



Delft Partners Asia Small Companies strategy invests in small to medium size companies in the Asia region.

We select between 60 and 80 stocks that possess a superior combination of our preferred characteristics from a universe of over 3,000 securities.

- ESG is a key component of our fundamental research.
- We do not invest in companies where we believe poor Governance is likely to penalise shareholders.
- We do consider investing where our ESG assessment is likely to improve.
- Where possible we verify our portfolio ESG exposure relative to benchmarks with a quantitative score.

BENEFITS

A high quality investment approach that provides access to the dynamic Asian small company universe with a proven ESG compliant process.

For additional information please visit www.delftpartners.com

Or contact us:

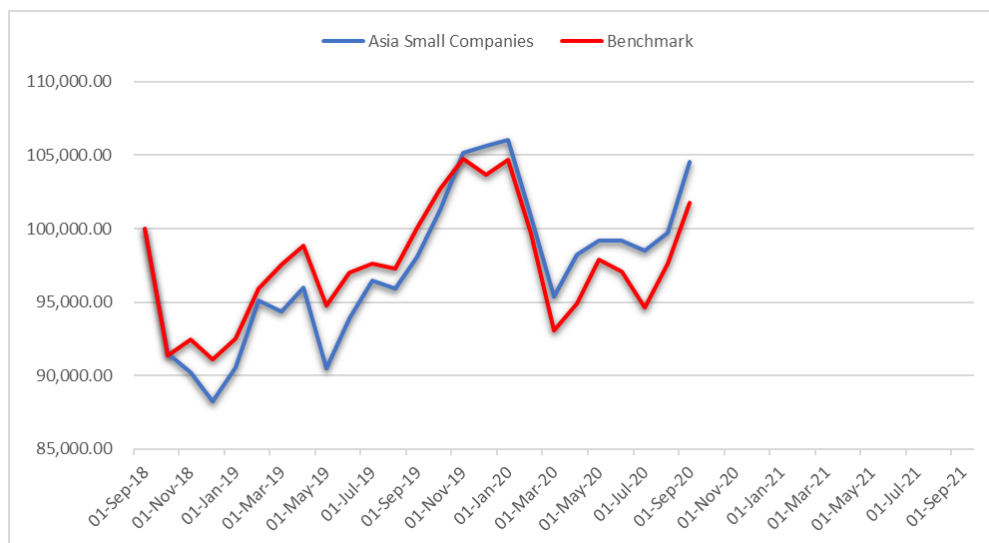
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30 September 2020	Portfolio
No. of Securities	73
Weighted Average Market Capitalisation	USD 3.7bn
Forward Price/Earnings	12.2x
Price/Book	1.0x
Dividend Yield	3.3%
Ex Post Tracking Error	5.0%

PERFORMANCE*

Value of AUD 100,000 since inception



Periods ended 30 Sept 2020	3 Months	6 Months	1 Year	Since Inception**
Portfolio*	+5.4%	+9.6%	+6.6%	+2.3%
Benchmark^	+4.8%	+9.4%	+1.7%	+0.9%
Active	+0.6%	+0.2%	+4.8%	+1.4%

*Total return based on the Tamim Fund in AUD gross of fees

**Annualised return since inception

^Strategy Benchmark is MSCI AC Asia SMID Index NTR, Inception Date: 28 September 2018

PORTFOLIO REVIEW & MARKET UPDATE

With stock markets around the world continuing to experience or anticipate a recovery in economic activity as Covid-19 lockdown restrictions are eased, Asian small to mid-sized equities increased during quarter by +4.8% and our performance was positive for the quarter with a return of +5.4%. Overall, it is pleasing to see that markets have recovered from the shock and fear associated with the Covid-19 pandemic that resulted in the very sharp sell-off in markets during the early months of 2020.

The key political event during the quarter was resignation of Japan's Prime Minister Shinzo Abe and the election of Chief Cabinet Secretary Yoshihide Suga as party leader and Prime Minister of Japan. Mr Suga, 71, spent nearly eight years as Chief Cabinet Secretary in the Shinzo Abe administration and is seen as likely to continue the same policies as Mr Abe. In particular we will be watching for a continuation of the policies allowing a greater flow of immigration in order to address Japan's serious demographic problems. Covid-19 has completely stopped the movement of people into Japan during 2020 and we will be looking to the new Prime Minister to enact measures to accelerate immigration during 2021 and beyond.

In a move which we take as a sign of increasing confidence, China's foreign exchange regulator granted new quotas under the outbound QDII scheme from \$104 billion to \$107 billion. China keeps a tight hold on official outbound capital movements and only allows the numbers to rise when there is confidence regarding the economy.

The best performing stock in the portfolio was Taiwanese semiconductor manufacturer United Microelectronics Corporation which increase by 80% for the quarter as a result of excellent results and being seen as a beneficiary of the action being taken against Chinese semiconductor companies. Our next best performing company was Xinyi Glass up 64% for the quarter, the company is benefitting from increased demand for glass in China. Our weakest performer was NetDragon down 23% for the quarter following slightly disappointing interim results. NetDragon has two key business segments, mobile games and online education, the latter received significant demand interest during the early stages of the Covid-19 pandemic and has since dropped away from the "panic" levels seen in March, April and May. We believe there is good scope for both business segments in the medium term and the company trades on a prospective price earnings ratio of 8x.

We will continue to invest in Asian small to mid-sized companies with strong value, momentum and quality attributes together with accounting, strategy and governance standards that meet our requirements. Long-term returns will be generated by the ability of our companies to deliver growing profits and dividends.



The Strategy seeks long-term capital appreciation by investing in small to medium capitalisation listed Asian companies.

Our investment process selects stocks and builds portfolios by combining our quantitative stock analysis model with the team's extensive fundamental equity and market knowledge.

Our value-oriented approach pays careful attention to position sizes, sectoral and country weights. The strategy currently focuses on equities in Japan, China, Hong Kong, Taiwan, South Korea and Singapore.

We ensure that the strategy pays equal attention to risk as to return. It is an actively managed strategy that is meaningfully different from the index.

Benchmark:

MSCI All Country Asia SMID Index Net Total Return

Investment Objective:

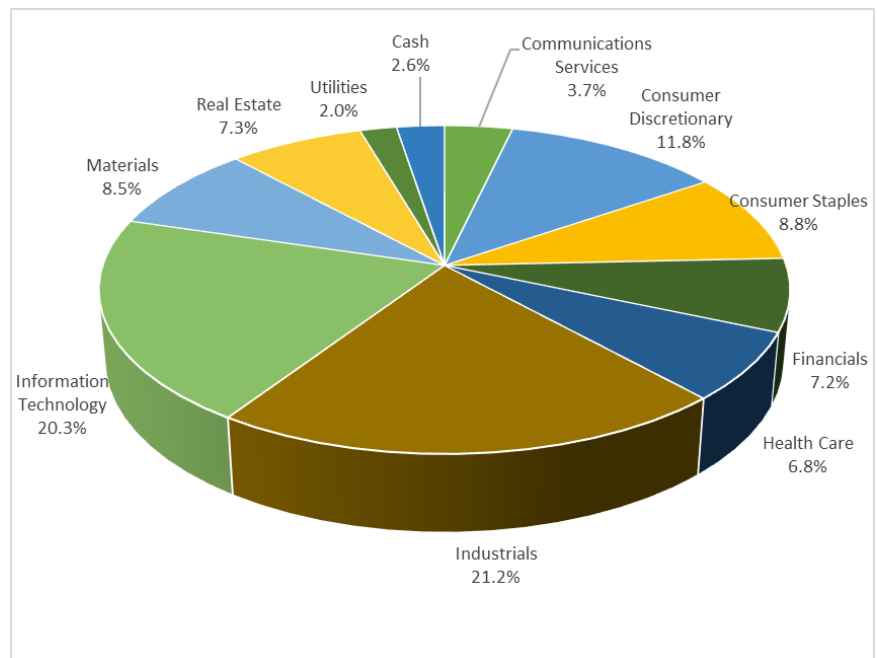
Outperform the Benchmark by 3-5% pa over rolling 5 year time periods.

Portfolio Managers:

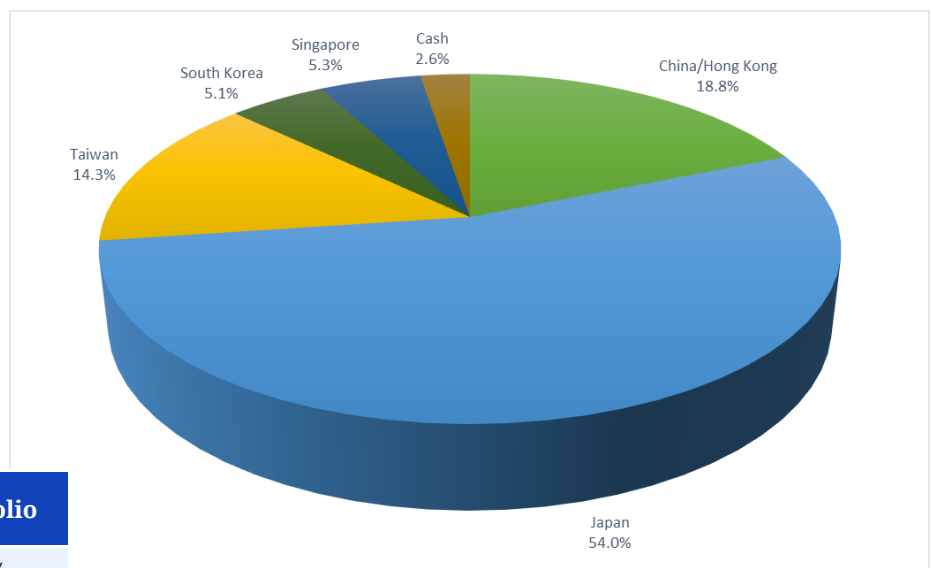
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SECTOR ALLOCATION



COUNTRY ALLOCATION



TEN LARGEST HOLDINGS

Company Name	Country	Portfolio
Open House Co	Japan	3.3%
K's Holdings Corporation	Japan	2.9%
Koei Techmo Holdings	Japan	2.7%
Sawai Pharmaceutical Co	Japan	2.6%
China Lesso Group	China/HK	2.6%
Xinyi Glass	China/HK	2.5%
NOF Corporation	Japan	2.2%
Sheng Siong Group Ltd	Singapore	2.2%
Sugi Holdings	Japan	2.2%
United Microelectronics	Taiwan	2.1%
TOTAL		25.3%

Important note: Delft Partners Asia Small Companies strategy is offered through the Asia Small Companies class of the Tamim Fund. <https://www.tamim.com.au/asiasmallcompanies.html>

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