

## Bin Yuan Healthcare Fund

SFDR status as of March 2021: Article 8  
 February 2022



### Investment Review

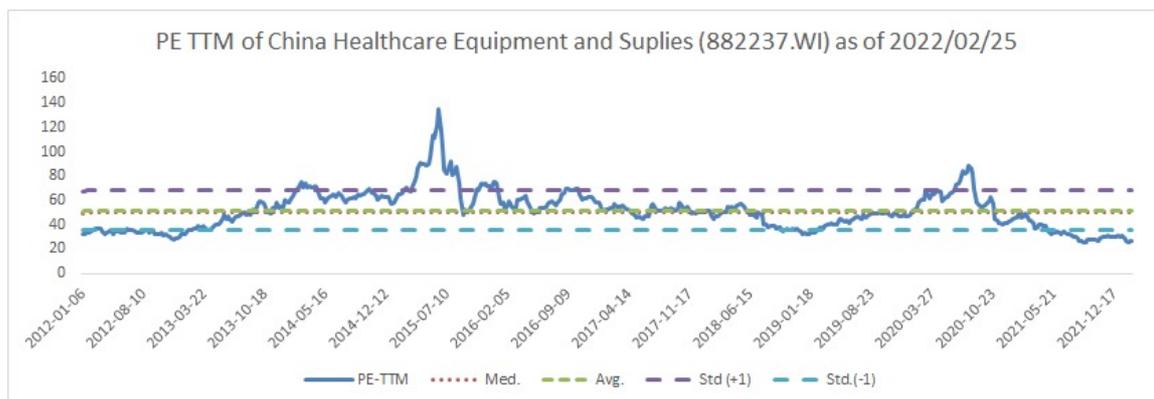
The Hereford Funds – Bin Yuan Healthcare Fund (share class L1) appreciated 1.37% for the month of February (net of fees) compared to a -2.43% return for the benchmark. At the end of February, the Sub Fund was mainly invested in the Healthcare Equipment & Parts and Services sectors, with little weight in the Biotechnology and Pharmaceuticals sectors.

For the month, the Fund outperformed the benchmark by 3.80%. In February, the positions that contributed the most to the portfolio's return were IRAY, SUZHOU NANOMIC and ASYMCHM LABOR. The positions that contributed the least were WUXI BIOLOGICS C, KANGJI MEDICAL and SINO BIOPHARM.

### Manager's Commentary

The market started to stabilize in February but has been dragged down again by the Russia and Ukraine war. Our portfolio focuses on upstream value chain and medical equipment opportunities that have solid domestic demand and little exposure to Russia/Ukraine.

The Healthcare sector's valuation is close to historical lows, having been impacted by regulatory changes and geopolitical risk. As policies become more rational and leading companies expand market share, the valuations of many healthcare companies will rebound back to historical ranges. Strong quarterly earnings results will also act as a catalyst to improve market sentiment in the healthcare sector. Valuations are now very attractive for long term investors with our Healthcare strategy selling on 27.3X 2022 PER, CY2023 PER of 25.76X, and 16.49X 2025 PER with an earnings CAGR 2022-2025 of 22.17%. Please see this month's monthly letter with "Chinese Healthcare Update" for more details.



### Key Information

NAV (28/02/22) US\$ 89.55(L1)

Strategy Assets US\$ 20.0 m<sup>(a)</sup>

Total Fund Size US\$ 20.0m

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											-11.55
Index <sup>(b)</sup>	-7.55	-17.37	-2.43											-19.38

## Risk and reward profile



Top Ten Holding					
1	Shenzhen Mindr-A	9.47%	2	Wuxi Apptec Co-A	7.36%
3	Iray Technolog-A	6.97%	4	Kangji Medical H	6.88%
5	Asymchem Labor-A	6.74%	6	Guangzhou Jet-A	4.03%
7	Wuxi Biologics C	3.79%	8	Autobio Diagno-A	3.54%
9	Sino Biopharm	3.41%	10	Aier Eye Hsptl-A	3.33%

### 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	63
Hong Kong (Discounted Dual Listing)	2
Hong Kong	19

Sectoral Breakdown	% of Assets
Healthcare Equipment & Parts	48
Services	28
Biotechnology	7
Pharmaceuticals	1

Valuation	Portfolio	Benchmark
Period	20220228	20220228
2022 PE (X)	27.3	34.7
2022 PB (X)	4.9	2.7
2022 Div. Yield (%)	0.9	0.8
2022 ROE (%)	18.0	7.8
Earning Growth (%) Forward 3 YR	22.2	30.6
2022 PEGY	1.2	1.1
FCF Yield	2.2	0.2

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

### Order Transmission Information

FundPartner Solutions (Europe) S.A.  
15, Avenue John F Kennedy,  
L-1855 Luxembourg  
Via fax +352 46 71 71 7667 or SWIFT PICTLULXTAS

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