



Meranti Asia Fund

Factsheet 31st July 2021

Strategy Description

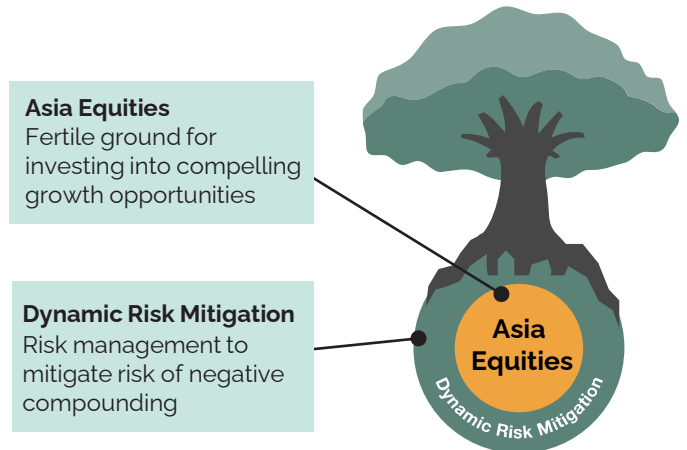
Meranti Asia Fund 'MAF' seeks long-term high growth of the portfolio by investing across Asia Pacific ex. Japan equity markets, while looking to mitigate risks during significant downturns. Instead of investing in flavour of the day concepts, the strategy focuses on structural characteristics that make sense and are backed by empirical research.

Key Features

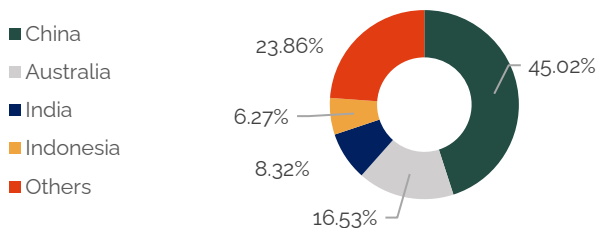
Dynamic Risk Mitigation: Financial crises are infrequent but inevitable. By managing risks in significant downturns, the strategy is designed to help investors endure systemic shocks and continue to invest with confidence.

Asia Equities: Invest into secular opportunities arising from the global shift of economic power to Asia.

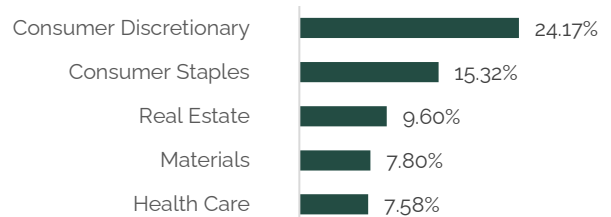
Active Strategy: Index funds tend to focus on less than 5% of the 33,000+ listed companies in Asia. By investing across the universe using Fundamental, Valuation, and Technical principles; the ability to be different provides outperformance potential.



Geographical Breakdown



Sector Allocation



Strategy Backtest Statistics*

Annualised Return	Volatility	Positive Months	Upside/Downside Capture
11.92%	18.84%	59%	95/77%

* For illustrative purposes only. Calculated 29/8/2008 to 31/10/2020, inclusive of cost and fees as determined appropriate by the manager. These statistics may not be a good indication of actual performance which can differ meaningfully over shorter time periods.

Top Equity Holdings



Monthly Performance History

USD B ¹	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2020	-	-	-	-	-	-	-	-	-	-	8.15%	3.38%	11.81% ²
2021	2.40%	0.94%	-1.34%	2.05%	0.08%	0.02%	-5.55% ⁴						-1.61% ⁴

SGD A	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2021	-	-	-	-	0.45%	-0.29%	-5.55% ⁴						-5.40% ^{3,4}

¹ Performance based on the Lead Series. ² Since inception of 2 Nov 2020. ³ Since inception of 3 May 2021. ⁴ Manager's estimated return. Actual return will be updated in the following month.

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Market & Portfolio Developments

Market Review

Asia markets took a major hit in July as the Chinese government clampdown on certain industries and companies reverberated across markets. China 'A' equities were down 7.3%, and the broader Asia markets dropped 6.6% in sympathy.

Main Contributors 'What did well?'

Our portfolio's preference for quality and value helped us to avoid the sharp declines seen within certain growth segments in July e.g. New Oriental declined 73.5% in just a month. We did not have a crystal ball to foresee the recent regulatory actions in China, but continued to be guided by our FVT process to invest into a diversified portfolio that is expected to have higher future returns – not by chasing past performance.

Small-cap stocks also continued to outperform alongside better economic activity, further extending their year-to-date lead.

Main Detractors 'What underperformed?'

Concerns around the Chinese government clampdown caused contagion effects which led to meaningful declines. Even as we avoided the epicentre of the sell-off, a few of our growthier tech companies were hit i.e. JD.com and Meituan declined 9.43% and 32.9% respectively. It is perhaps worth highlighting that we had considerably reduced our Meituan holdings from 4% to 0.6% in June (before July's sell-off), when our FVT indicators turned less favourable.

Market Outlook

The litany of regulations imposed by the Chinese government is yet another of a string of events this year that has led to bouts of volatility and risk-off behaviour amongst investors. In such an environment, we take comfort in our diversified investing approach, which allows us to participate in the compelling long-term growth opportunities in Asia, while going through a less stressful investment journey.

⁵ Please note that the distributions (if any) may be declared semi-annually based on the Investment Manager's discretion. If distributions are made, such distributions are not a forecast, indication or projection of the future performance of the Fund. ⁶ Charged on high water mark basis, with zero hurdle rate.

About **Meranti**: The Meranti fund series is named after the Meranti tree, which is native to Singapore and the region. It is a canopy and emergent tree; providing shade from its place at the top layer of a rainforest where sunlight is plentiful. To reach such great heights, the trees have a strong and wide system of roots to help provide stability while also gathering more nutrients. Likewise, Meranti funds were developed around a Dynamic Risk Mitigation process so that investors can invest with confidence and harvest the full potential of capital growth through market cycles.

About **FAM**: Finexis Asset Management is a Capital Markets Services (CMS) licensed fund management company established in Singapore, focusing on bringing institutional capabilities to private clients. The boutique set-up ensures that we are flexible, responsive and proactive. We embrace the latest technology and constantly improve our processes to complement our investment solutions. Constant evolution to fulfil our investor's needs is ingrained in our beliefs.

For fund and sales related enquires please reach out to your finexis financial advisor representative or email us at customer.service@finexisam.com

Fund Details

Item	Class A	Class B
Currency	USD, SGD	
ISIN (USD Class)	SGXZ99381758 (Distribution)	SGXZ76017904 (Accumulation)
ISIN (SGD Class)	SGXZ64383987 (Distribution)	SGXZ78636883 (Accumulation)
Projected Distribution ⁵	4% p.a.	-
Min. Subscription	USD 400,000 SGD 500,000	USD 40,000 SGD 50,000
Account Opening Fee (One-time)	N/A	USD 3,000 SGD 4,000
Min. Subsequent Subscription	USD 10,000 SGD 15,000	USD 10,000 SGD 15,000
Redemption Fees		
1st Year of Investment	-	3%
2nd Year of Investment	-	2%
3rd Year of Investment	-	1%
4th Year Onwards	-	0%
Management Fee	1.78%	0%
Performance Fee ⁶	0%	20%
Fund Name	Meranti Capital VCC Asia Fund	
Dealing Frequency	Monthly	
Base Currency	USD	
Inception Date	2 November 2020	
Fund Domicile	Singapore	
Investment Manager	Finexis Asset Management	
Fund Administrator	ASCENT Fund Services (Singapore)	
Custodian	Standard Chartered Bank	
Auditor	KPMG LLP	
Broker	Goldman Sachs (Asia) L.L.C.	
Legal Advisors	BTPLaw LLC	

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