



## 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 market 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.

### Asia Equities

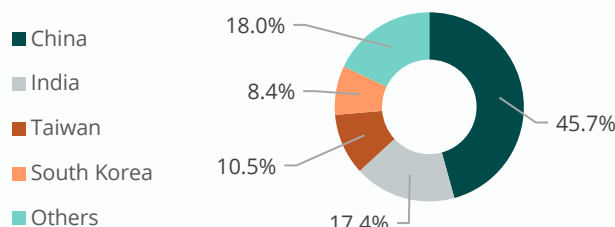
Fertile ground for investing into compelling growth opportunities

### Dynamic Risk Mitigation

Risk management to mitigate risk of negative compounding



## Geographical Breakdown



## Sector Allocation



## Top Equity Holdings

Tencent Holdings	World-leading internet and technology company offering high-quality digital content and services.
Alibaba Group	China's biggest e-commerce company for online and mobile marketplaces in retail and wholesale trade.
Ping An Insurance	World-leading retail financial services provider for integrated finance and healthcare.
China Tower	China's largest telecommunications infrastructure service provider.
TSMC	World's largest contract manufacturer of semiconductor.

## Portfolio Statistics\*

	Portfolio	Benchmark
Current Price-Earnings (P/E) Ratio	16.38	14.58

Earnings-Per-Share (EPS) Growth	18.46	13.17
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\*Current Price-Earnings (P/E) ratio and Earnings-Per-Share (EPS) Growth figures retrieved from Bloomberg. Reference benchmark is the MSCI AC Asia Ex Japan Index.

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# Market & Portfolio Developments

## Market Review

Asian equity markets recorded negative performance in May as regional markets continued to show mixed performance. Chinese equities remained subdued as initial investor optimism following the reopening of China's economy after the COVID-19 crisis waned as investors digested weaker-than-expected economic data. Nonetheless, China's recovery is happening, with its economy growing at 4.5% in the first quarter of 2023. In other parts of Asia, performance remained mixed as investor sentiment was subdued amid caution around the uncertainty of the US debt ceiling negotiations.

## Main Contributors 'What did well?'

**Taiwan and Korean equities** ended the month in the green, driven by gains in the technology sector as investors' enthusiasm was boosted by the frenzy around artificial intelligence. **Indian equities** also contributed positively to performance.

## Main Detractors 'What underperformed?'

Weak market sentiment continued to keep a lid on **Chinese equities** performance as investors continued to adopt a wait-and-see approach to China's economic recovery. We believe that there is now more room for upside surprise in China, especially as supportive policies are expected to improve the economy in the coming quarters.

## Market Outlook

Amidst the ongoing market uncertainty and volatility, it becomes increasingly important for investors to maintain a strong heart and mind – remain emotionally resilient and opportunistic. As Warren Buffet wisely advises, "Be fearful when others are greedy, and be greedy when others are fearful." Encouragingly, the current investment landscape in Asia provides reasons for optimism. China, with its attractive valuations and improving fundamentals, is poised to lead the Asian Decade, and MAF is well-positioned to benefit from it. The time calls for patience; in fact, today presents an opportune time to accumulate units at very attractive prices.

## Fund Details

Item	Class A	Class B
Currency	SGD, USD	
ISIN (SGD Class)	SGXZ64383987 (Distribution)	SGXZ78636883 (Accumulation)
ISIN (USD Class)	SGXZ99381758 (Distribution)	SGXZ76017904 (Accumulation)
Projected Distribution <sup>2</sup>	4% p.a.	-
Min. Subscription	SGD 500,000 USD 400,000	SGD 50,000 USD 40,000
Account Opening Fee <sup>3</sup> (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 <sup>4</sup>	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	

<sup>2</sup> 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. <sup>3</sup> Waiver of account opening fees for investors through the platforms. <sup>4</sup> 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.

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Signatory of:



# Share Class Performance History

USD B <sup>1</sup>	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2020	-	-	-	-	-	-	-	-	-	-	8.15%	3.38%	11.81% <sup>2</sup>
2021	2.40%	0.94%	-1.34%	2.05%	0.08%	0.02%	-5.55%	3.13%	-4.36%	1.81%	-3.76%	-1.84%	-6.65%
2022	-4.57%	-0.74%	-2.00%	-1.84%	-1.88%	-4.04%	-2.76%	0.20%	-11.43%	-10.21%	19.68%	1.11%	-19.55%
2023	8.69%	-8.48%	4.05%	-2.86%	-4.16% <sup>5</sup>								-3.64% <sup>5</sup>
SGD A	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2021	-	-	-	-	0.45%	-0.29%	-5.71%	3.00%	-4.63%	1.51%	-3.90%	-2.10%	-11.40% <sup>3</sup>
2022	-4.70%	-0.93%	-2.21%	-1.99%	-2.04%	-4.31%	-2.95%	0.03%	-11.98%	-10.20%	18.85%	0.81%	-22.03%
2023	8.29%	-9.00%	3.68%	-3.08%	-4.31% <sup>5</sup>								-5.24% <sup>5</sup>
USD A	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2021	-	-	-	-	-	-	-	2.98%	-4.50%	1.66%	-3.90%	-1.99%	-5.83% <sup>4</sup>
2022	-4.71%	-0.89%	-2.14%	-1.99%	-2.02%	-4.18%	-2.95%	0.05%	-11.56%	-10.34%	19.50%	0.96%	-21.00%
2023	8.53%	-8.61%	3.89%	-3.00%	-4.31% <sup>5</sup>								-4.36% <sup>5</sup>

<sup>1</sup> Performance based on the Lead Series. <sup>2</sup> Since inception of 2 Nov 2020. <sup>3</sup> Since inception of 3 May 2021. <sup>4</sup> Since inception of 2 August 2021. <sup>5</sup> Manager's estimated return. Actual return will be updated in the following month.

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