



## 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

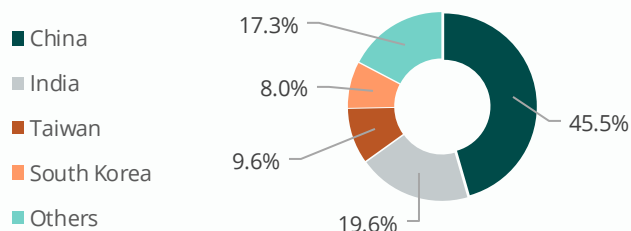
Fertile ground for investing into compelling growth opportunities

### Dynamic Risk Mitigation

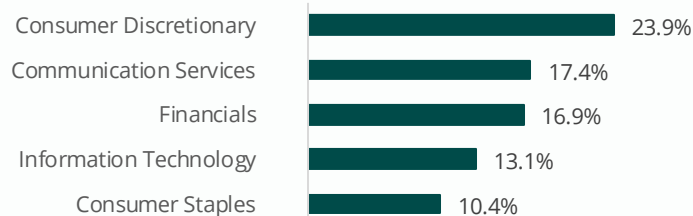
Risk management to mitigate risk of negative compounding



## 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	13.98	12.74
Earnings-Per-Share (EPS) Growth	16.43	13.60

\*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

Global equity markets were down in September as rising interest rates brought about concerns on economic growth. Given this backdrop, if one had to guess “which did worse: US or Asian stocks?”, a likely answer would be Asia. There are different reasons for this, including the generalizing that Asian markets are riskier, or negative perception of Asia due to recent experience. Hence it might be counterintuitive to see that our Asia fund was down less, compared to US S&P and tech stocks (Nasdaq).

Nasdaq	S&P	Meranti Asia
-5.77%	-4.77%	-3.17% <sup>5</sup>

What contributed were the unique performance drivers that make our fund differentiated from many Asia investment opportunities.

### Differentiated exposure to India

Our holdings in India are focused on the consumer whereas a typical Asia fund will be focused on highly cyclical industries such as Indian financials and energy. One of last month’s contributors is Nykaa, the first Indian unicorn startup headed by a woman.

Nykaa is an omnichannel retailer of beauty, wellness and fashion products. With 2000 brands including leading international brands such as MAC and Dior, Nykaa’s range of products and distribution network are a one-stop shop for the growing consumer base in India.

Another contributor is Jubilant Foodworks. While the company itself may not be a household name, its network of restaurants are. Jubilant is the exclusive operator of Domino’s Pizza, Dunkin’ Donuts and Popeyes in India. Jubilant’s reach is not just limited to India, with exclusive rights for its brands also in Sri Lanka, Bangladesh, Nepal and Bhutan.

### Meaningful exposure to South East Asia

The typical Asia fund has practically no exposure to the growth engine of Asia sitting in our back yard: Vietnam. Vietnam’s unique geography presents challenges yet opportunities for companies that can solve the distribution problem. Our fund has an investment in MobileWorld, whose store network made it a leading retailer of mobile phones and consumer electronics in Vietnam.

While grocery shopping in Singapore is dominated by supermarkets, 92% of Vietnam’s grocery retail is via small format mom & pop shops. MobileWorld’s Bách Hóa XANH supermarket chain is in a position to consolidate and transform the grocery retail market. More recently, Singapore’s GIC was said to be vying for a stake in Bách Hóa XANH.

**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.

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## 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.

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# 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%	-4.10%	3.60%	7.36%	-8.37%	-3.02% <sup>5</sup>				-4.70% <sup>5</sup>
SGDA	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%	-4.45%	3.19%	7.00%	-8.78%	-3.17% <sup>5</sup>				-7.72% <sup>5</sup>
USDA	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%	-4.24%	3.44%	7.20%	-8.51%	-3.17% <sup>5</sup>				-5.97% <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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