

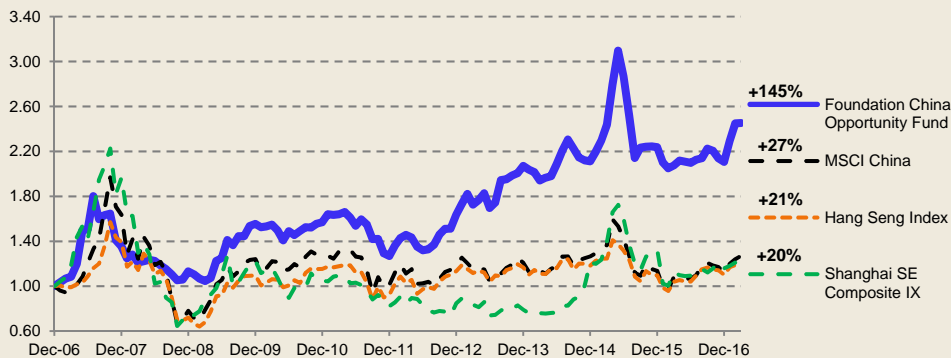
FOUNDATION CHINA OPPORTUNITY FUND

Monthly Factsheet

Fund Description

An equity long/short fund, launched in December 2006, is the firm's 1st flagship fund. The Fund maintains a consistent investment approach with a focus on liquidity, low directional exposure to equity markets. The Fund has three core investment strategies: value recovery, growth-at-a-reasonable-price equity and alpha shorts. Each underlying strategy aims to exploit inefficiencies primarily in the Greater China markets. Since the Fund's inception, a disciplined approach to managing the investment process and portfolio risk, combined with a policy of stable strategy biases, has ensured that the Fund has produced solid compounded returns. Those returns exhibit low volatility as well as a low beta to equity markets and have provided meaningful downside protection in difficult market environments.

Performance since Inception



Performance Comparison

(NAV, %)	Month to Date	Year to Date	1 Year	3 Year	5 Year	Since Inception
The Fund	0.2	16.5	18.3	26.3	68.4	145.3
MSCI China	2.2	13.2	17.2	11.5	14.0	26.9

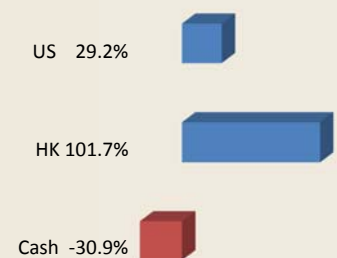
Portfolio Highlights

Company Description	Change of Recommendation?	Reasons for the change or news / comment on price alert	MTD (incl divi)	FY0 Forecast PB	FY0 Forecast DY	Market Cap (US\$m)
Internet games /online communities	No	<ul style="list-style-type: none"> 4Q16 results in line, top & bottom line grew 44% & 38% yoy strong growth driven by mobile games (+51% yoy), social networks (+51% yoy), and advertising (+47% yoy) expect momentum to sustain in 2017 with high game engagement & pipeline of games to roll out revenue down 18.8% yoy and profit up 0.3% yoy 	8%	10.7	0.3	271,702
Light truck & utility vehicle mfg	No	<ul style="list-style-type: none"> business suffered from continued slump of overall market demand for commercial vehicles management highlighted the automobile parts and accessories production between parent and listed comp and mentioned potential M&A with parent company 	-4%	0.7	8.1	808
Automotive Retailers	No	<ul style="list-style-type: none"> FY16 result beat forecast, revenue & net profit beat consensus by 5% / 8%, growing 21% / 62% yoy after-sales service continued to be main earnings contributor, growing 32% yoy for 2017 management guided 20-25% yoy revenue growth, overall gross profit margin can reach 11% from current 10.31%; 1Q17 new car sales slowed and after-sales biz in line 	4%	3.2	2.2	1,391
Specialty Pharma	New buy	<ul style="list-style-type: none"> company have 5 of its innovative drugs listed on National Reimbursement Drugs List, which experienced strong sales performance core business focus has switched from bulk medicine manufacturing to innovative drug mfg expected to sustain strong growth in future years for its oncology drugs sales due to the aging population and the company's focus on innovations 	7%	6.1	1.5	7,930

Performance since Inception (NAV, %)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2017	8.90	6.79	0.16										16.5
2016	-6.00	-2.54	1.23	2.04	-0.47	-0.47	1.42	0.55	4.02	-0.84	-3.07	-1.50	-5.8
2015	4.07	4.48	6.15	14.75	10.71	-7.42	-12.2	-14.9	4.27	0.39	0.12	-0.32	5.9
2014	-1.56	-1.11	-3.68	1.18	0.76	5.39	5.74	4.54	-3.50	-3.56	-1.21	-0.38	2.0
2013	5.82	5.25	-5.28	2.30	3.46	-7.13	2.84	11.44	0.44	1.67	1.05	3.22	26.6
2012	7.32	4.88	2.05	-1.62	-5.72	-2.29	0.63	3.00	6.80	3.39	0.12	8.15	29.0
2011	4.48	-0.33	0.35	1.24	-3.00	-4.50	3.68	-2.84	-8.40	0.07	-9.01	-1.90	-19.2
2010	-1.89	0.44	1.00	-3.24	-5.90	5.77	-2.36	2.45	2.35	-0.27	2.27	0.90	1.0
2009	-2.26	-3.44	-1.99	2.48	14.28	1.92	12.88	-3.25	5.90	0.03	6.33	1.14	37.4
2008	-7.90	2.61	-5.55	0.89	1.05	-0.76	-3.16	-2.92	-3.90	-4.78	0.55	6.82	-16.5
2007	3.29	3.31	1.65	10.37	24.90	0.80	19.47	-11.4	2.33	0.78	-14.3	-3.86	35.6

Listing Regional Distribution



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