

# Yuki Asia Umbrella Fund Yuki Japan Rebounding Growth Fund USD Hedged Unit Class

2018 LIPPER FUND AWARD, UK  
EQUITY JAPAN BEST FUND OVER 3 YEARS  
EQUITY JAPAN BEST FUND OVER 5 YEARS



31 MAY 2020 | PAGE 1 OF 2

## FUND PROFILE

**OBJECTIVE** Long-term capital appreciation through investment in equities of Japanese companies that are achieving EPS growth through the skillful execution of unique business models that are well suited to the economic environment and growth opportunities

**APPROACH** Intensive bottom-up research (company visits, interviews and fundamental analysis) with utilization of proprietary database of over 3,800 companies

**SUITABILITY** Institutional investors with a long term view

## FUND MANAGER'S COMMENT | OVERVIEW

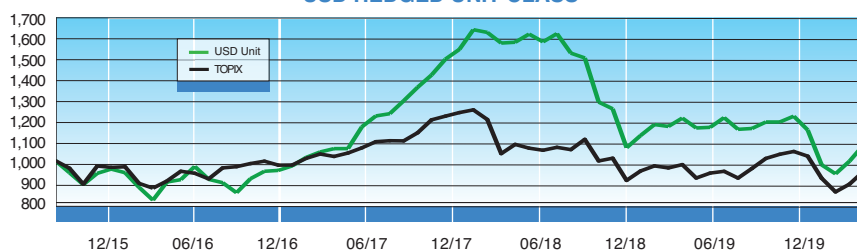
Our outlook as of May 29 for corporate performance for the fiscal year ending March 2021 for the 1,255 TOPIX companies that actually announced their forecasts for the year, are as follows: ordinary income down 17.3% from the previous year, net income down 16.9% from the previous year, and gross dividends down 2.5% from the previous year. The Japanese stock market began cautiously in May with the spread of the novel Coronavirus, but rose by the end of the month in anticipation of a return to economic activity as the emergency declaration released in stages. There were also signs overseas such as the gradual normalization of factory operations and relaxation of restrictions on going out. Also, many of the companies that have disclosed their earnings expectations for the current fiscal year assume that the impact of the novel Coronavirus will be resolved and recovery will occur from the second half of the fiscal year, but growing concerns about such things as a second wave of the spread of the virus and worsening US-China relations are also factors. We think it important to continue our due diligence and company visits to select companies that are expected to achieve mid- to long-term EPS growth.

## Investment Themes

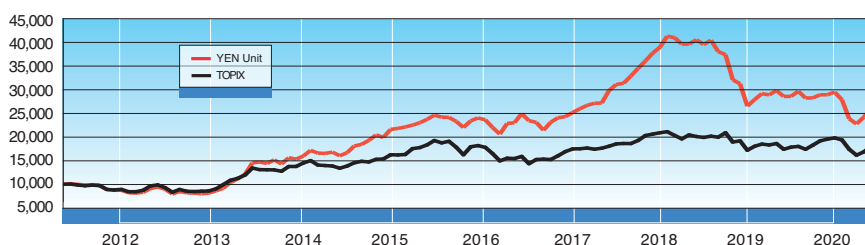
1. Companies that have established business models in Japan that will enable them to achieve a high level of earnings growth over the medium to long term;
2. Companies with sustainable earnings growth over the medium to long term that contribute to the IoT and 5G hardware and software areas, which are part of the so-called fourth industrial revolution;
3. Companies supporting lifestyle changes brought on by the Coronavirus;
4. Well-known, bellwether Japanese companies with EPS growth and low stock price volatility;
5. Companies that support the utilization of idle assets and wealth creation.

## PERFORMANCE CHART

USD HEDGED UNIT CLASS



YEN UNIT CLASS



## FUND FACTS

|                             |  |                       |
|-----------------------------|--|-----------------------|
| Market Coverage             | Japanese Equities                              |                       |
| Currency                    | U.S. Dollar, Japanese Yen, or Euro             |                       |
| Inception Date              | 19 August 2015                                 | USD Hedged Unit Class |
|                             | 30 March 2011                                  | Yen Unit Class        |
|                             | 01 May 2018                                    | EUR Hedged Unit Class |
| ISIN Code                   | IE00BVRZ9185                                   | USD Hedged Unit Class |
|                             | IE00B3VGSP84                                   | Yen Unit Class        |
|                             | IE00BDRTF67                                    | EUR Hedged Unit Class |
| Bloomberg Code              | YUKIUSD:ID                                     | USD Hedged Unit Class |
|                             | YUKIJPY:ID                                     | Yen Unit Class        |
|                             | YUKIEUR:ID                                     | EUR Hedged Unit Class |
| Total Net Asset             | ¥8,608 Million                                 |                       |
|                             | -\$30 Million                                  | USD Hedged Unit Class |
|                             | -¥4,931 Million                                | Yen Unit Class        |
|                             | -€3.5 Million                                  | EUR Hedged Unit Class |
| Unit NAV                    | \$1,074.35                                     | USD Hedged Unit Class |
|                             | ¥26,159  | Yen Unit Class        |
|                             | €646.84  | EUR Hedged Unit Class |
| Legal Classification        | UCITS regulated by Central Bank of Ireland     |                       |
| Listed                      | Irish Stock Exchange                           |                       |
| Reporting Year End          | July   |                       |
| Subscription / Redemption   | Daily  |                       |
| Minimum Investment          | \$10,000                                       | USD Hedged Unit Class |
|                             | ¥1,000,000                                     | Yen Unit Class        |
|                             | €10,000  | EUR Hedged Unit Class |
| NAV Calculations            | Daily  |                       |
| Manager                     | Came Global Fund Managers (Ireland) Ltd Dublin |                       |
| Trustee                     | BNY Mellon Trust Company (Ireland) Ltd Dublin  |                       |
| Investment Manager          | Yuki Management & Research Co. Ltd Tokyo       |                       |
| Fund Manager                | Magotaka Oshitani                              |                       |
| Administrator               | BNY Mellon Fund Services (Ireland) DAC Dublin  |                       |
| Auditor                     | PricewaterhouseCoopers Dublin                  |                       |
| International Placing Agent | Yuki-Co, LLC                                   |                       |

## CONTACTS

For Fund Prospectus & Application Form:  
Transfer Agent  
BNY Mellon Fund Services (Ireland) DAC

Tel: +353 1 900 4590  
e-mail: yuki@bnymellon.com

For Further Fund Information:  
International Placing Agent  
Jeff Collett  
Yuki-Co LLC  
2173 Walker Lane  
Holladay, UT 84117 USA

Tel: +1 (801) 554-5191  
e-mail: jeffcollett@yukico-llc.com  
www.yukifunds.com

# Yuki Asia Umbrella Fund Yuki Japan Rebounding Growth Fund USD Hedged Unit Class

2018 LIPPER FUND AWARD, UK  
EQUITY JAPAN BEST FUND OVER 3 YEARS  
EQUITY JAPAN BEST FUND OVER 5 YEARS



31 MAY 2020 | PAGE 2 OF 2

## FUND MANAGER'S COMMENT | REVIEW

Through company visits and interviews, the fund manager added new positions, confirmed existing positions, and increased the weightings of some positions. One company of note is Japan Elevator Service Holdings (6544), a domestic independent elevator maintenance company. The number of maintenance contracts, which is their recurring revenue business, is increasing because of their high cost performance following installation by elevator manufacturers. Elevator manufacturers have built their business model on setting high monthly rates for maintenance contracts following installation. On the other hand, Japan Elevator Service specializes in maintenance, and with its expertise is succeeding in customer acquisition because they can set a lower monthly rate. Also, unlike competitor independent maintenance businesses, Japan Elevator Service is the only listed company in this space and is distinguished from the others with the power of a well-known brand and high quality service. With the increase in recurring revenue from the company's nearly 100% repeat business rate, we anticipate an increase in the number of renewals on elevators and a 10% increase in new projects this fiscal year. Further, the number of elevators serviced per site has increased, improving maintenance efficiency, and we can expect improving margins. For these reasons we added this stock to our portfolio.

## FEES

|                                    |                 |
|------------------------------------|-----------------|
| Manager                            | 0.015%          |
| Administrator                      | 0.085% - 0.025% |
| Trustee                            | 0.02%           |
| Investment Manager & Placing Agent | 1.50%           |
| Hedge Cost                         | 0.07%           |

Please see prospectus for details  
[minimum charge may apply]

## PERFORMANCE DATA

### USD HEDGED UNIT CLASS

|  | YTD    | 1M   | 3M   | 6M    | 1Y    | 3Y    | 5Y | Inception |
|--|--------|------|------|-------|-------|-------|----|-----------|
| <b>FUND</b>                                      | -11.4% | 7.7% | 9.6% | -9.4% | -7.1% | -7.5% | NA | 7.4%      |
| <b>TOPIX</b><br><small>[excl. dividends]</small> | -9.2%  | 6.8% | 3.5% | -8.0% | 3.4%  | -0.3% | NA | -5.1%     |

\*Note: TOPIX figures are stated in USD terms for this table.

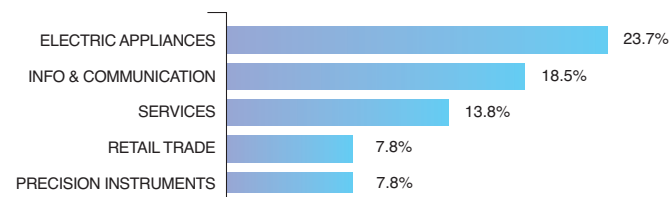
### YEN UNIT CLASS

|             | YTD    | 1M   | 3M   | 6M     | 1Y    | 3Y     | 5Y    | Inception |
|-------------|--------|------|------|--------|-------|--------|-------|-----------|
| <b>FUND</b> | -11.8% | 7.7% | 9.2% | -10.1% | -8.9% | -12.7% | 5.8%  | 161.6%    |
|             | -9.2%  | 6.8% | 3.5% | -8.0%  | 3.4%  | -0.3%  | -6.6% | 80.5%     |

## TOP HOLDINGS

|                                       |              |
|---------------------------------------|--------------|
| <b>1</b> Sony Corp (6758)             | 4.0%         |
| <b>2</b> Kobe Bussan Co (3038)        | 3.5%         |
| <b>3</b> Terumo Corp (4543)           | 3.4%         |
| <b>4</b> M3 Inc (2413)                | 3.3%         |
| <b>5</b> Daikin Industries Ltd (6367) | 3.2%         |
| <b>6</b> Capcom Co Ltd (9697)         | 3.2%         |
| <b>7</b> Kao Corp (4452)              | 2.9%         |
| <b>8</b> Lasertec Corp (6920)         | 2.9%         |
| <b>9</b> Tokyo Electron Ltd (8035)    | 2.8%         |
| <b>10</b> Nintendo Co (7974)          | 2.7%         |
| <b>TOTAL</b>                          | <b>32.0%</b> |

## SECTOR BREAKDOWN



## FUND MANAGER'S COMMENT | Future Strategy

The stock market finished much higher in May. Continuing from April, the month started with panic-type selling on pessimism about the impact of the novel Coronavirus, settled at the level of 1.0x PBR, then transitioned to a market with investors returning to oversold companies, and especially stocks that can be expected to grow earnings notwithstanding the uncertain outlook on the effects of Coronavirus. Until mid-May, we saw buying of growth companies with robust business models that would be only temporarily impacted by the Coronavirus. However, analysis showed that from mid-month profit-taking of some of these stocks occurred as the market rotated to value focused on cheap stocks without consideration of earnings as the market settled at the PBR 1.0x level. We expected that such a short-term trend might occur, but we assume that the conditions will settle down after the overall market level has recovered. Our investment policy is to focus on fundamentals, building a portfolio focused on companies undergoing a high rate of change with a superior market advantage. We will adjust our position weightings based on target prices using our 3-year earnings estimates, and thoroughly analyze and evaluate company earnings to focus our investments on companies that we expect will improve profits over the mid- to long-term and have high EPS growth momentum based on unit sales growth.

**DISCLAIMER:** This material is intended to report solely on the investment strategies and opportunities identified by Yuki. Additional information is available upon request. Information herein is believed to be reliable but Yuki does not warrant its completeness or accuracy. Opinions and estimates constitute Yuki's judgement and are subject to change without notice. Past performance is not indicative of future results. The material is not intended as an offer or solicitation for the purchase or sale of any financial instrument. Yuki and/or its affiliates and employees may hold a position or act as advisor to such issuer. The investments and strategies discussed herein may not be suitable for all investors; if you have any doubts you should consult your own advisor or broker. The material is not intended to provide, and should not be relied on for, accounting, legal or tax advice, or investment recommendations. You should consult your tax or legal adviser about the issues discussed herein. The investments discussed may fluctuate in price or value. Investors may get back less than they invested. Changes in rates of exchange may have an adverse effect on the value, price or income of investments.