

Civetta Nanjia exploits idiosyncratic pricing opportunities that exist within ASEAN small-to-mid-cap equities (SME) which are driven principally by the lack of international analyst coverage and minimal institutional focus. The team exploits these anomalies with their 'boots on the ground'/on-site diligence, combined with deep-value, bottom-up stock picking, their 40+ years experience investing in local markets, and extensive personal relationships. The fund's stock selection focuses on deeply discounted valuations, solid dividends and strong growth prospects to generate significant alpha vs comparable vehicles. Based in Hong Kong and Bangkok, the strategy provides long-only exposure to this dynamic region.

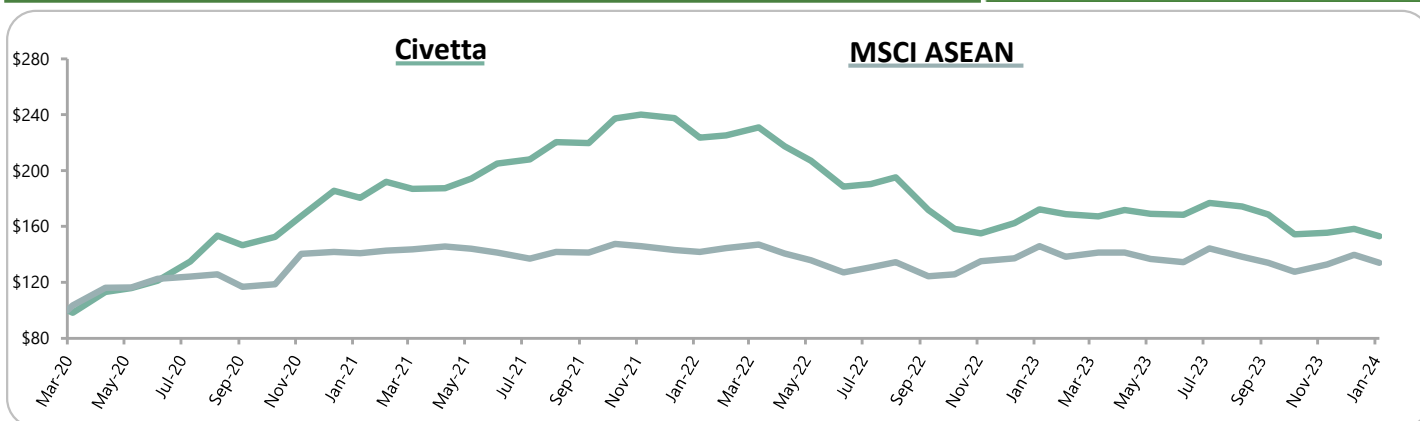
Commentary

Global equity markets rose slightly in January November although ASEAN markets generally underperformed. We continue to stress that the ASEAN equity class remains extremely attractive in terms of valuations on the back of a long period of underperformance (and massive foreign selling). The MSCI ASEAN Index has posted annualized returns of negative 2.4% over the past 10 years compared with positive 10.5% for the MSCI USA Index. The (massive) performance discrepancy is even more pronounced in the small cap segment with the MSCI Indonesia Small Cap Index (for example) posting annualized returns of negative 10.0% over the past 10 years.

As a result, we continue to find many attractively priced opportunities in the region. The overall portfolio trades 8x forward earnings compared with 18x for the MSCI US Small Cap Index. The trailing dividend yield for the portfolio is 7.7% compared with 1.6% for the US index.

Against that backdrop together with several other factors, we believe the current backdrop represents the best entry point into ASEAN equities since the mid-1980s. US-China trade (and geo-political) frictions are likely to underpin a massive shift in manufacturing from China to ASEAN over the coming years mirroring the US-Japan frictions of the 1980s. The shift in manufacturing from Japan to ASEAN in the second half of the 1980s was the last golden period for the region's economies and equity markets. A likely shift in Chinese manufacturing towards the ASEAN region over the coming years should also bring significant positive benefits to the region's economies and equity markets.

	Civetta	MSCI ASEAN
MTD	-3.4%	-4.1%
YTD	-3.4%	-4.1%
Inception (UCITS)	53.0%	34.1%
Strategy Inception*	90.2%	26.9%
* Including Returns from the Civetta Asia Master Fund SA since 2012		



The above chart pertains to the performance of the Nanjia Civetta UCITS Fund from 26th March 2020. Figures prior are actual gross Returns from the Civetta Asia Master Fund SA - Audited by Deloitte from November 2013 to February 2020 adjusted for class I management and performance fee of the UCITS fund. This document is issued by Nanjia Capital Limited in the capacity as a distributor and has not been reviewed by the Hong Kong Securities and Futures Commission

Geographic	Current Month	From Market	From Currency	Year to Date	From Market	From Currency
Vietnam	-0.91%	0.10%	-1.01%	-0.91%	0.10%	-1.01%
Indonesia	-1.59%	-0.56%	-1.03%	-1.59%	-0.56%	-1.03%
Singapore	-0.12%	-0.07%	-0.05%	-0.12%	-0.07%	-0.05%
Philippines	0.27%	0.34%	-0.08%	0.27%	0.34%	-0.08%
Malaysia	-0.10%	-0.01%	-0.09%	-0.10%	-0.01%	-0.09%
Others	-0.04%	-0.03%	-0.01%	-0.04%	-0.03%	-0.01%

Sector	Current Month	From Market	From Currency	Year to Date	From Market	From Currency
Financials	-0.38%	-0.21%	-0.17%	-0.38%	-0.21%	-0.17%
Materials	-0.74%	-0.05%	-0.68%	-0.74%	-0.05%	-0.68%
Industrials	0.26%	0.41%	-0.15%	0.26%	0.41%	-0.15%
Transportation	-0.33%	-0.22%	-0.12%	-0.33%	-0.22%	-0.12%
Real Estate	-0.16%	0.04%	-0.20%	-0.16%	0.04%	-0.20%
Consumer Discretionary	-0.40%	-0.10%	-0.31%	-0.40%	-0.10%	-0.31%
Utilities	-0.07%	0.02%	-0.09%	-0.07%	0.02%	-0.09%
Technology	-0.10%	-0.01%	-0.09%	-0.10%	-0.01%	-0.09%
Consumer Staples	0.14%	0.31%	-0.18%	0.14%	0.31%	-0.18%
Healthcare	-0.11%	-0.03%	-0.08%	-0.11%	-0.03%	-0.08%
Consumer Cyclical	-0.59%	-0.40%	-0.19%	-0.59%	-0.40%	-0.19%

	Strategy Inception	MSCI ASEAN
Trailing Period Returns		
Since Inception	90.2%	26.9%
12 Months	-11.1%	-8.1%
Returns		
Compounded Annual Return	5.5%	2.0%
Compounded Monthly Return	0.5%	0.2%
Dividend yield	7.7%	4.0%
Estimated Forward P/E	8x	N/A
P/E	8x	15x
Risk Measurements		
Standard Deviation	16.6%	
Sharpe Ratio	0.1	
Sortino ratio	0.2	
Treynor Ratio	0.7	
Greatest Monthly Loss	-12.0%	-11.0%
Highest Monthly Return	14.9%	18.4%
Average Monthly Gain	3.9%	3.3%
Average Monthly Loss	-3.6%	-3.1%
Percent Positive Months	80%	76%

Performance Attribution		Performance Attribution	
Top 4		Bottom 4	
COSCO CAPITAL INC	0.20%	BLACKSTONE MINERALS LTD	-0.77%
VIETNAM ENGINE & AGRICU	0.15%	ASTRA INT'L	-0.46%
MASAN CONSUMER CORP	0.14%	SARATOGA INVESTAMA SEDAYA TBK PT	-0.38%
INDUSTRIAL URBAN DEV	0.11%	ERAJAYA SWASEMBADA	-0.26%

UCITS Fund Performance

Y/M	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2020			-1.7%	14.9%	2.6%	4.6%	11.3%	13.8%	-4.5%	4.1%	9.7%	10.8%	85.6%
2021	-2.8%	6.4%	-2.6%	0.2%	3.7%	5.7%	1.4%	5.9%	-0.3%	8.0%	1.2%	-1.0%	28.1%
2022	-6.0%	0.8%	2.5%	-5.8%	-4.8%	-8.9%	0.9%	2.6%	-12.0%	-7.9%	-2.0%	4.6%	-31.7%
2023	6.0%	-1.9%	-1.0%	2.7%	-1.5%	-0.4%	5.1%	-1.4%	-3.3%	-8.5%	0.7%	1.8%	-2.5%
2024	-3.4%												-3.4%

Previous Strategies Performance

	2012	2013	2014	2015	2016	2017	2018	2019	up to Feb 2020
Civetta	19.3%	14.5%	7.7%	-21.1%	9.7%	27.5%	-19.2%	4.1%	-8.8%
MSCIASEAN	18.9%	-7.4%	3.2%	-20.7%	2.9%	27.1%	-11.4%	5.3%	-13.8%

Stock Digest

Masan Consumer Holdings (MCH, Mkt Cap US\$3.3bn) is one of Vietnam's largest local diversified FMCG companies. The company manufactures and distributes a range of food and beverage products, including soya sauce, fish sauce, seasoning, chili sauce, instant noodles, instant congee, instant coffee, instant cereals and bottled beverages. MCH will be a key beneficiary of strong demographics and rising urbanization in Vietnam.

Revenue growth is beginning to recover nicely (+5% y-y in 4Q23 (TTM)) whilst gross margins are rising significantly feeding through to record high net margins for the company. Return on equity is strong at 30% as is the balance sheet with a net cash position. The stock trades on just 9x forward earnings with a trailing dividend yield of 5.5% (healthy payout ratio of 60%).

Dinh Vu Port (DVP, market cap US\$116mn) is the operator of a major downstream container port (capacity of 600,000 TEUs per annum) in the Hai Phong port cluster. DVP is a subsidiary of the Port of Hai Phong (HNX: PHP), which owns 51% of DVP. In addition, PHP is 93% owned by Vinalines (UpCoM: MVN), which is one of the largest port operators and shipping lines in Vietnam. DVP is expected to be a key beneficiary of manufacturing shifting from China to ASEAN.

Whilst revenue growth softened in 2023, there were signs of a recovery in the second half of the year whilst overall margins have increased to record levels. As a result, return on equity has increased to a relatively healthy 24%. Valuations are attractive with the stock on 8x forward earnings with a trailing dividend yield of 10.3% (payout ratio is 85%). The balance sheet is very strong with net cash equivalent to 0.8x equity (43% of market cap).

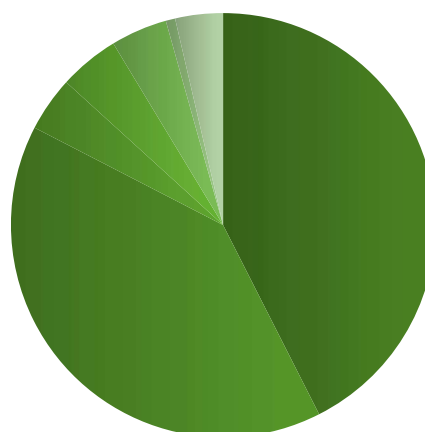
Binh Duong Water Environment (BWE, market cap US\$352mn) is the third largest water distribution company in Vietnam with a capacity of 750kcm per day. It offers the full environmental value chain from water generation and distribution (80% of gross profit) to wastewater treatment. The Company is expected to be a key beneficiary of manufacturing shifting away from China to the ASEAN region.

Revenue growth was soft in 2023 but there were signs of a significant recovery in the latest quarter whilst gross margins have been rising nicely to record levels. Return on equity stands at 14% which we expect to rise significantly as the recovery in revenues gathers momentum in 2024. Meanwhile, the net debt to equity ratio is down from 1.1x to 0.9x since 2019. The stock trades on 12x forward earnings with a trailing dividend yield of 2.7%.

Fund Facts

Management Fee	1.25%
Performance Fee	15%
Minimum Initial	US\$1,000,000
Minimum Subsequent	US\$100
Fund Domicile	Ireland
Base currency	US\$
Available Currencies	US\$
Share Class	I
Available Share Classes	F, I, S, R, & J
Structure	ICAV – UCITS
AIFM	Quayside Fund Management
Investment Manager	Nanjia Capital Limited
Depositary	Société Générale S.A.
Clearing Broker	BTIG & Viet Cap Securities
Legal	Mayer Brown
Auditor	Grant Thornton
Administrator	CSC Fund Administration (Ireland) Limited
Launch Date	May 2021
ISIN CLASS I USD	IE00BGRZGN48

Geographic Exposure



■ Indonesia 42.5% ■ Vietnam 40.1% ■ Malaysia 4.2%
 ■ Philippines 4.6% ■ Singapore 4.3% ■ Others 0.7%
 ■ Cash 3.6%

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The Fund has appointed as Swiss Representative Waystone Fund Services (Switzerland) SA, Av. Villamont 17, 1005 Lausanne, Switzerland, Tel: +41213111777, email: Switzerland@waystone.com. The Fund’s Swiss paying agent is Helvetische Bank AG. Any Fund documentation may be obtained free of charge from the Swiss Representative. In respect of the Shares distributed in or from Switzerland, the place of performance is at the registered office of the Swiss Representative; the place of jurisdiction is at the registered office of the Swiss Representative or at the registered office or domicile of the investor. The information provided here is for general information only and historical performance is not a guide to current or future performance. The performance data do not take account of commissions and costs incurred on the issue and redemption of shares.