

Fund Fact Sheet

28/02/2022

Asset Class

Equities Asia ex Japan, all cap

Fund Characteristics

AUM	USD 701,7 mn
Launch date	31/01/2014
Oldest share class (B)	LU1008593946
Turnover (2021) ¹	22%
Reference currency	USD
Available currencies (unhedged)	EUR
Legal structure	SICAV, UCITS
Domicile	Luxembourg
European Passport	Yes
Countries of registration	AT, BE, CH, DE, DK, ES, FI, FR, GB, IT, LU, NL, NO, SE, SG, PT

Representative Market Index

MSCI Asia ex Japan NR (USD)

Fund Manager

Marc Erpelding is fund manager at BLI. After a degree in civil engineering at the Swiss Federal Institute of Technology in Zurich (ETH Zurich), Marc worked for a short time in industry in Zurich and New York. After his Master's degree in Management from King's College, London, Marc returned to Luxembourg in 2002 to join the Asset Management department of Banque de Luxembourg. Marc obtained his Certified International Investment Analyst (CIIA) diploma in 2005 and has been in charge of emerging market equities since 2007.

Management Company

BLI - Banque de Luxembourg Investments
16, boulevard Royal
L-2449 Luxembourg
Tel: (+352) 26 26 99 - 1
www.bli.lu

Dealing & Administrator Details

European Fund Administration (EFA)
Tel +352 48 48 80 582
Fax +352 48 65 61 8002
Dealing frequency daily²
Cut-off time 17:00 CET
Front-load fee max. 5%
Redemption fee none
NAV calculation daily**
NAV publication www.fundinfo.com

Investment Objective

The objective of the fund is to achieve long-term capital gains by investing in high-quality Asian companies (excluding Japan) benefiting from a sustainable competitive advantage.

The fund manager implements an active investment strategy based on strong convictions. The portfolio structure in terms of countries, sectors and market caps is not linked to a market index, but derives from the addition of individual investment opportunities selected by virtue of their quality and their valuation levels.

Key Facts

- Portfolio of 60-70 investments.
- Bottom-up portfolio construction process without consideration of relevant market structure.
- Significant deviations from relevant market given no candidates meeting our requirements in some heavily weighted sectors within the market.
- Focus on quality companies with a healthy balance sheet and delivering high returns on equity.
- Focus on valuation: for initial investment, we invest with a margin of safety against the company's fair value.
- Long only, fully invested.
- Low turnover.



Performance	YTD	2021	2020	2019	2018	2017
Fund (B shares)	-4,3%	-5,6%	14,7%	14,6%	-15,7%	29,8%
MSCI AC Asia ex Japan NR (US)	-5,4%	-4,7%	25,0%	18,2%	-14,4%	41,7%

Performance	1 month	6 months	1 year	3 years	5 years	since launch ³
Fund (B shares)	-1,3%	-8,5%	-12,0%	8,1%	19,7%	17,9%
MSCI AC Asia ex Japan NR	-2,3%	-10,4%	-14,4%	21,6%	47,2%	70,8%

Annualised Performance	1 year	3 years	5 years	since launch ³
Fund (B shares)	-12,0%	2,6%	3,7%	2,1%
MSCI AC Asia ex Japan NR (USD)	-14,4%	6,7%	8,0%	6,8%

Annualised Volatility	1 year	3 years	5 years	since launch ³
Fund (B shares)	11,4%	16,5%	14,9%	14,0%
MSCI AC Asia ex Japan NR (USD)	15,6%	20,0%	18,3%	17,4%

The market index (MSCI AC Asia ex Japan NR) is shown in the performance chart as well as in the performance tables above for performance measurement purposes only and it should under no circumstances be considered as an indication of a specific investment style or strategy.

Investors are also invited to consult the performance chart disclosed in the key investor information document of the sub-fund.

¹ min (purchases, sales) / average of net assets

² Luxembourg banking business day

³ 31/1/2014

Current Portfolio

28/02/2022

Top Holdings

TSMC	7,7%
Tencent Holding	5,1%
Samsung Electronics	4,6%
Kweichow Moutai	4,4%
Alibaba Group	3,8%
Want Want China	3,8%
Thai Beverage	3,5%
Tata Consultancy Services	3,4%
Yum China Holdings	3,3%
President Chain Store	3,3%
Weight of Top 10	42,9%
Number of holdings	44

New Investments in February

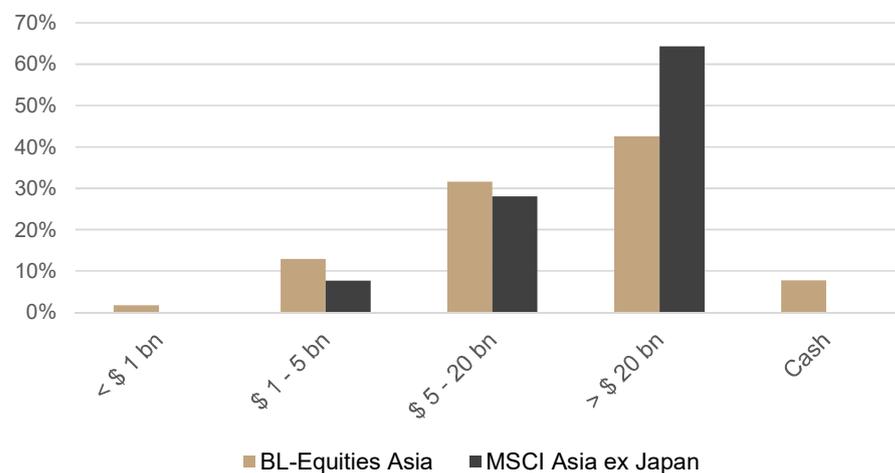
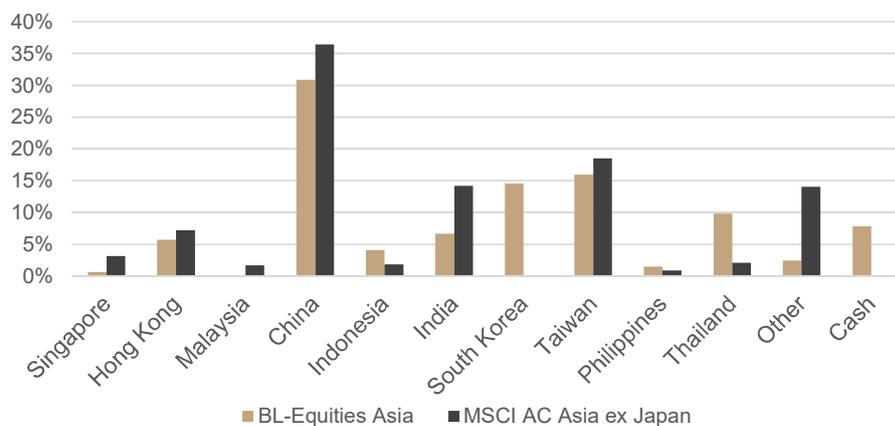
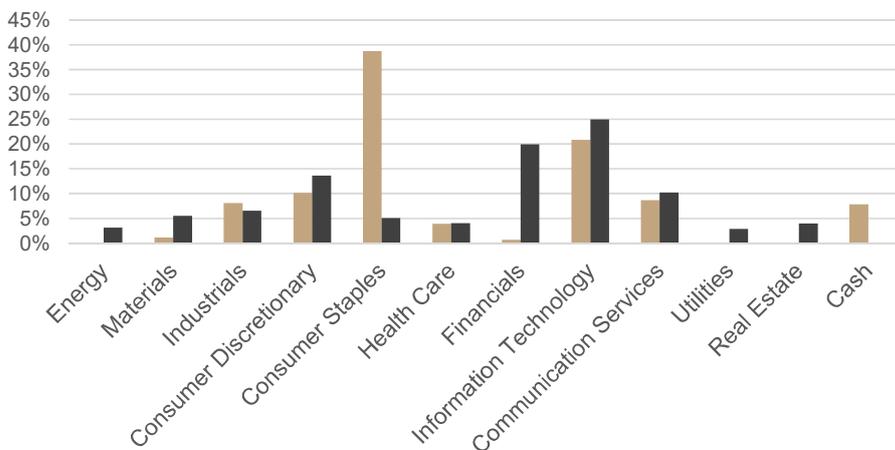
Hong Kong Exchange & Clearing

Investments sold in February

Godrej Consumer Products

Currencies

HKD	28,8%
TWD	15,9%
KRW	14,5%
INR	6,7%
THB	6,3%
CNY	4,4%
SGD	4,1%
IDR	4,1%
USD	3,3%
VND	2,4%
PHP	1,5%
Cash	7,8%



Investor Type	Clean Share	Elegibility Restrictions	Share class	Currency	Currency Hedging	Income	Mgmt fee	On-going Charges	SRRI	ISIN	Bloomberg Ticker
Retail	No	No	A	USD	No	Dis	1,25%	1,49%	5	LU1008593862	BLEQAIU LX
Retail	No	No	B	USD	No	Cap	1,25%	1,48%	5	LU1008593946	BLEQBAU LX
Retail	No	No	BC	EUR	No	Cap	1,25%	1,47%	5	LU1008594084	BLEQCAE LX
Retail	Yes	Yes	AM	USD	No	Dis	0,85%	1,08%	5	LU1484142549	BLEQAMU LX
Retail	Yes	Yes	BM	USD	No	Cap	0,85%	1,08%	5	LU1484142622	BLEQBMA LX
Retail	Yes	Yes	BCM	EUR	No	Cap	0,85%	1,03%	5	LU1484142895	BLEQBME LX
Institutional	No	Yes	BI	USD	No	Cap	0,60%	0,79%	5	LU1008594837	BLEQAIA LX

Management Report

28/02/2022

The Asian equity index, the MSCI AC Asia ex Japan Net Total Return, was down by -2.4% (in USD) during the month of February. The fund (retail class B) was down by -1.3% (in USD) over the same period.

The best performing sectors were materials, industrials and consumer staples. Consumer discretionary, communication services and real estate were down the most during the month.

At the end of February, the fund manager initiated on Hong Kong Exchange & Clearing (HKEx). The stock exchange in Hong Kong is basically a monopoly and one of the most important exchanges in the Asian region. HKEx also owns the London Metal Exchange LME, acquired in 2012. The company has several structural growth drivers. Together with mainland China stock exchanges Shanghai and Shenzhen, HKEx is a top choice of listing for Chinese companies, especially for those companies looking to attract foreign capital. HKEx will also be the first beneficiary of an eventual de-listing of Chinese companies from the US (Alibaba, JD.com etc.) and of investment flows from and to mainland China through the Hong Kong-Shanghai-Shenzhen-Connect. Incremental growth will come from derivatives, bonds and products issued in Renminbi.

HKEx is highly profitable and sits on large amounts of cash. The business is not very capital intensive and therefore highly free cash flow generative. At the ESG level, the company is AA rated by MSCI with no controversies.

During the month, the fund manager exited Godrej Consumer Products, a producer of household consumer products from India, for valuation reasons.

Investment Approach

Investment Principles

Investment

Equity investments are considered as a long-term participation in a business.

Focus on Quality

We seek companies with a sustainable competitive advantage.

Invest with a margin of safety in terms of valuation

The price paid for an investment determines its potential return.

Investment Risks

Risks arise when the parameters of an investment are not properly understood.

Active Management

The portfolio structure results from the addition of individual investment opportunities.

Equity Investment Approach: Business-Like Investing

Rationale

We consider an equity investment as a long-term participation in a business. The companies we target enjoy a sustainable competitive advantage that differentiates them from their competitors. This should be translated into higher profitability and high generation of free cash-flow. Typically these businesses pay also good dividends.

Quality

In the first step of our investment process, we perform an in-depth review of the targeted company's business model in order to identify its competitive advantage. A competitive advantage differentiates the company from its competitors and creates barriers to entry for competitors, adding value for its investors.

In the second step we analyse whether the competitive advantage translates into recurrent free cash-flow & high ROCE. We put a special emphasis on the analysis of the maintenance capex requirements of the targeted companies to make sure that the generated cash-flow is not absorbed by investment needs to sustain its current business operations.

In the third step, we analyse how the targeted company has used and will use its capital. The company's management faces the following options: investment in current business activities, development of new activities, takeovers, dividend payments, stock buybacks or debt repayments. We favour companies with good track record in terms of capital allocation and those that are run in shareholders' best interest. Treatment of minorities is also critical.

Only companies that meet our investment criteria are considered for inclusion into our portfolios, which may lead to significant deviations from the market indices.

Valuation

Any investment may lead to permanent capital losses if the price paid for the investment is too high. To avoid this pitfall, we derive a fair value for each targeted company prior to investing. This fair value is based on the company's normalised free cash-flow (including depreciation and amortisation, after maintenance capex) and serves as reference point for our buy and sell discipline.

We initiate an investment only if the company's stock price offers a discount against its fair value.

Portfolio characteristics

BL-Equities Asia's investment portfolio consists of 60 to 70 stocks from Asian companies (excluding Japan) that meet our quality and valuation criteria.

Investments are mostly concentrated in defensive sectors such as health care, consumer goods or industrials. On the other hand there are sectors like energy, financials, utilities or telecom where we find few - if any - companies that meet our criteria.

When implementing our bottom-up investment strategy we are able to identify more candidates in the mid- and small cap market segments benefiting from a competitive advantage than in the large cap segment. In Asia, the latter is dominated by large financial holdings or resource companies with few meeting our investment criteria. Many of the companies held in the portfolio are local or regional players with dominant market position.

The portfolio structure is purely the outcome of individual bottom-up investment opportunities. We do not rely on any top-down considerations in terms of countries, sectors, market cap to manage the portfolio allocations.

Legal Information

This document is issued by Banque de Luxembourg Investments ("BLI"), with the greatest care and to the best of its knowledge and belief. However, no guarantee is provided with regard to its content and completeness and BLI does not accept any liability for any losses which might arise from making use of the information contained herein. The opinions expressed in this document are those of BLI at the time of writing and are subject to change at any time without notice. If nothing is indicated to the contrary, all figures are unaudited.

The product description contained herein is for information purposes only and is for the exclusive use of the recipient. Nothing in this document should be construed as an offer and is therefore not a recommendation to purchase or sell shares. It does not release the recipient from exercising his own judgement. Unless specifically indicated, this description is solely aimed at institutional investors according to the Luxembourgish law of 17 december 2010.

The securities and financial instruments described in this document may generate considerable losses and are not therefore suitable for all investors. Among other risks, these include market risks, currency fluctuation risks, credit or payment default risks, liquidity risks and interest rate risks. BLI cannot guarantee that the securities and financial instruments will achieve the intended investment objectives. Each investor must ensure that he is aware of the risks and the consequent legal, tax, accounting and commercial aspects related to these securities and financial instruments.

The accuracy of the data, the evaluation, opinions and estimates of which are included in this document, has been very carefully checked. Any statements made in this document may be subject to change without prior warning.

References to past performances of financial instruments should not be interpreted as a guarantee of future returns.

The recipient is recommended in particular to check that the information provided is in line with his own circumstances with regard to any legal, regulatory, tax or other consequences, if necessary with the help of a professional adviser. It is expressly not intended for persons who, due to their nationality or place of residence, are not permitted access to such information under local law. Neither this document nor any copy thereof may be sent, taken into or distributed in the United States or to any U.S. person as defined in the fund's prospectus. This material is not for distribution to the general public. It is intended for the recipient personally, and it may be used solely by the person to whom it was presented. It does not constitute and may not be used for or in connection with a public offer in Luxembourg of the products referred to herein.

The prospectus, the articles of incorporation, the annual and semi-annual reports of BL as well as the key investor information document (KIID) of the sub-fund are available on www.bli.lu or upon request from BLI. The KIIDs are available in French, English and in any other official language of registration of BL.

This document may not be reproduced either in part or in full without the prior written consent of BLI.

Specific Information concerning MSCI Data:

All MSCI data is provided "as is". Neither MSCI nor any other party involved in or related to compiling, computing or creating the MSCI data makes any express or implied warranties or representations with respect to such data (or the result to be obtained by the use thereof) and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any such data. Without limiting any of the foregoing, in no event shall MSCI, any of its affiliates or any third party involved in or related to compiling, computing or creating the data have any liability for any direct, indirect, special punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. No further distribution or dissemination of the MSCI data is permitted without MSCI's express written consent.

Specific Information concerning GICS Data:

The Global Industry Classification Standard ("GICS") was developed by and is the exclusive property and a service mark of MSCI Inc. ("MSCI") and Standard and Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P") and is licensed to use by Banque de Luxembourg S.A.. Neither MSCI, S&P nor any third party involved in making or compiling the GICS or any GICS classifications makes any express or implied warranties or representations with respect to such standard or classification (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability and fitness for a particular purpose with respect to any of such standard or classification. Without limiting any of the foregoing, in no event shall MSCI, S&P, any of their affiliates or any third party involved in making or compiling the GICS or any GICS classification have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if noticed of the possibility of such damages.

Specific Information for Switzerland:

Legal documentation of the fund may be obtained, free of charge, at the offices of the Swiss representative, CACEIS (Switzerland) S.A., 7-9, Chemin de Précoissy, CH-1260 Nyon, Switzerland, in accordance with the provisions of the Swiss Collective Investment Schemes Act of 23 June 2006 ("CISA"). The SICAV has appointed Banque CIC (Suisse) SA, Marktplatz 13, CH-4001 Bâle, Switzerland to act as paying agent for Switzerland. The present document may be distributed to Swiss qualified investors.

Specific Information for France:

The present document may be distributed to French professional investors.