

## THE OPTIMA LLOYD GEORGE ASIA FUND

### Monthly Report

### January 31, 2021

#### Investment Strategy & Objective

- The Optima Lloyd George Asia Fund (the “Fund”) is an Asia focused long/short equity fund launched in 2019.
- The investment objective of the Fund is to generate positive returns over the medium term by investing in Asian equities while seeking to reduce volatility through hedging (via equities and/or indirectly through financial derivative instruments).
- It is a more concentrated approach typically invested in 30 to 50 equity long positions while shorts consist primarily of options on indices or market futures (certain markets restrict shorting).
- The Fund provides access in a UCITS eligible investment vehicle with daily liquidity and no lock up.

#### Portfolio Manager

- The Fund is managed by Robert Lloyd George, one of the pioneers of investing in Asia. He is a highly regarded portfolio manager with more than four decades of experience managing up to \$17.7 billion in assets.
- Mr. Lloyd George is best-known for founding Lloyd George Management in 1991 which was sold to Bank of Montreal in January 2011 (now known as BMO Global Asset Management). In April 2014, he left Bank of Montreal to re-launch his own independent asset management firm and in late 2014, Lloyd George Management (HK) Limited was founded.
- Earlier in his career, Mr. Lloyd George was Managing Director of Indosuez Asia Investment Services in Hong Kong - launching the first closed end country funds for Thailand, Indonesia, Philippines, China and India. In 1978, he joined the Fiduciary Trust Company in New York to work on international investments for the UN Pension Fund.

#### Asia Opportunity

- Asia is the largest economy in the world based on GDP and has been growing at triple the rate of the developed Western economies. Moreover, the region is highly dynamic, as exemplified by the ongoing transformation of both India and China.
- Because the region encompasses such a diverse range of countries, markets, currencies, and valuation levels, the portfolio manager believes that in-depth, bottom-up fundamental analysis and comprehensive top-down research can add value by identifying overlooked and misunderstood companies and industries.
- The portfolio manager is focused on growth trends around themes such as healthcare, e-commerce, and communications.

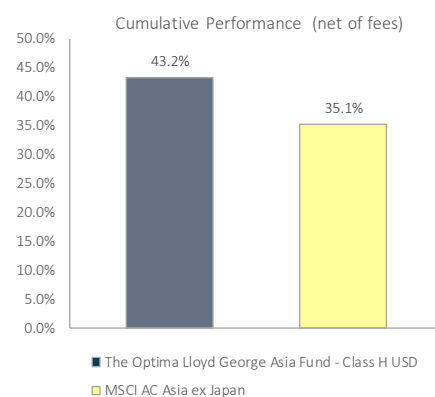
#### Monthly Performance Since Inception

Class H - USD													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2021	4.9%												4.9%
2020	0.6%	(3.6%)	(12.5%)	8.2%	(0.3%)	10.3%	7.4%	3.9%	(2.7%)	3.0%	5.2%	11.1%	31.9%
2019	--	--	--	--	(2.6%)	4.1%	(2.2%)	(3.5%)	(0.7%)	5.3%	(1.0%)	4.6%	3.5%

#### Performance Summary

	Inception	NAV	Jan	YTD	TTD
The Optima Lloyd George Asia Fund - Class H USD	3-May-19	\$143.212	4.9%	4.9%	43.2%
MSCI AC Asia ex Japan	3-May-19	--	4.1%	4.1%	35.1%

#### Cumulative Performance Since Inception



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Net Sector Exposure			
	Long	Short	Net
Financials	15.6%	0.0%	15.6%
Consumer Discretionary	5.1%	0.0%	5.1%
Industrials	8.7%	0.0%	8.7%
Index	0.0%	(1.4%)	(1.4%)
Information Technology	21.8%	0.0%	21.8%
Communication Services	16.5%	0.0%	16.5%
Energy	5.7%	0.0%	5.7%
Health Care	13.7%	0.0%	13.7%
Materials	5.0%	0.0%	5.0%
Consumer Staples	2.1%	0.0%	2.1%
<b>Total</b>	<b>94.2%</b>	<b>(1.4%)</b>	<b>92.8%</b>

Net Country Exposure			
	Long	Short	Net
India	10.0%	0.0%	10.0%
China	48.5%	0.0%	48.5%
Hong Kong	9.8%	(1.4%)	8.4%
Singapore	4.3%	0.0%	4.3%
Indonesia	0.0%	0.0%	0.0%
Thailand	0.0%	0.0%	0.0%
Australia	3.9%	0.0%	3.9%
Taiwan	5.6%	0.0%	5.6%
South Korea	10.3%	0.0%	10.3%
Vietnam	1.8%	0.0%	1.8%
<b>Total</b>	<b>94.2%</b>	<b>(1.4%)</b>	<b>92.8%</b>

Top Five Long Positions		
	Sector	Percent
Wuxi Biologics	Health Care	8.4%
Bilibili	Communication Services	6.5%
Taiwan Semiconductor	Information Technology	5.6%
Samsung Electronics	Information Technology	5.5%
Shenzhen Inovance	Industrials	5.4%
		<b>31.5%</b>

Market Cap Exposure			
	Long	Short	Net
Small (<\$2 bill)	0.6%	0.0%	0.6%
Mid (\$2 - \$10 bill)	23.7%	0.0%	23.7%
Large (>\$10 bill)	69.9%	(1.4%)	68.5%
<b>Total</b>	<b>94.2%</b>	<b>(1.4%)</b>	<b>92.8%</b>

Historical Long/Short Attribution													
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>2021</b>	Long	5.9%											
	Short	(0.1%)											
	Net	5.8%											
<b>2020</b>	Long	-0.8%	-1.5%	-12.2%	-0.3%	-0.3%	10.9%	8.9%	4.8%	-3.2%	2.5%	6.5%	13.1%
	Short	2.1%	-2.0%	0.0%	0.2%	0.2%	(0.3%)	(0.1%)	(0.1%)	0.2%	(0.1%)	(0.5%)	(0.2%)
	Net	1.2%	-3.5%	-12.2%	-0.1%	-0.1%	10.6%	8.8%	4.7%	-3.0%	2.5%	5.9%	12.9%
<b>2019</b>	Long	--	--	--	--	-2.4%	4.6%	-2.4%	-3.4%	-0.4%	5.7%	-0.9%	5.8%
	Short	--	--	--	--	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%
	Net	--	--	--	--	-2.4%	4.6%	-2.4%	-3.3%	-0.4%	5.7%	-0.9%	5.8%

Monthly Sector Attribution (gross)			
	Long	Short	Net
Communication Services	2.4%	0.0%	2.4%
Consumer Discretionary	0.3%	0.0%	0.3%
Energy	0.4%	0.0%	0.4%
Financials	0.6%	0.0%	0.6%
Health Care	0.9%	0.0%	0.9%
Industrials	0.5%	0.0%	0.5%
Information Technology	1.1%	0.0%	1.1%
Materials	-0.4%	0.0%	(0.4%)
Real Estate	0.0%	0.0%	0.0%
Consumer Staples	0.0%	0.0%	0.0%
Index	0.0%	(0.1%)	(0.1%)
<b>Total (gross)</b>	<b>5.9%</b>	<b>(0.1%)</b>	<b>5.8%</b>

Monthly Geographic Attribution (gross)			
	Long	Short	Net
China	5.2%	0.0%	5.2%
Hong Kong	0.6%	(0.1%)	0.5%
India	-0.2%	0.0%	(0.2%)
Indonesia	0.0%	0.0%	0.0%
Australia	-0.3%	0.0%	(0.3%)
Singapore	0.3%	0.0%	0.3%
Taiwan	0.7%	0.0%	0.7%
Thailand	0.0%	0.0%	0.0%
South Korea	-0.3%	0.0%	(0.3%)
Vietnam	0.0%	0.0%	(0.0%)
<b>Total (gross)</b>	<b>5.9%</b>	<b>(0.1%)</b>	<b>5.8%</b>

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		Historical Long/Short Exposure											
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>2021</b>	Long	94.2%											
	Short	(1.4%)											
	Net	92.8%											
<b>2020</b>	Long	91.9%	96.5%	87.0%	78.7%	87.6%	89.8%	89.7%	94.5%	95.7%	93.6%	92.0%	90.7%
	Short	(25.2%)	0.0%	0.0%	0.0%	(8.1%)	(2.2%)	(2.9%)	(2.8%)	(5.6%)	(6.4%)	(2.4%)	(2.7%)
	Net	66.6%	96.5%	87.0%	78.7%	79.5%	87.6%	86.8%	91.7%	90.1%	87.1%	89.6%	88.0%
<b>2019</b>	Long	--	--	--	--	78.7%	88.0%	82.9%	84.4%	87.1%	90.1%	87.0%	95.7%
	Short	--	--	--	--	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Net	--	--	--	--	78.7%	88.0%	82.9%	84.4%	87.1%	90.1%	87.0%	95.7%

### Commentary

#### Monthly Review

The last week of January saw a sharp pullback in Asian markets, reducing our monthly performance from nearly 13% to under 5%. This was a normal profit-taking interlude in the market. We have not changed our basic view or philosophy, and we are still looking for opportunities in technology and healthcare in China, South Korea, and Taiwan. The current shortage of semiconductors is pushing up prices, which will benefit both TSMC and Samsung Electronics, as well as their smaller competitors.

China's monetary policy remains conservative and restrained compared to Western democracies. We expect the RMB to continue to strengthen against the US Dollar, as China's Bond Yield is still at 3.1%, well above the 10-year US Treasury yield at 1.1%. There are also encouraging signs of economic recovery in India and South East Asia.

Our portfolio remains invested 50% in China, 7% in Hong Kong, 6% in South Korea, and 10% in Taiwan. So it is heavily concentrated (about 85%) in North East Asia. Our expectation is that these economies will emerge stronger from the Pandemic, owing to their heavy investment in technology.

We have recently added new positions in Kakao (South Korea), Ming Yuan Cloud (HK-China), and increased our exposure to Yantai Jereh, an oil drilling equipment specialist in China. In South Korea, we have also tried to take advantage of the global semiconductor shortage, by adding SK Hynix to our core position in Samsung Electronics. We have also expanded our exposure to Indian mortgage lending by adding to ICICI Bank, as we anticipate a housing and property recovery in the subcontinent.

#### Outlook

The year 2021 is shaping up to be one of recovery and reflation. We will watch the evolution of Asian currencies carefully as an indicator of capital flows. If the Dollar weakens sharply, we expect Asia and the Emerging Markets to benefit - after a decade of underperformance all signs are that international investors are ready to correct their underweight in these neglected, and undervalued, markets. Not only Asian technology and healthcare, but also a strong appreciation in commodity prices - metals, energy, and agriculture - will also be an important global trend.

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**Summary of Terms**

<b>Investment Manager</b>	Optima Asset Management LLC
<b>Sub-Investment Manager</b>	Lloyd George Management (HK) Limited
<b>Legal Structure</b>	Irish ICAV – UCITS V
<b>Inception Date</b>	May 3, 2019
<b>Availability</b>	US and Non-US Investors
<b>Minimum Investment</b>	<u>US Investors:</u> Class H (USD): \$500,000 <u>Non-US Investors:</u> Institutional Classes: G (EUR) €1,000,000; H (USD) \$1,000,000 Retail Classes: A (EUR) €5,000; B (USD); \$5,000
<b>Management Fee</b>	1.50% per annum (Institutional: Classes G and H) 1.75% per annum (Retail: Classes A and B)
<b>Performance Fee</b>	15% of profits with a high water mark
<b>Subscriptions</b>	Daily, 2 business days notice by 4 PM Irish time
<b>Redemptions</b>	Daily, 2 business days notice by 4 PM Irish time
<b>Payout</b>	Full redemption payout normally within 3 business days after trade date
<b>Depository</b>	Northern Trust Fiduciary Services (Ireland) Limited
<b>Administrator</b>	Northern Trust International Fund Administration Services (Ireland) Limited
<b>Auditor</b>	Grant Thornton
<b>Legal</b>	Walkers Ireland
<b>Global Distributor</b>	Albemarle Asset Management Limited (London)
<b>ISIN</b>	Class A (EUR): IE00BJCWXV85 Class H (USD): IE00BJCWXW92

+ **DISCLAIMER: Past performance is no guarantee of future results.** The Optima Lloyd George Asia Fund (the “Fund”) is a sub fund of Apsley Fund ICAV. Class H shares of the Optima Lloyd George Asia Fund commenced operations on May 3, 2019. The performance record shown here reflects the actual results of the Fund and performance calculations reflect the change in the Net Asset Value per Share for an investor who made an initial investment at the inception of the Fund (or Class as applicable) and who has made no additional subscriptions to, or redemptions from, the Fund since that date. Performance is net of all fees and expenses. Investors who made an initial investment after the inception of the Fund may have slightly different performance. The returns given for the MSCI AC Asia ex Japan Index (the “Index”) are total returns in US Dollars which include the reinvestment of dividends. The investment program of the Fund differs significantly from the Index. The returns of the Index are only included for illustrative purposes. This is not an offer to subscribe for Shares in the Fund. The offering is made only by means of the Prospectus and Supplement issued by the Fund which describes, among other things, the risks of making an investment in the Fund and the qualifications subscribers must meet before making an investment. Further information regarding the Fund is available from the registered office of the ICAV at 5th Floor, The Exchange, George’s Dock, IFSC, Dublin 1, Ireland during normal business hours on any business day. Information also available at [www.optima.com](http://www.optima.com).