

FACTSHEET

Performance Returns

The SPARX OneAsia Long Short UCITS Fund returned -7.67% for the month and -9.09% YTD.

Investment Objective & Strategy

The investment objective of the fund is to maximise risk-adjusted returns regardless of the market cycle by investing in equity within Asia including Japan. The strategy aims to capitalize on Asia's growth dynamics by identifying potential winners and losers through bottom-up fundamental research.

Market Commentary

During the month, the fund suffered its biggest drawdown along with the equity market turmoil around the world. Our investments in Japan and in China were hit hardest with losses of -4.14% and -3.09%, respectively. In Japan, long positions in Softbank (9984 JP), Recruit (6098 JP) and Sony (6758 JP) saw a significant share price correction during the month. In China, long positions in Baidu (BIDU US), Haier Electronics (1169 HK), YY.com (YY US) drove losses. Meanwhile, impact from investments in Korea and Taiwan was muted by gains from shorts offsetting losses from longs.

During the latter part of the month, we decided to reduce gross and net exposure to prevent further losses and as a result, our gross and net exposure are now 132% and 7%, respectively, compared to 164% and 34% a month earlier.

We see mounting downward pressure of corporate earnings across Asia for various reasons. At the same time, we acknowledge that a lot of companies in Asia have already seen a significant drop in share prices from the peak, and now many companies are trading at near their historical low-end of valuation.

We will revisit each name in our portfolio and investment universe. Earnings outcome with updated outlook by companies during this earnings season, combined with volatile price movement will likely continue to change the risk-reward profile of each investment case. We plan to capitalize on those opportunities presented by the market to enhance the risk-return profile of the fund going forward. On the long side, we will look for bargain companies with a potential to compound its earnings (cash flow) faster than the growth of underlying economics and industries. On the short side, we will continue to employ various index hedges across countries for protection as market volatility may persist in the short term.

USD Institutional Class UCITS Performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Y-T-D
2018	1.42%	1.39%	-3.28%	-2.11%	3.46%	0.60%	-2.47%	0.78%	-1.15%	-7.67%	-	-	-9.09%
2017	1.26%	-1.82%	3.07%	1.03%	4.18%	0.18%	1.08%	0.68%	0.57%	1.29%	2.40%	0.27%	15.02%
2016	-1.66%	0.81%	-0.08%	2.79%	-0.10%	-1.86%	-0.20%	3.32%	-1.56%	0.19%	-2.07%	-1.51%	-2.09%
2015	-	-	-	-	-	-	-	-	-0.51%	0.87%	0.50%	-1.08%	-0.23%

The performance figures quoted above represent the performance of the SPARX OneAsia Long Short UCITS Fund since launch on 17th September 2015. These performance figures refer to the past and past performance is not a reliable guide to future performance.

SPARX OneAsia Long Short Representative Strategy

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Y-T-D
2015	0.07%	1.36%	1.59%	-0.11%	-1.43%	1.02%	4.57%	-3.11%	-	-	-	-	-
2014	-	-	-	-	-	0.41%	1.78%	0.92%	-1.19%	2.27%	0.90%	0.68%	5.88%

The above performance pertains to the performance since inception of the SPARX OneAsia Long Short Representative Strategy and is not of the SPARX OneAsia Long Short UCITS Fund. UCITS Funds have to abide by investment restrictions and consequently the performance of the SPARX OneAsia Long Short UCITS Fund may not be similar to that presented above. These performance figures refer to the past and past performance is not a reliable guide to future performance.

Risk Metrics (% of NAV)

		Historical Risk Metrics [▲]	
Long Exposure	69.26%	Annualised Return	2.84%
Short Exposure	-19.55%	Annualised Volatility	6.80%
Index Hedge	-42.97%	Sharpe	0.30
Gross Exposure	131.79%	Sortino	0.43
Net Exposure	6.74%	Beta	0.42
No of Longs	24		
No of Shorts	22		

[▲]The above historical risk metrics pertain to the daily statistics since inception of the SPARX OneAsia Long Short Representative Strategy, merged with the statistics of combined share classes SPARX OneAsia Long Short UCITS Fund from 1st September 2015 to 30th December 2016.

1. Arithmetic means of 1 Month USD LIBOR interest rate was used as the Risk Free Rate of returns for the calculation period.

2. Downside deviation refers to standard deviation of negative daily returns during the period.

3. Firm AUM is in reference to SPARX Group total AUM.

THE MANAGER



Hak Kim is the portfolio manager for the SPARX OneAsia Long Short UCITS Fund. He has over 18 years of experience in the fund management business and is responsible for coordinating SPARX's fundamental research

activities across Asia. Prior to becoming a founding member of the OneAsia team, Mr. Kim was a portfolio manager at SPARX's Korean subsidiary where he ran the award winning Korea long short fund. Before this, he was an analyst covering various sectors and also played a key role in creating the firm's investment outlook and strategy. Mr. Kim holds a B.A. in Business Administration from Seoul National University and attended an MBA program in International Finance at the graduate school of Seoul National University. He is a CFA charter holder.

FUND FACTS

Structure	UCITS Fund
Domicile	Ireland
Liquidity	Weekly
Fund AUM	\$10.8 million
Firm AUM	\$10 billion
Inception	17 th September, 2015
Share Class	Institutional/Institutional Pooled
Currency	EUR/GBP/CHF/USD
Mgt. Fee	1.50%
Perf. Fee	15%
Min Init. Sub.	1,000,000
ISIN Codes	EUR: IE00BYMVZK37/IE00BYMVZX65 USD: IE00BYMVZ58/IE00BYMW0S95 CHF: IE00BYMVZN67/IE00BYMW0P64 GBP: IE00BYMVZL44/IE00BYMVZ289
Share Class	Institutional Founder/Retail Pooled
Currency	EUR/GBP/CHF/USD
Mgt. Fee	1.00%/2.00%
Perf. Fee	10%/15%
Min Init. Sub.	10,000,000/10,000
ISIN Codes	EUR: IE00BZ03QD85/IE00BYQF1X69 USD: IE00BZ03QH24/IE00BYQF2000 CHF: IE00BZ03QG17/IE00BYQF1Z83 GBP: IE00BZ03QF00/IE00BYQF1Y76

Composition of UCITS Fund

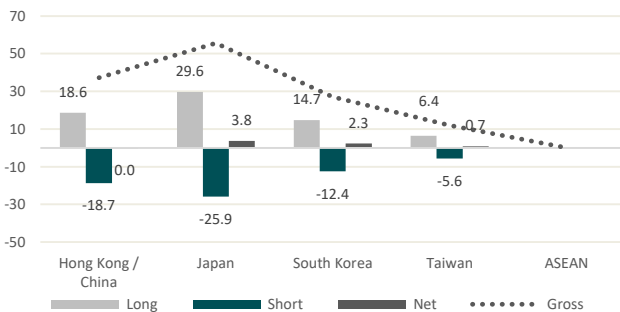
Top 5 Longs (% of NAV)

Sony	4.20%
Samsung Electronics	4.12%
Recruit	4.03%
Terumo Corp	4.02%
Nidec	4.01%
TOTAL	20.38%

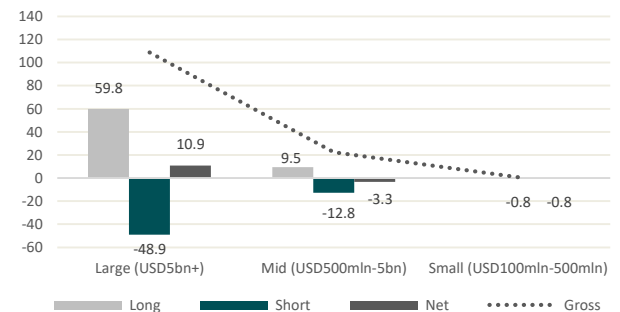
Top 5 Shorts (% of NAV)

Japanese Retailer	-2.89%
Japanese Education Centre	-1.82%
Japanese Fast Foods	-1.62%
Korean Telecom	-1.60%
Taiwanese Telecom	-1.58%
TOTAL	-9.50%

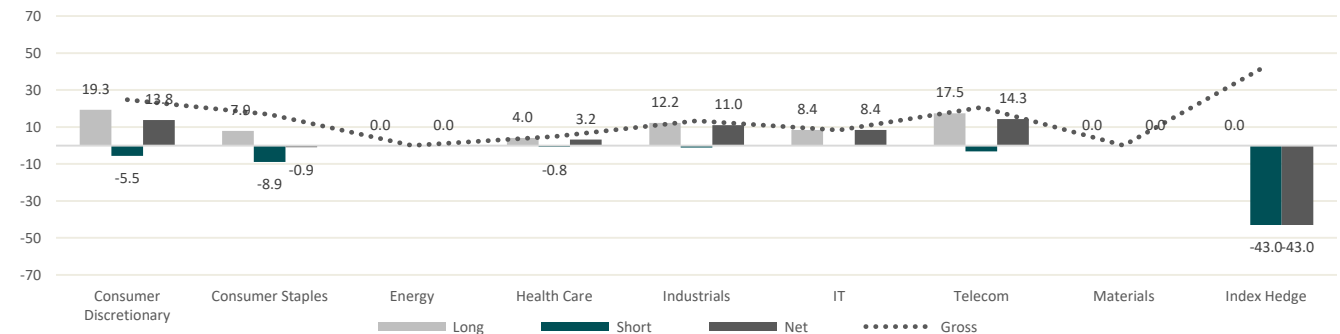
Geographic Analysis (% of NAV)



Market Cap Analysis (% of NAV)



Sector Analysis (% of NAV)



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Disclaimer

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