

PrivilEdge – SMAM Japan Small and Mid Cap (JPY) P

Fact Sheet (marketing document)

High Conviction • Equities

31 January 2021

FUND FACTS

Domicile/Legal structure	Luxembourg/SICAV
Legal Status	UCITS
Fund inception date	1 April 2016
Currency of Fund	JPY
Currency of share class	JPY
Fund manager	Sumitomo Mitsui DS Asset Management Company "SMDAM"
Net assets (all classes)	JPY 13.99 bn
Liquidity (sub./red.)	Weekly (Wednesday)
Min. investment	EUR 3'000 or equivalent
Management fee	1.10%
Distribution fee	0.70%
FROC	0.45%
TER max (30 September 2020)	2.25%

RISK AND REWARD PROFILE

1	2	3	4	5	6	7
Low						High

CODES

ISIN	LU1370678622
Bloomberg	PSMJJPA LX
NAV	JPY 15'807.00

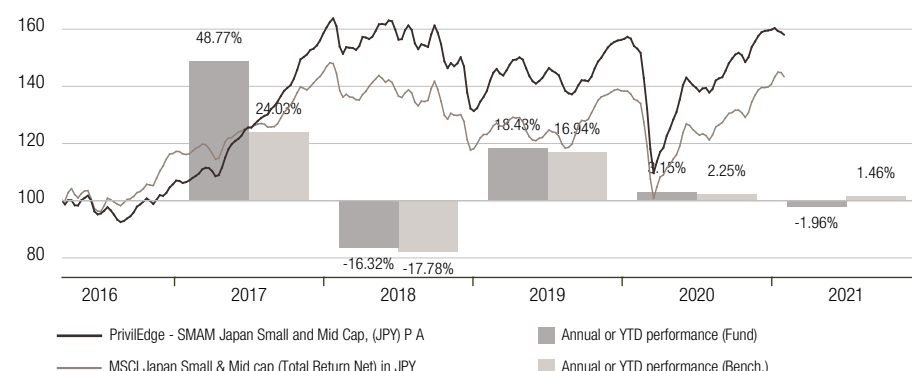
RATINGS

Morningstar Rating	★★★★★
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HIGHLIGHTS

PrivilEdge – SMAM Japan Small and Mid-Cap is an actively managed UCITS portfolio. The sub-fund is actively managed in reference to the MSCI Japan Small & Mid cap (Total Return Net) in JPY index. The investment approach is contrarian and opportunistic, enabling the Fund to behave like a corporate investor, as opposed to a financial investor, using the EV metric rather than the more traditional ones (such as P/E, dividend discounts). The Fund invests in small and mid-cap companies listed on the Japanese stock exchange that tends to have unique products/business models exhibiting sustainable and durable growth and a high-quality management team that wisely allocates capital to drive growth over the long term. The objective of the Fund is to invest in 60 – 100 stocks with a USD 50million minimum market cap where the market price is at least 20% below the Portfolio Manager's assessment of the Fair Value and to sell it when it is 20% above. Risk management is performed by the fund manager at a portfolio level, while independent teams oversee investment, counterparty and operational risks.

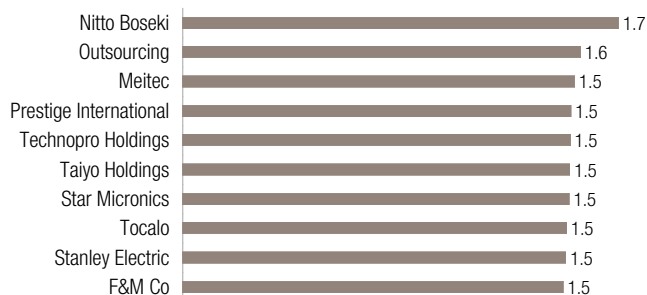
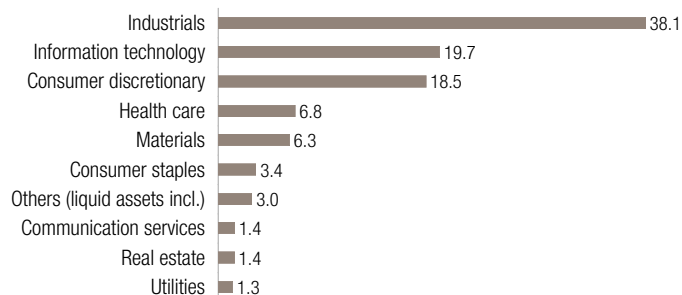
NET PERFORMANCE AND ANNUAL PERFORMANCE IN JPY Apr 1, 2016 - Jan 31, 2021



NET PERFORMANCE IN JPY	Cumulative		Annualized	
	Fund	Bench.	Fund	Bench.
YTD	-1.96%	1.46%	-	-
1 month	-1.96%	1.46%	-	-
3 months	9.31%	13.69%	-	-
1 year	4.83%	7.34%	-	-
3 years	-2.10%	-1.19%	-0.70%	-0.40%
Total return (since 01.04.2016)	58.07%	43.42%	9.90%	7.72%

STATISTICS 01.04.2016 - 31.01.2021	Fund	Bench.
Annualised volatility	17.54%	15.67%
Sharpe ratio	0.58	0.51
Max. drawdown	-26.28%	-24.05%
Correlation		0.912
Tracking error		7.21%

	Fund
Number of positions	89

TOP 10 (IN %)**SECTORS (IN %)****COUNTRIES (IN %)****CURRENCIES (IN %)****INCREASED (SECURITIES)****REDUCED (SECURITIES)****MONTHLY RETURNS
IN %**

	2016		2017		2018		2019		2020		2021	
	Fund	Bench.	Fund	Bench.	Fund	Bench.	Fund	Bench.	Fund	Bench.	Fund	Bench.
January			0.6	0.1	2.4	0.9	3.6	4.6	-3.5	-3.3	-2.0	1.5
February			1.8	1.6	-3.0	-4.2	6.7	2.6	-13.7	-11.9		
March			2.1	-0.9	0.2	-1.5	0.3	0.4	-7.7	-6.4		
April	-1.1	2.8	1.6	1.5	-0.1	3.5	2.7	1.3	6.7	4.6		
May	3.6	2.7	6.9	2.9	2.1	-1.2	-7.2	-7.3	10.4	8.2		
June	-6.8	-8.7	4.3	2.8	-0.6	-1.0	2.3	2.4	-1.1	-0.8		
July	2.8	5.5	1.6	0.7	1.7	0.2	2.3	1.2	-4.5	-5.2		
August	-5.5	-1.8	5.2	0.5	-2.7	-1.5	-5.5	-3.1	7.1	8.5		
September	5.6	2.0	4.8	3.9	3.5	4.4	2.4	6.1	5.0	2.7		
October	3.3	4.8	4.9	4.7	-9.9	-10.0	5.2	5.4	-3.8	-3.5		
November	1.2	4.0	4.2	1.9	4.8	2.9	3.2	2.1	8.6	9.0		
December	3.4	4.2	2.6	2.2	-14.2	-10.7	1.8	0.8	2.7	2.8		
Year	6.0	15.9	48.8	24.0	-16.3	-17.8	18.4	16.9	3.1	2.2	-2.0	1.5

PARTICULAR RISKS

The following risks may be materially relevant but may not always be adequately captured by the synthetic risk indicator and may cause additional loss:

- Liquidity risk: Where a significant level of investment is made in financial instruments that may under certain circumstances have a relatively low level of liquidity, there is a material risk that the fund will not be able to transact at advantageous times or prices. This could reduce the fund's returns.
- Operational risk and risks related to asset safekeeping: In specific circumstances, there may be a material risk of loss resulting from human error, inadequate or failed internal

systems, processes or controls, or from external events.

- Concentration risk: To the extent that the fund's investments are concentrated in a particular country, market, industry, sector or asset class, the fund may be susceptible to loss due to adverse occurrences affecting that country, market, industry, sector or asset class.

For more details about risk, see section 5 "Risk Factors" of the prospectus.

GLOSSARY

Credit Ratings: The credit ratings breakdown mentioned for convertible funds is a blend of ratings performed internally as well as ratings provided by external sources.

Risk and Reward Profile: This indicator (SRR) represents the annualized historical volatility of the Sub-Fund over a 5-year period. Where there are less than 5 years worth of data, missing returns are simulated using an appropriate benchmark. The SRR may change over time and should not be used as an indicator of future risk or returns. Even the lowest risk classification does not imply that the Sub-Fund is risk-free or that capital is necessarily guaranteed or protected.

Total Expense Ratio (TER): The total fees involved in managing and operating a fund. The TER included the annual management fee and other charges, for example legal, admin, and audit costs (source: annual audited reports or semi annual non audited reports). The Total Expense Ratio (TER) is calculated twice per year and is subject to change between calculation dates.

Volatility: A statistical measure of the fluctuations of a security's price. It can also be used to describe fluctuations in a particular market. High volatility is an indication of higher risk.

Sharpe Ratio: A measure of risk-adjusted performance. The higher the ratio, the better riskadjusted performance has been.

Drawdown: A draw down is usually quoted as the percentage between the peak and trough of an investment during a specific period. It can help to compare an investment's possible reward to its risk.

Correlation: Correlation is a measure of how securities or asset classes move in relation to each other. Highly correlated investments tend to move up and down together while investments with low correlation tend to perform in different ways in different market conditions, providing investors with diversification benefits. Correlation is measured between 1 (perfect correlation) and -1 (perfect opposite correlation). A correlation

coefficient of 0 suggests there is no correlation.

Tracking Error: A measure of how closely an investment portfolio follows the index against which it is benchmarked.

Bond Floor: The lowest value that convertible bonds can fall to, given the present value of the remaining future cash flows and principal repayment. The bond floor is the value at which the convertible option becomes worthless because the underlying stock price has fallen substantially below the conversion value.

Delta: The ratio comparing the change in the price of the underlying asset to the corresponding change in the price of a derivative.

Premium: If a fixed-income security (bond) is purchased at a premium, existing interest rates are lower than the coupon rate. Investors pay a premium for an investment that will return an amount greater than existing interest rates.

Yield to Maturity: The rate of return anticipated on a bond if it is held until the maturity date.

Coupon: The interest rate stated on a bond when it's issued.

Modified Duration: This formula is used to determine the effect that a 100-basis-point (1%) change in interest rates will have on the price of a bond.

Average Duration: The average modified duration of the portfolio expressed in years.

Expected Loss: Annual average expected loss to the portfolio expressed in percent.

Attachment Point: The modelled probability of a negative portfolio return in any given year.

FROC (Fixed Rate of Operational Costs): The Operational Costs cover expenses directly incurred by the Company ("Direct Costs") and those resulting from the activities carried out by the Management Company on behalf of the Company ("Fund Servicing Costs").

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