



Meranti Millennium Equity

31 January 2025

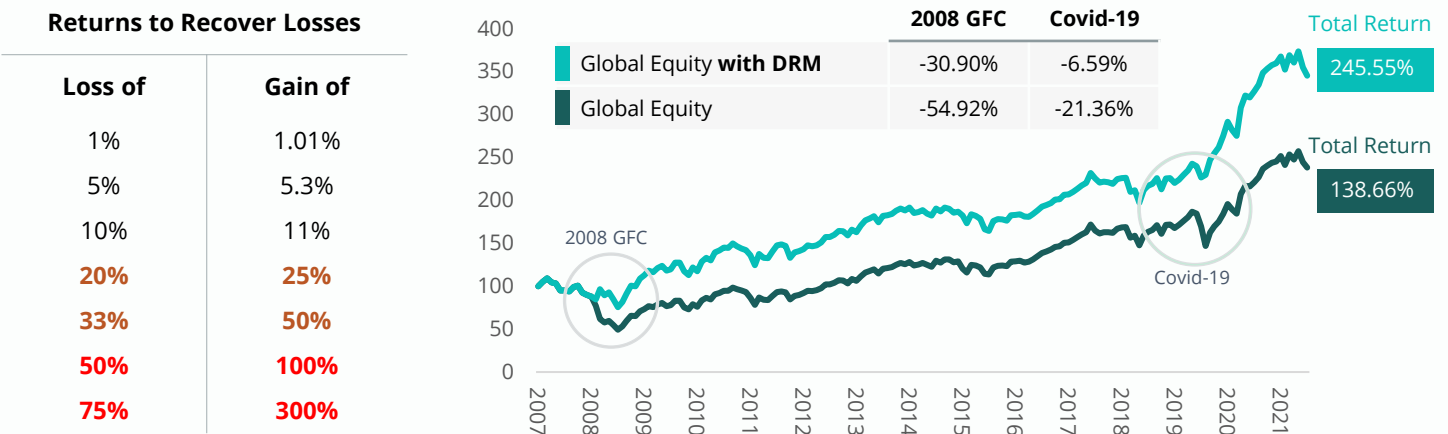
Our Strategy

Throughout human history, no society has enjoyed access to as vast information as we do today. While this abundance and convenience of information have their advantages, it has also brought constant anxiety to investors as they grapple with the decision to buy or sell. Not to mention the pressure they face during unexpected and potentially catastrophic events such as the 2008 Great Financial Crisis where the price of global equity markets declined sharply by -60%. **Meranti Millennium Equity strategy (MME)** is designed to set aside a fixed protection budget to help investors not only stay invested but also top up when markets are at their maximum fear, which is inevitable in the journey of any long-term equity investor.



Power Of Loss Aversion In Both Returns And Emotions

Leverage on the Meranti Millennium Equity (MME) strategy to participate in the global economic growth without worrying about market crashes which can hurt investment returns significantly. The greater the loss, the harder it is for investors to recover:



In times of significant market downturns, such as the Great Financial Crisis of 2008 and the Covid-19 pandemic in 2020, an investor using Dynamic Risk Management (DRM) to invest in global equities would have experienced smaller drawdowns and ultimately achieved a higher return than an investor without such protection.

Historical Performance

Monthly Return, %

Class	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2019	9.55	2.96	-2.03	2.50	-6.83	5.99	1.15	-1.78	0.09	2.57	2.00	3.34	20.27
2020	-0.68	-4.70	3.90	7.49	0.78	2.48	6.42	3.99	-5.53	-0.02	13.61	7.06	38.78
2021	4.87	6.16	-2.40	3.50	2.15	0.97	-5.70	0.65	-2.34	2.62	-5.38	2.47	6.96
2022	-5.94	-1.61	-1.00	-8.28	-0.11	-6.38	3.45	-2.89	-10.21	2.97	9.92	-2.78	-22.00
2023	9.37	-4.95	-0.74	-2.56	-4.00	3.88	4.82	-6.19	-5.24	-7.47	6.57	5.60	-2.71
2024	-5.09	5.03	2.67	-5.48	2.80	-1.14	1.77	2.00	1.84	-2.76	0.95	-3.04	-1.08
2025	2.63 ¹												

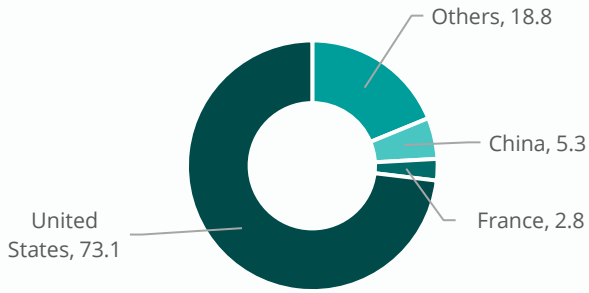
Performance from 1/1/2019 to 1/7/2021 is calculated using a similarly managed composite portfolio fully invested net of estimated fees. Performance since 1/7/2021 is based on actual fund performance. ¹ Manager's estimated return net of fees. Actual returns may differ and will be updated in the following month. Source: Finexis Asset Management. Share class performance is calculated using NAV of the share class with income reinvested and including ongoing charges, excluding any entry and exit fees

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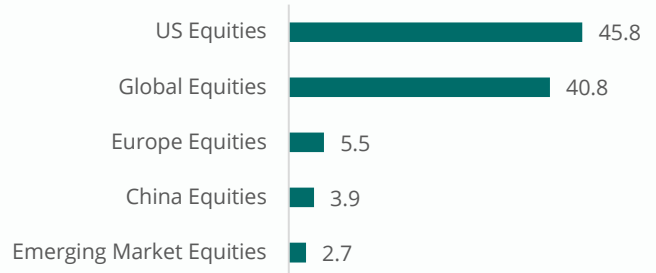


Strategy Characteristics

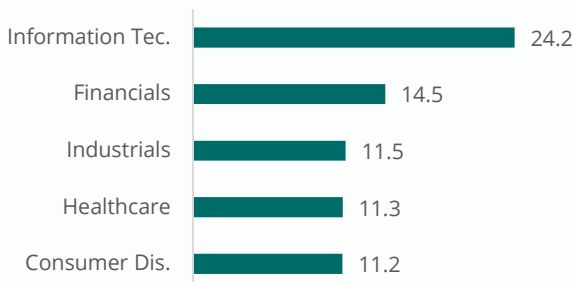
Geographical Allocation, %



Top 5 Market Allocation, %



Top 5 Equity Sector Allocation, %



Top 5 Fund Holdings, %

ISHARES Core MSCI World	22.4
ISHARES MSCI ACWI ETF	18.4
AM S&P500 II ETF	15.2
VanEck Morningstar Wide Moat ETF	9.2
ISHARES NASDAQ 100	6.2

Source: Finexis Asset Management. Others include countries in Asia Pacific, Western Europe, Africa/Middle East, and South & Central America. The top 5 market allocations and fund holdings are at the fund level. Geographical allocation and top 5 sector allocation are at the portfolio look-through level. For illustrative purposes only and does not constitute to any recommendations to invest in the above-mentioned country/sector/security.

Discerning The Signals From The Noise

A three-pronged research process to identify signals that point us to **sustainable trends** which are underappreciated by the market, which come with **good fundamentals** and **attractive valuation**, with a higher likelihood of outperforming over the long term.



Fundamental

Study financial and economic data (e.g. GDP, unemployment rate, and inflation rate etc.) that may drive market movement to find opportunities with **good fundamentals** that are underappreciated.



Valuation

Picking the right valuation metrics (e.g. price-to-earnings, price-to-book, EV/EBITDA etc.) to spot **undervalued opportunities** and avoid overpaying for any investment with only good stories.



Trend

Seek inflection points in **sustainable trends** to capture overlooked opportunities and avoid less recognised risks (such as the end of a bond supercycle).

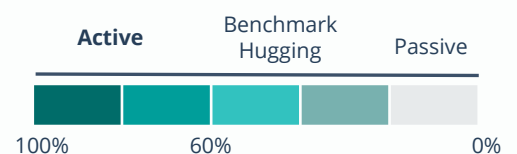
High Level of Active Management

Many actively managed funds underperform because they have a low active share. This happens when a portfolio's holdings are very similar to the referenced benchmark, a practice commonly referred to as 'benchmark hugging'. In contrast, **funds with a high level of active management may have greater potential for outperformance in the long run**, as there is no way any fund can outperform the market if they are investing like the market.

By investing in areas where we have the greatest conviction and applying it to our whole portfolio, we aim to provide better returns over risk through a full market cycle.



Target active share > 80%



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Finexis Asset Management

Market & Portfolio Developments

Following a challenging December 2024, January was kind to most major asset classes with equities leading the gains. **Amid this backdrop, MME delivered strong gains of 2.6% over the past month.**

A solid equity performance in January is supportive of sentiment as implied by the January barometer. For those who believe in statistics, the January barometer (“as goes January, so goes the year”) predicts that if stock markets rise in January, it is likely to continue to rise higher through the year. When this signal was positive in the first year of a US Presidential cycle, the S&P 500 was up c.90% of the time for the year with an average return of c.18%.

While January’s performance is historically a positive indication of things to come, investors should not just invest blindly based on a single data point and assume smooth sailing ahead.

The release of a new AI model by Chinese company DeepSeek caused anxiety among investors who had believed in the dominance of US mega-cap tech stocks such as the Magnificent 7 (M7). DeepSeek’s model matched the performance of US AI market leaders but at a fraction of the cost with less powerful chips – challenging many assumptions on AI Capex and the associated return that drove the M7 bull market over the past few years. With the long-term impact of DeepSeek’s development still uncertain, we have been diversifying from the M7 (and the S&P 500) to enhance the portfolio’s risk-adjusted return.

Investors also need to grapple with the implications of Tariffs going forward. US President Donald Trump’s recent actions to Tariff Canada, Mexico, and China officially marked the start of Tariff 2.0. It is also a matter of time before Europe, and other countries face similar threats; adding a layer of unpredictability to markets going forward. Yet there are reasons for optimism. Statistics aside, financial markets can continue to grind higher if tariffs remain measured and global growth stays resilient.

Under Trump, markets are more prone to quick reversals with every news headline, and more than ever it is important not to invest emotionally without a proper investment strategy and process in place. We’ve been agile in navigating today’s fluid landscape; such as by lightening our tech exposures out of prudence as we gain clarity on DeepSeek’s implication of the AI trajectory in the US. Moving forward, we will continue to dynamically adjust our allocations as the risk events and tariff negotiations evolve.

Fund Details

Item	Class A	Class B
Currency	SGD, USD	
ISIN (SGD Class)	SGXZ32206252 (Distribution)	SGXZ53567772 (Accumulation)
ISIN (USD Class)	SGXZ35636000 (Distribution)	SGXZ56727852 (Accumulation)
Projected Distribution ²	4% p.a.	-
Min. Subscription	SGD 500,000 USD 400,000	SGD 50,000 USD 40,000
Account Opening Fee ³ (One-time)	SGD 4,000 USD 3,000	SGD 4,000 USD 3,000
Min. Subsequent Subscription	SGD 15,000 USD 10,000	SGD 15,000 USD 10,000
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 ⁴	0%	20%
Fund Name	Meranti Capital VCC Millennium Equity Fund	
Dealing Frequency	Monthly	
Base Currency	USD	
Inception Date	1 April 2021	
Fund Domicile	Singapore	
Investment Manager	Finexis Asset Management	
Fund Administrator	ASCENT Fund Services (Singapore)	
Custodian	Standard Chartered Bank	
Auditor	PWC LLP	
Broker	Goldman Sachs (Asia) L.L.C.	
Legal Advisors	BTPLaw LLC	

²Please 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. ³Waiver of account opening fees for investors through the platforms. ⁴Charged on high water mark basis, with zero hurdle rate.

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Share Class Performance History

Monthly Return, %

SGD A	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2021	-	-	-	2.30	1.98	0.76	-5.35	0.65	-2.41	2.58	-5.42	2.40	-2.87 ⁵
2022	-5.93	-1.62	-1.06	-8.39	-0.25	-6.48	3.33	-2.93	-10.59	2.89	9.60	-2.75	-23.04
2023	9.25	-5.00	-0.94	-2.64	-4.20	3.61	4.68	-6.42	-5.46	-7.63	6.42	5.38	-4.68
2024	-5.34	4.85	2.50	-5.62	2.64	-1.33	1.63	1.96	1.64	-3.16	0.91	-3.18	-3.10
2025	2.46 ¹												2.46 ¹
USD A	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2021	-	-	-	-	-	-	-	0.65	-2.34	2.62	-5.38	2.47	-2.20 ⁶
2022	-5.94	-1.61	-1.00	-8.28	-0.11	-6.38	3.45	-2.89	-10.21	2.97	9.92	-2.78	-22.00
2023	9.37	-4.95	-0.74	-2.56	-4.00	3.88	4.82	-6.19	-5.24	-7.47	6.57	5.60	-2.71
2024	-5.09	5.03	2.67	-5.48	2.80	-1.14	1.77	2.00	1.84	-2.76	0.95	-3.04	-1.08
2025	2.63 ¹												2.63 ¹
USD B ⁷	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2021	-	-	-	1.95	1.62	0.77	-5.22	0.80	-2.20	2.78	-5.24	2.62	-2.51 ⁵
2022	-5.80	-1.46	-0.86	-8.14	0.04	-6.24	3.62	-2.74	-10.07	3.12	10.09	-2.64	-20.57
2023	9.54	-4.81	-0.59	-2.42	-3.85	4.03	4.98	-6.05	-5.09	-7.34	6.73	5.76	-0.94
2024	-4.95	5.19	2.82	-5.34	2.95	-0.99	1.92	2.15	2.00	-2.62	1.10	-2.90	0.70
2025	2.78 ¹												2.78 ¹

¹Manager's estimated return net of fees. Actual return may differ and will be updated in the following month. ⁵Since inception of 1 April 2021. ⁶Since inception of 2 August 2021. ⁷Performance based on the Lead Series Source: Finexis Asset Management. Share class performance is calculated using NAV of the share class with income reinvested and including ongoing charges, excluding any entry and exit fees.

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

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