

Yeoman 3-Rights Value ASIA Fund VCC[^]

At 28 Jun 2024
NAV/Share:
S\$512.60

Yeoman Asia Portfolio Performance: 26 years 8 months ending 28 June 2024

Period	Performance
CAGR (per annum)	+10.52%
Cumulative Performance	1,341.74%
June 2024	-0.49%
Year To Date 2024	8.89%
Historical Performance	
2023	-2.10%
2022	-4.88%
2021	23.60%
2020	7.59%
2019	5.59%
2018	-11.24%
2017	14.64%
2016	4.10%
2015	16.51%
2014	10.92%
2013	19.46%
2012	14.19%
2011	-13.29%
2010	40.00%
2009	61.31%
2008	-47.62%
2007	32.28%
2006	26.59%
2005	13.65%
2004	17.46%
2003	42.87%
2002	-2.57%
2001	9.53%
2000	-25.14%
1999	99.32%
1998	-2.49%
1997*	6.60%

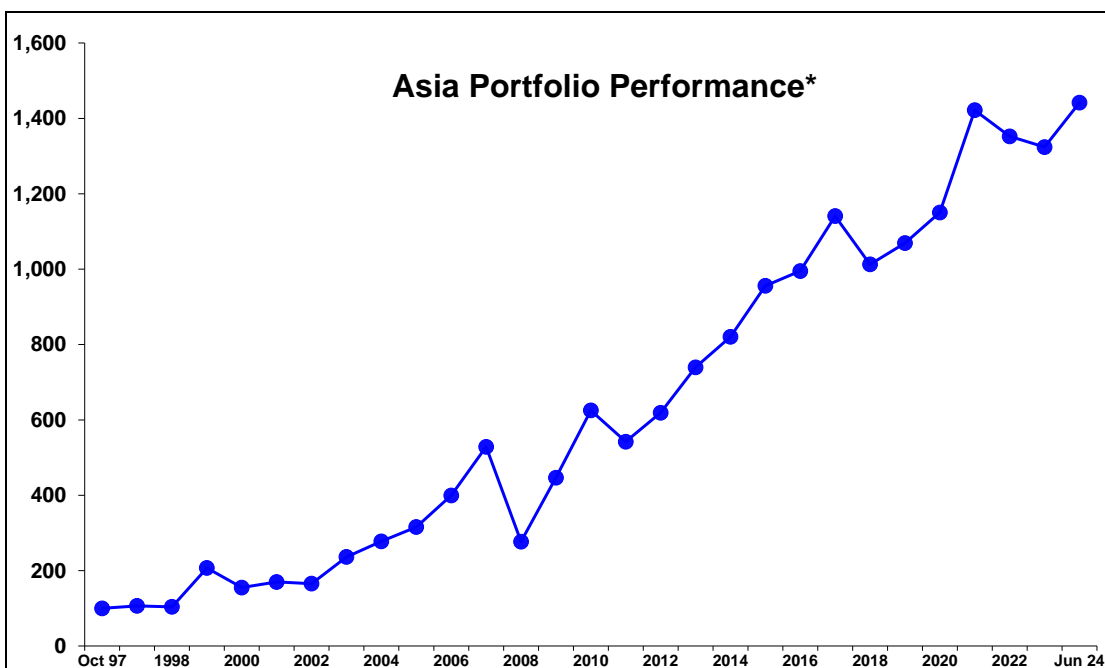
Country Allocations	
Hong Kong	30.63%
Korea	23.77%
Malaysia	26.20%
Singapore	15.96%
Thailand	2.20%

Portfolio Valuations (trailing)	
PE	9.69x
P/B	0.41x
Dividend Yield	5.03%
ROE (1-yr)	6.90%
ROE (5-yr ave)	6.22%
Weighted Ave Mkt Cap	S\$250.61m

Equities/Cash Allocations	
Equities	98.74%
Cash & current assets	1.26%

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 VCC. 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.

General Information

Yeoman 3-Rights Value Asia Fund VCC
(UEN: T22VC0007H)
c/o Yeoman Capital Management Pte Ltd
11 Unity Street #02-13,
Robertson Walk,
Singapore 237995

Manager:
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Total Value of Fund:
S\$210,283,985.07

Total Number of Shares:
410,279.772

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 1st Year: **5.0%**
In 2nd Year: **2.5%**
In 3rd 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

[^] Yeoman 3-Rights Value Asia Fund VCC (the "Fund") was formerly known as Yeoman 3-Rights Value Asia Fund which was incorporated in Mauritius in Jan 2005. It was re-domiciled from Mauritius to Singapore on 10 Jan 2022 as Yeoman 3-Rights Value Asia Fund VCC, a non-umbrella VCC (UEN: T22VC0007H). 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 June 2024

In Jun24 our Fund was down 0.49%;

Year to date our Fund was up **8.89%**;

For the very long term of 26 years 8 months to end Jun24, we are up a cumulative **1,341.74%**.

On annualized terms, we are compounding at **+10.52% p.a.** *nett of all fees with dividends reinvested in SGD terms* over the very long term.

Manager Review and Discussion end 1H24

End June was the FY-end of our Funds. The Auditor will soon start work to get the audited financial statements out to shareholders in time for the Shareholders' Annual Meeting on 8th November 2024 at the same hotel venue as last year.

The Business Times article titled "American Stocks are consuming global markets" (29 Jun 2024) mentioned the dominance of America stocks in the global stock market capitalization at 61% today as compared to 40% in 2008. Within the US, technology stocks such as Nvidia, Alphabet, Microsoft and Apple dominate partly due to market excitement over artificial intelligence or AI.

Investors who stuff their portfolios with these tech stocks are solely focused on the potential rewards and neglecting the potential risks, chief of which is valuation risk. The tech stocks are trading at high PEs and PBs with little or no dividends. The profits may be growing now but that doesn't mean that the profits will fly through the roof forever. At some point, as the product life cycles mature and competitive pressures set in, profits will normalize and the current high valuations may not be supported. As battle tested veterans of >25 years, we have seen many players who got carried away and rolled the dice this way; needless to say, many of them blew up and are no more around today.

Another key risk that they are taking is concentration risk on country as well as industry terms. When the tide turns, as it has done in the past (recall property in Asia leading up to the AFC in 1997/8, the dot com boom and bust after 2000, sub-prime loans leading up to the GFC in 2008-2013, the oil price collapse in 2014/15), this AI boom will also have its epilogue. For us at Yeoman, we not only want to generate investment gains for our shareholders but we are also careful to avoid total and permanent loss of capital.

When we review the companies that our Asia Fund owns, we note that despite the tough operating environment in Asia and globally post-Covid, most of our 76 stocks (who have reported full-year results) have either reported modest profit gains, maintained profitability or incurred small losses. Balance sheets have generally remained strong with 49 in net cash, 19 with net debt to equity of less than 0.3x and only 8 have net debt to equity more than 0.3x. Even if interest rates remain high or if the business environment remains tough, our companies should be able to weather the grind.

Seng Chong YEO

Director of the Fund and Chief Investment Officer of the Manager