Fund Update

Man GLG Asia Opportunities Fund

FEBRUARY 2023

Fund Overview

ABOUT THE FUND

The Fund is a long only, style agnostic, fundamentally driven strategy. The team's core philosophy is to identify stocks with the best potential to deliver earnings surprises relative to expectations, which has historically been a persistent source of alpha in the region. The majority of risk relative to the benchmark and the majority of returns are expected to be achieved through idiosyncratic, stock specific risk taking. It will invest in Asia ex Japan companies across all market capitalisations and will typically be concentrated across 35-45 stocks. It will invest in equity securities (excluding securities convertible into equity securities) of issuers with a registered office in Asia ex Japan or of issuers which derive the majority of their revenues from activities in Asia ex Japan. Typically, it will invest predominantly in transferable securities, including ordinary shares, preference shares, common stocks, depositary receipts (including ADRs and GDRs), rights, warrants and other similar equity like securities.

GLG Asia (ex-Japan) Equity Strategy

A bottom-up long-only strategy focused on the Asia (ex-Japan) region

Investment philosophy

Fundamental	Concentrated	Flexible
Bottom-up analysis focused on relative earnings revisions	High conviction all-cap portfolio with preference for mid-caps	Style agnostic with flexibility to shift in/out of styles

FUND DETAILS

Inception Date	19 October 2022
Fund Size	A$7.63 million
Portfolio Manager(s)	Andrew Swan
Benchmark	MSCI All Country Asia ex Japan Net Index (A$)

Manager Commentary

A material adjustment in China reopening expectations and upwards pricing of peak Fed policy saw MSCI Asia ex. Japan deliver negative returns in February. Robust non-farm payrolls and stickier-than-anticipated US inflation data led to a marked reassessment of a soft landing as implied peak policy rates increased to 5.4%. 2yr treasury yields rose to their highest point since 2007. This created a difficult environment for regional beta, with all major Asian markets experiencing weakness. MSCI China led losses on softness in property, shipping and EVs data, whilst renewed geopolitical tensions over an alleged Chinese surveillance balloon also added to selling pressures.

Despite a challenging market backdrop, it was another positive month for active returns. The fund's top contributor was Airtac International - a pneumatic components manufacturer for factory automation in China that rallied on positive revenue and margin guidance post-results.

Performance at 28 February 2023

PERFORMANCE RETURNS

	1 month %	3 months %	6 months %	YTD %	1 year %	3 years % pa	5 years % pa	Since Inception[1] % cum
Distribution[2]	0.00	0.00	-	-	-	-	-	0.00
Growth	(2.26)	1.74	-	-	-	-	-	9.74
Total Return[3]	(2.26)	1.74	-	-	-	-	-	9.74
Benchmark[4]	(2.63)	(0.05)	-	-	-	-	-	7.68

Past performance is not indicative of future results. Returns may increase or decrease as a result of currency fluctuations

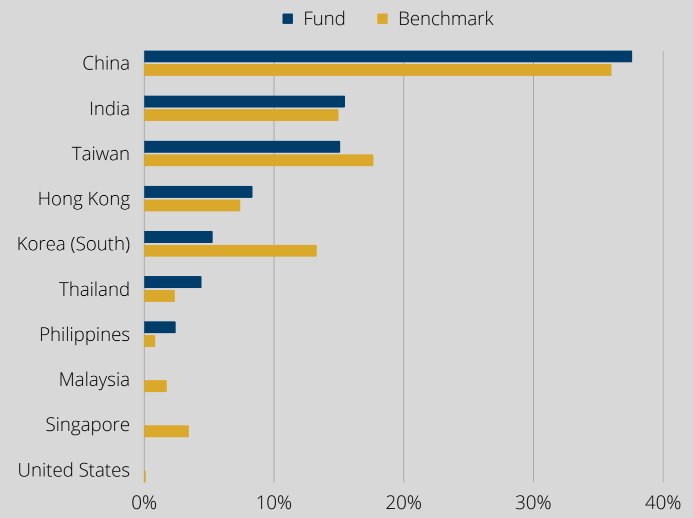
1. Inception date: 19 October 2022
2. Distribution may include income, realised capital gains, and any return of capital
3. Fund returns are calculated net of management fees and assume distributions are reinvested
4. MSCI All Country Asia ex Japan Net Index (A$)

The data presented in these tables and graphs is unaudited and may change at any time. The data is shown for informational purposes only and is not indicative of any future portfolio characteristics..

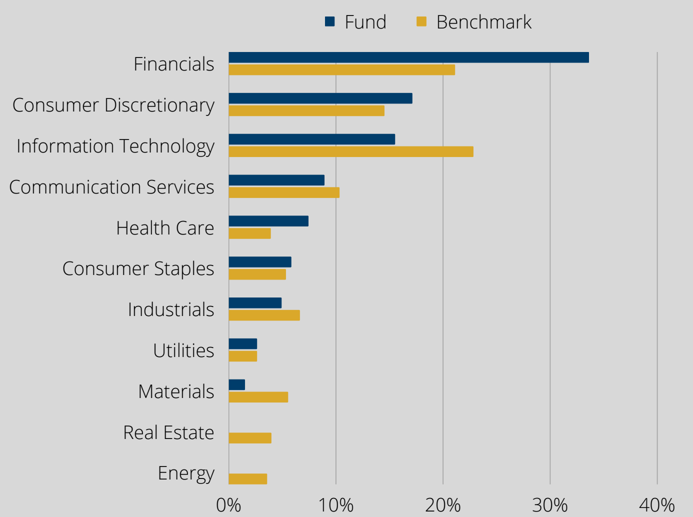
TOP AND BOTTOM CONTRIBUTORS

Top 5 Contributors	Contribution to Total Return %
BANK CENTRAL ASIA TBK PT	0.07%
YIFENG PHARMACY CHAIN CO LTD	0.06%
LG ENERGY SOLUTION LTD	0.06%
TSINGTAO BREWERY CO LTD	0.04%
AIRTAC INTERNATIONAL GROUP	0.04%
Bottom 5 Contributors	
TICENT HOLDINGS LTD	-0.70%
PING AN INSURANCE GROUP CO OF CHINA	-0.54%
PDD HOLDINGS	-0.38%
HONG KONG EXCHANGES & CLEAR	-0.34%
AIA GROUP LIMITED	-0.33%

TOP 10 COUNTRY EXPOSURE



SECTOR EXPOSURE



The stock is expected to receive a boost from the reopening upcycle in Chinese manufacturing whilst also benefitting from the shift to automation in the sector. Airtac generates 90% of its revenue from China and has been successfully capturing market share from smaller industry players. SK Hynix materially outperformed against c. 12% earnings downgrades in South Korea. The stock was supported last month on an expected lift to DRAM volumes from ChatGPT.[1.] SK Hynix has rallied over 18% YTD on aggressive inventory destocking measures which has seen earnings revisions stabilise. Bank Mandiri also performed well after announcing strong loan-book expansion and gains in NIM.

In terms of detractors, Zhong An Online P&C fell after issuing a profit warning relating to USD strength in 22H2, despite a strong underwriting outlook and improvements in its combined ratio. The stock's sensitivity to USD/CNY has been material headwind in FY22 but the relative weakness in CNY has shown signs of reversing since bottoming in late October. We see no change in our investment case and superior premium growth should deliver increasing scale benefits and combined ratio gains. Pinduoduo traded down on negative earnings revisions relating to costs launching its overseas Timu business and increased promotional campaigns amongst ecommerce platforms. We reduced the position after a strong run of performance but still believe the stock is best placed amongst peers. Ping An, a large reopening beneficiary, also underperformed as a result of the selloff in beta and general weakness in the insurance sector on health insurance reform.

Portfolio construction is currently very much aligned to manufacturing PMIs - overweight southeast Asia where domestic demand remains strong and underweight north Asia ex. China which is likely to remain challenged by the slowdown in DM capex. Although we are sceptical a soft landing will be engineered, we have begun gradually reducing our underweight to global cyclicals as demand headwinds and inventory build-up now appears to be more priced into consensus estimates. In China, corporate earnings are likely to improve throughout the year, but we remain selective as winners and losers of the reopening become more apparent. India has seen adjustments to GDP expectations as growth has hit a modest short-term air pocket. Yet, significant corporate sector de-leveraging in recent years means we remain confident in the country's ability to generate secular growth for 2023.

Idiosyncratic risk ended the month at over 64% of total risk. Tracking error stands at 4.6%.

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Fund Update

Exposure and Risk Analysis

HEADLINE EQUITY EXPOSURE

No. of positions	Active share
37	74.88%

ANDREW SWAN

Head of Asia (ex-Japan) Equities

TOP 10 EQUITY HOLDINGS

Company Name	Fund
TAIWAN SEMICONDUCTOR MANUFACTURING COMPANY LIMITED	7.14%
TENCENT HOLDINGS LTD	6.49%
AIA GROUP LIMITED	5.41%
ICICI BANK LIMITED	4.28%
PING AN INSURANCE GROUP	4.01%
TRIP.COM GROUP LIMITED	3.84%
AIRTAC INTERNATIONAL GROUP	3.41%
SANDS CHINA LTD	3.40%
SK KYNIX INC	3.32%
HDFC BANK LTD	3.11%

EQUITY EXPOSURE BY MARKET CAP

	Fund	Benchmark
$0 - $0.25Bn	0.00%	0.38%
$0.25Bn - $2Bn	0.00%	0.14%
$2Bn - $10Bn	13.91%	21.22%
$10Bn - $50Bn	38.43%	37.77%
$50Bn +	45.01%	40.49%

TOP ACTIVE EQUITY POSITIONS

Top 5 Overweights	Relative Exposure
TRIP.COM GROUP LIMITED	3.49%
ICICI BANK LIMITED	3.33%
AIRTAC INTERNATIONAL GROUP	3.32%
SANDS CHINA LTD	3.26%
AIA GROUP LIMITED	3.17%
Top 5 Underweights	**Relative Exposure**
SAMSUNG ELECTRONICS CO LTD	-4.46%
ALIBABA GROUP HOLDING LIMITED	-2.90%
RELIANCE INDUSTRIES LIMITED	-1.52%
MEITUAN	-1.19%
CHINA CONSTRUCTION BANK CORPORATION	-1.05%

Fund Facts

INVESTMENT MANAGER
GLG Partners LP

RESPONSIBLE ENTITY
GSFM Responsible Entity Services Limited

APIR CODE
GSF6910AU

MANAGEMENT FEE
0.95% p.a.

INCEPTION DATE
19 October 2022

BUY / SELL SPREAD
Buy 0.20% / Sell -0.20%

DISTRIBUTIONS
Generally annually

Fund Update

IMPORTANT INFORMATION