

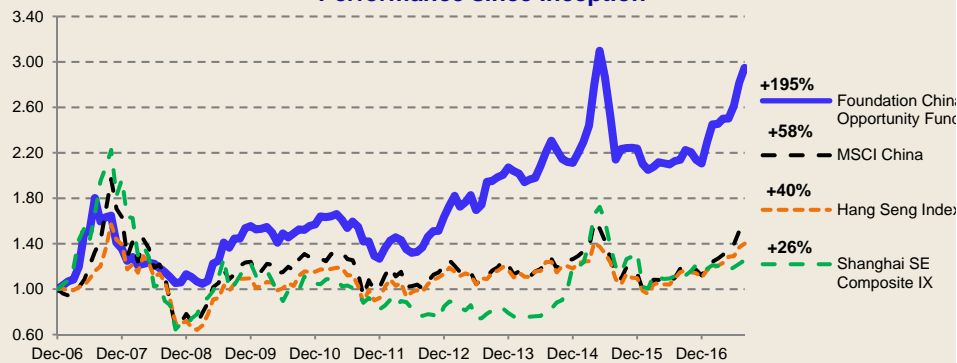
FOUNDATION CHINA OPPORTUNITY FUND

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	4.6	39.9	37.8	27.8	115.4	194.6
MSCI China	4.2	40.6	33.5	24.5	56.6	57.6

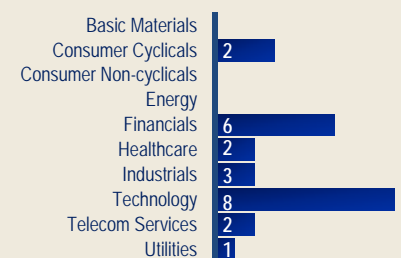
Portfolio Highlights

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)
Specialty Pharma	No	<ul style="list-style-type: none"> 1H17 revenue was up 17% yoy and net profit was up 27% yoy, both in line with consensus revenue from innovative drugs kept growing by around 30% yoy in 1H17, while gross profit margin reached 57%, rising from 49% in 1H16 	0%	6.7	1.2%	9,453
Fibre optic equipment	No	<ul style="list-style-type: none"> expected to sustain growth in its innovative and oncology drugs sales in years ahead 1H17 revenue up 26.2% and eps up 59.6%, both beat consensus substantial growth was mainly driven by ramp up of 4G infrastructure construction by 3 telcos new capacity roll out in 3Q17; limited downside risk on 3 telcos capex decrease; margin to see further expansion 	32%	1.8	2.0%	1,952
Port & harbour operations	No	<ul style="list-style-type: none"> 1H17 revenue up 16.1% and net profit up 29.2%, both beat consensus growth driven by market share expansion on logistics biz and increase of stevedoring & storage volume for liquid bulk cargo biz business is on a good track of recovering; container business to see improvement in 2H17 	7%	1.1	4.4%	3,517
Semiconductor or Manufacturer	No	<ul style="list-style-type: none"> 2Q17 results delivered as management guided, but under our estimates; top & bottom line grew 8.1% & 0.8% qoq driven by both product mix & ASP improvement across IGBT and super junction MOSFET, with strong utilisation at 99.4% company guiding 5% revenue growth, gross profit margin at 33% for 3Q17 	-2%	0.9	3.1%	1,374

Performance since Inception (NAV, %)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2017	8.90	6.79	0.16	1.90	0.10	4.38	7.88	4.59					39.9
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

Sector Diversification



Total no. of stocks: 24

Average dividend yield: 2.0%

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