



## INVESTMENT OBJECTIVE

To provide investors with attractive risk-adjusted returns over the long-term by investing in high quality companies in the Asia ex Japan region.

## PORTFOLIO UPDATE

The MSCI Asia ex Japan Index (Index) was down 2.1% in Australian dollar (AUD) terms in July as regional markets in Asia failed to follow the global market rally during the month. Chinese (-10.3%) and Hong Kong (-4.5%) markets gave back gains from previous months as the economic recovery stalled amid continuous disruptions including Covid zero policies. Stocks exposed to the domestic property market came under pressure as mortgage boycotts plagued already struggling property developers.

India (+8.1%) and Singapore (+4.8%) were the best markets on the back of continuous domestic recovery while technology heavy Korea (+3.4%) and Taiwan (+2.4%) also outperformed following the global rally in technology stocks. On a sector basis, Information Technology (+3.4%) and Materials (+2.2%) outperformed. Consumer Discretionary (-8.7%) and Real Estate (-8.3%) were the worst sectors echoing the underperformance of Chinese equities.

The Orca Asia Fund (Fund) returned -3.2%<sup>1</sup> in AUD terms, underperforming the Index by 1.1%. **Techtronic Industries** (+5.3%) was the top performance contributor for the month as the stock rebounded after the selloff in prior months and concerns of a US recession. **LG Chem** (+14.1%) was the second-best performance contributor after reporting solid quarterly results, with the electric vehicle battery sector boosted by continuous strong demand. **Uni-President Enterprise** (+3.5%) also contributed positively as the company announced the acquisition of Carrefour Taiwan to further consolidate the retail markets in Taiwan. **Alibaba Group** (-22.1%) was the largest detractor from performance partly due to the dual listing mismatch in the last trading day of the month. In addition, there have been renewed concerns of regulatory pressure on Chinese internet companies. **Ping An Group** (-14.3%) gave up gains from previous months as the Chinese financial sector retraced on economic concerns. **Shenzhou International** (-14.0%) was also a detractor for the month as concerns of weak demand for sportswear rose due to potential recessions in the US and Europe.

This fund is appropriate for investors with a "Medium to High" risk and return profiles. A suitable investor for this fund is prepared to accept high risk in the pursuit of capital growth with a medium investment timeframe. Investors should refer to the **TMD** for further information.

## PORTFOLIO MANAGERS



**Ted Alexander**  
Portfolio Manager



**Ying Luo**  
Assistant  
Portfolio Manager

| Unit price (Exit) | Fund size             | 12-month distribution yield (target: 4%) <sup>2</sup> | Performance since inception (14 May 2018) <sup>1</sup> |
|-------------------|-----------------------|---|--|
| <b>\$1.1529</b>   | <b>\$50.3 million</b> | <b>5.0%</b>   | <b>1.9%</b>  |

## FUND PERFORMANCE<sup>1</sup>

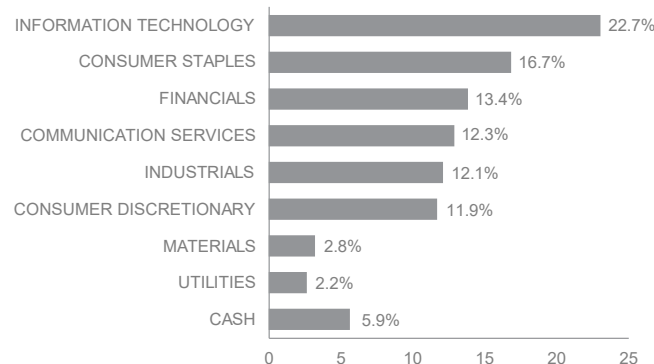
|                                     | 1 Month | 3 Months | 6 Months | 1 Year | 2 Years (p.a.) | 3 Years (p.a.) | Since Inception (p.a.) |
|-------------------------------------|---------|----------|----------|--------|----------------|----------------|------------------------|
| Orca Asia Fund                      | -3.2%   | -6.9%    | -17.8%   | -15.1% | -2.6%          | 0.4%           | 1.9%                   |
| MSCI Asia ex Japan Index (Net, AUD) | -2.1%   | -3.8%    | -13.6%   | -15.7% | -1.2%          | 1.8%           | 1.2%                   |
| Excess Return                       | -1.1%   | -3.1%    | -4.2%    | 0.7%   | -1.4%          | -1.5%          | 0.7%                   |

Note: Numbers may not sum due to rounding. Past performance is not a reliable indicator of future performance.

## TOP 10 PORTFOLIO HOLDINGS

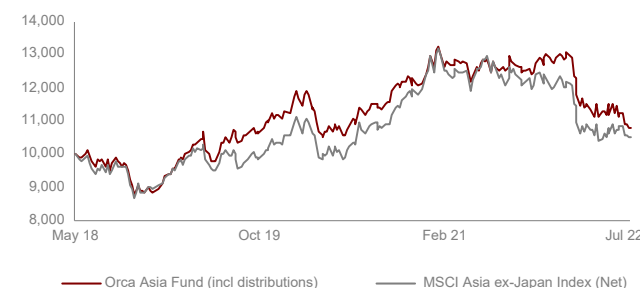
|                   |                           |
|-------------------|---------------------------|
| Alibaba           | Techtronic                |
| CP ALL            | Tencent                   |
| HCL Technologies  | TSMC                      |
| HDFC Bank         | Uni-President Enterprises |
| Ping An Insurance | United Overseas Bank      |

## SECTOR EXPOSURE

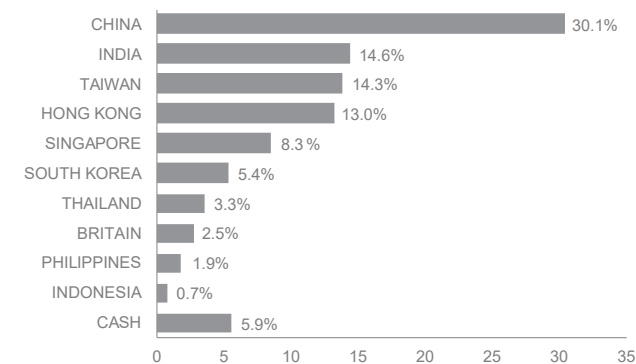


Source: Investment Manager, Bloomberg

## PERFORMANCE CHART<sup>1</sup>



## COUNTRY EXPOSURE



Source: Bloomberg, Country of Domicile

Notes: Data as at 31 July 2022 unless stated. Numbers may not sum due to rounding.

1. All returns are total returns, inclusive of reinvested distributions and net of fees and costs using net asset value per unit from inception to, and including, 31 January 2021 and exit unit price from this date. Past performance is not a reliable indicator of future performance. Inception 14 May 2018.

Chart data range: 14 May 2018 to 31 July 2022. 2. Distribution yield is a historical measure. The Fund has a target distribution yield of 4%. There is no guarantee the Fund will meet its investment objective. The payment of a semi-annual distribution is a goal of the Fund only and neither the Manager or the Responsible Entity provide any representations or warranty in relation to the payment of any semi-annual cash income. The Fund reserves the discretion to amend its distribution policy. Initial index value 10,000. Index Source: Bloomberg.

# ABOUT ORCA FUNDS MANAGEMENT

Orca Funds Management is the investment manager for the Orca Global Disruption Fund, Orca Asia Fund and the Orca Global Fund. The Orca Funds Management Investment Team has more than two decades of experience in managing global equities and fixed income funds. Orca Funds Management has an investment team of seven investment professionals who, as at 30 June 2022, collectively manage over \$453 million of funds.

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## IMPORTANT INFORMATION

This report has been prepared and issued by Orca Funds Management Pty Limited (**Investment Manager**) (ACN 619 080 045, CAR No. 1255264), as investment manager for the Orca Asia Fund (**Fund**) (ARSN 624 216 404). The Trust Company (RE Services) Limited (ABN 45 003 278 831, AFSL 235150) is the Responsible Entity of the Fund. For further information on the Fund please refer to the PDS and Target Market Determination which is available at [orcafunds.com.au](http://orcafunds.com.au).

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