

# Yeoman 3-Rights Value ASIA Fund

(Incorporated in Mauritius in Jan2005; Co. Regn: 53979 C1/GBL; Fund Business Licence: C104001282)

At 31 Dec 2019

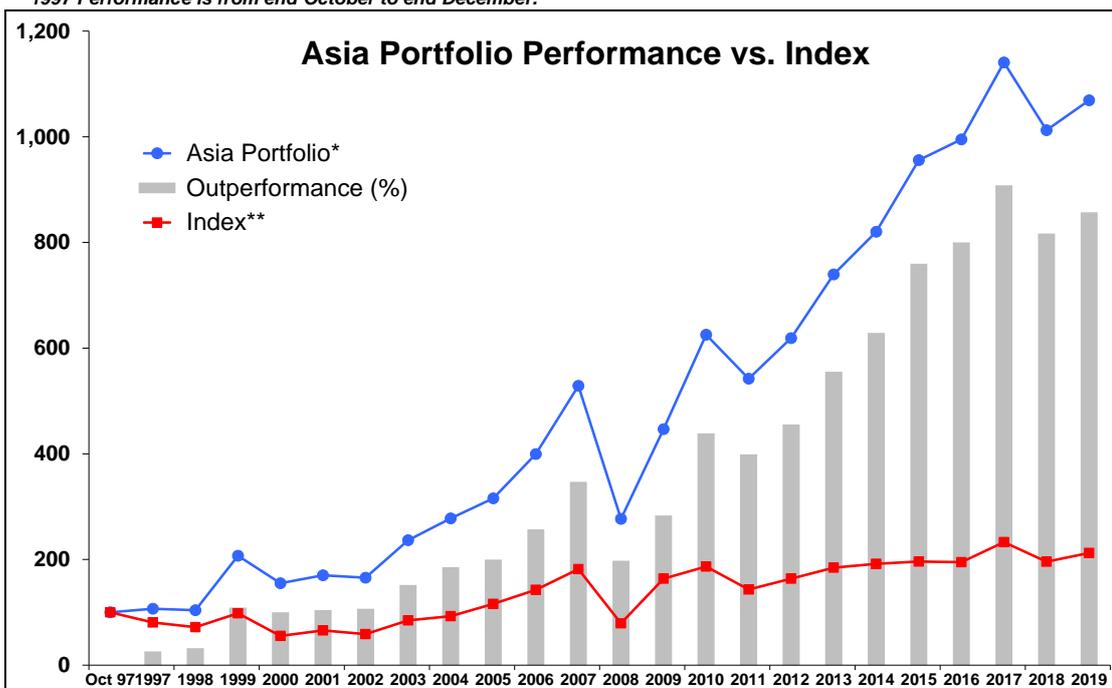
NAV/Share:

**S\$380.16**

## Yeoman Asia Portfolio Performance: 22 years 2 months ending 31 December 2019

Period	Yeoman Asia Portfolio	Index	Out/Under Performance
<b>CAGR (per annum)</b>	<b>11.28%</b> p.a.	<b>3.45%</b> p.a.	<b>+7.83%</b> p.a.
<b>Cumulative Performance</b>	<b>969.24%</b>	<b>112.28%</b>	<b>+856.96%</b>
<b>December 2019</b>	0.89%	3.46%	-2.57%
<b>Year To Date 2019</b>	5.59%	8.48%	-2.89%
<b>Historical Performance</b>			
2019	5.59%	8.48%	-2.89%
2018	-11.24%	-15.91%	+4.67%
2017	14.64%	19.50%	-4.86%
2016	4.10%	-0.64%	+4.74%
2015	16.51%	2.22%	+14.29%
2014	10.92%	3.98%	+6.94%
2013	19.46%	12.69%	+6.77%
2012	14.19%	14.26%	-0.07%
2011	-13.29%	-23.24%	+9.95%
2010	40.00%	14.11%	+25.89%
2009	61.31%	106.34%	-45.03%
2008	-47.62%	-56.37%	+8.75%
2007	32.28%	27.41%	+4.87%
2006	26.59%	22.95%	+3.64%
2005	13.65%	25.28%	-11.63%
2004	17.46%	9.16%	+8.30%
2003	42.87%	44.27%	-1.40%
2002	-2.57%	-10.37%	+7.80%
2001	9.53%	18.70%	-9.17%
2000	-25.14%	-43.76%	+18.62%
1999	99.32%	36.65%	+62.67%
1998	-2.49%	-10.79%	+8.30%
1997*	6.60%	-19.42%	+26.02%

Note: In SGD terms, nett of all fees with dividends re-invested.  
\*1997 Performance is from end October to end December.



\* Chart shows performance from 31 October 1997, re-based to 100. Asia Portfolio: Performance from 19 January 2005 fund inception onwards refers to Yeoman 3-Rights Value Asia Fund. Performance prior to 19 January 2005 refers to segregated accounts reported on a composite basis (comparable investment objective). Performance in SGD. Dividends re-invested. Net of fees.

\*\* The benchmark index was changed to MSCI AC Far East ex-Japan Small-cap Index (MSLUAFJN), in SGD terms, on 1 January 2019.

Equities/Cash Allocations	Country Allocations	Portfolio Valuations (trailing)
Equities 97.36%	Hong Kong 34.52%	PE 12.46x
Cash & current assets 2.64%	Korea 18.90%	P/B 0.44x
	Malaysia 21.09%	Dividend Yield 5.33% p.a.
	Singapore 22.84%	ROE 4.47% (1 yr)
		5.56% (5 yrs average)
		Weighted Ave Mkt Cap S\$208.44m

## General Information

Fund Address:  
c/o IQ EQ Fund Services  
(Mauritius) Ltd  
33, Edith Cavell Street  
Port Louis, Mauritius

Manager:  
**Yeoman Capital Management  
Pte Ltd**  
11 Unity Street #02-13,  
Robertson Walk,  
Singapore 237995  
(Co. Regn. 199902308Z)

Tel: +65-67373922  
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Email: [cio@yeomancap.com](mailto:cio@yeomancap.com)  
Website: [www.yeomancap.com](http://www.yeomancap.com)

Total Value of Fund:  
**S\$175,679,852.73**

Total Number of Shares:  
**462,125,781**

Management Fee:  
**1% p.a.**

Performance Fee:  
**15% High Water Mark**

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

Manager Subscription 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:  
**3-5 years or more**

Early Exit Charges:  
In 1<sup>st</sup> Year: **7.5%**  
In 2<sup>nd</sup> Year: **5.0%**  
In 3<sup>rd</sup> Year: **2.5%**  
(Payable to Fund)

Minimum Initial Investment:  
**S\$250,000**

Minimum Top-up Subscription:  
**S\$50,000**

Custodian:  
**Portcullis Trust (Singapore)  
Ltd, Deutsche Bank**

Auditor:  
**Nexia, Baker and Arenson,  
Mauritius**

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 results.

## Performance Summary at end December 2019

In December our Fund was up **0.89%** as compared with the Index up 3.46%;  
For the YTD we were up **5.59%** as compared with the market up 8.48%;

For the very long term of 22 years 2 months to end December 2019, we are up a cumulative **969.24%** as compared with the Index rise of 112.28%. On annualized terms, we are compounding at **+11.28% p.a.** compared to the Index return of +3.45% p.a. implying **out-performance** by our Fund at **+7.83% p.a. nett of all fees with dividends reinvested in SGD terms.**

*By inspection of the above, absolute performance and significant out-performance relative to market indices over the long time horizon may be clearly seen. Over the one month and 12 month full year periods, we are behind the market.*

## Manager Review end 2019

Please refer to the concluding paragraphs on page 2 of our November newsletter. For your convenience, here it is again.

1. *Today, **the macro conditions for investing in listed equities are excellent**, as good as I have ever seen during my professional lifetime as fund manager. Inflation is low and in some countries below zero, interest rates in the developed country markets continues to drift along at historical all-time lows (after some tentative steps at winding back on 10 years of QE the US Federal Reserve has changed direction and started easing again). This backdrop is very supportive of equities.*
2. ***The main stock market indices in the developed country markets are pushing record highs**; bond yields are back to the lows seen during the QE years of 2009-2019; fuelled by low interest rates real estate in the major cities around the world are at their near all-time highs with many governments having to initiate cooling measures to rein in runaway property prices. There also seems to be a bubble in the private equity space if you will just scan the headlines of the local and foreign business newspapers. Some of the above will end badly one day, but in the immediate short term the market players will continue to dance to the music, in my view.*
3. ***Our Fund is not in any of the overvalued markets listed above.** And despite the positive environment described in Point 1 above, we note that the valuations of the stocks we own are at historical 10-year lows which may cause non-believers in value to yawn but for us believers, we are cheerful and are reasonably confident that we and our shareholders will be better off sometime over the future as compared with today. We do not pressure ourselves over time and timing, this is our own peculiar cold and detached psycho-emotional trait.*
4. *We note the negative sentiment surrounding trade tensions, unrest in HK, climate change and a whole list of many other issues out there but these do not make or break the investment case, in my opinion. **The investment case is addressed under Point 3 above, numbers based.***

What is this numbers-based investment case?

Ten years ago at end December 2009 our Fund PB ratio (just to use one valuation parameter out of the many that we study) was **0.67x**, a discount of 33% to balance sheet book value as a weighted average of all the companies we owned supporting a Fund per share NAV of \$158.79.

Today at end 2019 our Fund PB ratio stood at **0.44x** supporting a Fund NAV a lot higher than what it was at end 2009. If owning an undervalued stock portfolio has brought us here with significant investment gains to show for the effort, I humbly postulate that the undervaluation that we now have will carry us over the future, to 2029 and beyond.

Happy New Year!

Seng Chong YEO  
Director of the Fund and Chief Investment Officer of the Manager