

# YEOMAN 3-RIGHTS VALUE ASIA FUND

(Co. Regn: 53979 C1 GBL; Fund Business Licence: C1/04/01282)

At 31 Mar 2007

NAV/Share:

**S\$144.06**

## Performance Figures for Month of Mar 2007

Mar 2007 **-0.60%**

Year-to-date 2007 **+1.39%**

Cumulative 9 yr 5 mo performance **+305.18%**

Implying a compounding rate of return of **+16.02% p.a.** over the 9 yr 5mo period.

(Nett of all fees, with dividends re-invested and in SGD terms)

### Equities/Cash Allocations

Equities 98.68%

Cash 1.32%

### Country Allocations

Korea 36.50%

Singapore 25.97%

Hong Kong 25.09%

Malaysia 7.03%

Thailand 1.73%

### Portfolio Valuations (trailing)

PE 9.94x

P/NTA 1.09x

Dividend Yield 4.47% p.a.

ROE 12.80% (1 yr)

15.47% (5 yrs average)

Wt. Ave. Mkt. Cap. S\$306.7m

## General Information

Fund Address:

**10 Frere Felix De Valois Street,  
Port Louis, Mauritius**

Manager:

**Yeoman Capital Management Pte Ltd  
11 Unity Street #02-13,  
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Website:

[www.yeomancap.com](http://www.yeomancap.com)

Total Value of Fund:

**S\$54,437,991.75**

Total Number of Shares:

**377,894.32**

Management Fee:

**1% p.a.**

Performance Fee:

**15% High Water Mark**

Sales Charge:

**2.5% of NAV** (payable to Distributor if applicable)

Manager Subscr Charge:

**S\$2,500** (one-time fixed sum payable to Manager)

Fund Subscription Charge:

**1% of NAV** (payable to Fund)

Fund Redemption Charge:

**1.5% of NAV** (payable to Fund)

Subscription frequency:

**Monthly**

Redemption frequency:

**Quarterly**

Investment Horizon

Recommended:

**3-5 years or more**

Minimum Investment:

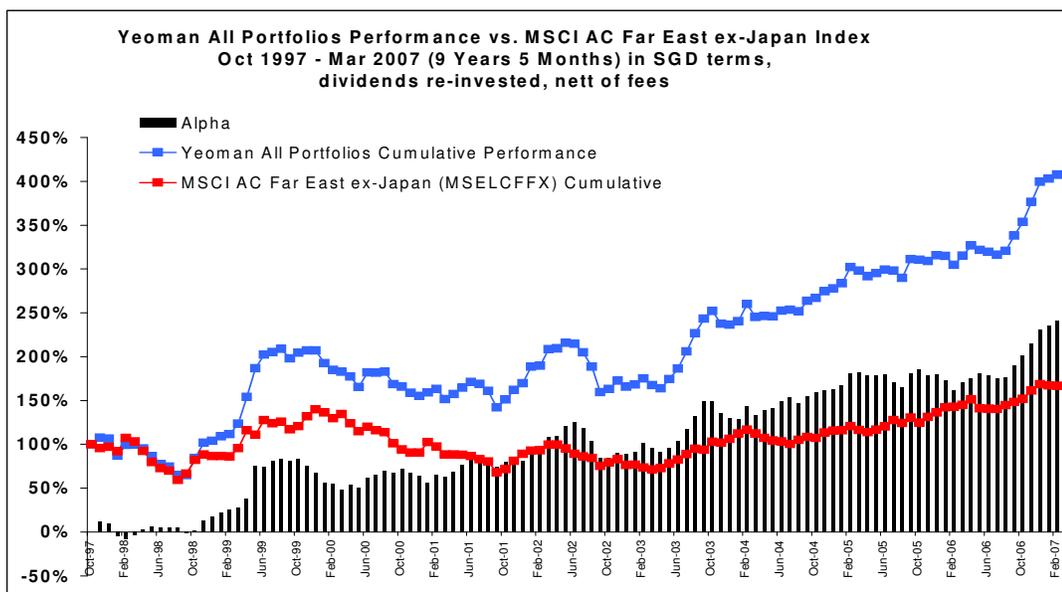
**S\$250,000**

Custodian:

**British and Malayan Trustees Ltd,  
Deutsche Bank**

Auditor:

**KPMG**



## Yeoman All-Portfolios Performance 9yr 5mo ending 31/3/2007

Period	Yeoman-All Performance	MSCI AC FE x Japan Performance
Oct 97 to Dec 97	+6.6%	-2.9%
Jan 98 to Dec 98	-2.5%	-10.7%
Jan 99 to Dec 99	+99.3%	+61.4%
Jan 00 to Dec 00	-25.1%	-35.2%
Jan 01 to Dec 01	+9.5%	-1.6%
Jan 02 to Dec 02	-2.6%	-14.5%
Jan 03 to Dec 03	+42.9%	+39.2%
Jan 04 to Dec 04	+17.5%	+8.8%
Jan 05 to Dec 05	+13.6%	+18.1%
Jan 06 to Dec 06	+26.59%	+23.48%
Y T D	+1.39%	+1.50%
Cumulative Performance from 10/97 to 3/07 (9Yr 5mo)	<b>+305.18%</b>	<b>+70.86%</b>
<b>CAGR</b>	<b>+16.02%</b>	<b>+5.85%</b>

Note: In SGD terms, nett of all fees, dividends re-invested and calculated according to CFA (AIMR) PPS standards.

Complete information on the Fund and the latest updates are available from the manager Yeoman Capital Management Pte Ltd or from the Custodian. This document constitutes neither a recommendation nor an offer to buy or sell, is not a solicitation to invest in the Fund, neither does it constitute an investment contract. Please be aware that past performance is not indicative of future result

## **MANAGER'S COMMENT AND PERFORMANCE REVIEW AT 1Q 07**

### **Absolute Performance**

Month of Mar 07 **-0.60%**

YTD 1Q 07 **+1.39%**

Cumulative Oct 97 to Mar 07 (9 yr 5 mo period): **+305.18% (i.e. up 4.05x)**

Implying **CAGR of +16.02% p.a.** (compounding) over the period on nett of all fees, dividends reinvested, SGD basis.

In dollar terms, for every **\$1m** entrusted to our management in October 1997, today you would have **\$4.05m**.

### **Relative Performance**

For purpose of comparison, the MSCI AC FE x Japan (MSELCFFX) over the same periods showed the following performance:

Month of Mar 07 +2.59%

YTD 1Q +1.50%

Cumulative over the 9 yr 5 mo period +70.86%

Which implies a CAGR of +5.85% p.a.

Hence over the short term we generally performed in line with the Index but over the long term we outperformed the market by +234.32% or 4.3x!!

### **Graphical and Tabular View**

Please see cover page of this report.

*(Note: As before, the above figures are **nett of all fees with dividends reinvested and in SGD terms**. Performance calculations follow the CFA (formerly AIMR) PPS standards consistently and measures all/all accounts under management for period Oct 97 to Dec 04 and thereafter for Jan 05 onwards, only our Mauritius domiciled Yeoman 3-Rights Value Asia Fund is reported.*

### **Portfolio Actions**

We part trimmed some of our Malaysia holdings on the back of the sharp run-up in Feb. As the markets weakened in first half of Mar, we re-deployed the cash back into the same securities. We also sold 1/3 of our holdings in a Korea zinc oxide manufacturer which had tripled since we purchased it back in early 2005. The proceeds were used for a property counter back here in Spore. We trimmed some of our Spore holdings as prices came closer to fair value.

Other than the above, we basically sat quiet through a rather choppy period after falls on the Shanghai market triggered a series of sell-offs in Asia, UK Europe and the USA (don't ask me how these things are linked).

### **Discussion on Strategy**

Notwithstanding the few days or weeks of panic back in end Feb and early Mar 07, the markets seem to be chugging along upwards again.

Having come the way we have, we don't really care where the markets go. All we know is that over the last 9 yrs 5 mo we have been investing on a bottom-up stock-pick basis and have done well for our clients. If the stocks under study meet our investment criteria (right price, right business economics, right management) you will find us invested. If not, we will not invest. Unlike most other people, we have never asked ourselves the other question *whether* we should invest (and try time to buy the day before the market goes up and sell the day before it goes down).

What we find quite rewarding in terms of investment process rigour is that the valuation parameters of our portfolio today are not so different from what they were a year ago at end 1Q 06:

	<b>Today (at end 1Q 2007)</b>	<b>At end 1Q 2006</b>
PE (trailing, 1 year)	9.94x	8.18x
P/NTA (or P/Book)	1.09x	1.13x
Dividend Yield (% p.a.)	4.47%	4.49%

Our Fund per share NAV has gone up +28.57% over the last 12 months and our portfolio valuation ratios remain virtually unchanged as we sell the overvalued securities and re-deploy into undervalued ones. So here is the key – We are fully invested but only in undervalued securities resulting in an undervalued portfolio, making ours an evergreen process.

The undervaluation factor gives our portfolio positive buoyancy which is the engine for generating superior investment returns, under all market conditions.

YEO SENG CHONG  
 As Manager and Director  
 Yeoman 3-Rights Value Asia Fund