



SINTRA FUND, LTD.

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Report to Shareholders of the Sintra Fund, Ltd. –January 2024

January 30, 2024

Dear Investor,

We are pleased to provide this report for the month of January 2024. The exact monthly investment performance figures will be sent to investors later in February, once the results are calculated by International Fund Management Corp., the Fund's calculation agent.

The China A Share Market did not shine in January. Indeed, it appears to have decoupled from the economic situation as it declined while the economy is improving. The government reduced the stock transfer tax by 1/2 and the central bank cut rates to encourage borrowing. However, the property sector continued to feel pain and the consumer held back. Foreign investors evidenced little enthusiasm. Even Premier Li Qiang's positive statements at the World Economic Forum in Davos failed to advance the situation. Thus, the government stabilization fund has started to get involved.

At the UBS China conference held in January in Shanghai, there were 3,200 attendees but only 150 foreign investors. In this pessimistic scenario, we look at our portfolio with 20% profit growth, price earnings ratios of only 10.5x with a 1.2% dividend yield.

Sungrow Power Supply Co Ltd develops, produces, sells, and provides services for solar inverters, wind power converters and other power supplies. It's in the growing energy storage industry. The Company provides system solutions to renewable energy industry users. It's delivering 150% year-on-year earnings per share growth and benefiting from a strong export market. The energy storage services market is expanding. The company maintains 30–35% margins at a price earnings ratio of 10x. Sungrow Power Supply is the largest company in the world manufacturing solar inverters and solar power storage solutions. It creates the key control units for solar plants.

Shares increased after the Chinese solar equipment maker said it expects profit to nearly triple, beating expectations, thanks to a stronger exchange rate, cheaper ocean freight prices and the fast growth of the global renewable energy market. Sungrow opened a new and expanded headquarters office tower in December in Hefei, China. The facilities within the new office have been meticulously crafted to foster collaborative workspaces for colleagues around the globe. The office is fully equipped with cutting-edge tech-enabled meeting rooms, social and break-out areas, and an immersive exhibition hall showcasing products and solutions across five business segments, encompassing energy storage, wind power, electric vehicles, green hydrogen, and photovoltaics (PV). China's newly installed PV capacity hit a new high in 2023.

Hangcha Group Co. is well recognized as a manufacturer of diesel forklift trucks. However, the company is advancing into the manufacture and leasing of battery powered forklift trucks. Port

operators find it cheaper and more efficient to use the battery-operated forklift product. Indeed, the opportunity is so successful that Hangcha has recognized 80% earnings-per-share growth. This corporate is also at a PE value of 12.6x. With some technical upgrades, the company anticipates that export growth of the product will advance 30% - 40% in 2024.

The China Automotive Engineering Research Institute (CAERI) is a state owned, publicly, traded company. It performs verification, and comprehensive testing services for automotive companies. The Chinese Government mandates such testing for all auto manufacturers. The test results performed by CAERI are accepted by the regulators.

With the expansion of the EV auto industry in China, the company is seeing increasing business. CAERI has prudently placed its testing facilities in close proximity to the auto manufacturers. We anticipate that, in the future, smart driving will become a growing business and that the importance of such automotive testing will steadily increase. CAERI is noted as a “national high-tech enterprise” as well as an “innovative enterprise.” It plays a crucial role in product development, experimental study, and quality inspection in the China auto industry.

Baolong Technology’s mantra is “intelligence and lightweight”. The company is a leader in the growing area of electronically controlled air suspension (ECAS) for high end automotive vehicles. This ECAS field shows great promise for customer automotive comfort with the control of chassis, heights, body inclination, and dampening effect over bumps. The company’s automotive sensor division should profit from the rise of intelligent driving solutions.

We foresee growth as Chinese corporations develop their own domestic supply chains, focused upon import substitution. We want the fund to benefit as China develops its own innovative solutions.

Your trust and confidence are greatly appreciated.

Sincerely,

John H. Pinto