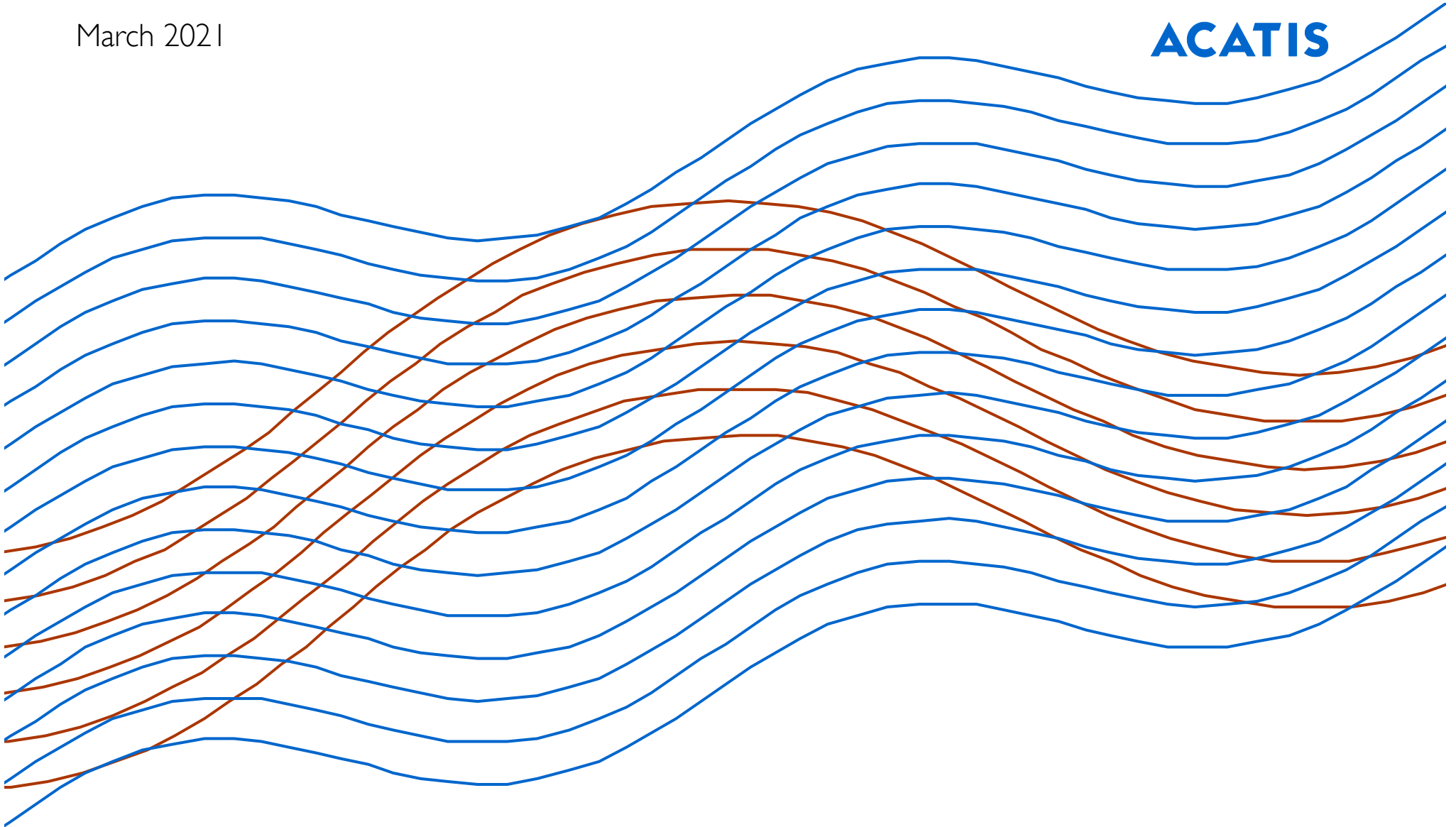


ACATIS QILIN Marco Polo Asian Fonds - Investing in Asia's Emerging Champions

March 2021

ACATIS



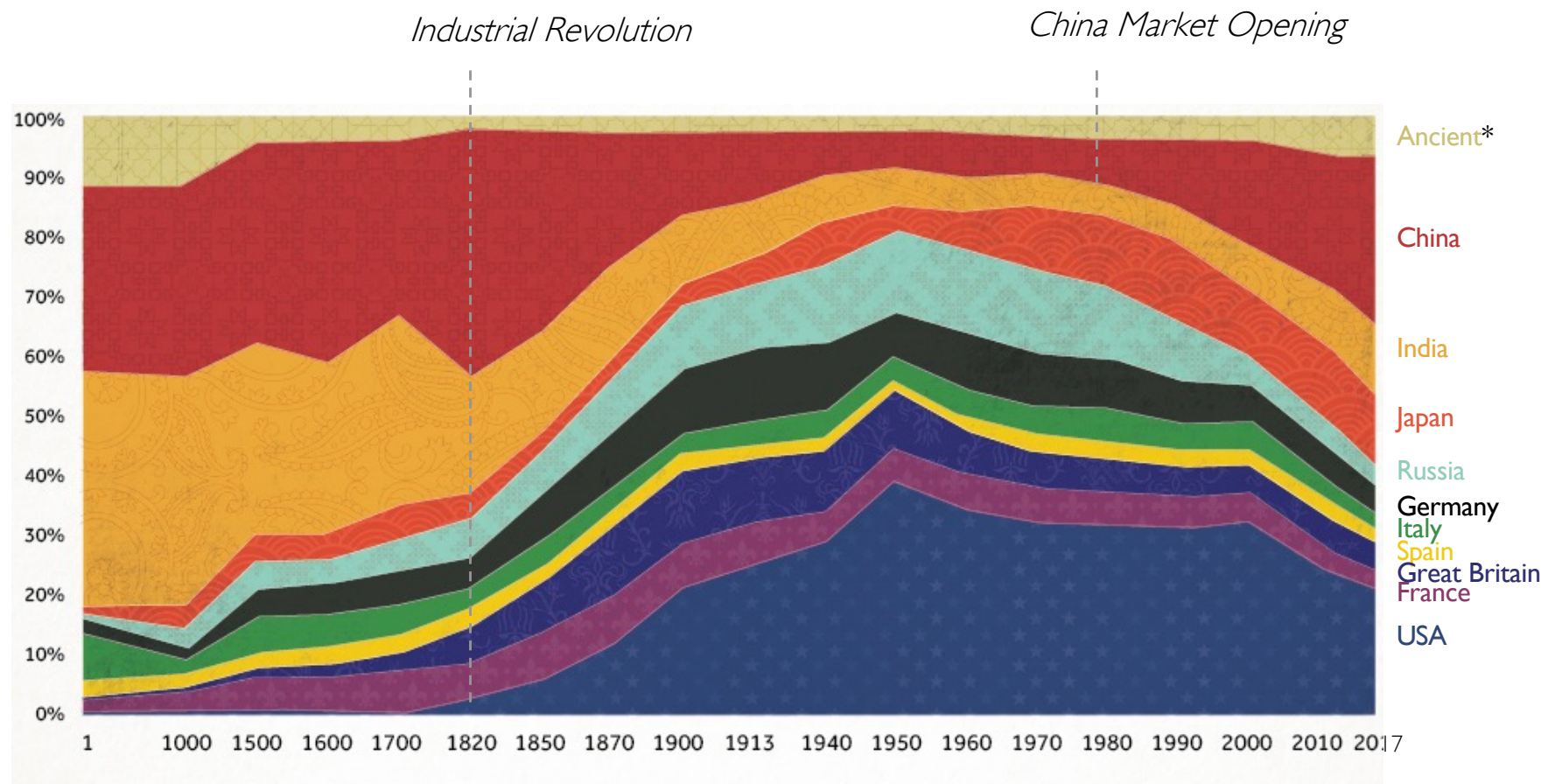
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 - Basic data and communication

Macro-economic Environment and the “Next New Normal”

China has historically been a world power in the last 2000 years and will be once again

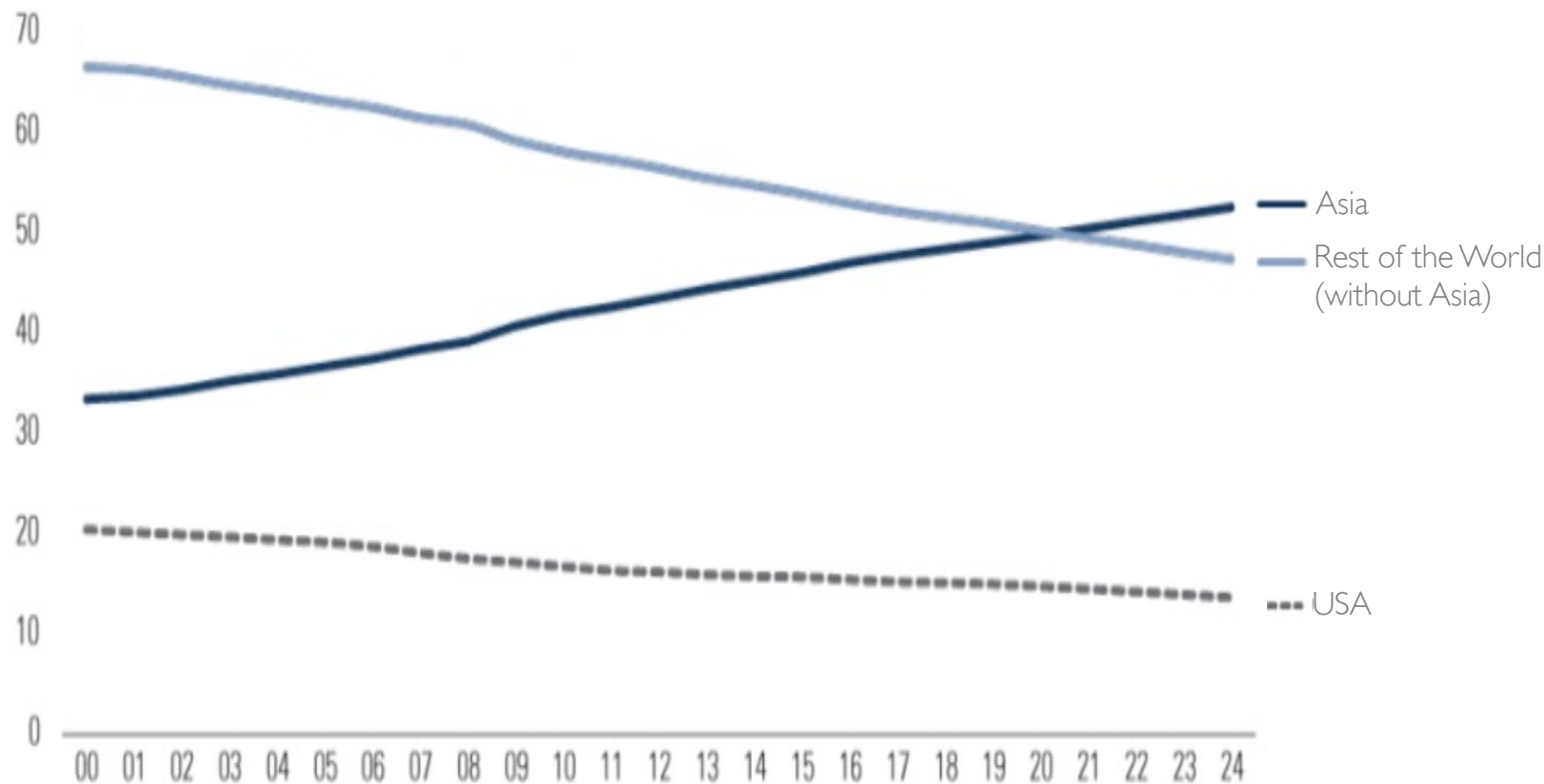
Percent share of GDP of major economies



* Greece, Egypt, Iran, Turkey
Source: Visual Capitalist, Qilin Capital Analysis

Asia's share of global GDP has already exceeded that of the rest of the world

Share of global GDP (at purchasing power parity)



China and some countries in Asia have emerged as the winners of the COVID-19 pandemic

Country comparison according to Covid-19

Country	GDP-growth 2020 + 2021 (est.)	Covid-19 cases per 1 million inhabitants
Asia	+ 6,1%	5097
■ China	+ 10,4%	62
■ Taiwan	+ 6,8%	39
■ Vietnam	+ 9,4%	21
USA	- 0,6%	83,308
Europe	- 2,8%	42,388
■ Germany	- 2,1%	27,354
■ France	- 3,6%	51,122
■ Great Britain	- 5,8%	58,145

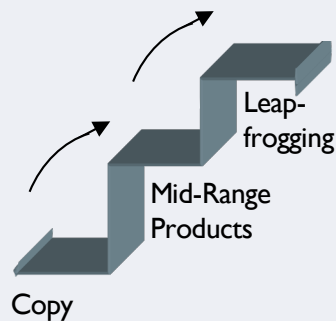
China's 14th Five-Year Plan outlines a clear growth strategy

- 14th Five-Year Plan (2021-2025) adopted on October 29, 2020. The aim is to develop a “modern socialist country that is prosperous, culturally progressive and harmonious”.
- Four main themes include:
 - **Dual Circulation:** The first international cycle is aimed at complete self-sufficiency in China. The second external cycle focuses on establishing global leadership (global technology leadership, full financial system integration).
 - **Technological innovation and autonomy:** Investing in high-tech (e.g. A.I. applications) and closing technology gaps (e.g. semiconductors).
 - **Urbanisation 2.0:** Create smart cities with state-of-the-art infrastructure (highspeed trains, 5G networks, ultra-high voltage networks, electric and hydrogen vehicle infrastructure).
 - **Green Economy:** Increase use of renewable energies from 15% to 25% over the next five years with the target of becoming CO² neutral by 2060.

What can we expect in China in the coming decades?

1. "Leapfrogging" business systems

900 million Chinese digital payment users versus 30 million in the US



2. Stabilization through the further expansion of middle class

374 million middle class households up from 44 million 10 years ago



3. From investment- to consumption-driven GDP growth

Consumption growth



4. "Land-grabbing" through trade and infrastructure

Chinese economic agreement
"One Road – One Belt"



RCEP*



CAI**

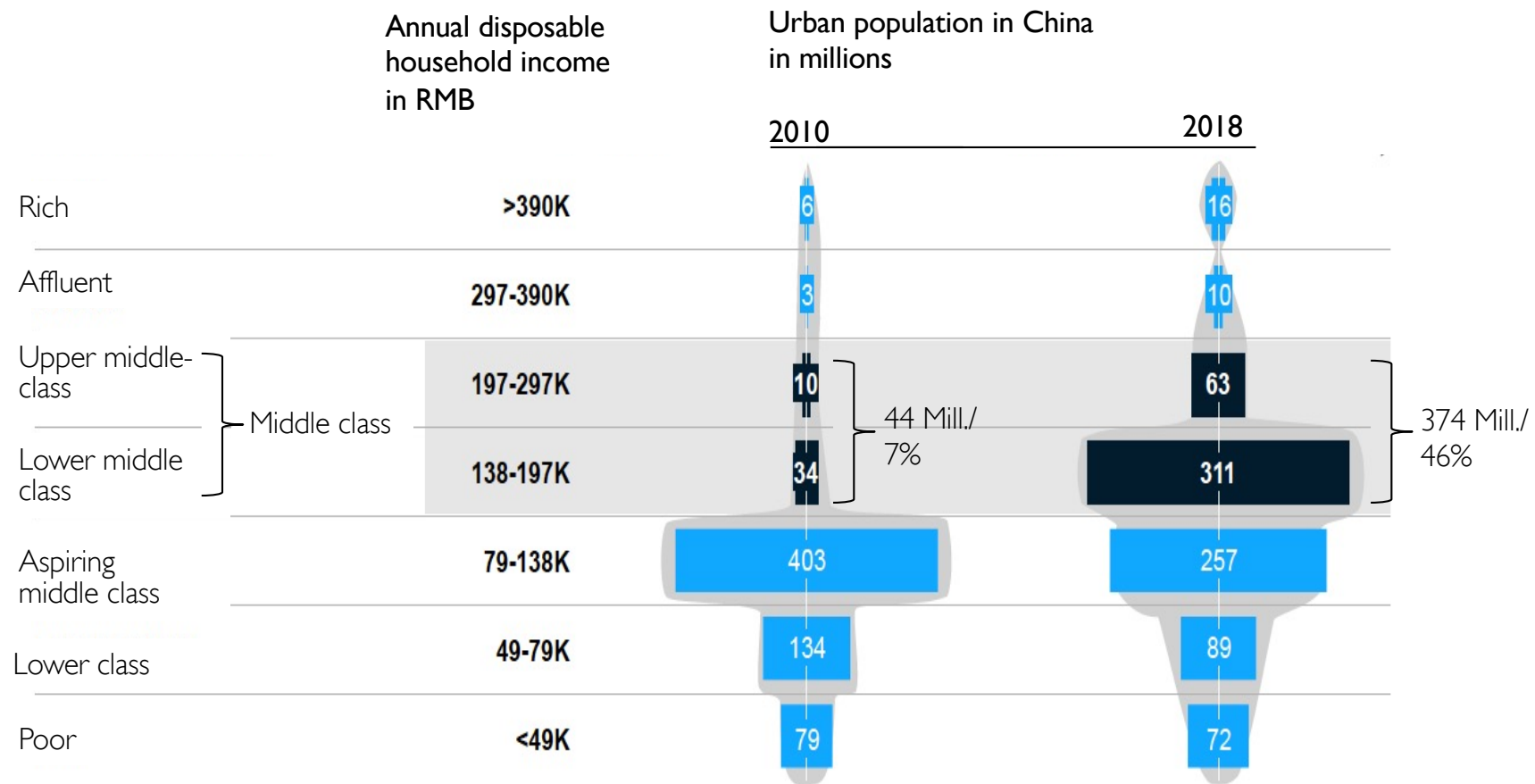


* RCEP (Regional Comprehensive Economic Partnership) between 15 Asian countries and China. CAI (Comprehensive Agreement on Investment) between Europe and China
Source: The Economist; World Bank; Qilin Capital Analysis

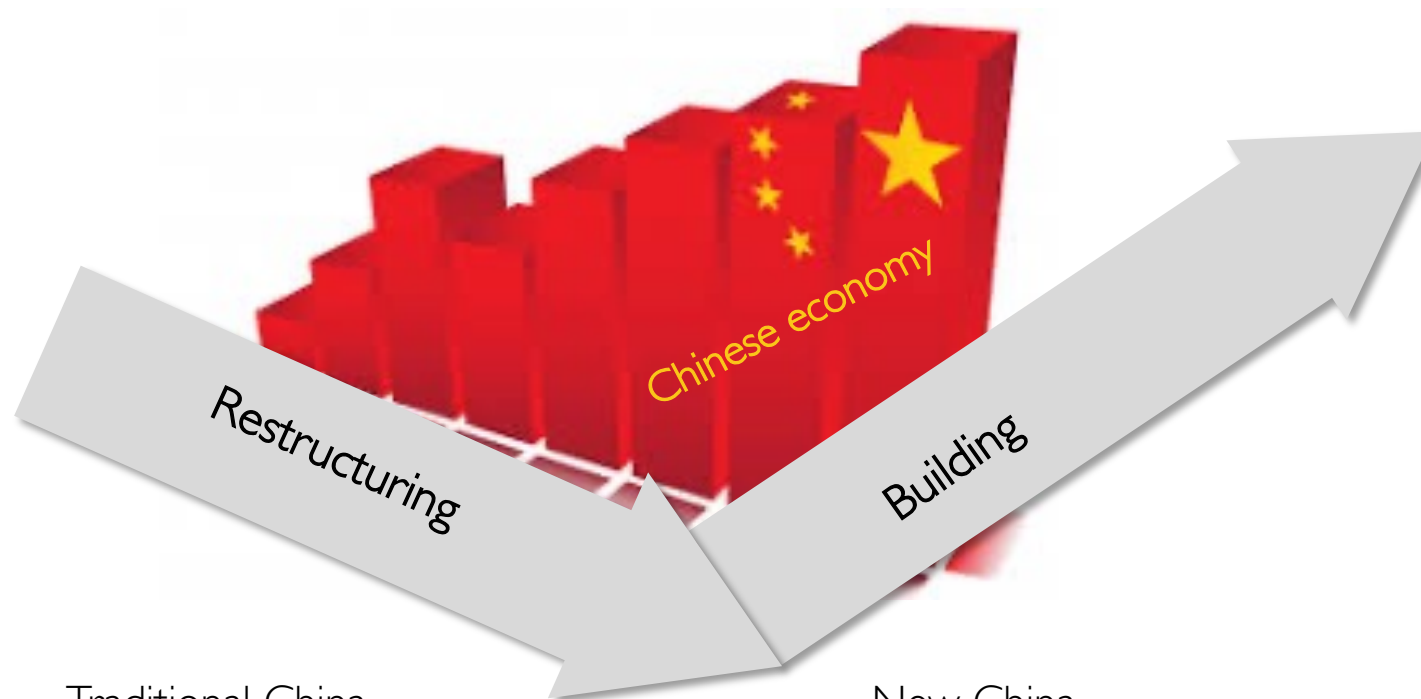
Chinese and Asian companies are implementing disruptive digital business models

From		To	Company examples
Bricks & mortar retail	➡	E-commerce	Alibaba , JD, Pinduoduo, Meituan Dianping , Sea Shopee, Lazada,
Traditional banking	➡	Fintech	ANT, WeChat Pay, Lufax, SeaMoney
Gas and diesel technology	➡	Electric- und H ² -Energy Technology	BYD, Nio, Xpeng, Ganfeng Lithium, CATL, Yunnan Energy, New Material Shanghai Putailai
In-classroom teaching	➡	EdTech	New Oriental , Koolearn, TAL, GSX Techedu, China Education Group, OFFCN
Traditional health care	➡	Digital health	Ping An Good Doctor , JD Health , Alihealth, M3 Line Healthcare,
Work in the office	➡	Work from Home	Alibaba Cloud, Dingtalk, Baidu Cloud, Wechat Business
Traditional Media	➡	Short-Video-Streaming	Bytedance (Tiktok, Douyin), Kuaishou
3G / 4G	➡	5G	Huawei, Samsung , LG, ZTE
Traditional Computing	➡	Quantum Computing	Alibaba Quantum Computing Lab, Entropica Labs, Baidu Research,
Standard programming	➡	Artificial Intelligence (A.I.)	Iflytek , Smart Finance, Megvii, Sense Time, DJI
Single App	➡	Super App	Alibaba , Tencent , Meituan , Sea , Grab, Gojek, Kakao

China's middle class is growing rapidly



China's economy is embarking on a V-shaped transformation



Traditional China

- **Traditional industries** like steel, coal, textiles, banking, real estate, energy provider
- **State owned enterprises (SOEs)**
- **Massive restructuring** and trimming of overcapacities

New China

- **Modern, fast-growing** industries like high-tech, healthcare, education, internet, new energies
- **Disruptive digital** business models
- **Breakthrough-technologies** like A.I., Quantum computing, 5G
- **New Super-Apps**

The Chinese capital market

Chinese equities are significantly cheaper than US equities

Comparison of P/E Ratio of S&P 500 and CSI 300 in last 8 years



Source: Wind, Qilin Capital Analysis

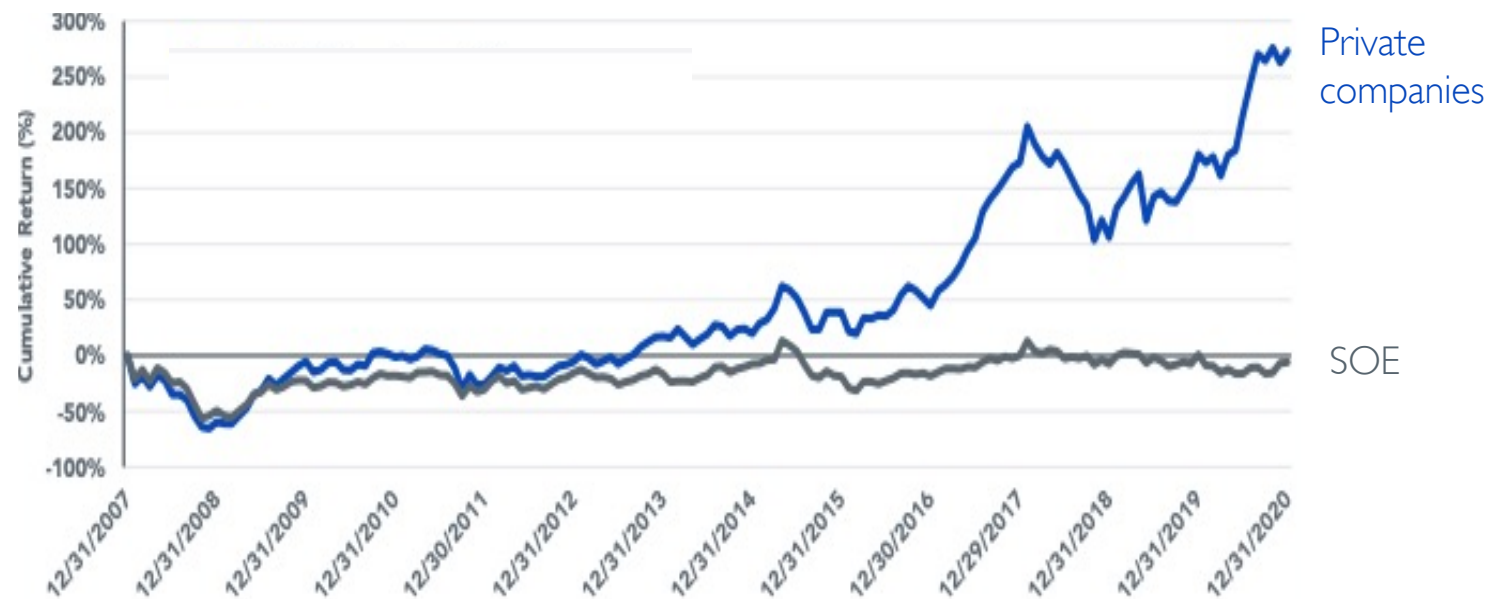
CSI 300 index is decoupled from China's economic development



Source: Wind, Qilin Capital Analysis

Private companies show a significant outperformance against State-Owned Enterprises (SOE)

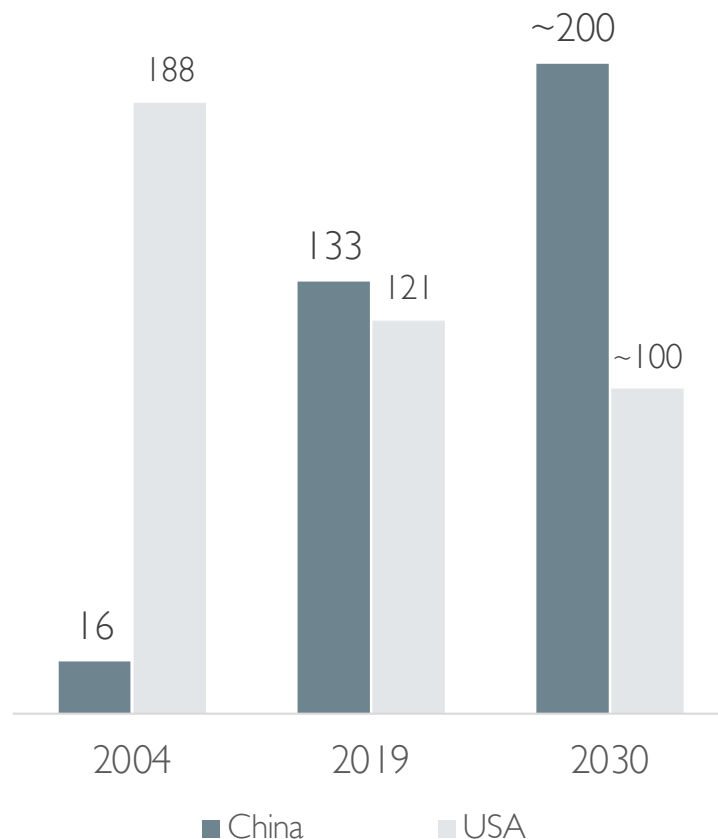
Cumulative Return of State-Owned Enterprises (SOE) and private companies MSCI China Index
31.12.2007 bis 30.09.2020



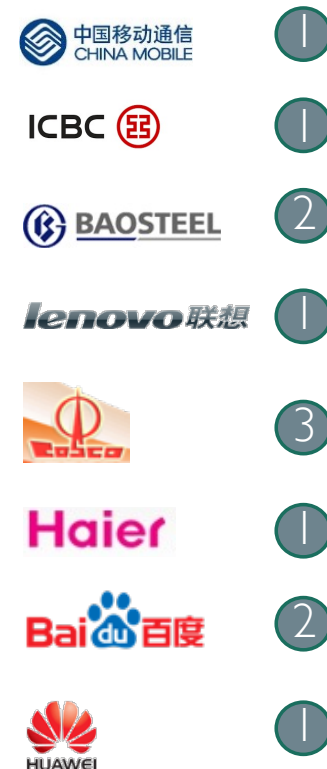
Over 90% of private quoted companies are in consumer sector, IT, communication and healthcare

Chinese companies have continuously expanded their presence in the Fortune Global 500 and have overtaken U.S. companies

Number of Chinese companies in the Fortune Global 500 list



Global Ranking of Chinese Fortune 500 Companies

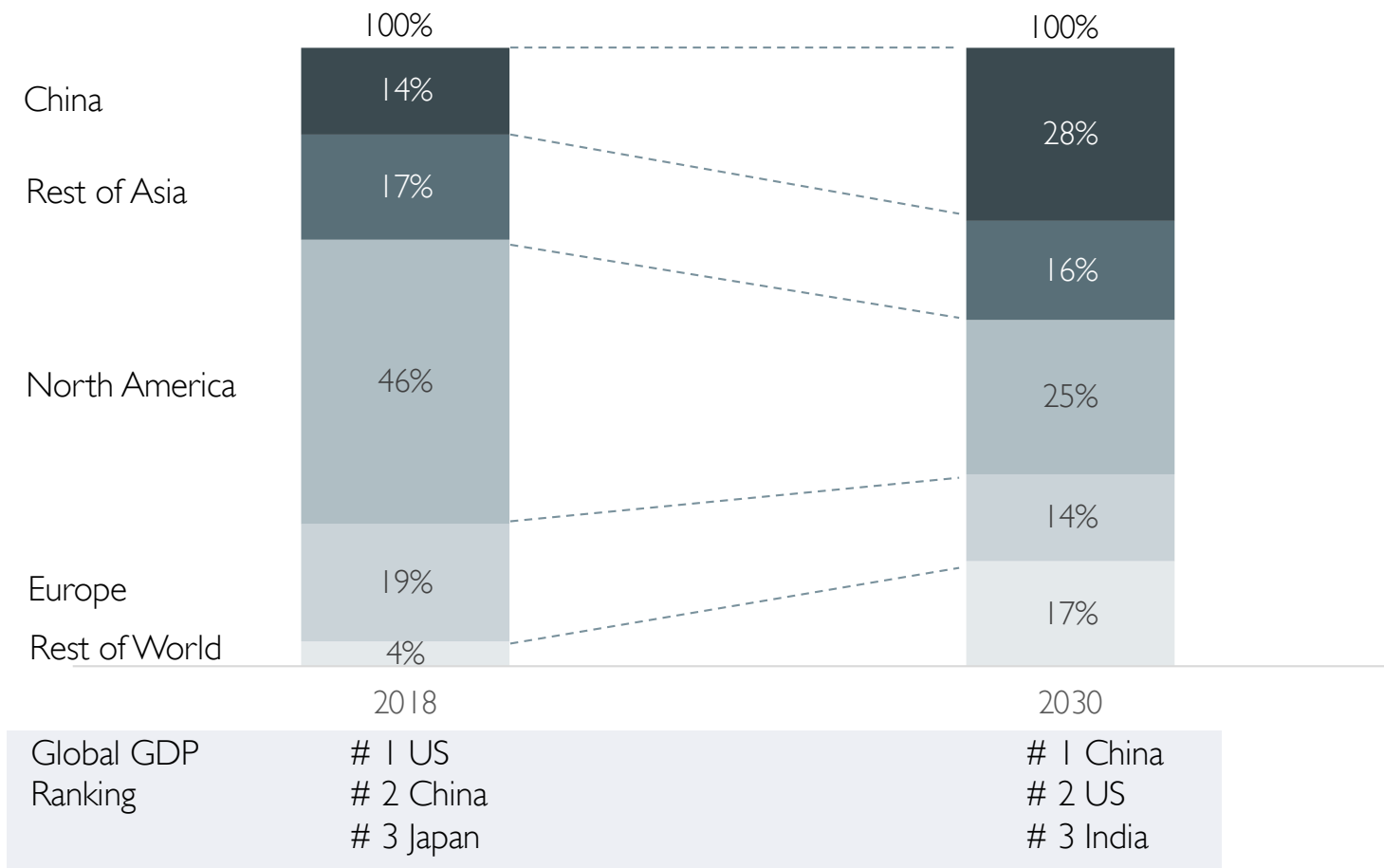


- In 2019, China has overtaken the US for the first time with 133* companies in the Global Fortune 500 list (12 more Chinese than American companies)
- More and more Chinese champions are pushing into the Fortune 500 list (e.g. Gree and Xiaomi)

* Companies from China, Hong Kong und Taiwan
Source: Fortune, McKinsey Analyse, China Daily, Qilin Capital Analysis

Market capitalization of Chinese stock exchanges is growing rapidly while North American and European exchanges are shrinking significantly

Market capitalization forecasts



ACATIS QILIN Marco Polo Asian Portfolio (examples of companies that benefit from the Covid-19 crisis)



Meituan Dianping is the world's largest food delivery platform. It is positioning itself to become the "Amazon of services", with its Food+Platform strategy. It has transitioned from being a food delivery app to a super app, offering over 200 lifestyle services.



Ping An Good Doctor is the largest online health platform in the world with 315 million registered users. During the COVID-19 crisis in China from January 20th to February 10th, 1.11 billion users visited the online platform.



JD.com is China's largest online and offline retailer. It is also China's largest Internet company by sales, and is the third largest company in the world after Amazon and Alphabet

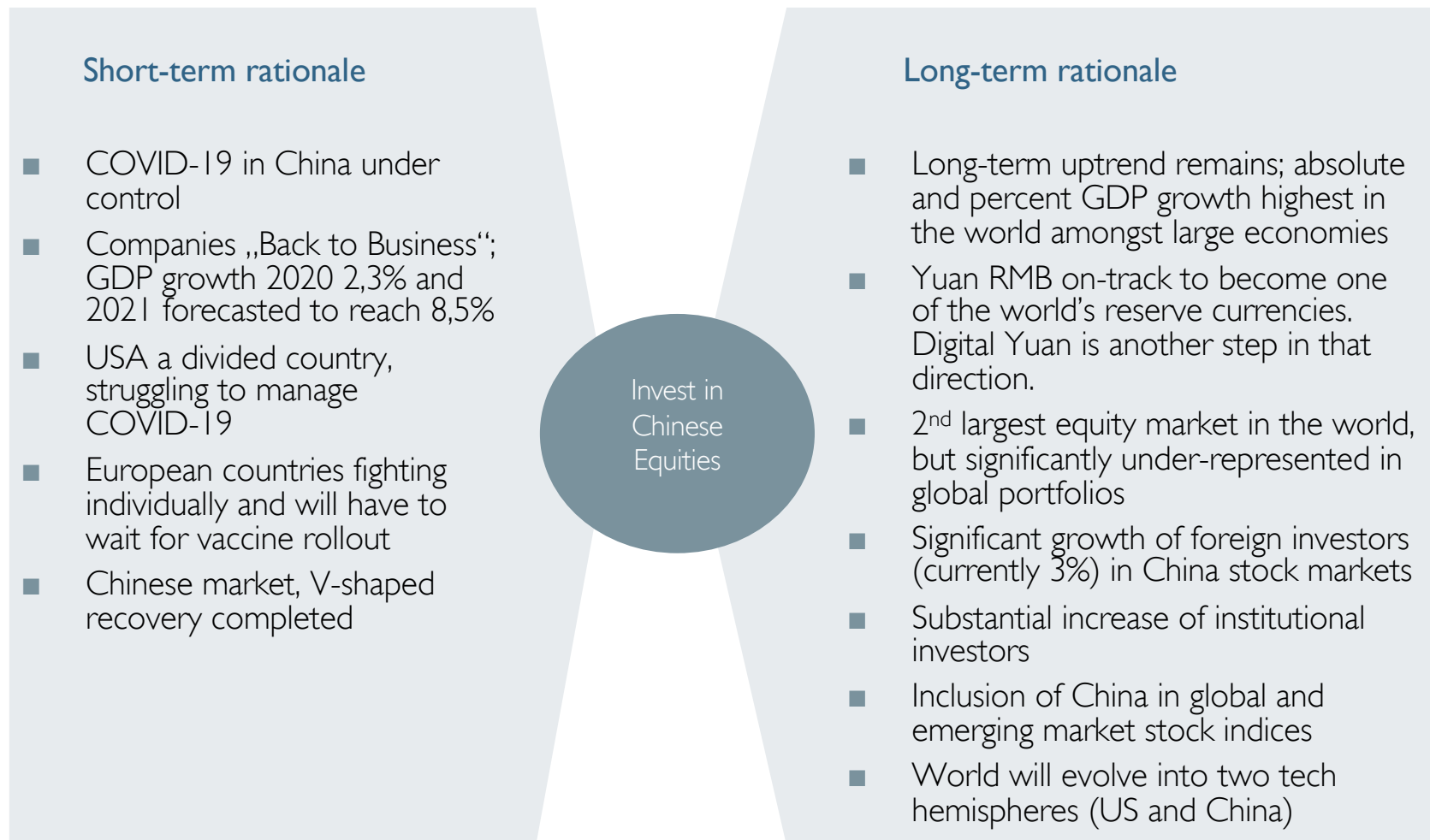


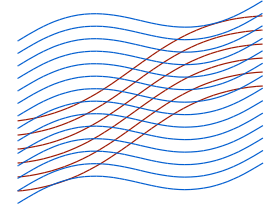
Xinyi Solar Holdings is the world's largest manufacturer of photovoltaic solar glass by capacity and market capitalization. It has an unmatched scale, efficiency and cost position



Hengrui Medicine is the leading Chinese brand pharmaceutical company with its own patented medications. It is also the leading first-to-market generic drug player with a proven track record in international markets.

China is a “must” for global oriented investors - Why invest in Chinese equities?





Conclusion

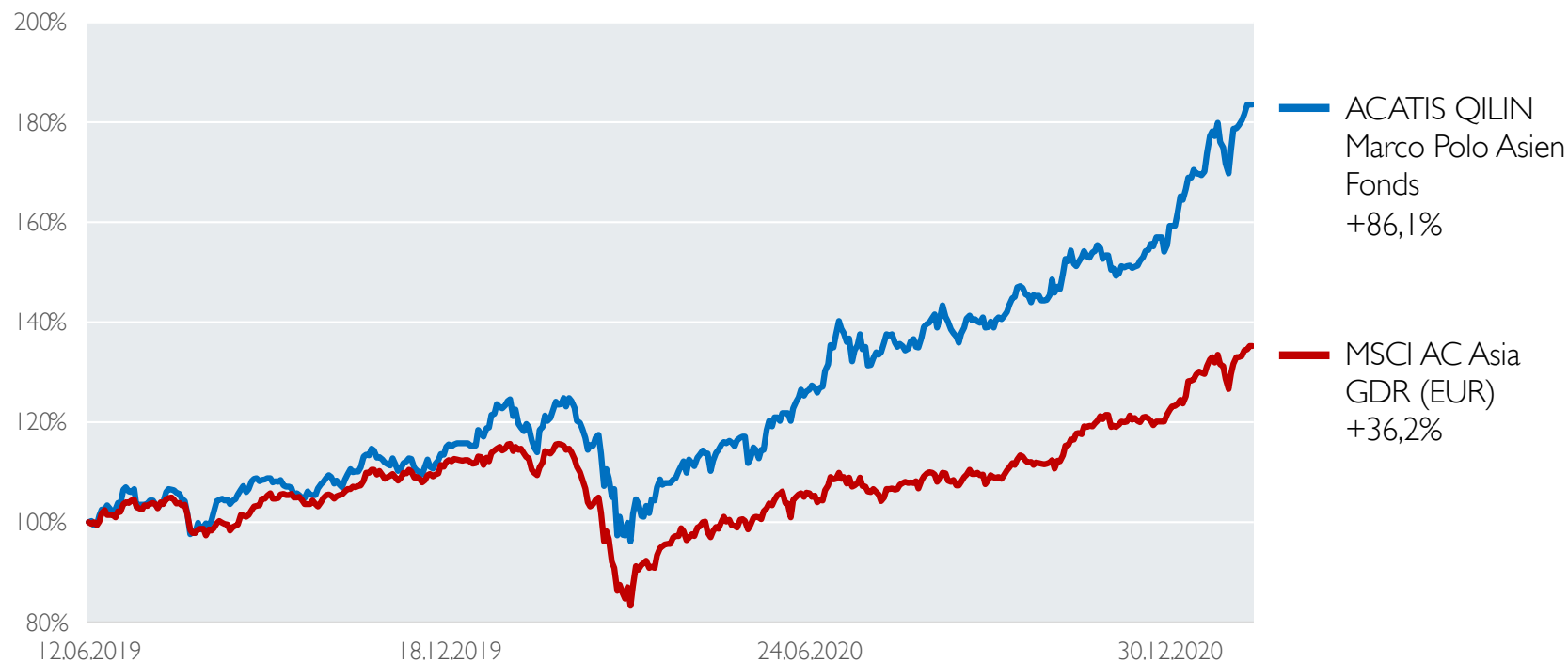
Primary driver of future growth will take place in China and Asia

- China is the winner of the pandemic and will become the largest economy as early as 2028.
- The coming decades will be known as the Asian century.
- Asia, especially China are leading us into the digital future.
- A.I. – the next industrial revolution will be led by the US and China.
- Approximately 45% of the world market capitalization will be held by Chinese/Asian companies in 2028 (doubling from today)

Asian, and especially Chinese champions are key value drivers in an equity-portfolio!

Significant Outperformance of the ACATIS QILIN Marco Polo Asien Fund

Performance of the ACATIS QILIN Fund (DE000A2PB663) versus MSCI AC Asia GDR (EUR)
Time period 11 June 2019 to 18 February 2021



The Qilin Capital core team combines excellent Asia and China research expertise



Prof. Dr. Ingo Beyer von Morgenstern – “Asia and China Insider”

- 30 years McKinsey & Company, 10 years McKinsey China, McKinsey Asian Practice Leader
- Honorary professor at Tsinghua University

Dr. Stefan Albrecht – “Asia and China Insider”

- 20 years McKinsey & Company, 15 years McKinsey China, McKinsey Asia Consumer Electronics Practice Leader
- Scholar of the “Studienstiftung des deutschen Volkes”

Patrick Liu – China Research Manager

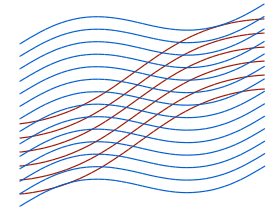
- Manager of Asia Champions Research in Shanghai
- Former Manager of McKinsey High-Tech Practice Research in Shanghai

MaryAnn Li – China Investment Industry Professional

- Former Associate Principal at McKinsey & Company in Beijing
- Former Manager of McKinsey Venture Capital Practice in Asia

Sofie Wang – China Research Analyst

- Research Analyst at Asia Champions Research in Shanghai
- Fund manager of the Hofstra Student Managed Investment Fund in New York



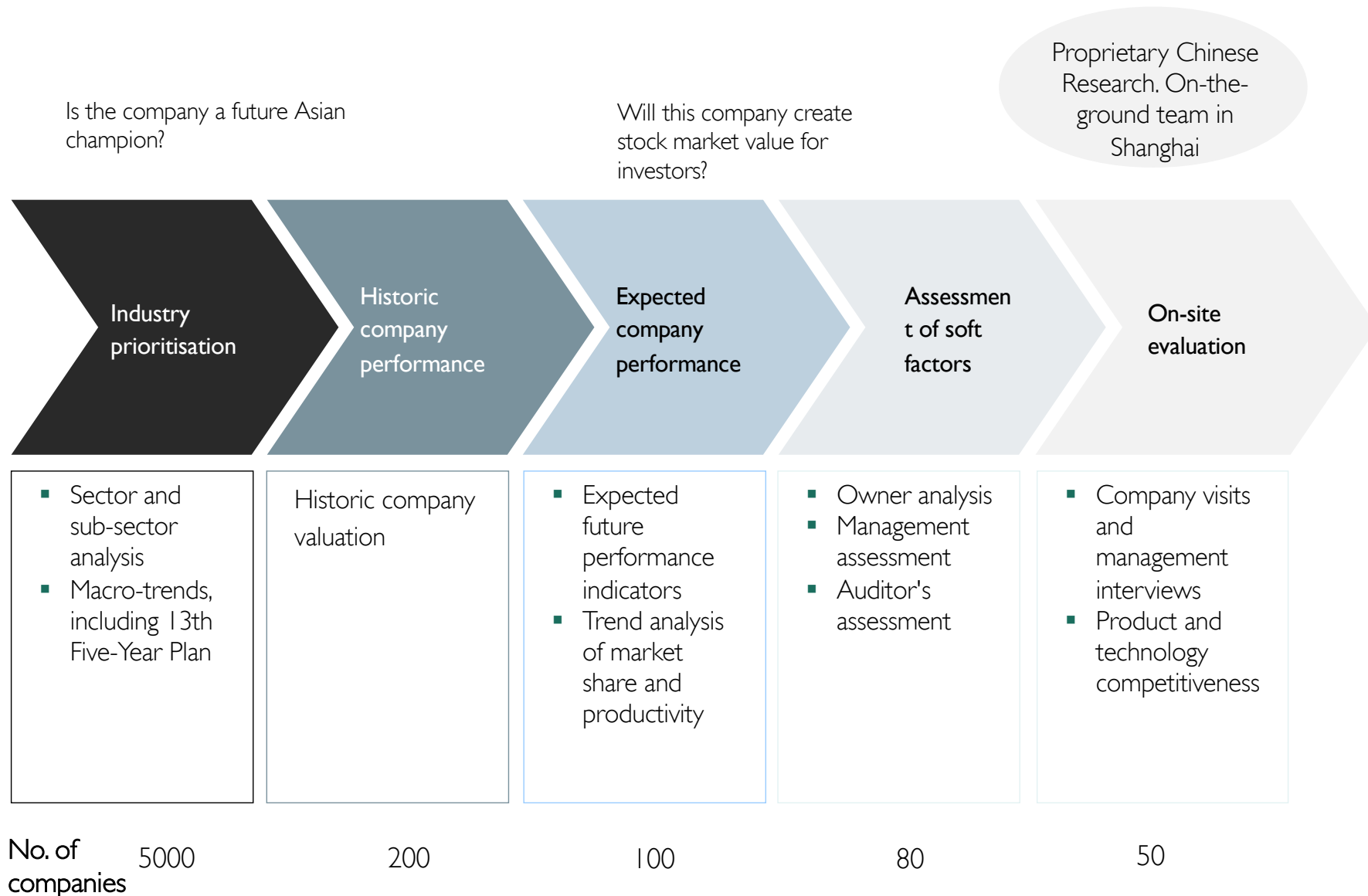
Appendix

Investmentprocess

Features of the ACATIS QILIN Marco Polo Asien Fonds

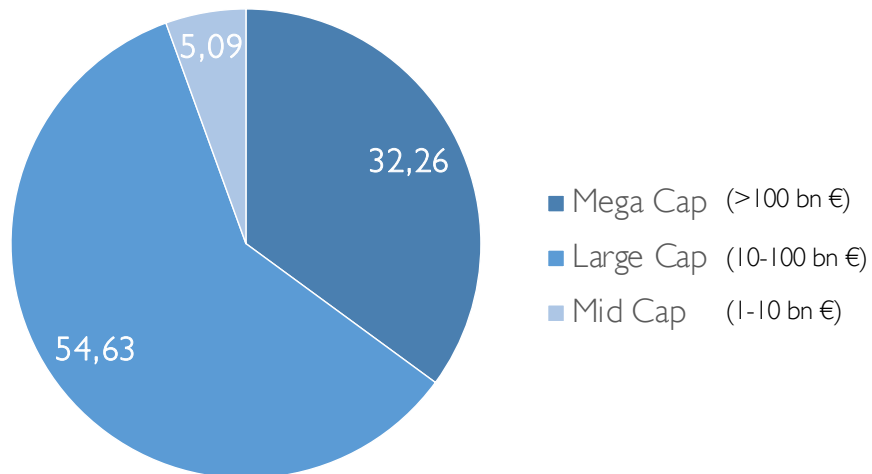
- Focus on **present and future Asian growth and value champions** with a heavy emphasis on **Chinese companies**
- Focus on **attractive, fast-growing future industries**; the portfolio does not include industries in need of restructuring
- Investments possible in **all Chinese share classes**, including A shares, H shares and N shares - the only way to invest in the most promising Chinese companies
- Focus **on listed private companies**, since they perform better over the long term, i.e. ideally no state-owned enterprises and hence no ETFs
- **Outperform the relevant MSCI All Countries Asia Index**
- **On-site Asian analysis team** (which conducts company visits in Chinese)
- Extensive and relevant **Chinese experience, contacts and network** including McKinsey and Tsinghua University

DETEC' fundamental company analysis uses a rigorous, analytical and data-driven approach



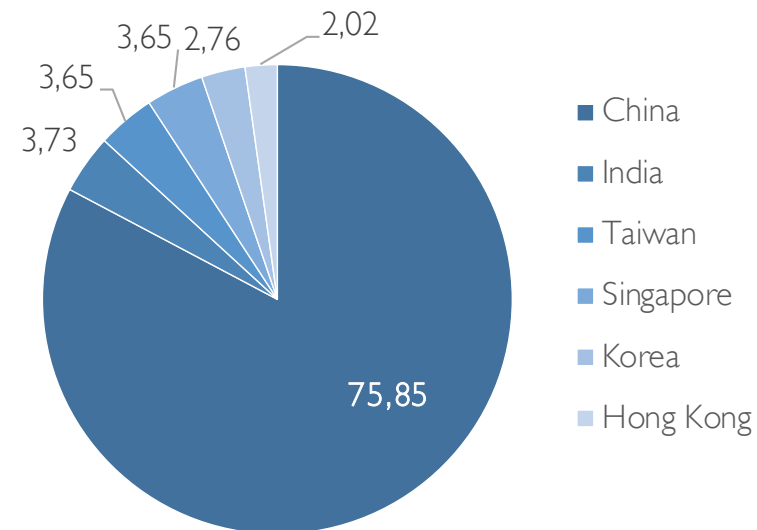
Market capitalization and country allocation

Market capitalisation in %



As of: 31 December 2020

Country allocation in %



As of: 31 January 2021

Fund data

Investment company	ACATIS Investment Kapitalverwaltungsgesellschaft mbH, Frankfurt		
Custodian	UBS Europe SE, Frankfurt		
Manager	ACATIS Investment Kapitalverwaltungsgesellschaft mbH, Frankfurt		
Share class	A	B	X
Investment focus	Equity Asia with focus on China	Equity Asia with focus on China	Equity Asia with focus on China
Domicile	Germany	Germany	Germany
Currency	EUR	EUR	EUR
Benchmark	MSCI AC Asia GDR (EUR)	MSCI AC Asia GDR (EUR)	MSCI AC Asia GDR (EUR)
ISIN	DE000A2PB655	DE000A2PB663	DE000A2P9Q22
Inception	11 June 2019	11 June 2019	29 September 2020
Fiscal year-end	30 September	30 September	30 September
Front end fee	5%	0%	0%
Ongoing costs (30 September 2020)	1.93%	1.43%	1.50%
Performance fee	15% of the yield above the reference value that is generated by the fund during the settlement period (MSCI® AC Asia GDR (EUR)), but only if the unit price at the end of the relevant settlement period exceeds the unit price at the beginning of the settlement period.		
Minimum investments	Non	250,000 EUR initial investment	Non
Permission for public distribution	DE, AT, CH, NL	DE, AT, CH, NL	DE, CH, NL
Distribution	Distribution	Distribution	Distribution

Capital Investment Company and Research Team

ACATIS Investment



- ACATIS – value-focused asset manager founded in 1994.
- ACATIS searches for undervalued stocks in a systematic and databased process.
- The monthly investment process is effective and consistent, with the funds achieving outperformance over the long-term.
- ACATIS offers value-equity funds, value-balanced funds, value-sustainability funds and value-bond funds. Since October 2016, ACATIS has been offering equity funds based on artificial intelligence.
- Assets under management EUR 10.1 bn (as of 31 January 2021).

How others evaluate us – ACATIS awards*



€ Fund Award 2021



Fund Manager of the Year
2017



MLP Fund Award 2019



Deutscher Fondspreis
2019 (German Fund Award)



Lipper Leader

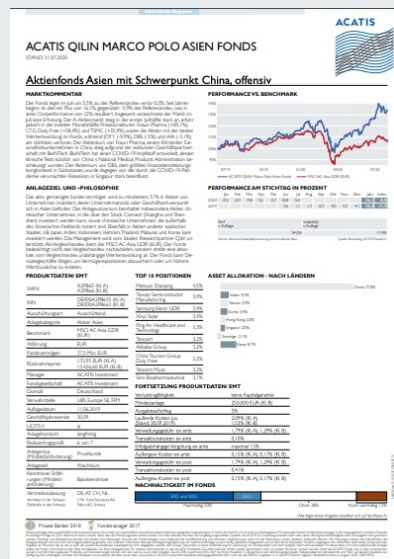


Morningstar

*Only awards of the last four years

ACATIS und QILIN places great value on investor communication

Monthly report



Webinars und conference calls



Road show, investment dialogues and presentations on the fund



Points of contact



Felix Müller
ACATIS Investment
KVG mbH
Tel: +49-69-97 58 37-60
Email: mueller@acatis.de
Member of the Extended
Management Board, Sales



Amit Kapoor
ACATIS Investment
KVG mbH
Tel: +44 7500 373 205
Email: kapoor@acatis.com
Institutional Sales
International



Eva Zaragoza
ACATIS Investment
KVG mbH
Tel: +34 648 914 288
Email: zaragoza@acatis.com
Institutional Sales Iberia,
Italy, UK



Petra Weise
ACATIS Service GmbH
Tel: +41-71-886 45-51
Email: weise@acatis.ch
Institutional Sales
Switzerland



Frits Nieuwenhuijsen
ACATIS Investment
KVG mbH
Tel: +31 6 30 00 56 41
Email: nieuwenhuijsen@acatis.com
Institutional Sales
Netherlands, Belgium, Denmark



Marie Ballorain
ACATIS Investment
KVG mbH
Tel: +33 6 79 98 16 73
Email: ballorain@acatis.com
Institutional Sales France,
Benelux

Contact information

- **ACATIS**
Investment Kapitalverwaltungsgesellschaft mbH
Germany
- Address
 - mainBuilding
 - Taunusanlage 18
 - D-60325 Frankfurt
 - Tel: +49-69-97 58 37-77
 - Fax: +49-69-97 58 37-99
 - Website: www.acatis.com
- **ACATIS**
Service GmbH
Switzerland
- Address
 - Gütli 166
 - CH-9428 Walzenhausen
 - Tel: +41-71-886 45-51



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