

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.

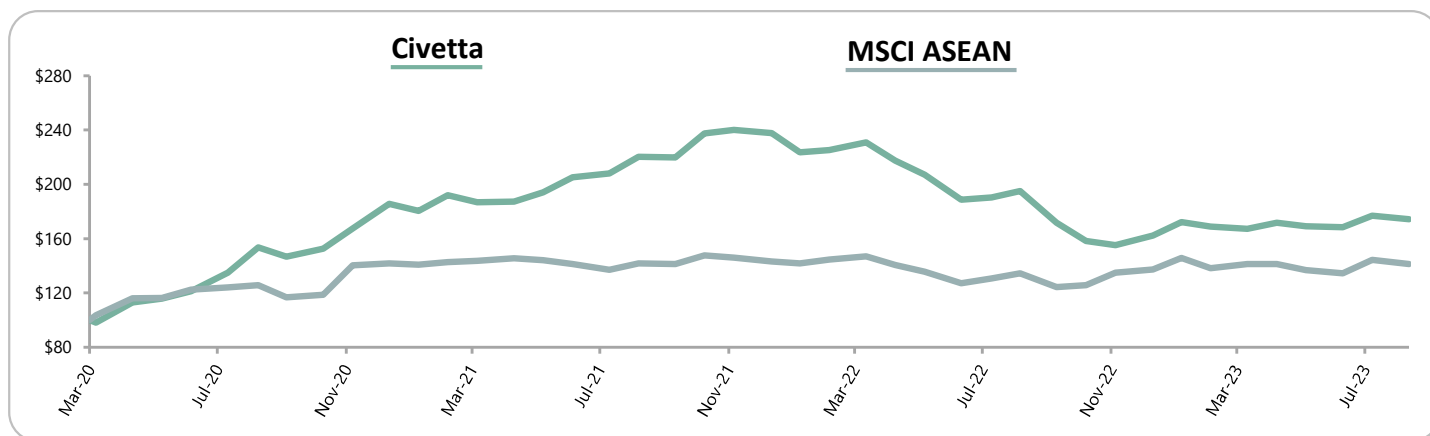
#### Commentary

Global equity markets fell in August with ASEAN markets underperforming. 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 2.1% over the past 10 years compared with positive 10.6% 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 9.9% 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 19x for the MSCI US Small Cap Index. The trailing dividend yield for the portfolio is 7.8% 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	-1.4%	-2.2%
YTD	7.4%	2.9%
Inception (UCITS)	74.4%	41.2%
Strategy Inception*	116.9%	33.6%
* 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	-0.36%	0.73%	-1.09%	1.06%	2.26%	-1.20%
Indonesia	-0.80%	-0.24%	-0.56%	4.89%	4.53%	0.37%
Singapore	-0.16%	-0.13%	-0.04%	1.20%	1.23%	-0.03%
Philippines	-0.25%	-0.12%	-0.13%	0.37%	0.43%	-0.07%
Malaysia	0.09%	0.17%	-0.08%	-0.66%	-0.49%	-0.17%
Others	-0.05%	-0.05%	-0.01%	-0.05%	-0.05%	-0.01%

Sector	Current Month	From Market	From Currency	Year to Date	From Market	From Currency
Financials	-0.13%	-0.04%	-0.09%	-0.46%	-0.35%	-0.11%
Materials	-0.11%	0.47%	-0.57%	-0.40%	0.06%	-0.46%
Industrials	-0.20%	-0.05%	-0.16%	0.22%	0.29%	-0.06%
Transportation	0.03%	0.18%	-0.15%	1.57%	1.72%	-0.15%
Real Estate	-0.39%	-0.15%	-0.23%	1.03%	1.28%	-0.26%
Consumer Discretionary	-0.45%	-0.22%	-0.23%	1.83%	1.51%	0.33%
Utilities	-0.05%	0.04%	-0.09%	0.38%	0.39%	-0.01%
Technology	0.09%	0.17%	-0.08%	-0.66%	-0.49%	-0.17%
Consumer Staples	-0.25%	-0.03%	-0.22%	2.02%	2.19%	-0.17%
Healthcare	0.10%	0.14%	-0.05%	0.31%	0.28%	0.03%
Consumer Cyclical	-0.17%	-0.12%	-0.05%	0.96%	1.03%	-0.07%

	Strategy Inception	MSCI ASEAN
<b>Trailing Period Returns</b>		
Since Inception	116.9%	33.6%
12 Months	-10.7%	5.0%
<b>Returns</b>		
Compounded Annual Return	6.8%	2.5%
Compounded Monthly Return	0.6%	0.2%
Dividend yield	7.8%	3.8%
Estimated Forward P/E	8x	Na
P/E	9x	17x
<b>Risk Measurements</b>		
Standard Deviation	16.6%	
Sharpe Ratio	0.2	
Sortino ratio	0.3	
Treynor Ratio	1.1	
Greatest Monthly Loss	-12.0%	-11.0%
Highest Monthly Return	14.9%	18.4%
Average Monthly Gain	4.0%	3.2%
Average Monthly Loss	-3.5%	-3.0%
Percent Positive Months	78%	73%

Performance Attribution		Performance Attribution	
Top 4		Bottom 4	
Hai An Transport	0.19%	ARWANA CITRAMULIA	-0.47%
MASAN CONSUMER CORP	0.14%	VINHOMES	-0.46%
VICOSTONE JSC	0.13%	COSCO CAPITAL INC	-0.23%
PRODIA WIDYAHUSADA	0.10%	ASTRA INTERNATIONAL	-0.20%

## 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%					7.4%

## Previous Strategies Performance

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

## Stock Digest

COSCO Capital (COSCO, mkt cap US\$674mn) is the investment holding company of leading Philippine retail names Puregold Price Club and S&R Membership Shopping together with an office building and warehousing operation, community malls and a leading liquor distribution business. PGOLD is the second largest grocery retailer in the Philippines and targets the lower income segment of the market. S&R Membership Shopping is a similar business model to COSTCO in US with membership-only warehouse shopping.

Revenues grew 15% (TTM) through 2Q23 whilst margins have been relatively stable. The Company's balance sheet is solid with a slight net cash position. The stock trades on just 5x forward earnings with a trailing dividend yield of 3.8%.

Vietnam Engine and Agriculture (VEA, market cap US\$2.1bn) is a leading player in Vietnam's automotive and agriculture-machinery industries. It offers cars, tractors, and agricultural machinery, as well as motorcycle parts and bearings, plows, gasoline and diesel engines, rice husking products and gearboxes.

Revenues grew 6% (TTM) through 2Q23 driving higher overall margins. Valuations are attractive with the stock on 6x forward earnings and a trailing dividend yield of 15.1%. The balance sheet is very strong with net cash equivalent to 0.5x equity.

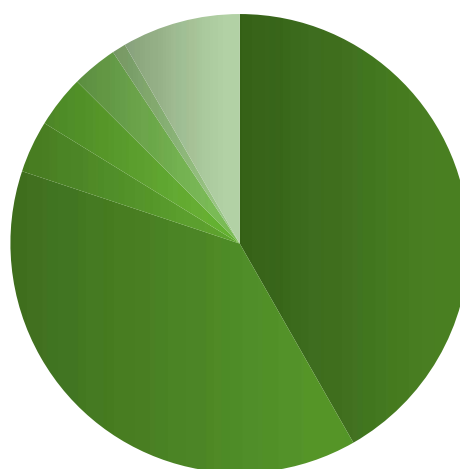
United Tractors (UNTR, market cap US\$5.9bn) is part of one of Indonesia's largest business groups with extensive experience in serving various heavy industries and sectors. The Company operates a strategic partnership with Japan-based Komatsu through which it has a market leading position. Additionally, UNTR has operations in mining contracting, mining, general contracting services and power plants. As a result, it will be a key beneficiary of a buoyant commodity market and shifting energy supplies from Russia on top of shifting manufacturing from China and rising urbanization in Indonesia.

Revenues grew 29% (TTM) through 2Q23 underpinning higher overall margins and rising profitability; return on equity rose to 27% (from 20% in 2019). The stock trades on 5x forward earnings with a trailing dividend yield of 27.6% (following a special dividend - its forward yield is forecast at 10.9%). The balance sheet is strong with net cash equivalent to 0.3x equity.

## 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 41.74%	■ Vietnam 38.37%
■ Malaysia 3.68%	■ Philippines 3.68%
■ Singapore 3.21%	■ Others 0.98%
■ Cash 8.33%	

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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](mailto: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.