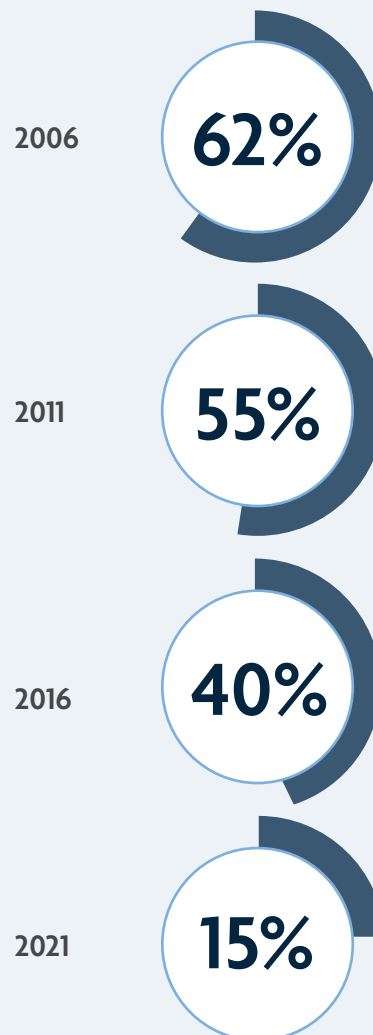


Innovation is the ability to see change as an opportunity not a threat.

Steve Jobs

CHANGE IN FINANCE: THE DEATH OF CASH

Percentage of all payments in the UK made using cash:



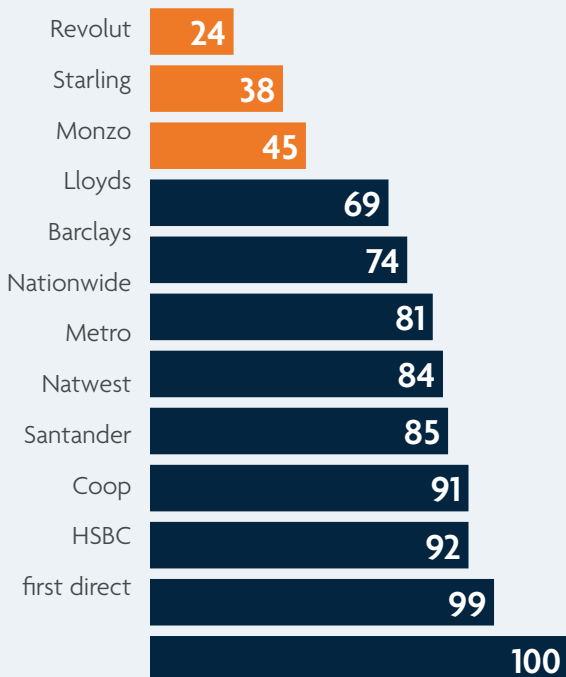
Source: UK Finance ("UK Payment Markets 2022").

WHY IS FINTECH - THE USE OF TECHNOLOGY IN FINANCIAL SERVICES - GROWING SO FAST?

Fintech makes banking **easier** for customers



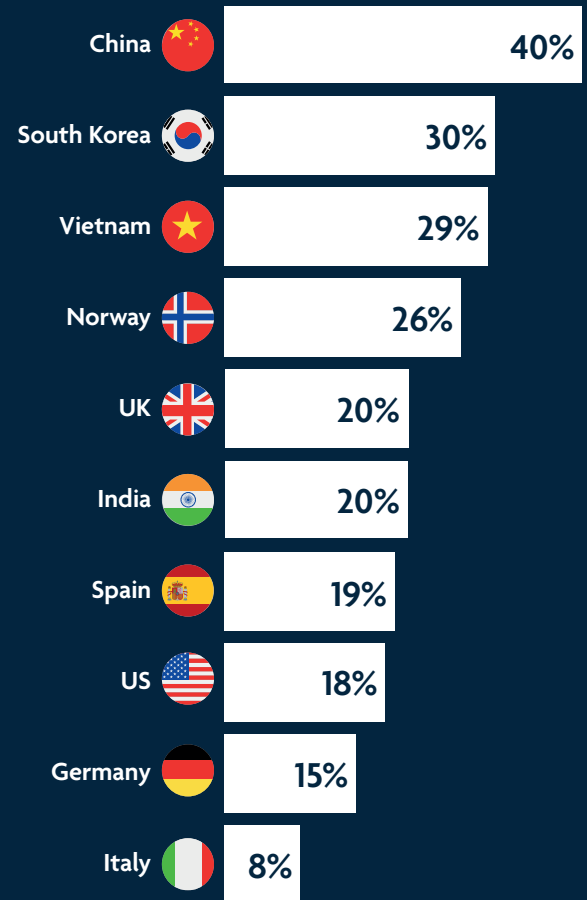
NUMBER OF CLICKS TO CREATE AN ACCOUNT



Source: Opening 12 bank accounts — A UX analysis (builtformars.com), as at May 2020.

CHINA LEADS THE WAY IN MOBILE PAYMENT ADOPTION

Projected user penetration rates in the mobile point of sale segment (selected countries)

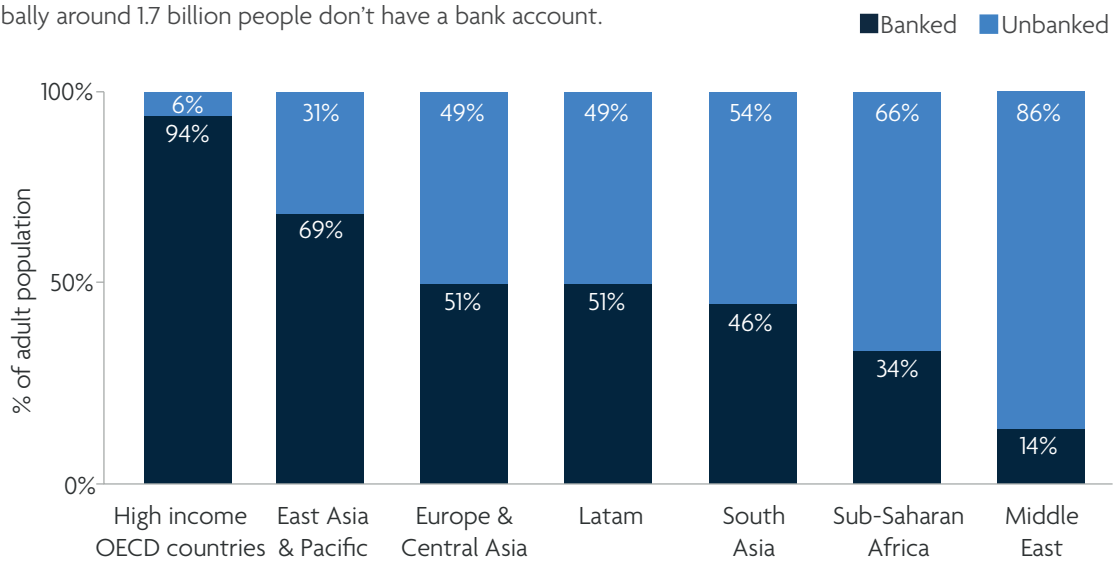


Source: Statista Digital Market Outlook, August 2021.

2. THE DIGITAL TRANSFORMATION OF FINANCIAL SERVICES HAS ONLY JUST BEGUN

EMERGING MARKETS ARE STILL UNDERBANKED...

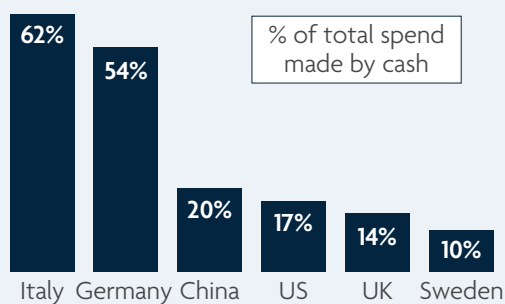
Globally around 1.7 billion people don't have a bank account.



Source: World Bank (2018).

IN EUROPE, CASH IS STILL WIDELY USED

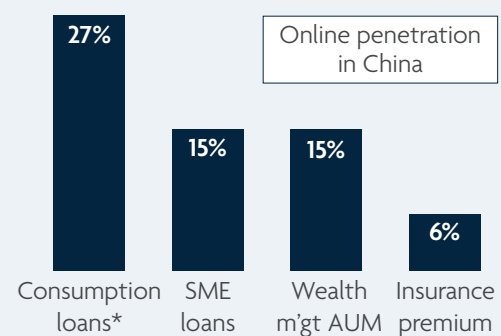
Countries like the UK, the US and China already use much less cash, while heavily cash-reliant countries like Italy and Germany have more room for growth in the payments sector.



Source: Barclays as at 2022.

EVEN IN CHINA, MANY FINANCIAL PRODUCTS HAVE PLENTY OF ONLINE GROWTH POTENTIAL...

Online represents a growing share of financial services in China.



Source: CLSA (2020). *Including c/cards.

3. OFFERING STRONG DIVERSIFICATION

The global financial universe is large and diverse, and correlation between its different sub-sectors is low. This provides excellent diversification opportunities, across both innovative fintech companies and traditional financial companies. Diversification can be achieved by combining divergent geographies.

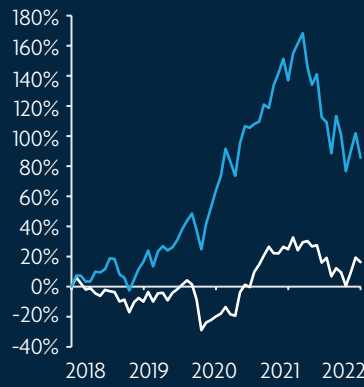
GEOGRAPHICAL DIVERGENCE

S&P 500 Sec/Financials **36.5%**
 MSCI Europe/Financials **-7.7%**



SECTOR DIVERGENCE

MSCI World/Information Tech **85.7%**
 MSCI World/Financials **16.3%**



HISTORICAL SUB-SECTOR DIVERGENCE*

Deutsche Börse AG **120.0%**
 Citigroup **-44.7%**
 S&P 500 Index **5.6%**



Historical example for illustrative purposes only. Company examples are for illustrative purposes only and are not a recommendation to buy or sell. Source: Jupiter/Morningstar, USD, 01.01.18 to 31.12.22.*Source: Bloomberg, in USD, 31.12.06 to 31.12.07.

IDENTIFYING LEADING ENABLERS AND BENEFICIARIES OF FINANCIAL INNOVATION



Digital banking



Digital payments



Data and security

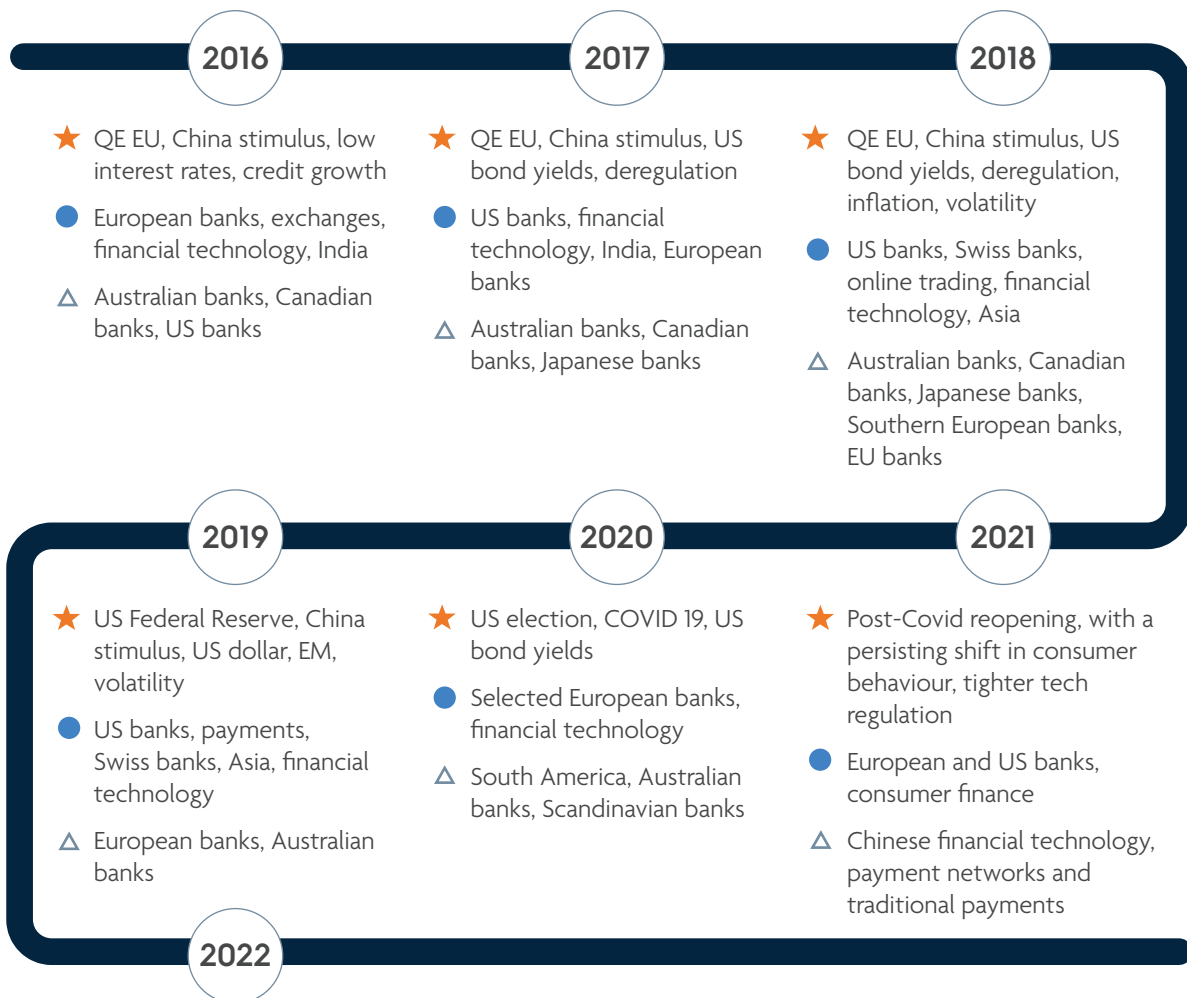


IT infrastructure and security

4. IDENTIFYING KEY TRENDS

Long-term structural trends are driving change in the fintech and financial services sectors, and the strategy invests in companies riding these waves of change.

★ Key trends ● Long ▲ Avoid



We have seen two years' worth of digital transformation in two months.

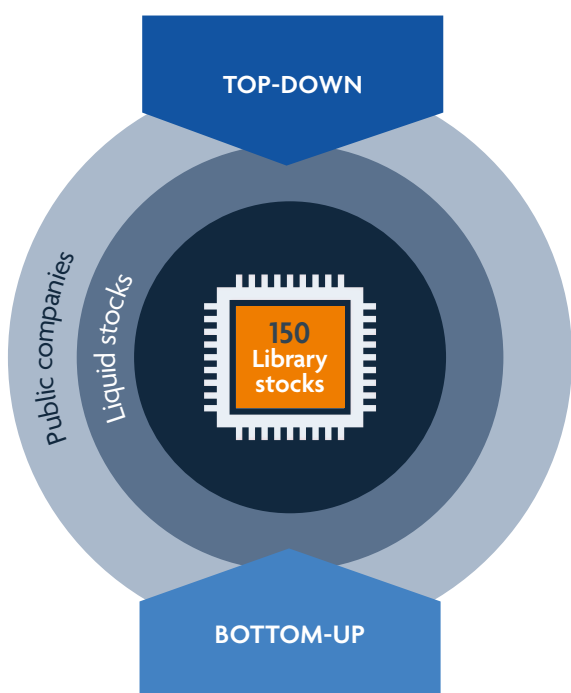
Satya Nadella

CEO of Microsoft on the impact of COVID 19

5. APPLYING A RIGOROUS APPROACH

The strategy has a well-defined process, combining top-down and bottom-up stock selection. Both numerical screens and qualitative research are used.

- **PUBLIC COMPANIES**
c.20,000 with 5,000 public companies
- **LIQUID STOCKS**
c.1,000 liquid stocks
- **LIBRARY STOCKS**
150 library stocks, c.40-60 companies with exposure to our global trends



PORTFOLIO CONSTRUCTION

Top-down analysis



Geographic industry, company change

Bottom-up analysis



Identifying stocks that can benefit

Dynamic portfolio construction



Opportunistic capital allocation

Active oversight risk

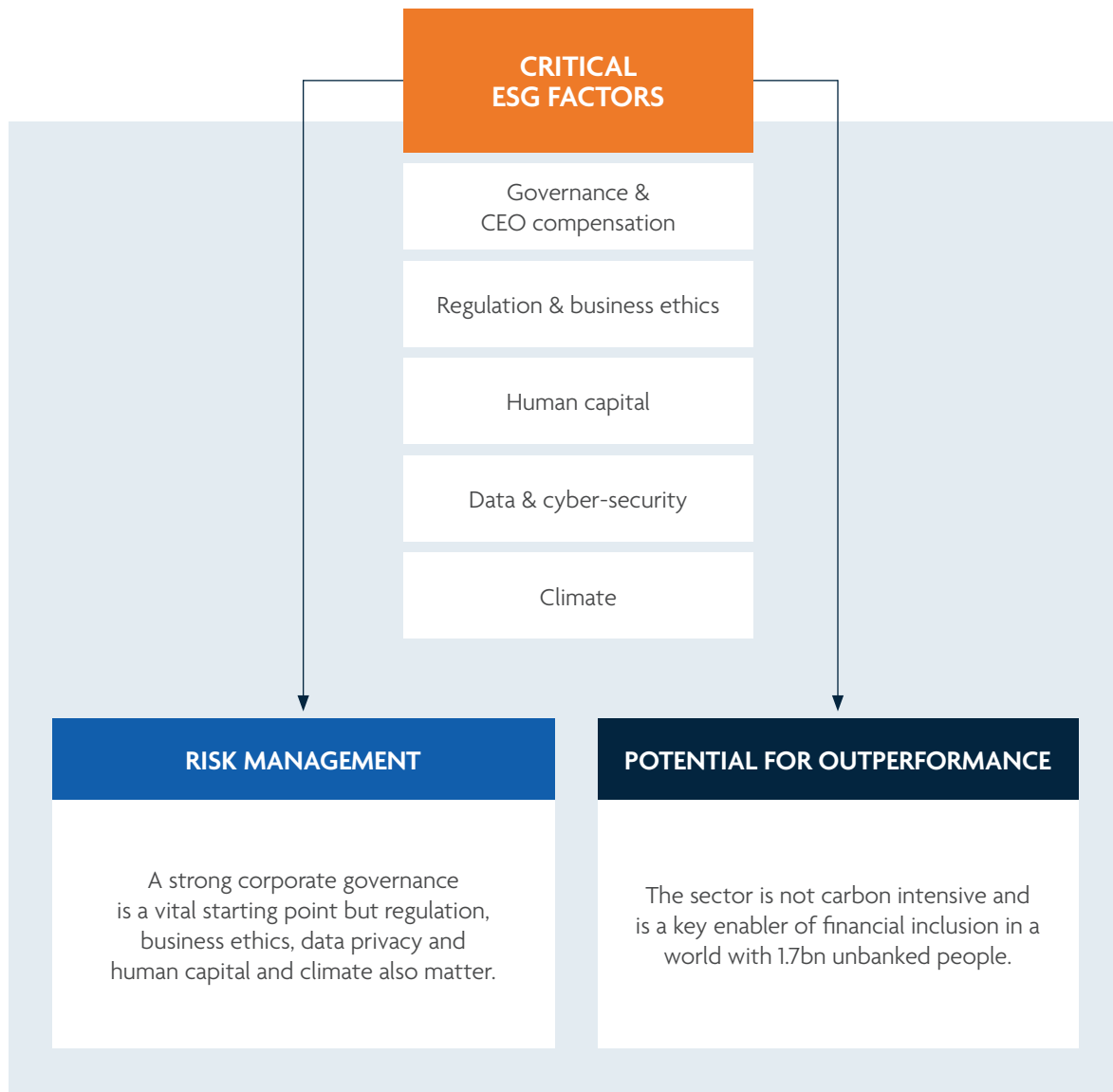


Monitoring of risk metrics

6. STRONG ESG ENGAGEMENT

This strategy focuses on corporate governance, business ethics, data privacy and security, human capital and climate change.

Our ESG framework focuses on the factors most relevant for financials and financial innovation companies. We aim to promote environmental and social characteristics while also managing risks, identifying new opportunities and ultimately generating better investment returns.



(continued on page 10)

EXAMPLES OF ENGAGEMENT

We regularly engage with companies held in the strategy, as well as potential candidates for inclusion.

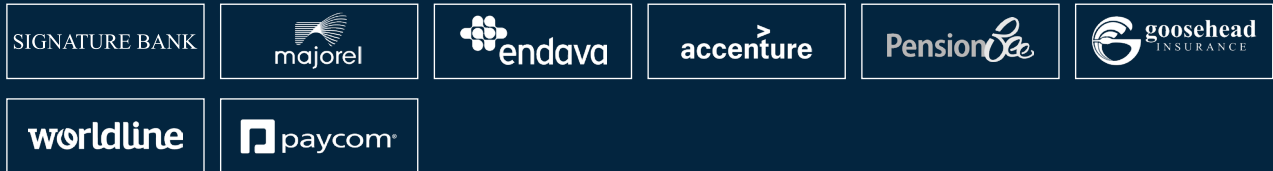
GOVERNANCE & CEO COMPENSATION



REGULATION & BUSINESS ETHICS



HUMAN CAPITAL



DATA & CYBER SECURITY



CLIMATE



OUTCOMES

Discipline is key. We have exited several positions on account of unsatisfactory ESG outcomes:

	<ul style="list-style-type: none"> • Weak governance (few outsiders on board, no audit committee until 2019) • Questionable quality of accounting and lack of disclosures on past acquisitions 		<ul style="list-style-type: none"> • Growing concerns on the Chinese fintech regulatory environment • Weak governance and investor communication (failed IPO of Ant Financials)
	<ul style="list-style-type: none"> • Questionable quality of accounting (capex & working capital) • Weak track record on acquisitions 		<ul style="list-style-type: none"> • Regulators increasingly adverse to Meta's stablecoin project • No clear policy on the handling of customer data and harmful content

The stocks shown above are examples of engagements in the last twelve months. They are not all held in the strategy at the time of writing and do not constitute a recommendation to buy or sell.

AN EXPERIENCED MANAGER



GUY DE BLONAY **Investment Manager**

Began working in the industry in 1995

Guy joined Jupiter in 1995 and is currently an Investment Manager in the Financial Equities team. Guy is the manager of two UK-domiciled unit trusts and one SICAV fund. In 2001, Guy joined New Star (which was subsequently taken over by Henderson) where he managed global financial equities. He returned to Jupiter in January 2010, initially in an advisory capacity, before again assuming fund management responsibilities in June 2010.

STRATEGY INVESTMENT RISKS

The strategy uses derivatives for investment purposes, to take long and short positions based on the investment manager's view of the market direction. Taking short positions creates the opportunity for the strategy to deliver positive returns in falling markets, but also means that it could deliver negative returns in rising markets. The potential loss on a short position is unlimited, because the price of the underlying investment can carry on rising. There is also a risk that counter parties to derivatives may

become insolvent, which may cause losses to the portfolio.

The strategy can use gearing, which is a method used to increase the exposure of the portfolio to financials markets through the use of loans or derivatives. Gearing may lead to large and sudden movements in the value of the portfolio.

The strategy invests into a specific market sector, so its value may be subject to periods of high volatility, falling and rising sharply over short periods of time.

IMPORTANT INFORMATION

This material is issued by Jupiter Asset Management (Hong Kong) Limited and has not been reviewed by the Securities and Futures Commission (“SFC”). Investment involves risk. Past performance is no guide to the future. The value of investments and the income from them can fall as well as rise and you may get back less than originally invested. The investment returns may be denominated in a foreign currency other than US/HK dollar. US/HK dollar-based investors are therefore exposed to fluctuations in the US/HK dollar/foreign currency exchange rate.

No information in this material should be interpreted as investment advice. If you are unsure of the suitability of this investment please contact your Financial Adviser. Prospective purchasers of Shares should inform themselves as to the legal requirements, exchange control regulations and applicable taxes in the countries of their respective citizenship, residence or domicile.

