

Meranti Asia Fund

Factsheet

31st Mar 2021

Strategy Description

Meranti Capital VCC Asia Fund (Meranti Asia Fund) aims to provide long term capital appreciation by investing across Asia Pacific ex. Japan markets, while seeking to mitigate risks during stress. 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

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.

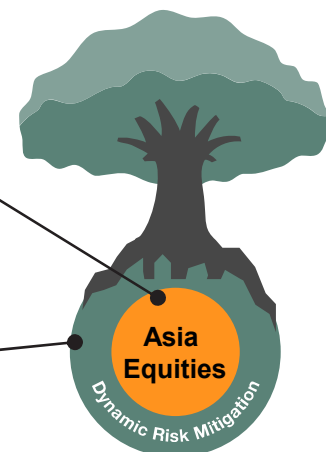
Dynamic Risk Mitigation: Equity bear markets are infrequent but inevitable. The strategy is designed to meet investors' desire for high capital appreciation with managed downside.

Asia Equities

Fertile ground for investing into compelling growth opportunities

Dynamic Risk Mitigation

Risk management to mitigate risk of negative compounding



Top Equity Holdings

Tencent	6.63%
Meituan	2.65%
JD.com	1.54%
Trent Ltd	1.19%
Sea Ltd	1.17%

Sector Allocation

Consumer Discretionary	21.03%
Consumer Staples	13.62%
Communication Services	12.85%
Real Estate	10.85%
Industrials	7.66%

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.

Country Allocation

China	45.76%
Australia	16.13%
India	6.72%
Hong Kong	5.82%
Indonesia	5.77%

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%	-1.90% ³	2.25% ³									3.68% ³

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

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Market & Portfolio Developments

Market Review

Asia equities took a pause in March, ending the ‘bunny’ quarter with a +2.72% gain. Beneath the surface, we continued to see dispersion across sectors and styles – ‘high-growth’ names remained fragile after strong gains at the start of the year, while recovery segments were more resilient.

Main Contributors ‘What did well?’

Recovery segments continued to do well over the past month, widening their lead against pandemic-era winners. Our emphasis on names with ‘good valuation’ benefitted as the rotation into recovery accelerated. Accordingly, small-caps and Australian equities did particularly well in March.

Main Detractors ‘What underperformed?’

Previous strong performers (‘momentum stocks’) continued to give back some of their earlier gains. Once again, this was most evident in the China names, which detracted over the past month. We continue to take comfort that within our diversified portfolio there are investments that take turns to do well, and are expected to contribute meaningfully over time.

Market Outlook

We are cautiously optimistic that green shoots have emerged across the economic indicators that we monitor, which may surface interesting opportunities for investors in the coming months. A more sustained economic recovery is also expected to be more favourable for Asia equities and our undervalued holdings to do well.

Fund Details ⁴ Charged based on high water mark basis, with zero hurdle rate.

Item	Class A	Class B
Currency	USD, SGD	
ISIN (USD Class)	SGXZ99381758 (Distribution)	SGXZ76017904 (Accumulation)
ISIN (SGD Class)	SGXZ64383987 (Distribution)	SGXZ78636883 (Accumulation)
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 ⁴	0%	20%
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	

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. Our people work hard, strive for excellence, and reject mediocrity. We embrace the latest technology and constantly improve our processes to complement our investment solutions. Constant evolution to fulfill 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

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