

Fullerton Lux Funds - Asia ESG Evolution - Class A (SGD) Acc

May 2025

Investment Objective

The investment objective of the Fund is to generate long term positive returns by investing primarily in Asia equities and Asia related equities of companies that contribute to environmental or social objectives, and which the Investment Manager deems to be sustainable investments.

Investment Focus and Approach

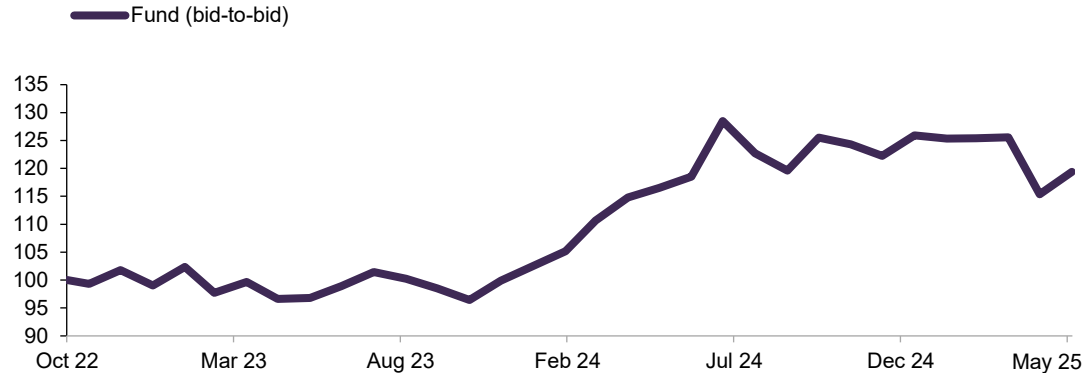
The Investment Manager seeks to achieve the objective of the Fund by investing primarily in, but not limited to, equities, index futures, cash and cash equivalents (including but not limited to term deposit and money market funds). The Fund differentiates as an ESG focused one by having stricter ESG ratings inclusion criteria as well as negative screens. In addition, the Fund employs a proprietary ESG thematic framework rooted in UN Sustainable Development Goals to seek investment opportunities and commits to have a lower carbon intensity. The Fund's investment in China "A" Shares listed on PRC Stock Exchanges may be made through the Stock Connects and/or any other means as may be permitted by the relevant regulations from time to time, for up to 35% of the Fund's Net Asset Value. The Fund will typically be comprised of a concentrated portfolio of high conviction holdings, and will be constructed without reference to any particular benchmark.

SFDR Classification:

Article 8 fund.

In line with its ESG methodology, the fund promotes environmental characteristics but does not commit to make environmentally sustainable investments as defined in the taxonomy regulation.

Performance (%)



	1 mth	3 mths	6 mths	1 yr	Sl. Ann. Ret.	Sl. Ann. Vol.
Fund (bid-to-bid)	3.32	-5.20	-3.11	-0.86	5.23	11.67
Fund (offer-to-bid)	-1.60	-9.71	-7.72	-5.58	3.31	NA

Returns of more than 1 year are annualised. Returns are calculated on a single pricing basis in SGD with net dividends and distributions (if any) reinvested. Offer-to-bid returns include an assumed preliminary charge of 5% which may or may not be charged to investors. Past performance is not indicative of future returns.

Fullerton Lux Funds - Asia Absolute ESG Alpha updated its name to Fullerton Lux Funds - Asia ESG Evolution on 5 March 2025.

Source: Fullerton Fund Management Company Ltd and Bloomberg.

Inception date
10 Oct 2022

Fund size
SGD 110.20 million

Base Currency
USD

Pricing Date
31 May 2025

NAV*
SGD 11.44

Management fee**
Up to 1.50% p.a.

Management company^ fee**
Up to 0.04% p.a. subject to a minimum monthly fee of EUR 750.00 per Fund per month applied at the Company level

Expense Ratio**
1.75% p.a. (For financial year ended 31 Mar 2024)

Preliminary Charge**
Up to 5% of subscription amount (equivalent to a max. of 5.26315% of the Net Asset Value per share)

Dealing day
Daily

Deadline
1pm (CET); 5pm (Singapore time) on each Business Day

Bloomberg Code
FUAEASA LX

ISIN Code
LU2506015903

The Fund is available for SRS subscription.

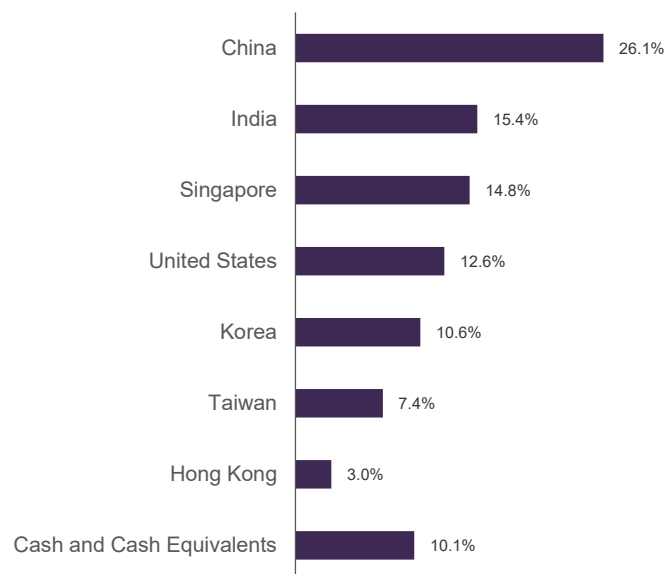
* Figures have been truncated to 2 decimal places. The official price is published on Fullerton's website.

** The list of cost is not exhaustive and the fund may incur other expenses. Please refer to the Prospectus/KIID for more information.

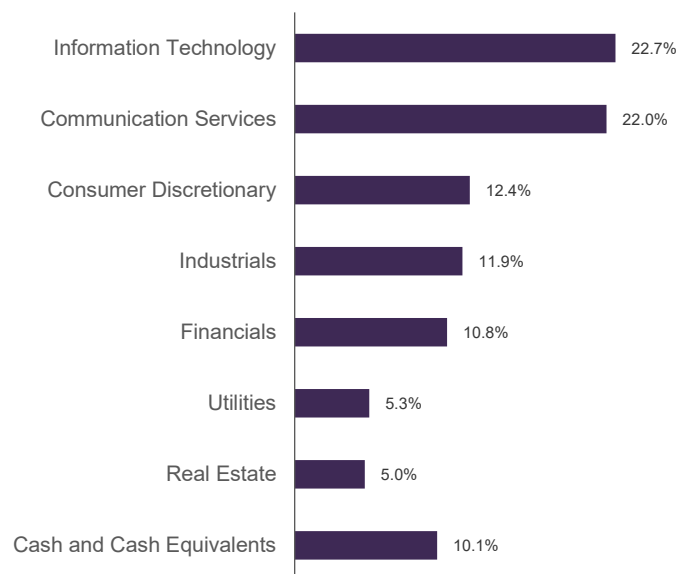
^ Management Company of the Fund is Lemanik Asset Management S.A.

■ Portfolio

Geographical Breakdown



Sector Breakdown



Top 5 Holdings

Sea Ltd	6.7%
Taiwan Semiconductor Manufacturing Co Ltd	5.0%
Broadcom Inc	4.6%
Meta Platforms Inc	4.0%
Tencent Holdings Ltd	4.0%

Market Review

MSCI Asia ex Japan Index was up 5.0% in dollars in May largely on the back of easing trade tensions between US and China. The Trump Administration lowered its reciprocal tariffs rates on China from 125% to 10% for 90 days, while keeping in place its existing 20% tariff.

Taiwan was the best performing market (up 12.8% in May in dollars), driven by a strong currency and renewed AI optimism. Korea was up 7.9% in dollars, supported by strong earnings in Financials and Defence. China underperformed (up 2.8% in May in dollars) despite relief from tariff headwinds due to internal pressure from weak demand and fierce competition in certain sectors such as food delivery and autos. India market also underperformed (up 1.1% in May in dollars). Despite multiple positive factors such as a de-escalation between India and Pakistan, a pick-up in economic momentum, India-UK FTA and easing inflation, returns were capped by a lukewarm earnings season.

China's April economic data came in mixed. Retail sales improved to 5.1% YoY in April from 5.9% YoY in March. Fixed Asset Investments growth slowed to 3.6% YoY from 4.3% YoY in March. Merchandise exports moderated to 8.1% YoY in April from 12.4% in March.

India's CPI softened further in April to 3.2% YoY from 3.3% YoY in March. Industrial Production was up 2.7% YoY, higher than consensus expectations of 1.0%. Composite PMI in May rose to a 13-month high of 61.2.

Investment Strategy

The new global tariff policies announced by Trump are likely to have a negative impact on global economic growth, causing a slowdown in global trading activities, impacting consumer spending as well as dampening corporate capex intentions. Further, uncertainties surrounding the economic climate and trade are likely to translate to slowdown in capex, especially in the technology sector.

Despite the above challenges, we remain positive on Asia ex Japan Equities on a 12-month basis as two largest economies in the region are likely to provide meaningful policy support.

China is likely to further step up fiscal stimulus to support growth especially in consumption. Further, regulatory environment private sector/entrepreneurs and innovation spurt triggered by DeepSeek should provide tailwinds for Chinese equities.

India has also stepped-up monetary stimulus in a meaningful way with RBI already cutting rates by 50bps this year and is likely to cut rates by another 50bps. In addition, regulatory environment and liquidity have also turned positive and will support growth.

Valuations for Asia are also supportive as MSCI Asia ex-Japan Index is still trading at 12x forward PER which is almost 1 SD below its 5-year mean PER and is reasonable considering around 10% earnings growth expectations for the region.

For additional information on Fullerton and its funds, please contact:

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For EU investors:

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