

Investment Review

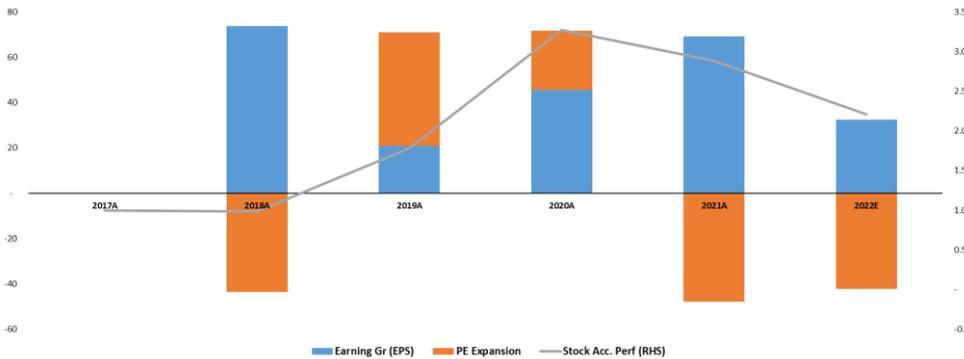
The Hereford Funds – Bin Yuan Healthcare Fund (share class L1) depreciated 9.33% for the month of April (net of fees) compared to a -10.47% return for the benchmark. At the end of April, the Sub Fund was mainly invested in the Healthcare Equipment & Parts and Services sectors, with little weight in the Biotechnology and Pharmaceuticals sectors.

For the month, the Fund outperformed the benchmark by 1.14%. In April, the positions that contributed the most to the portfolio’s return were NEW INDUSTRIES BIOMEDICAL, AIER EYE and BLOOMAGE BIOTECH. The positions that contributed the least were ASYMCHM LABOR, WUXI APPTec CO and GUANGZHOU JET.

Manager’s Commentary

Following the turbulent first quarter, risk appetite in April was mainly dampened by domestic growth worries following lockdowns of some large cities, especially Shanghai. But positive signs are emerging in the month end, and we are expecting a gradual normalization of both economic and social life.

Our portfolio holdings delivered much higher growth than the overall market. Companies who reported quarterly results (A share listed) achieved 52.7% YoY revenue growth and 46.0% YoY net profits growth on average in Q1, demonstrating their strong growth potential and bargaining power. As seen in below chart, the past strong performance of our portfolio came mainly from earnings growth rather than PE expansion. Even after we factor in the temporarily negative impacts from COVID in Q2, the intact fundamentals, together with corrected share prices year to date, should result in PEs contracting further to 25.9 times in 2022, making the valuation appealing to long term investors.



Key Information

NAV (30/04/22) US\$ 76.86(L1)

Strategy Assets US\$ 17.1 m^(a)

Total Fund Size US\$ 17.1 m

Fund Launch Date 03-Dec-21

Monthly Performance (%) data from FPS/Pictet														
	2021	2022												
	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Bin Yuan HC Fund	1.24	-12.74	1.37	-5.34	-9.33									-24.08
Index ^(b)	-7.55	-14.76	-2.43	-5.72	-10.47									-29.80

Risk and reward profile



Top Ten Holding					
1	Shenzhen Mindr-A	7.92%	2	Kangji Medical H	7.82%
3	Iray Technolog-A	7.48%	4	Wuxi Apptec Co-A	7.34%
5	Asymchem Labor-A	5.27%	6	Wuxi Biologics C	4.35%
7	Sino Biopharm	4.12%	8	Autobio Diagno-A	3.48%
9	Aier Eye Hsptl-A	3.44%	10	New Industries Biomedical-A	3.03%

Investment Objective

The investment objective of the Compartment is to provide long term capital growth, measured in USD, primarily through investment in equities and equity-linked securities of Greater China Companies, as defined hereafter.

Market Breakdown	% of Assets
A Share	61
Hong Kong (Discounted Dual Listing)	2
Hong Kong	20

Sectoral Breakdown	% of Assets
Healthcare Equipment & Parts	47
Services	28
Biotechnology	7
Pharmaceuticals	1

Valuation	Portfolio	Benchmark
Period	20220430	20220430
2022 PE (X)	24.5	36.2
2022 PB (X)	5.2	3.2
2022 Div. Yield (%)	0.9	1.0
2022 ROE (%)	21.1	8.8
Earning Growth (%) Forward 3 YR	25.0	32.0
2022 PEGY	0.9	1.1
FCF Yield	2.6	-0.9

Annual Management Charge TERs as at end September 2021	
Share Class L1	0.50% NA
Share Class A	1.00% NA
Share Class P	0.50% with 10% Performance Fee NA

Fund Codes	
Share Class	L1
Bloomberg	HEFYHUA LX
TK	
ISIN	LU2413982427
Lipper ID	
Sedol	BLBHZ45

Minimum Investment	
Share Class L1	\$100,000 Minimum initial subscription & holding
Share Class A	\$100,000 Minimum initial subscription & holding
Share Class P	\$100,000 Minimum initial subscription & holding

Footnote:

- (a) This refers to the total assets invested in the reference strategy managed by the Investment Manager.
 (b) MSCI China Health Care Index (Bloomberg Ticker MXCNOHC Index).

Fund Details	
Dealing Day	Daily
Dividends	None – income accumulated within the fund
Investment Manager	Bin Yuan Capital Room 1505, 15/F, 299QRC 287-299 Queen's Road Central Sheung Wan, Hong Kong
Management Company	FundPartner Solutions (Europe) S.A. 15, Avenue John F Kennedy , L-1855 Luxembourg
Custodian	Pictet & Cie (Europe) S.A. 15, Avenue John F Kennedy, L-1855 Luxembourg
Legal Advisors	Elvinger Hoss Prussen S.A. 2, Place Winston Churchill, L-1340 Luxembourg
Auditor	Deloitte Audit S.à r.l. 560, route de Neudorf, L-2220 Luxembourg

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Disclaimer:

- This document should be read as a marketing communication.
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