

# Yeoman 3-Rights Value JAPAN Fund VCC<sup>^</sup>

**At 31 Mar 2023**  
**NAV/Share:**  
**S\$132.40**

**Performance: 6 years 4 months ending 31 March 2023**

Period	Performance (SGD)
<b>CAGR (per annum)</b>	<b>4.53%</b>
<b>Cumulative Performance</b>	<b>32.40%</b>
<b>March 2023</b>	3.66%
<b>Year To Date 2023</b>	10.16%
Historical Performance	
2022	-9.15%
2021	3.80%
2020	-4.72%
2019	15.51%
2018	-13.14%
2017	30.77%
2016*	1.96%

Portfolio Valuations (trailing)	
PE	8.54x
P/B	0.48x
Dividend Yield	3.35%
ROE (1-yr)	6.02%
ROE (5-yr ave)	6.82%
Weighted Ave Mkt Cap	S\$216.89m

Equities/Cash Allocations	
Equities	92.15%
Cash & current assets	7.85%

*Note: In Singapore dollar terms, dividends re-invested. Net of fees.  
 \* 2016 performance is from end November to end December.  
 CAGR returns are meaningful in the long term, not short term.*

## General Information

**Yeoman 3-Rights Value Japan Fund VCC**  
**(UEN: T22VC0008D)**  
 c/o Yeoman Capital Management Pte Ltd  
 11 Unity Street #02-13,  
 Robertson Walk,  
 Singapore 237995

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

Tel: +65-67373922  
 Fax: +65-67376780  
 Email: [cio@yeomancap.com](mailto:cio@yeomancap.com)  
 Website: [www.yeomancap.com](http://www.yeomancap.com)

Total Value of Fund:  
**S\$21,012,139.95**  
 Total Number of Shares:  
**158,697.694**

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

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

Subscription Frequency:  
**Monthly**

Redemption Frequency:  
**Quarterly**

Investment Horizon:  
**3-5 years or more**

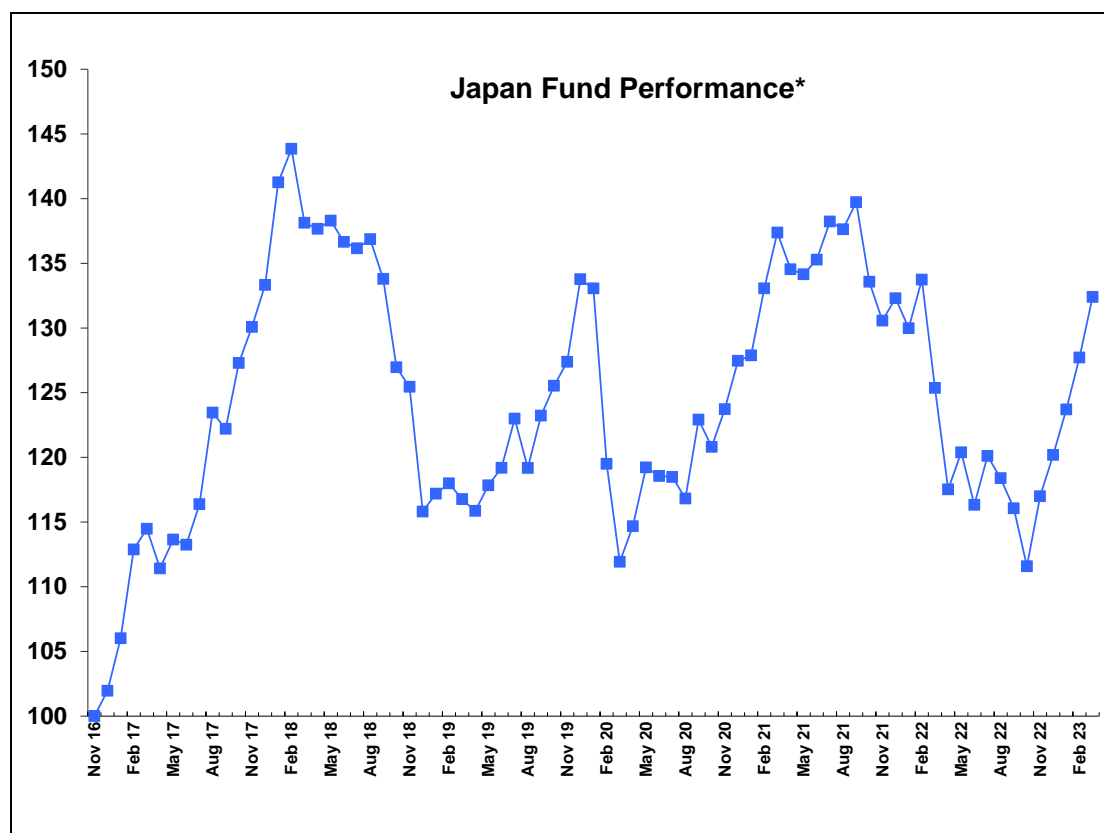
Early Exit Charges:  
 In 1<sup>st</sup> Year: **5.0%**  
 In 2<sup>nd</sup> Year: **2.5%**  
 In 3<sup>rd</sup> Year: **1.25%**  
 (Payable to Fund)

Minimum Initial Investment:  
**S\$125,000**

Minimum Top-up Subscription:  
**S\$25,000**

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

Auditor:  
**Crowe Horwath First Trust LLP**



\* Chart shows performance from 30 November 2016, re-based to 100. Performance in SGD. Dividends re-invested. Net of fees.

<sup>^</sup> Yeoman 3-Rights Value Japan Fund VCC (the "Fund") was formerly known as Yeoman 3-Rights Value Japan Fund which was incorporated in Mauritius in Sep 2016. It was re-domiciled from Mauritius to Singapore on 10 Jan 2022 as Yeoman 3-Rights Value Japan Fund VCC, a non-umbrella VCC (UEN: T22VC0008D). Complete information on the Fund and the latest updates are available from the manager Yeoman Capital Management Pte Ltd. 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 end 1Q23**

In March, our Fund was up **3.66%**

Year to date our Fund is up **10.16%**

Since inception on 1 December 2016, our Fund is up a cumulative **32.40%**; on annualized terms the Fund is up **+4.53% p.a.** *nett of all fees with dividends reinvested in SGD terms.*

## **Review at end 1Q23**

You must have seen the news about the issues with banks in the US and Europe in the past month. The basic business model of banks is premised on borrowing to make a return, and their reliance on leverage is greater than other businesses. In addition, their balance sheets are comparatively opaque, with potential exposures to lurking surprises, crises of confidence and systemic risks. Our Fund does not own any banks, not now and not in the past.

In contrast, the companies in our Japan Fund are mostly in net cash and still make a good return with their operating business. The weighted average ROE of the portfolio is 6.0%. The Fund is also diversified with companies in a diverse mix of traditional businesses, including industrial equipment, automotive supplies, specialty chemicals, packaging, consumer, property and infrastructure. Importantly, the companies remain undervalued with a portfolio price-to-book of 0.48x. These are all by design (i.e. we chose to own these stocks, it didn't just happen).

Looking to the medium to long-term, there are two developments in Japan that might be of interest to you. Earlier this year, the Tokyo Stock Exchange compiled a list of measures to push listed firms to enhance medium to long-term corporate value, including asking the companies to come up with plans to improve capital efficiency, especially for those with price-to-book consistently below 1x. This marks another gradual step to improve corporate governance in Japan.

The other development is the continuing multi-year trend towards re-shoring some manufacturing back to Japan, as companies focus on supply chain resilience & diversification amid geo-political risks and future disruptions. This trend is encouraged by the Japanese government and include businesses in various sectors, including the consumer, industrial machinery and semiconductor sectors. The investment in infrastructure and the increased level of business activity could benefit Japanese businesses directly or indirectly.

To sum up, the recent news about US or Swiss banks may make for exciting reading and may cause some to lose sleep but not us at Yeoman Capital Mgt. Such situations create opportunities for bargain hunters like us who take the long view. From our experience over the years, market mania and depression will come and go, but a focus on the long time horizon and value surely reaps benefits.

Seng Chong YEO

Director of the VCC and Chief Investment Officer of the Manager

**APPENDIX – for information only**

**Japan Strategies performance data**

**Performance: 12 years 1 months ending 31 March 2023**

Period	Japan Strategies (JPY terms)
<b>CAGR (per annum)</b>	<b>13.60%</b>
<b>Cumulative Performance</b>	<b>366.72%</b>
<b>March 2023</b>	2.40%
<b>Year To Date 2023</b>	12.35%
<b>Historical Performance</b>	
2022	4.46%
2021	13.26%
2020	-7.95%
2019	15.54%
2018	-16.80%
2017	36.50%
2016	7.08%
2015	10.20%
2014	23.57%
2013	61.59%
2012	18.20%
2011*	4.40%

*Note: In JPY terms, dividends re-invested.*

*\*2011 performance is from end February to end December.*

*Gross of fees up to 30 November 2016*

*Net of fees from 1 December 2016*



Data Source: Yeoman Capital Management Pte Ltd.

\* Chart shows performance from 28 February 2011, re-based to 100. Performance in JPY, dividends reinvested, net of fees from 1 December 2016 fund inception onwards. Performance in JPY, dividends reinvested, gross of fees prior to 1 December 2016 refers to Yeoman Value Japan Fund (comparable investment objective), which was inception on 1 March 2011.