

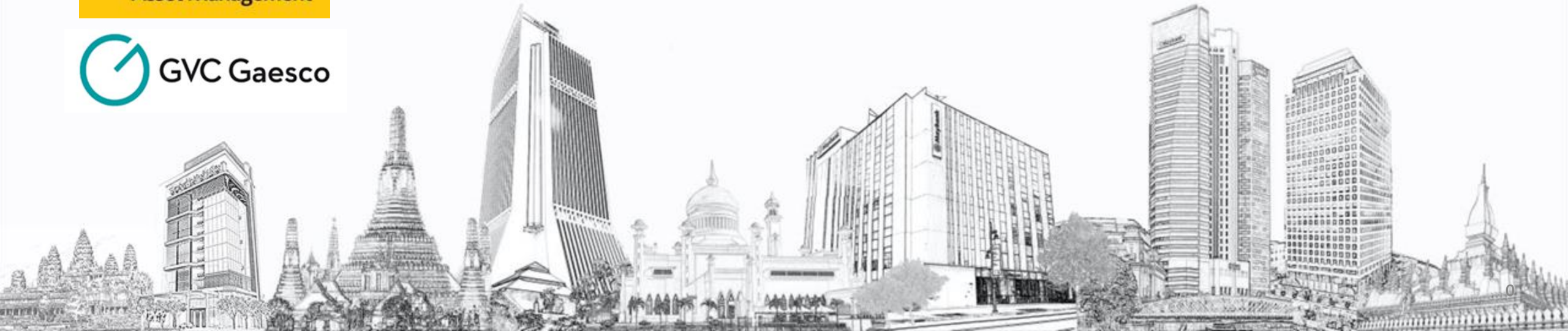
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Asian Fixed Income Opportunities

Maybank Asian Income Fund

GVC Gaesco Asian Fixed Income

February 2021





- Introducción a *Maybank Asset Management*
- Porqué Asian Fixed Income
- El valor añadido de nuestra estrategia Asian Fixed Income
- Apéndice - Posiciones principales del fondo



Introducción a Maybank Asset Management

Quiénes somos



MAYBANK: EL NACIDO ASEAN

CONEXIÓN INTERNACIONAL CON GRAN PESO EN ASEAN

Somos el grupo de servicios financieros más grande de Malasia y la compañía con mayor capitalización bursátil de la Bolsa de Malasia; con una muy importante presencia establecida en la región de la ASEAN, Maybank ocupa el cuarto lugar por activos entre los bancos de ASEAN y se encuentra entre los 100 principales bancos del mundo.

Maybank ha crecido hasta convertirse en uno de los 20 bancos más fuertes del mundo y el líder de la región ASEAN en capitalización bursátil. Con la misión de brindar acceso financiero y oportunidades a todos, Maybank es el único banco de la ASEAN que cuenta con profesionales sobre el terreno en todos los mercados.

MAYBANK HIGHLIGHTS

MYR 97.1b

(USD 23.7b)
Market Capitalisation
(as at 31st Dec 2019)

MYR 834.4b

(USD 203.9b)
Total Assets
(as at FY2019)

MYR 52.8b

(USD 12.9b)
Operating Revenue
(As at FY2019)

A-

International Credit
Rating on par with
Malaysia sovereign

20M

ASEAN Customers

18

Countries

2,629

No. of Offices
Worldwide

43,000

Total No. of Employees

Source: Maybank Annual Report 2019

Hemos creado un ecosistema especialmente diseñado para ofrecer retornos mejores y más consistentes

Ofrecemos una amplia gama de soluciones de inversión para todo tipo de inversores a través de fondos gestionados por profesionales de inversión experimentados.

OUR OFFERINGS

1
Discretionary Portfolio Mandates

2
Non-Discretionary Mandates

3
Wholesale Funds

4
Absolute Returns Funds

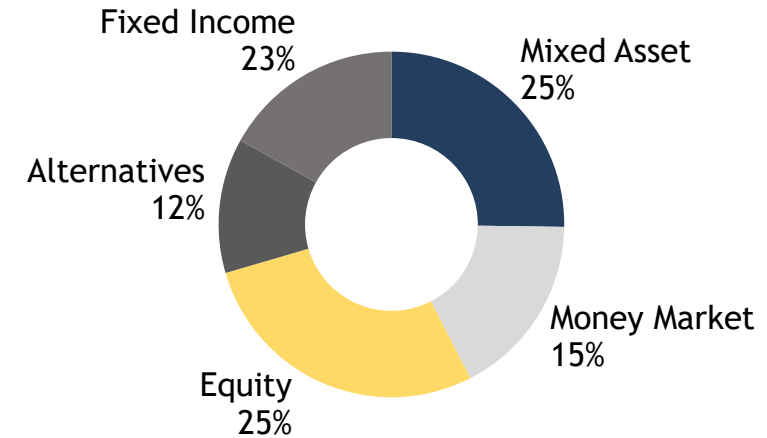
5
Cash Management Solutions

6
Unit Trust Funds

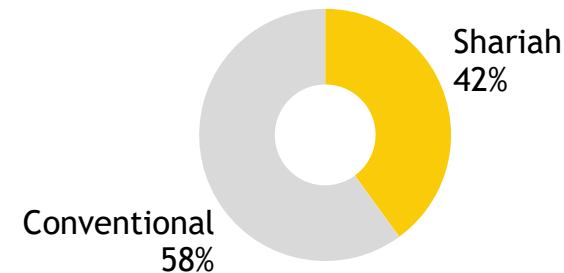
7
Real Estate Backed Funds

8
Private Equity Funds

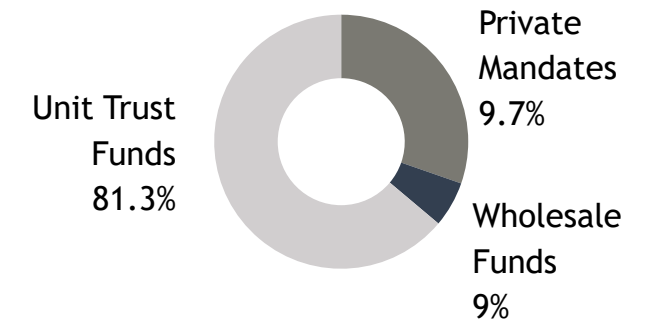
Group AUM RM32.5b | AUM by Asset Type



AUM by Conventional/ Shariah



Shariah Compliant AUM Total AUM RM14b



Source: Maybank Asset Management Group as at 31 December 2020



JUDY LEONG

REGIONAL CO-HEAD OF FIXED INCOME
Maybank Asset Management Singapore



Judy es responsable de todas las inversiones de renta fija en moneda fuerte y local de Asia y administra tanto los fondos indexados como los fondos de retorno total en Maybank Asset Management, incluida la cogestión con el equipo de Inversión en estrategias mixtas. Tiene un total de 19 años de experiencia en inversiones en el mercado de renta fija. Judy comenzó a administrar inversiones en bonos de Singapur y carteras respaldadas por activos asiáticos en 2002, seguido del crédito asiático en dólares estadounidenses en 2005 y el crédito en moneda local asiática en 2009.

Antes de su carrera en la gestión de carteras de renta fija, Judy trabajaba como analista de renta variable y analista de crédito estructurado. Trabajó previamente para BNP Paribas Investment Partners, Fischer Francis Trees and Watts y Deutsche Bank AG.

Judy se graduó con una Distinción en MBA en Finanzas de CASS Business School en Londres (1996). Tiene una licenciatura en administración de empresas de la Universidad Nacional de Singapur y es certificado CFA.



Por qué Asian Fixed Income

MACRO TENDENCIAS QUE INFLUYEN EN EL CRÉDITO ASIÁTICO



- 1) La recuperación mundial en camino con Asia a la cabeza
- 2) La calidad crediticia mejora sustancialmente
- 3) Tensiones políticas globales mejorando progresivamente
- 4) Valoraciones atractivas en bonos asiáticos
- 5) Mejoras técnicas de apoyo para el Crédito Asiático

La recuperación mundial en camino con Asia a la cabeza



ASPECTOS CLAVES

1. Mejora de las tendencias mundiales de la pandemia

Caída de casos y tasas de mortalidad por COVID-19

Ola de vacunas con vacunación planificada al 70-80% para fines de 2021 para la mayoría de los países

2. Los indicadores principales son positivos

ISM más alto desde 2018

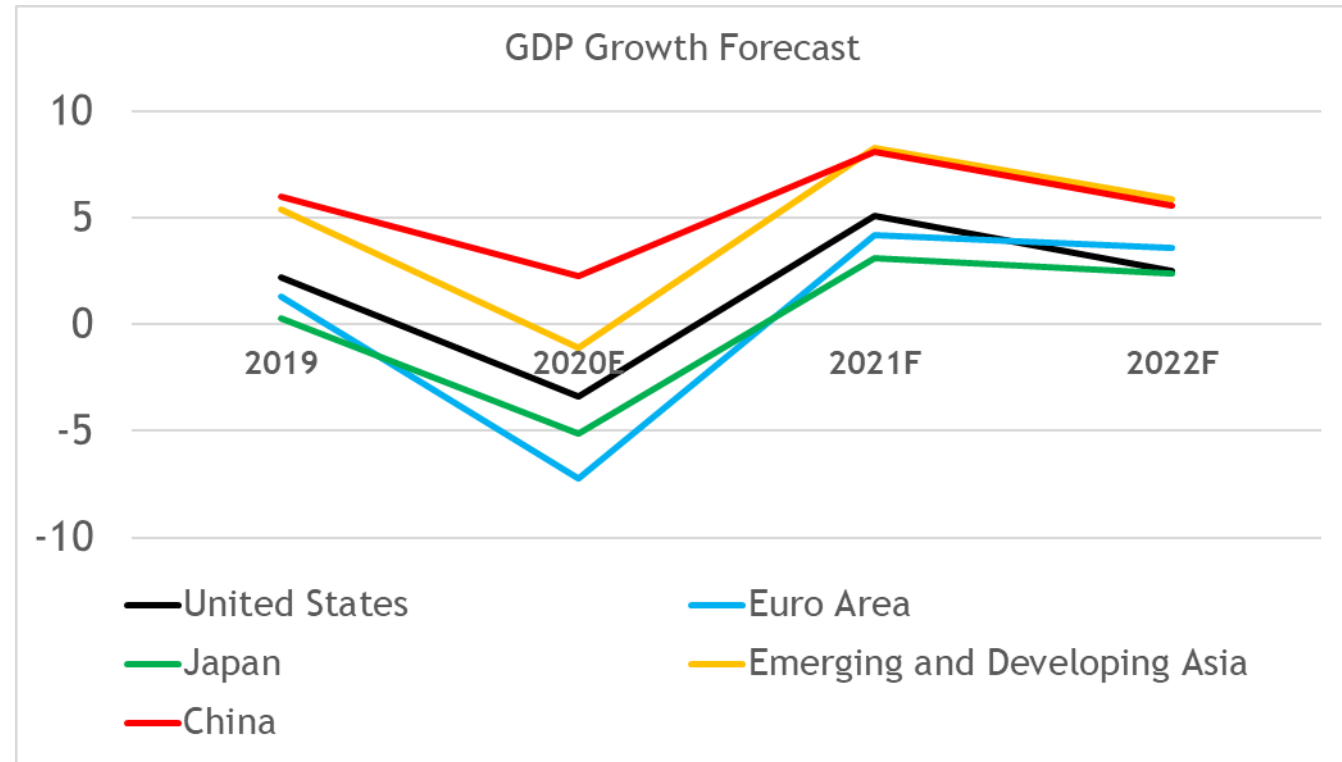
El 80% de los países experimentan ahora una expansión de las actividades de fabricación

3. Asia liderará la recuperación

China emergió del COVID-19 antes

Se espera el lanzamiento masivo de vacunas en 2021 para Asia desarrollada

India potencial inmunidad colectiva



Source: IMF, January 2021.

EL ESCENARIO DE TIPOS INTERNACIONALES SE MANTIENE BAJO



ASPECTOS CLAVES

1. El crecimiento sostenible es la principal preocupación de los bancos centrales

Las previsiones de tipos de interés oficiales de Asia se mantienen en territorio positivo para 2021

2. Continuará la compra de activos de los principales bancos centrales

El impulso permanece tanto para el BCE como para la Reserva Federal de los EE. UU.

UBS ECONOMIC FORECASTS	Real GDP %				CPI (% avg)				Policy rate (end period)				FX vs USD (end period)			
	UBS-current forecasts		UBS vs Consensus		UBS-current forecasts		UBS vs Consensus		UBS-current forecasts		UBS vs Consensus		UBS-current forecasts		UBS vs Consensus	
	21F	22F	21F	22F	21F	22F	21F	22F	21F	22F	21F	22F	21F	22F	21F	22F
US^	5.0	4.3	1.1	1.2	1.9	2.0	-0.1	-0.1	0.25	0.25	0.0	0.0	-	-	-	-
Japan	2.7	2.6	0.0	0.6	-0.1	0.5	-0.2	0.0	-0.10	-0.10	-0.1	-0.1	100.0	95.0	-3.0	-10.0
Eurozone^^	5.0	5.4	0.4	1.7	1.1	1.3	0.2	0.1	-0.50	-0.50	0.0	0.0	1.25	1.30	0.1	0.0
Asia (ex Japan)	8.1	6.0	0.7	0.7	2.3	2.8	0.1	0.1	-	-	-	-	-	-	-	-
Australia	3.8	4.2	0.2	1.2	1.7	1.6	0.2	0.0	0.10	0.10	0.0	0.0	0.78	0.82	0.0	0.0
New Zealand	4.1	5.1	-0.3	1.6	0.8	1.5	-0.6	0.1	0.25	0.25	0.5	0.5	0.72	0.74	0.0	0.0
Hong Kong*	4.8	5.2	0.6	2.3	1.5	1.8	0.0	-0.1	0.50	0.50	0.0	0.0	7.80	7.80	0.0	0.0
Singapore	7.1	6.0	1.6	2.3	0.7	1.0	0.0	0.0	0.25	0.25	-0.2	-0.2	1.29	1.25	0.0	0.0
Korea	4.1	3.8	0.9	1.1	1.8	1.9	0.7	0.5	0.50	0.50	0.0	-0.3	1060	1050	5	0
Taiwan	4.0	3.6	0.3	0.9	1.0	1.1	0.0	0.1	1.13	1.13	0.0	0.0	27.60	27.00	-0.4	-0.8
Malaysia	6.8	6.4	0.0	1.6	2.1	2.4	0.3	0.3	1.75	2.50	0.0	0.3	3.95	3.85	0.0	0.0
Thailand	6.1	6.5	2.2	2.0	1.1	1.3	0.0	0.1	0.50	1.00	0.0	0.5	28.50	27.50	-1.2	-1.8
Indonesia	5.8	6.7	0.9	1.5	2.4	3.3	0.1	0.4	3.75	5.00	0.0	1.0	15000	15000	1194	1150
Philippines	9.1	9.6	1.6	3.2	2.5	3.4	-0.4	0.2	2.00	3.25	-0.3	0.8	49.00	51.00	1.4	3.1
India^^	11.5	6.0	2.4	0.0	4.4	4.5	-0.1	0.0	4.00	4.50	0.1	0.0	74.00	76.00	1.9	2.4
Vietnam	8.4	7.3	0.7	0.6	2.6	3.9	-0.7	0.3	3.50	4.50	-0.5	0.4	22500	22500	-449	0
China**	8.2	6.0	0.0	0.5	1.7	2.4	0.1	0.1	1.50	1.50	0.0	0.0	6.40	6.40	0.0	0.0

Source: UBS 11 Jan 2021

LAS QUIEBRAS HARÁN PICO PARA EMPEZAR A CAER POSTERIORMENTE



ASPECTOS CLAVES

1. Mejorando la liquidez

Mejora del índice de estrés de liquidez de Moody's Asia

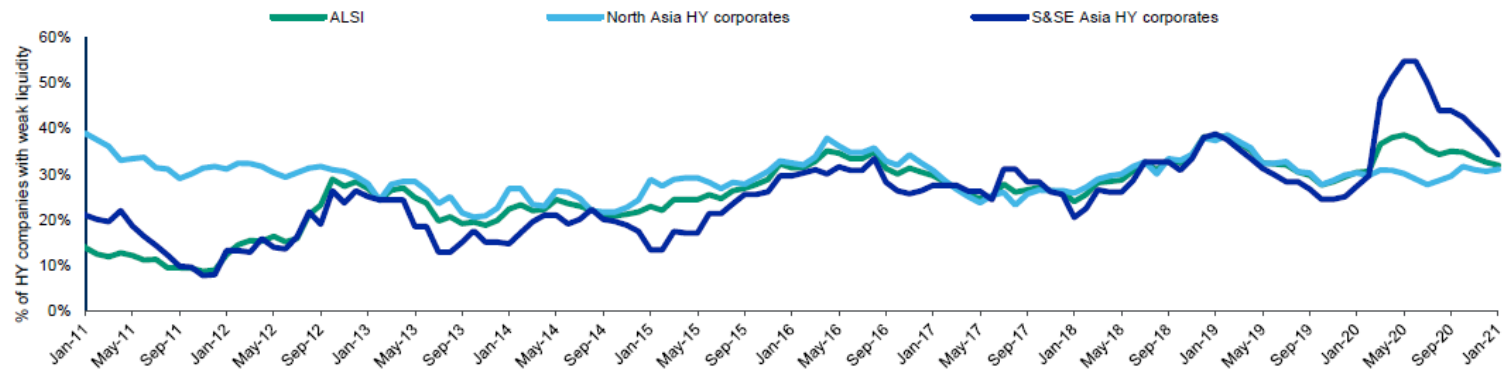
Asia meridional y sudoriental experimentó la mayor mejora con Asia septentrional manteniéndose estable

2. Se prevén bajas tasas de incumplimiento en Asia

Más bajo que Global y EE. UU.

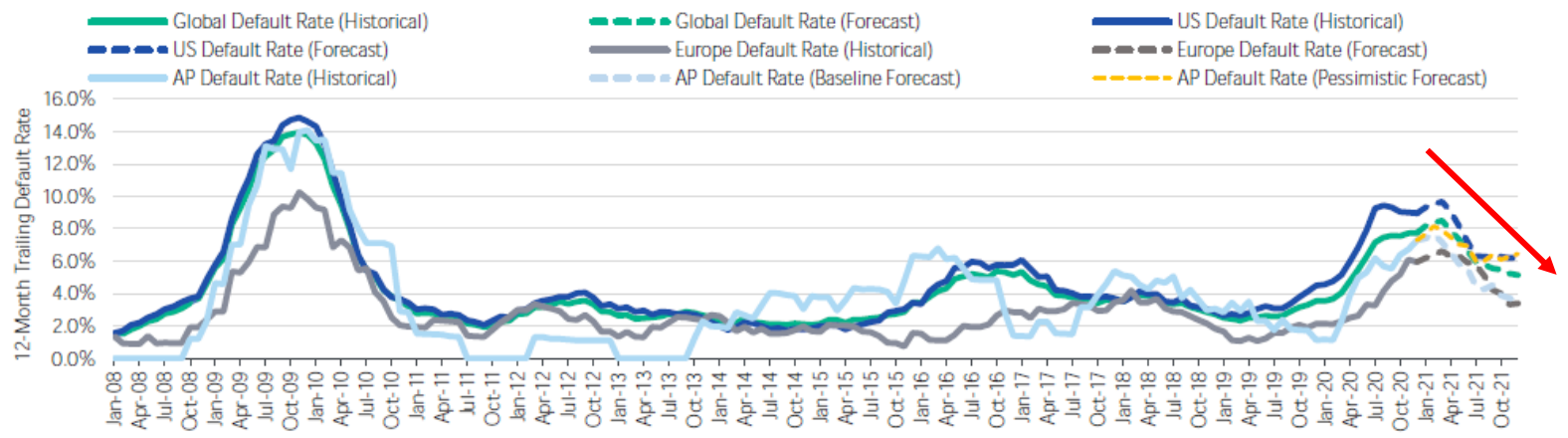
Comparable con Europa

Moody's Asia Liquidity Stress Indicator Feb 2021



APAC nonfinancial companies' high-yield default rate will fall in 2021 Source: Moody's

Exhibit 1 Trailing 12-month Asia-Pacific high-yield nonfinancial company default rate (January 2008 – December 2020)



Source: Barclays Research 10 Dec 2020

Tensiones políticas globales mejorando progresivamente



ASPECTOS CLAVES

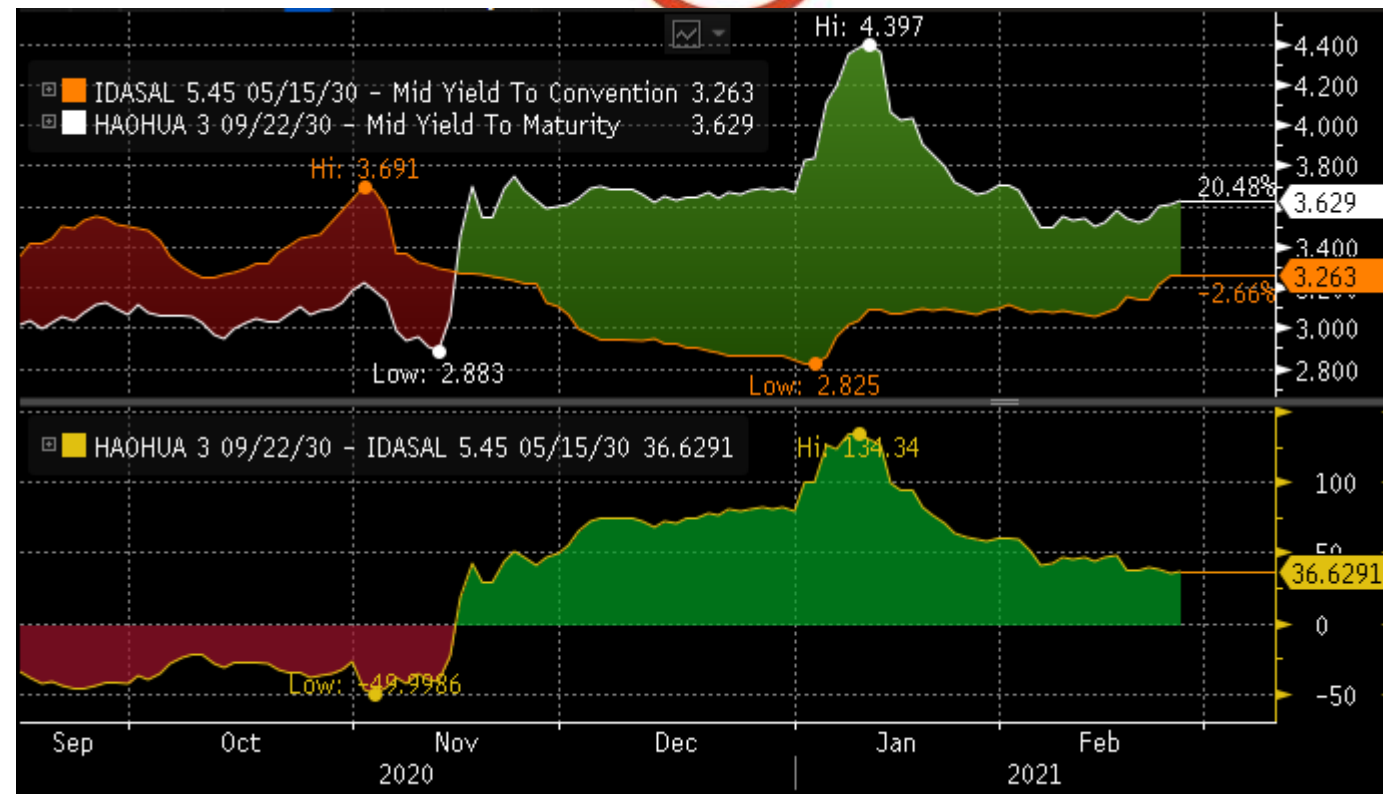
1. Relación entre Estados Unidos y China

Esperando acusaciones menos hostiles y más compromisos y negociaciones de cooperación.

Ambos países quieren que sus economías se estabilicen.

La retirada de empresas estatales y corporativas de China en la lista de sanciones de EE. UU. sería muy positivo para China y Asia

2. Se espera que la mejora de la relación entre EE. UU. y China estreche los diferenciales crediticios



Source: Bloomberg, 16 Jan 2021

VALORACIONES ATRACTIVAS - INVESTMENT GRADE



ASPECTOS CLAVES

1. La pandemia mundial hizo que los bancos centrales de todo el mundo recortaran masivamente los tipos de interés para el año fiscal 2020

El montante total global de bonos con rendimientos negativos ascienden actualmente a 13,7 billones de dólares

2. Asia todavía ofrece rendimientos positivos y más altos a EE. UU. Y Europa



Asia Credit IG Bond
Index Yield 2.56%

US Credit IG Corp Bond
Index Yield 2.03%

EU Credit IG Corp
Bond Index Yield.56%

Source: Bloomberg, JPM, Barclays, MAMG 24th Feb 2021

VALORACIONES ATRACTIVAS- HIGH YIELD



ASPECTOS CLAVES

1. Los planes de compra de activos de la Fed de EE. UU. y el BCE han provocado que incluso los bonos de alto rendimiento en EE. UU. y la UE se recuperen.

2. Los diferenciales entre Asia High Yield y EE.UU. / UE se encuentran en niveles históricos.



Asia Credit HY Bond
Index Yield 6.80%

US Credit HY Corp
Bond Index Yield 4.05%

EU Credit HY Corp
Bond Index Yield 3.16%

Source: Bloomberg, JPM, Barclays, MAMG 24th Feb 2021

VALORACIONES ATRACTIVAS- ASIA IG vs ASIA HY



ASPECTOS CLAVES

1. Múltiplo de alto rendimiento / grado de inversión de Asia en el extremo más amplio de los últimos 5 años.
2. Se nos paga más por asumir riesgos en una mejora de las perspectivas económicas.

High yield / Investment Grade Bonds Credit Spread Ratio



Source: Bloomberg, JPM, Barclays, MAMG Feb 2021

MEJORAS TÉCNICAS DE APOYO PARA EL CRÉDITO ASIÁTICO

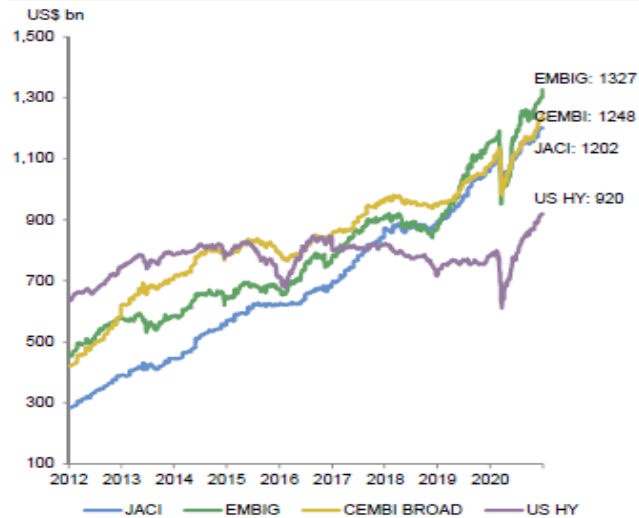


ASPECTOS CLAVES

1. Créditos de Asia: una clase de activos en crecimiento

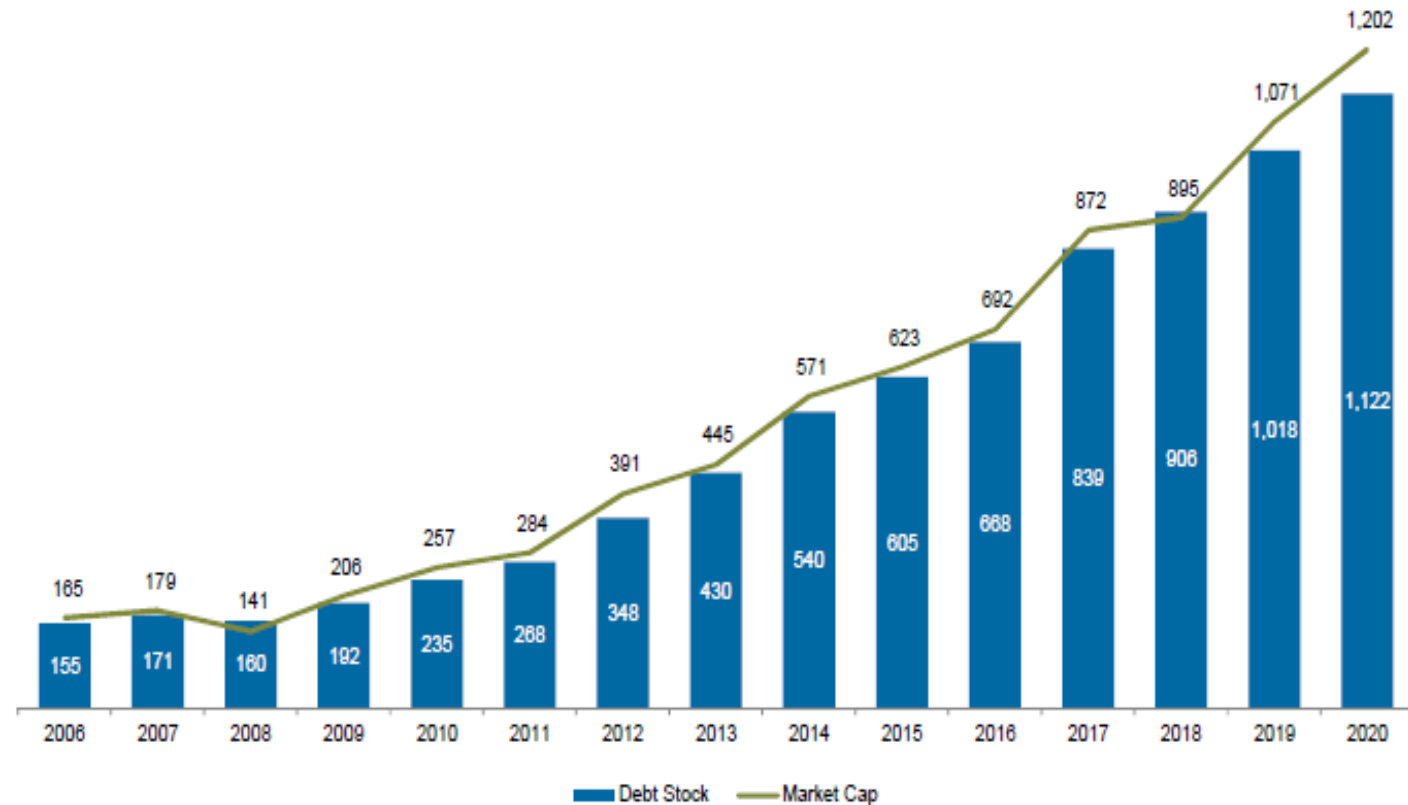
A finales de 2020, JPM Asia Credit es ahora una clase de activo de un trillón de dólares a USD 1,122 mil millones

Market cap of JACI, CEMBI, EMBIG and US HY



Total debt stock and market capitalization have expanded at ~15% CAGR since 2006

US\$ in bn



Source: JPM, Bloomberg, Feb 2021

MEJORAS TÉCNICAS DE APOYO PARA EL CRÉDITO ASIÁTICO



Figure 21: US and European investors have taken up 26% of new supply in 2020 up from 20% in 2019

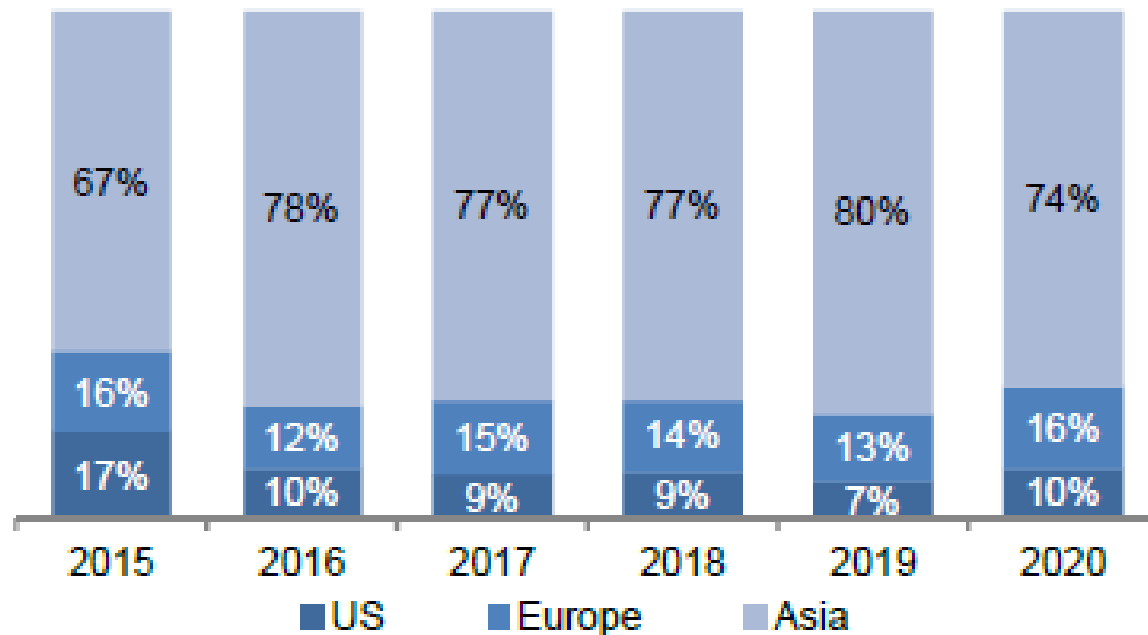
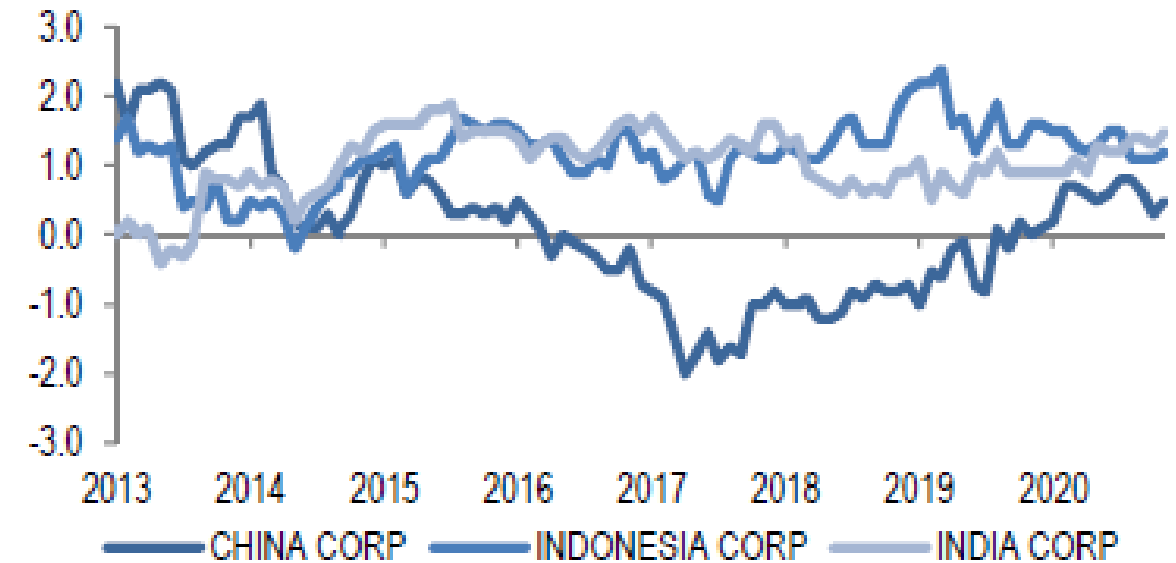


Figure 19: Investors have moved OW China corporates while maintaining OW positions in India and Indonesia corporates

Investor positioning



Source: JPM, Dec 2020

CONCLUSIONES: LOS ASTROS ESTÁN ALINEADOS

LOS ASTROS ESTÁN ALINEADOS para retornos positivos en 2021



- ★ 1) La recuperación mundial en camino con Asia a la cabeza.
- ★ 2) La calidad crediticia mejora sustancialmente.
- ★ 3) Tensiones políticas globales mejorando progresivamente.
- ★ 4) Valoraciones atractivas en bonos asiáticos.
- ★ 5) Mejoras técnicas de apoyo para Crédito Asiático.

Factores de riesgo:

- Retraso en el lanzamiento de la vacuna, el virus muta.
- La inflación se acumula antes de lo esperado, el segmento largo se vende.
- La relación entre Estados Unidos y China empeora.
- Tasas crecientes negativas para un alto apalancamiento.

LOS ASTROS ESTÁN ALINEADOS: NUESTRA POSICIÓN EN CARTERA



- ★ 1) Evitar duraciones largas. La duración de la cartera se mantiene en 4 años o menos.
- ★ 2) High Yield con sobre ponderación frente a grado de inversión. Los sectores de alto rendimiento prefieren las energías renovables de India, China y la propiedad de Indonesia.
- ★ 3) Valor oportunista en empresas estatales de China central con grado de inversión y empresas con grado de inversión en India.
- ★ 4) Bonos financieros corporativos perpetuos y subordinados sobreponderados.
- ★ 5) Con la estabilización de los precios del petróleo y la reducción de las tensiones de Oriente Medio, los créditos del CCG deberían funcionar bien. Compra bonos Sukuk globales.



El valor añadido de nuestra
estrategia Asian Fixed Income

POR QUÉ MAYBANK ASSET MANAGEMENT



Especialista dedicado en soluciones asiáticas para inversiones en Asia



- Equipo **EXPERIMENTADO** y **ESPECIALIZADO** enfocado exclusivamente en Inversiones en Asia



- Proceso de inversión **DISCIPLINADO** incorporando radares temáticos, nacionales y crediticios

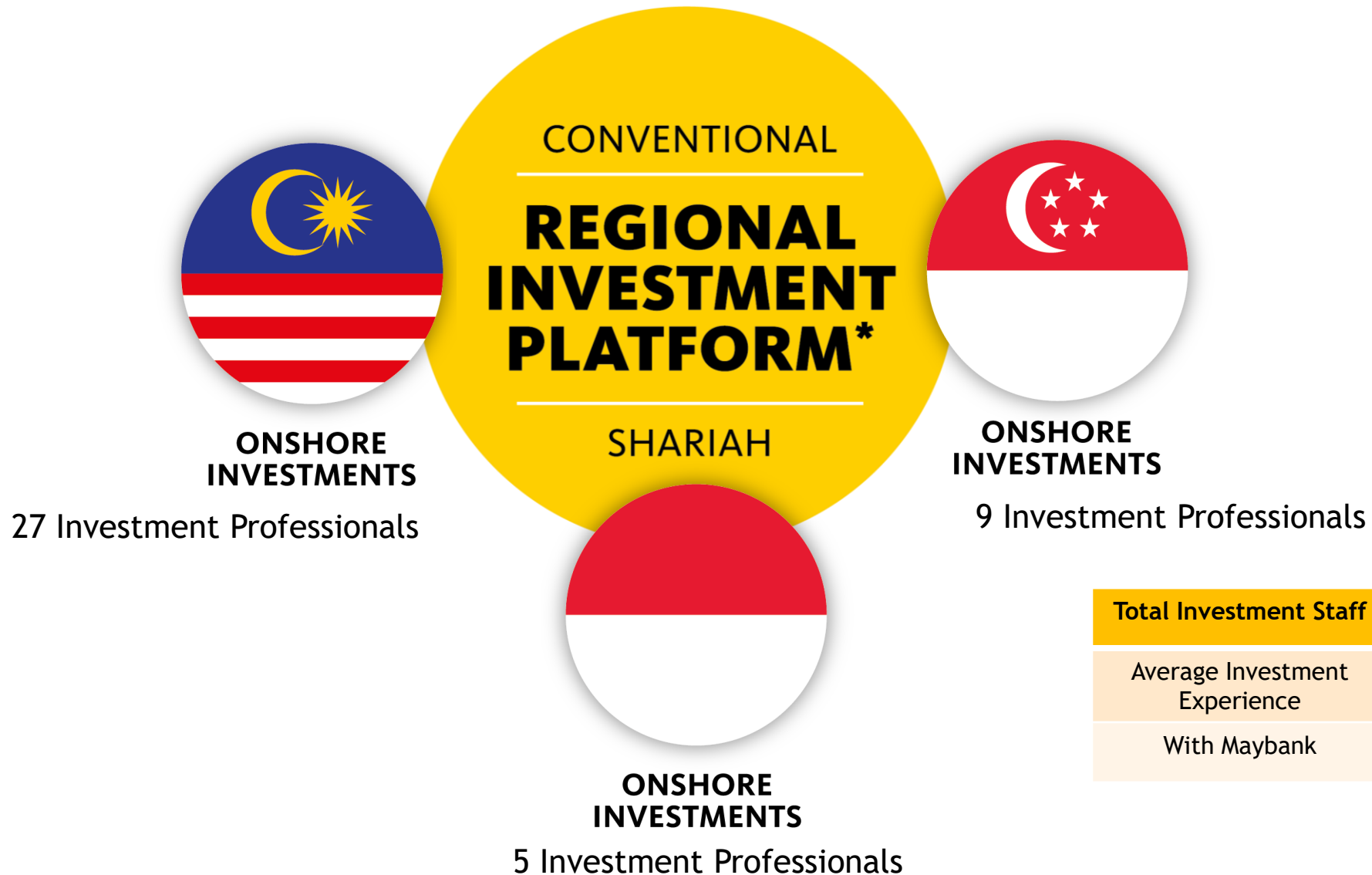


- Objetivo de **GESTIÓN ACTIVA** para superar al índice crediticio de JP Morgan Asia



- **GANADOR DEL PREMIO** Gestor de Activos Asiático

NUESTRA PLATAFORMA INTEGRADA INTERNACIONAL



Total Investment Staff	40
Average Investment Experience	14 years
With Maybank	6 years

NUESTRO EQUIPO ASIÁTICO ESPECIALIZADO EN ASIA



ASIAN EQUITY TEAM

PORTFOLIO MANAGERS	MALAYSIA	INDONESIA	SINGAPORE	ISLAMIC
	 TAMMI LIM FUND MANAGER	 IVAN CHAMDANI HEAD OF REGIONAL EQUITIES INVESTMENT	 ROBIN YEOH HEAD OF REGIONAL EQUITY INVESTMENTS	 SYHIFUL ZAMRI ABDUL AZID CIO, ISLAMIC
	 LOH SIEW HUEY FUND MANAGER	 TRIWIRA TJANDRA HEAD OF EQUITIES RESEARCH	 KEDAR WAGLE CO-HEAD OF EQUITIES-ALT	 NADIAH ABD HAKIM FUND MANAGER
	 TAN LIP KWANG FUND MANAGER		 AJAY SHARMA CO-HEAD OF EQUITIES-ALT	 DAING ANAZ FUND MANAGER
	 CHEN FAN FAI HEAD OF UNIT TRUST INVESTMENT		 MARK CHUA FUND MANAGER	
 CHARLENE CHUNG FUND MANAGER, UNIT TRUST				
RESEARCH	 CHRISTINA HEE HEAD OF REGIONAL EQUITY RESEARCH	12 EQUITY RESEARCHERS & DEALERS		

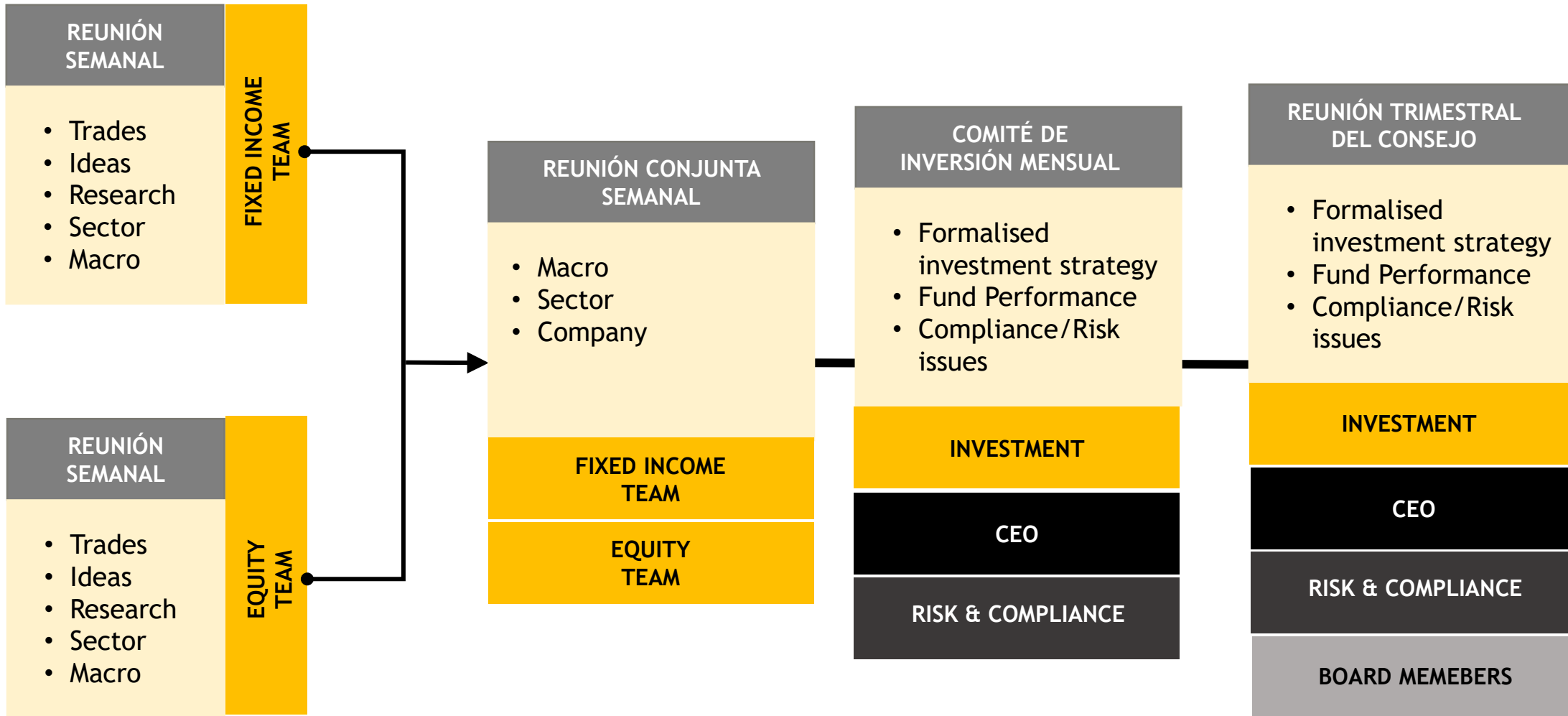
Total Investment Staff	26
Average Investment Experience	13 years
With Maybank	6 years

ASIAN FIXED INCOME TEAM

PORTFOLIO MANAGERS	MALAYSIA	INDONESIA	SINGAPORE	ISLAMIC
	 BEN EEH CHONG BAN HEAD OF FIXED INCOME	 RICHARD NADAPDAP HEAD OF FIXED INCOME INVESTMENT	 JUDY LEONG CO-HEAD OF REGIONAL FIXED INCOME	 SYHIFUL ZAMRI ABDUL AZID CIO, ISLAMIC
	 MOHAMED IZWAN MORIFF FUND MANAGER	 ZAKI AULIA FUND MANAGER	 RACHANA MEHTA CO-HEAD OF REGIONAL FIXED INCOME	 ASNUL BADRISYAH FUND MANAGER
			 JOHN LIM FUND MANAGER	 SHARIFAH ZAIRYN FUND MANAGER
			 JOYI WU FUND MANAGER / CREDIT ANALYST	
RESEARCH	 LIM JUN VEN HEAD OF CREDIT RESEARCH	6 CREDIT ANALYSTS & DEALERS		

Total Investment Staff	14
Average Investment Experience	15 years
With Maybank	7 years

PROCESO PARA COMBINAR NUESTRAS ESPECIALIDADES



EQUIPO INVERSOR FOCALIZADO EXCLUSIVAMENTE EN ASIA



RECURSOS COMPARTIDOS

1. Los conocimientos se comparten regionalmente en tiempo real.
2. Las opiniones están segmentadas en:
 - Clase de activos
 - País
 - Sector

MAYBANK ASSET MANAGEMENT BLOOMBERG DASHBOARD

Date	Ticker	Headline	Pg
09/14/20	JFCPM 4 3/4 06/24/30 Corp...	Jollibee	6
09/14/20	BEDUUS 7.45 07/31/22 Cor...	Bright Scholar H1 FY20 results	
09/14/20	SDHMK 4.95 10/02/23 Corp...	Serba Dinamik Holdings Berhad (SDHMK)	
09/14/20	BSDEIJ 5.95 01/23/25 Cor...	BSDEIJ Q2 FY20 results	1
09/14/20	BSDEIJ 5.95 01/23/25 Cor...	BSDEIJ Q1 FY20 results	1
09/14/20	HTGLOB 7 07/14/21 Corp, ...	Hexaware (HT Global) 2Q20 results update	1
09/14/20	HTGLOB 7 07/14/21 Corp, ...	HT Global to redeem bonds	
09/02/20	TLKM IJ	Telekomunikasi Indonesia (TLKM IJ) - BUY	2
09/02/20	3008 TT	Largan Precision Note (3008 TT) - Buy	2
09/02/20	INTUCH TB	Intouch Holdings (INTUCH TB) - Buy	2
08/31/20	BEST SP	BEST SP Best World Note	54

Source: MAMG, Feb 2021

PROCESO DE INVERSIÓN DISCIPLINADO (1 de 6)



TOP DOWN/BOTTOM UP con una visión temática

A structured approach to manage beta / event risk to override positives (or negative) views on fundamental, relative value and market sentiment.

Steps 1 & 2: Top Down

THEMATIC RADAR

- Maybank Asset Management Fixed Income Investment Process aims to generate superior long term risk return profile via our country and credit investment processes enhanced by a thematic overlay.
- Structured process to manage event risks.

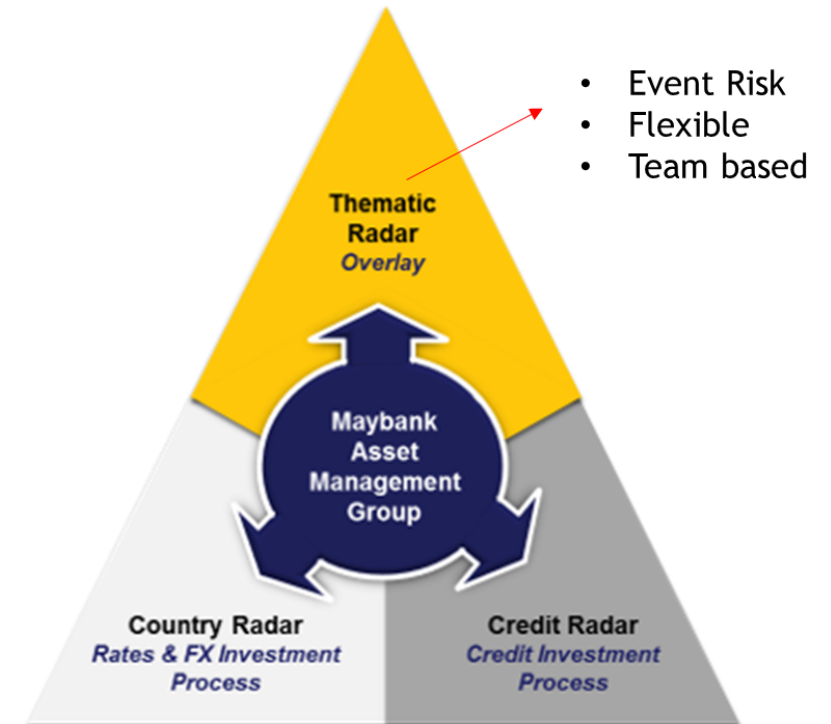
COUNTRY RADAR

- The Country scorecards are re-assessed quarterly.
- Fundamental, Valuation and Sentiment (FVS) model helps compare the relative attractiveness of each country on rates and FX.
- Provides a systematic and holistic assessment of each asset/market.

Step 3: Bottom Up

CREDIT RADAR

- The Credit scorecards are re-assessed periodically.
- The scorecards assess fundamental factors of the credit such as operating profile, country & industry outlook, credit metrics strength.



PROCESO DE INVERSIÓN DISCIPLINADO (2 de 6)



TOP DOWN COUNTRY RADAR: FX & RATES

<i>Jan-21</i>	Interest	FX	Total
Australia	-1.00	0.67	-0.33
New Zealand	-1.58	0.17	-1.42
Vietnam	-0.33	0.00	-0.33
India	-0.33	0.75	0.42
Indonesia	0.67	0.83	1.50
Philippines	-0.33	-0.50	-0.83
Malaysia	0.92	1.58	2.50
Thailand	0.83	0.75	1.58
Taiwan	0.67	1.50	2.17
Hong Kong	-0.33	=	-0.33
Singapore	0.33	1.50	1.83
Korea	0.00	0.25	0.25
China	0.67	0.67	1.33

<i>Vs. Oct-20</i>	Interest	FX	Total
Australia	-0.67	0.17	-0.50
New Zealand	-0.25	0.67	-0.58
Vietnam	0.00	0.00	0.00
India	-0.25	0.58	0.67
Indonesia	-0.67	-0.58	-0.67
Philippines	-0.33	-0.92	-2.25
Malaysia	-0.33	-0.33	0.33
Thailand	0.67	0.33	0.67
Taiwan	-0.67	-0.25	-0.92
Hong Kong	-0.33	0.00	-0.33
Singapore	-0.33	-0.50	-1.17
Korea	-0.33	-0.33	-0.58
China	-0.33	-0.33	0.33

PROCESO DE INVERSIÓN DISCIPLINADO (3 de 6)



RADAR POR PAÍS: EJEMPLO DE PAÍSES

<i>Indo</i>			<i>FX</i>		
	<i>Interest</i>			<i>Interest</i>	
	Jan-2021	Oct-2020		Jan-2021	Oct-2020
Fundamental			Fundamental		
GDP	1	1	Inflation	1	1
Inflation	1	1	Reserves	0	0
M3	=	=	Current account	1	1
Public spending	-1	-1	Ext Debt	0	0
	0.33	0.33		0.50	0.50
Valuation			Valuation		
Spread	0	0	REER	1	1
Steepness	1	1	Spread	0	0
Real yield	0	1	Real Yield	0	1
	0.33	0.67		0.33	0.67
Sentiment			Sentiment		
RSI	0	0	RSI	0	0
MACD/DMI	0	0	MACD/DMI	0	0
TAS	0	1	TAS	0	1
Supply/Demand	=	=	FII	0	0
	0	0.3		0.00	0.25
Total	0.67	1.33		0.83	1.42

<i>Singapore</i>			<i>FX</i>		
	<i>Interest</i>			<i>Interest</i>	
	Jan-2021	Oct-2020		Jan-2021	Oct-2020
Fundamental			Fundamental		
GDP	1	1	Inflation	0	1
Inflation	0	1	Reserves	=	=
M3	0	0	Current account	1	1
Public spending	=	=	Ext Debt	=	=
	0.33	0.67		0.50	1.00
Valuation			Valuation		
Spread	1	1	REER	1	1
Steepness	-1	-1	Spread	1	1
Real yield	1	0	Real Yield	1	0
	0.33	0.00		1.00	0.67
Sentiment			Sentiment		
RSI	0	0	RSI	0	0
MACD/DMI	0	0	MACD/DMI	0	0
TAS	-1	0	TAS	0	1
Supply/Demand	=	=	FII	=	=
	-0.33	0.00		0.00	0.33
Total	0.33	0.67		1.50	2.00

<i>Malaysia</i>			<i>FX</i>		
	<i>Interest</i>			<i>Interest</i>	
	Jan-2021	Oct-2020		Jan-2021	Oct-2020
Fundamental			Fundamental		
GDP	1	1	Inflation	1	1
Inflation	1	1	Reserves	0	0
M3	0	0	Current account	0	0
Public spending	-1	-1	Ext Debt	0	0
	0.25	0.25		0.25	0.25
Valuation			Valuation		
Spread	1	1	REER	2	2
Steepness	0	0	Spread	1	1
Real yield	1	1	Real Yield	1	1
	0.67	0.67		1.33	1.33
Sentiment			Sentiment		
RSI	0	0	RSI	0	1
MACD/DMI	0	0	MACD/DMI	0	0
TAS	0	1	TAS	0	0
Supply/Demand	=	=	FII	=	=
	0.00	0.33333333		0.00	0.33
Total	0.92	1.25		1.58	1.92

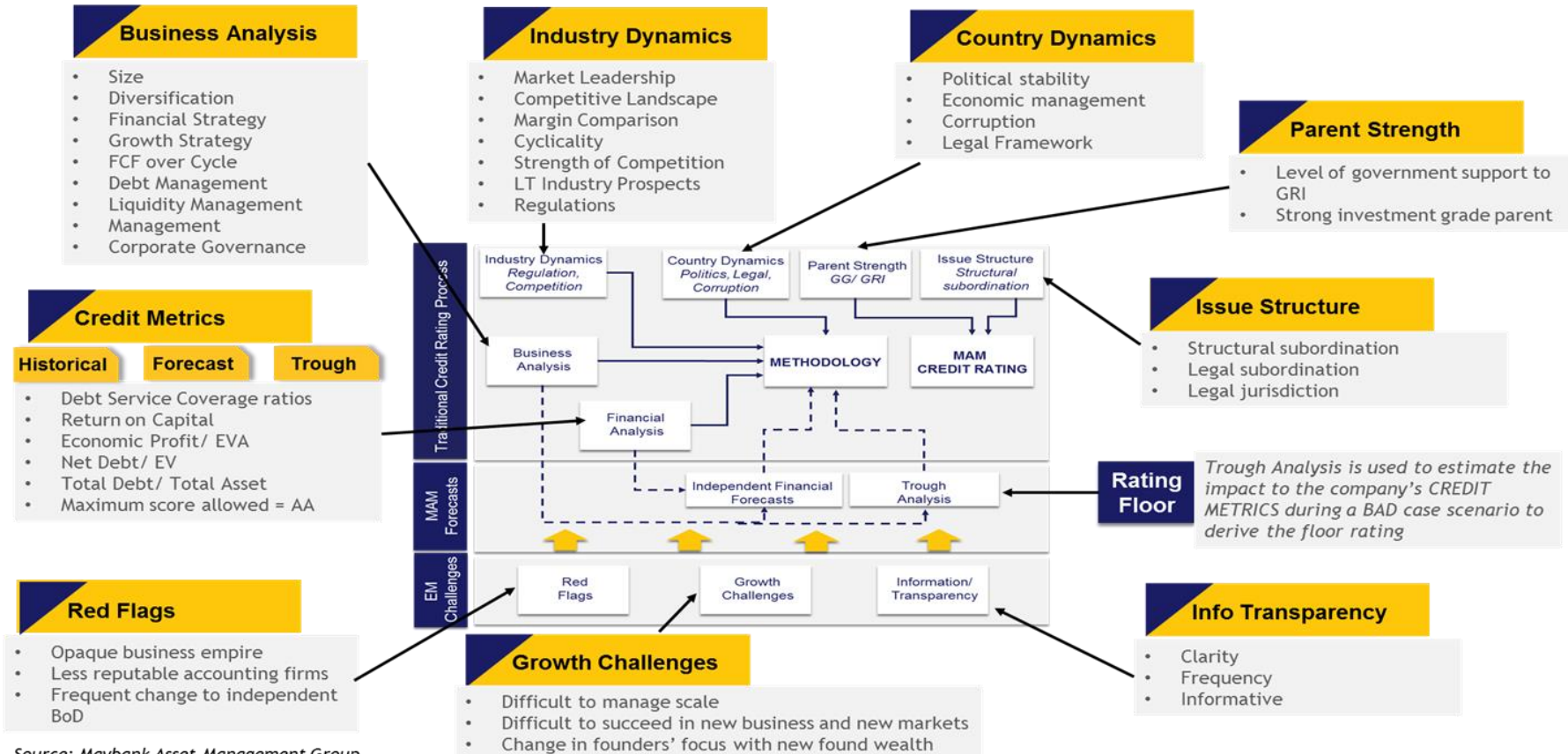
<i>Aust</i>			<i>FX</i>		
	<i>Interest</i>			<i>Interest</i>	
	Jan-2021	Oct-2020		Jan-2021	Oct-2020
Fundamental			Fundamental		
GDP	1	1	Inflation	0	1
Inflation	0	1	Reserves	=	=
M3	=	=	Current account	0	0
Public spending	-1	-1	Ext Debt	=	=
	0.00	0.33		0.00	0.50
Valuation			Valuation		
Spread	-1	-1	REER	2	2
Steepness	1	0	Spread	-1	-1
Real yield	-2	-2	Real Yield	-2	-2
	-0.67	-1.00		-0.33	-0.33
Sentiment			Sentiment		
RSI	0	0	RSI	1	0
MACD/DMI	0	1	MACD/DMI	1	0
TAS	-1	0	TAS	1	1
Supply/Demand	=	=	FII	=	=
	-0.33	0.33		1.00	0.33
Total	-1.00	-0.33		0.67	0.50

PROCESO DE INVERSIÓN DISCIPLINADO (4 de 6)



ROBUSTO RADAR DE CRÉDITO BOTTOM UP

In short, the T.I.G.E.R. credit rating process is a proprietary process that incorporates a discipline approach, rigor and a structured rating process that can be replicated consistently over time.



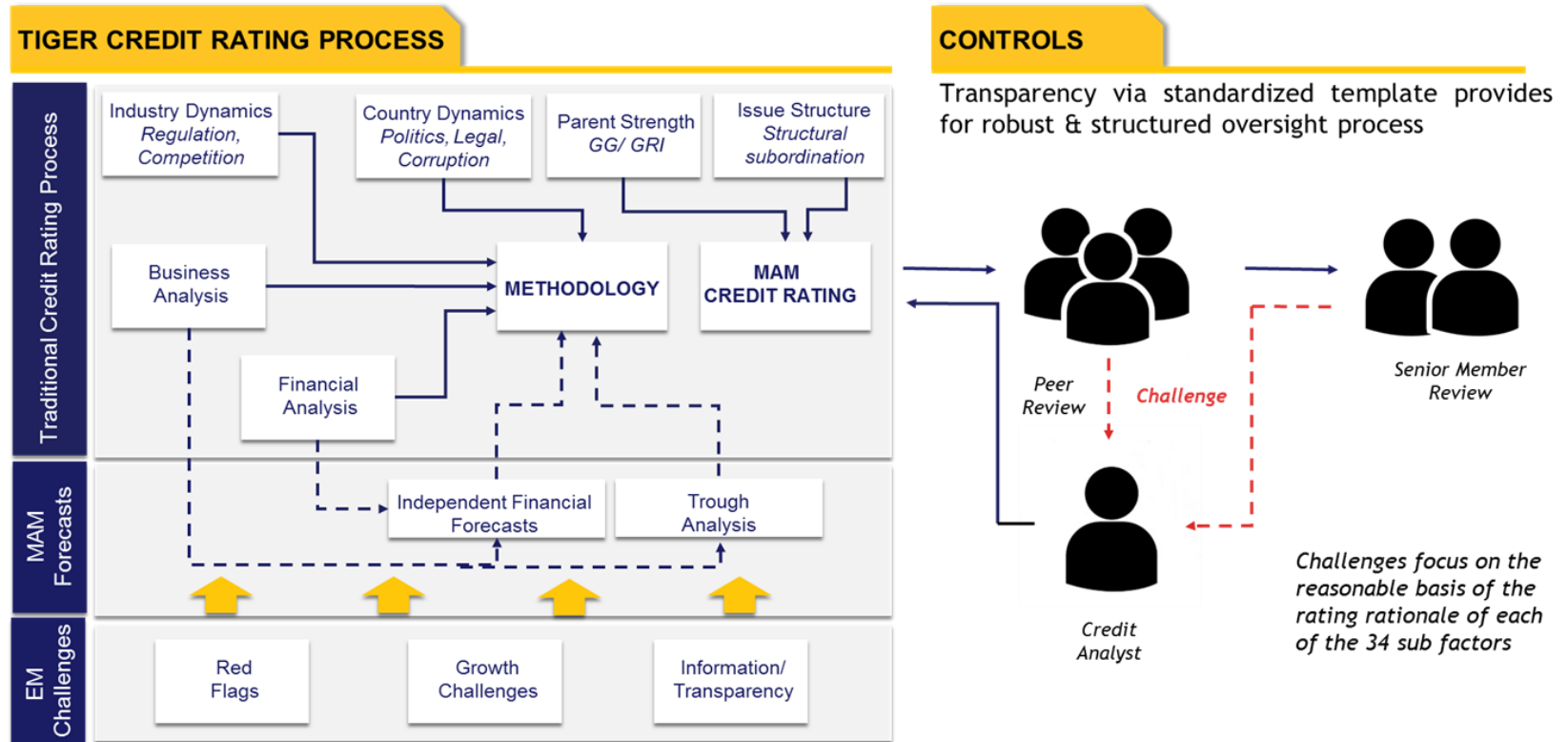
Source: Maybank Asset Management Group
 There is no guarantee that these investment strategies and processes will be effective user all market conditions and investors should evaluate their ability to invest for a long-term based on their individual risk profile especially during periods of downturn in the market.

PROCESO DE INVERSIÓN DISCIPLINADO (5 de 6)



TRANSPARIENCIA EN EL RADAR DE CRÉDITO BOTTOM UP

T.I.G.E.R. credit rating process is differentiated by adopting independent analysis, embedding trough analysis and having a standardized process across all non financial sectors incorporating emerging market idiosyncrasies. We incorporate different levels of control to enhance quality and consistency of analysis.



Source: Maybank Asset Management Group
 There is no guarantee that these investment strategies and processes will be effective under all market conditions and investors should evaluate their ability to invest for a long-term based on their individual risk profile especially during periods of downturn in the market.

PROCESO DE INVERSIÓN DISCIPLINADO (6 de 6)



BOTTOM UP CREDIT RADAR: RATING TO REPORT

FACTORS	RATINGS							Assigned Score	Rationale
	Min Score	AA	A	BBB	BB	B	<B		
Business Analysts	WGT								
Size of Business via EBITDA	wgt1	Att 1	Att 2	Att 3	Att 4	Att 5	Att 6		
Business Diversification via	wgt2	Att 1	Att 2	Att 3	Att 4	Att 5	Att 6		
Maintaining Positive cash	wgt3	Att 1	Att 2	Att 3	Att 4	Att 5	Att 6		
Financial Strategy [FS].....	wgt4	Att 1	Att 2	Att 3	Att 4	Att 5	Att 6		
Growth Strategy	wgt5	Att 1	Att 2	Att 3	Att 4	Att 5	Att 6		
[FS] - Debt Management	wgt6	Att 1	Att 2	Att 3	Att 4	Att 5	Att 6		
[FS] - Liquidity	wgt7	Att 1	Att 2	Att 3	Att 4	Att 5	Att 6		
Management	wgt8	Att 1	Att 2	Att 3	Att 4	Att 5	Att 6		
Corp Gov - Related Party	wgt9	Att 1	Att 2	Att 3	Att 4	Att 5	Att 6		
Corp Gov - Others,	wgt10	Att 1	Att 2	Att 3	Att 4	Att 5	Att 6		
Industry Dynamics									
Regional Market Leadership	wgt10	Att 1	Att 2	Att 3	Att 4	Att 5	Att 6		
Competitive Landscape	wgt11	Att 1	Att 2	Att 3	Att 4	Att 5	Att 6		
Profit Margin Comparison	wgt12	Att 1	Att 2	Att 3	Att 4	Att 5	Att 6		
Strength of Competition	wgt13	Att 1	Att 2	Att 3	Att 4	Att 5	Att 6		
Long Term Industry	wgt14	Att 1	Att 2	Att 3	Att 4	Att 5	Att 6		
Industry Regulations	wgt15	Att 1	Att 2	Att 3	Att 4	Att 5	Att 6		
Cyclicalilty	wgt16	Att 1	Att 2	Att 3	Att 4	Att 5	Att 6		
Country Analysis									
Economic management	wgt17	Att 1	Att 2	Att 3	Att 4	Att 5	Att 6		
Political Stability	wgt18	Att 1	Att 2	Att 3	Att 4	Att 5	Att 6		
Corp Gov - Corruption	wgt19	Att 1	Att 2	Att 3	Att 4	Att 5	Att 6		
Legal System	wgt20	Att 1	Att 2	Att 3	Att 4	Att 5	Att 6		
Credit Metrics									
EBITDA / Int Exp (Last 3)	wgt21	Att 1	Att 2	Att 3	Att 4	Att 5	Att 6		
EBITDA / Int Exp (Next 3)	wgt22	Att 1	Att 2	Att 3	Att 4	Att 5	Att 6		
EBITDA / Int Exp (Trough)	wgt23	Att 1	Att 2	Att 3	Att 4	Att 5	Att 6		
TD / EBITDA (Last 3 yrs)	wgt24	Att 1	Att 2	Att 3	Att 4	Att 5	Att 6		
TD / EBITDA (Next 3 yrs)	wgt25	Att 1	Att 2	Att 3	Att 4	Att 5	Att 6		
TD / EBITDA (Trough)	wgt26	Att 1	Att 2	Att 3	Att 4	Att 5	Att 6		
ROIC (Last 3 yrs)	wgt27	Att 1	Att 2	Att 3	Att 4	Att 5	Att 6		
ROIC (Next 3 yrs)	wgt28	Att 1	Att 2	Att 3	Att 4	Att 5	Att 6		
ROIC (Trough)	wgt29	Att 1	Att 2	Att 3	Att 4	Att 5	Att 6		
EVA (Last 3 yrs)	wgt30	Att 1	Att 2	Att 3	Att 4	Att 5	Att 6		
EVA (Next 3 yrs)	wgt31	Att 1	Att 2	Att 3	Att 4	Att 5	Att 6		
ND/EV - Market indicator	wgt32	Att 1	Att 2	Att 3	Att 4	Att 5	Att 6		
TD/TA - BS Indicator	wgt33	Att 1	Att 2	Att 3	Att 4	Att 5	Att 6		

Golden Agri Resources Ltd (GAR) FULL REPORT

CREDIT VIEW		STABLE		Analyst		Lim Jun Ven	
Foreign	MAM	BB-	Floor	B+	Local Credit	MAM	AA-
Credit Rating	BB(stable)/-				Rating	AAZ(stable)	A+
Fundamental View	+1	M			Last Rating Update	N/A	Rating
Industry Type	Plantation				Bond Ticker	GORSP	Equity Ticker
Ind Fundamental View	+1	M			Last FY EBITDA	USD 942.0m	Market Cap
Currency	USD : 500	1 : 1.23			Ownership	Flambo International Ltd - 49.95%	Public - 50.05%
Date of Report	23-Nov-2012						

COMPANY DESCRIPTION: GAR is listed on the Main Board of the Singapore Exchange Securities Trading Limited ("SGX-ST") since 1999 and is principally involved in the cultivation of oil palm, milling and refining operations in Indonesia. The Group also has downstream operations in China, producing refined edible oil products and other food products. GAR is the largest planter in Indonesia and second largest globally behind Malaysia's Sime Darby, with a sizeable planted area of 457,039 hectares ("ha") in Indonesia as at end-June 2012. GAR is 49.95% owned by the Widjaja family and is actively involved in the company, with 3 family members on the board as well as holding the position of Chairman/CEO.

GAR is listed on SGX with a market capitalisation of USD6.3 billion as of 19th November 2012, while reported revenue, EBITDA and net profit was USD5.95 billion, USD942 million and USD1.27 billion, respectively in FY2011. The company has been expanding into the downstream business in Indonesia and China while continuing to plant more areas on its substantial unplanted landbank of approximately 100,000 ha.

CREDIT RATING: We rate GAR a BB on a standalone credit supported by the good business profile in terms of scale of the company, its commendable operating performance and operates in an industry with favourable dynamics, i.e. palm oil plantation. However, in view of the structural subordination of the MYR bonds, we notch down the final issue rating by one notch to BB-.

SUMMARY:

Fundamental View: +1 ■ Fundamentally a good company with perceived efforts to clean up its act after a difficult period in the early 2000's. We have a +1 fundamental view as GAR is expected to continually improve its business profile by increasing its scale in its core plantation sector as well as in the downstream business. Furthermore, it benefits from being in an industry which we view favourably in the medium-term, although price volatility and regulatory environment remain inherent risks.

Risks to Fundamental View: MEDIUM ■ The Group has historically maintained a low-level of debt but has been steadily raising funds this year to fund their expansion plans both in upstream and downstream. Whilst the expansion plans and heavier debt load are within the group's capability to manage, the execution of its growth plans and credit metrics will need to be monitored.

<p>Positives</p> <ul style="list-style-type: none"> ■ Indonesia's largest palm oil planter and one of the larger listed plantation companies in Singapore ■ Strong balance sheet and credit metrics ■ Solid operating track record and operational metrics ■ Low cost producer vs Malaysia plantation companies 	<p>Negatives</p> <ul style="list-style-type: none"> ■ History of debt rescheduling, largely due to its association with sister co. Asia Pulp and Paper (APP). Hence, there are some corporate governance and transparency concerns. ■ Challenging operating environment in China where margins are razor-thin (EBITDA margin 2-3%) ■ Weak issue structure - Potential difficulty in taking legal action and/or protecting rights as GAR is incorporated in Mauritius, Golden Asset is incorporated in British Virgin Islands while operating assets are largely in Indonesia. ■ > 55% of pro-forma debt as of Sept-2012 are secured, which would rank senior to the MYR issuance, hence the structural subordination.
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Qualitative Assessment

i.e. **RED FLAGS** - Association with APP, history of debt restructuring and past corporate governance concerns have raised scrutiny over GAR's credit metrics, related-party transactions and disclosures. Whilst investors and rating agencies have noted steps to improve on its corporate governance and image, we note that the level of financial transparency remains low, e.g. no meaningful segmental and direct cost breakdowns are provided.

Source: Maybank Asset Management Group

FOCALIZADOS EN UNA GESTIÓN ACTIVA



ASIA INCOME FUND

1. El objetivo del Fondo es proporcionar a los inversores crecimiento de capital e ingresos principalmente mediante la inversión en una cartera de valores de renta fija asiáticos y deuda del gobierno de EE. UU.
2. Gestión activa de la cartera con un objetivo de 4% a 5% anual.
3. Superposición temática Top Down/ análisis macro y selección de crédito de Bottom Up con un modelo de calificación crediticia desarrollado internamente.
4. Centrado en superar el índice de referencia
5. Presencia fuerte de las inversiones sobre el terreno en ASEAN

GESTIÓN ACTIVA, BATIENDO AL ÍNDICE



ASIA INCOME FUND

Fund Performance Class A (Acc) - USD

Returns	Portfolio	Benchmark (JP Morgan Asia Credit Index)	Alpha	Sharp Ratio
1 month	-0.95%	0.00%	-0.96%	-
3 months	2.05%	1.92%	0.14%	-
6 months	3.04%	1.89%	1.16%	-
Year-to-date	-0.95%	0.00%	-0.96%	-
1 year	5.10%	4.91%	0.19%	1.11
3 years p.a.	6.57%	5.70%	0.87%	1.40
5 years p.a.	6.50%	5.56%	0.94%	1.48
Since inception p.a.	5.58%	4.97%	0.61%	1.34

	2014 (Nov–Dec)	2015	2016	2017	2018	2019	2020
Portfolio Return	-1.30%	3.24%	5.20%	8.02%	-0.69%	15.04%	6.95%
Benchmark Return	-0.16%	2.80%	5.81%	5.78%	-0.77%	11.34%	6.33%
Alpha	-1.14%	0.44%	-0.61%	2.24%	0.08%	3.70%	0.62%
Tracking Error	n.a.	3.8%	2.4%	2.4%	1.9%	2.0%	3.3%

Fund inception date: 24 November 2014

Source: Maybank Asset Management, JP Morgan, Bloomberg, 29 January 2021. Morningstar Rating as of 29 January 2021.

Past performance is not an indication of future performance. Returns are calculated on a NAV-NAV basis, net of fees and assuming all dividends and distributions are reinvested, if any.



REFINITIV LIPPER
FUND AWARDS

2020 WINNER
SINGAPORE



GESTIÓN ACTIVA, LIMITANDO LAS PÉRDIDAS

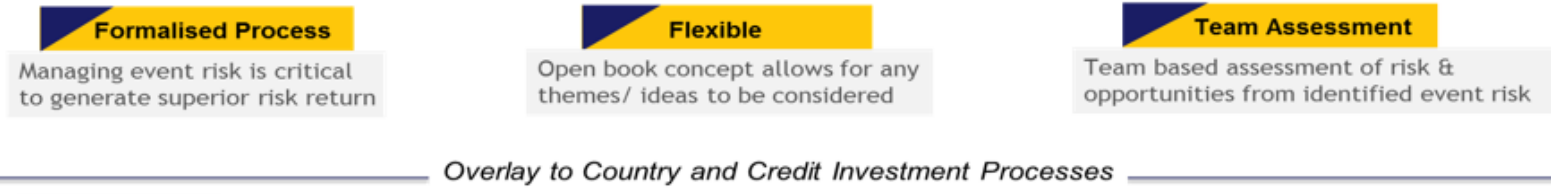


REFINITIV LIPPER
FUND AWARDS

2020 WINNER
SINGAPORE



APPLICATION OF THEMATIC RADAR TO PORTFOLIO



	2015	2016	2017	2018	2019	2020	2021
Themes/Event Risk (If any)	N.A.	US Presidential Election: Democratic to win (wrong)	N.A.	US Fed Hikes	US-China Trade War	Central Banks Easing & Stimulus after Covid	Reflation/Taper Tantrum
Market Implications	N.A.	Stable environment for bonds	N.A.	Negative for bonds	Growth to slow. Fed to stop hiking.	Credit spread recovery	Yield Curve Steepening
Positioning	Overweight Credit	Overweight Credit	Overweight Bonds	Underweight Bonds	Overweight Bonds	Overweight IG long end & HY	Underweight long end
Portfolio Returns*	3.24%	5.20%	8.02%	-0.69%	15.04%	6.95%	??
Index**	2.80%	5.81%	5.78%	-0.77%	11.34%	6.33%	??
Alpha	0.44%	-0.61%	2.24%	0.08%	3.70%	0.62%	Target Positive

* Portfolio returns are gross return before expenses. Past performance is not an indication of future performance.

** Index is JP Morgan Asia Credit Index (JACI) *** YTD Returns ending August 2020

ASIA
INCOME FUND

GESTIÓN ACTIVA, RENTABILIDAD



ASIA INCOME FUND

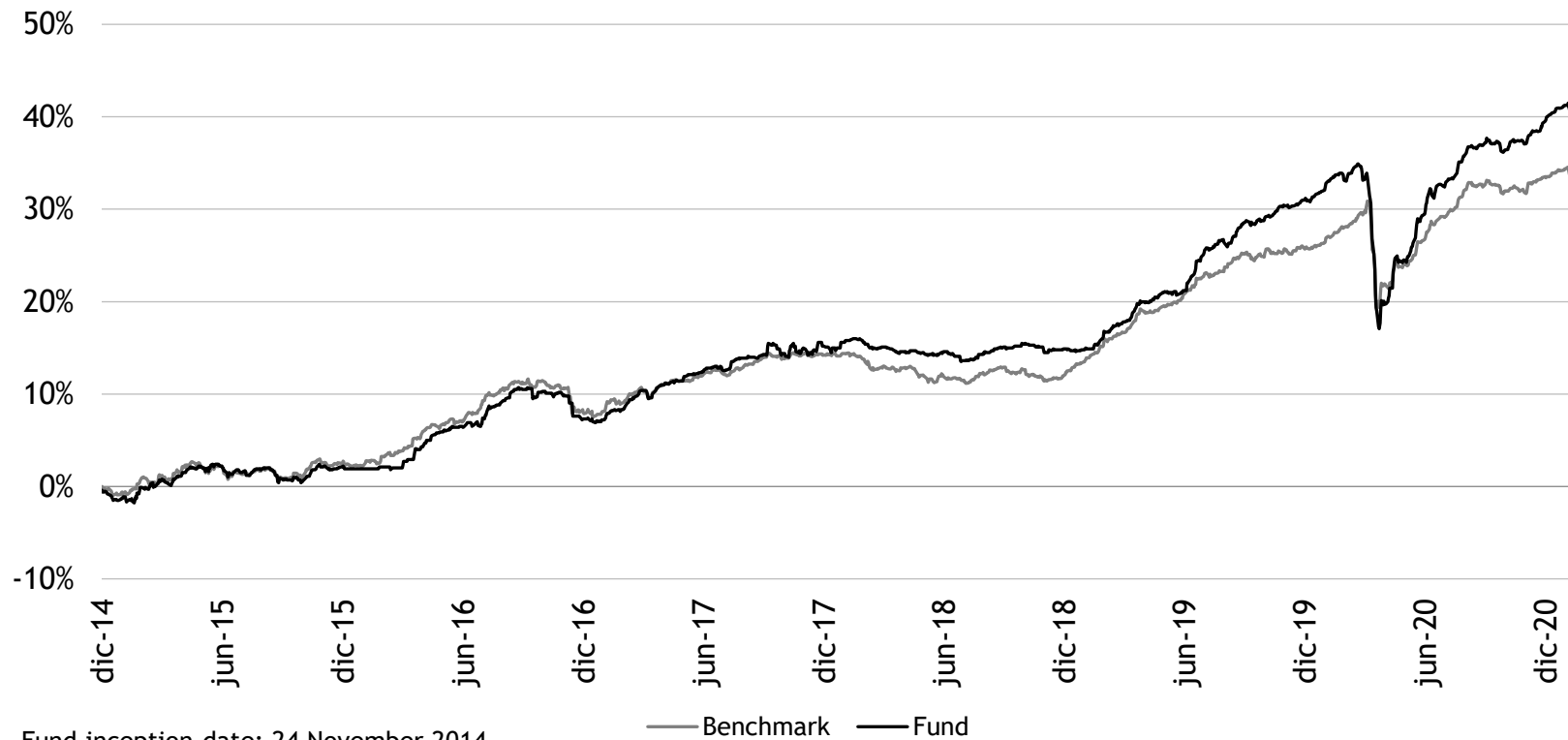
Annualized Volatility Since Fund Inception:

Fund: 3.40%
Benchmark: 3.02%

Largest drawdown:

COVID-19 March 2020
Fund: 17.8%
Benchmark: 11.5%

Maybank Asian Income Fund - USD Acc Class (Cumulative)



REFINITIV LIPPER FUND AWARDS

2020 WINNER SINGAPORE



Source: Maybank Asset Management, JP Morgan, Bloomberg, 29 January 2021. Morningstar Rating as of 29 January 2021. Past performance is not an indication of future performance. Returns are calculated on a NAV-NAV basis, net of fees and assuming all dividends and distributions are reinvested, if any.

GESTIÓN ACTIVA, RENTABILIDAD



ASIA INCOME FUND

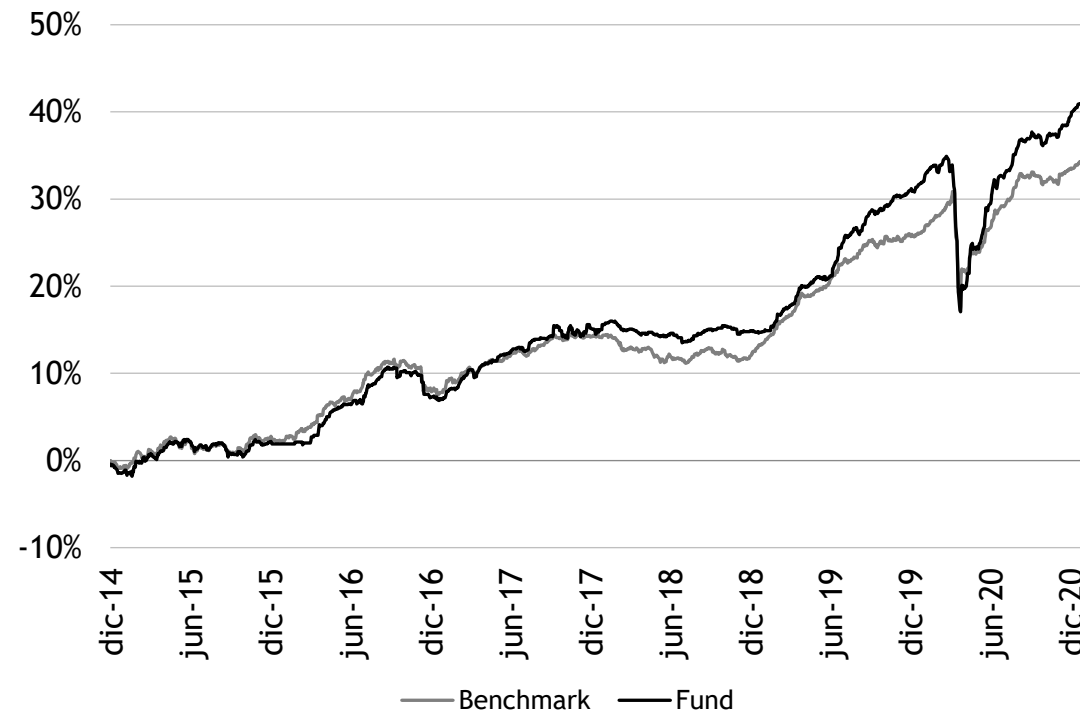
Cómo se recuperó el fondo:

Sobreponderados en papel Tier 1, como ANZ 6.75% perpetuo y Westpec 5% perpetuo, que se recuperaron rápidamente después de que la liquidez regresó y tras políticas de respaldo del banco central anunciadas después del brote de COVID.

Bonos corporativos de grado de inversión de duración ultralarga con un diferencial de crédito relativamente amplio, como Huarong 2047, que se benefició de la compresión del diferencial de crédito.

Se agregaron activamente créditos de sobreventa con fundamentos estables para aprovechar la recuperación, como los nombres de Real Estate chinos (Zhenro Real Estate) e Indonesia Miner (Indika Energy).

Maybank Asian Income Fund - USD Acc Class (Cumulative)



Fund inception date: 24 November 2014

Source: Maybank Asset Management, JP Morgan, Bloomberg, 29 January 2021. Morningstar Rating as of 29 January 2021. Past performance is not an indication of future performance. Returns are calculated on a NAV-NAV basis, net of fees and assuming all dividends and distributions are reinvested, if any.



REFINITIV LIPPER
FUND AWARDS

2020 WINNER
SINGAPORE



GANADOR DEL PREMIO Gestor de activos asiáticos



ASIA INCOME FUND

Maybank Asset Management Singapore obtuvo importantes victorias en los premios Refinitiv Lipper Funds Awards y los premios Citywire Asia 2020.



Citywire Asia Awards

Best Fund Manager

Bonds Asia Pacific Hard Currency
Judy Leong



Best Fund Group

Bonds Asia Pacific Hard Currency
Maybank Asset Management.

Refinitiv Lipper Fund Awards

Best Bond Global USD

3 years
Maybank Asian Income Fund

Best Bond Global USD

5 years
Maybank Asian Income Fund





APPENDIX

CONCLUSIÓN: ALIGNING TO THE STARS



POSICIÓN ANTE EL CREDITO ASIÁTICO



1) Evitar duraciones largas. La duración de la cartera se mantiene en 4 años o menos.



2) High Yield con sobre ponderación frente a grado de inversión. Los sectores de alto rendimiento prefieren las energías renovables de India, China y la propiedad de Indonesia.



3) Valor oportunista en empresas estatales de China central con grado de inversión y empresas con grado de inversión en India.



4) Bonos financieros corporativos perpetuos y subordinados sobreponderados.



5) Con la estabilización de los precios del petróleo y la reducción de las tensiones de Oriente Medio, los créditos del CCG deberían funcionar bien. Compra bonos Sukuk globales.

Source: MAMG as of February 2021

PORTFOLIO ALLOCATIONS



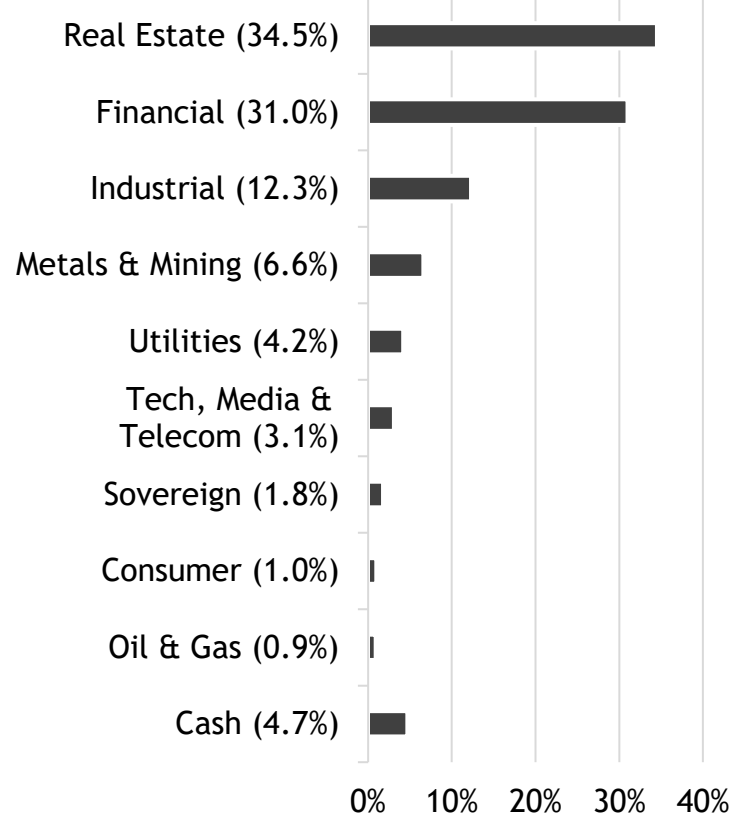
ASIA INCOME FUND

- Total no. bonds 103 Issuers 78
- Off-index positions 18.5% with 10% in Japan & Australia
- Overweight Real Estate y Sector Financiero
- Subordinated Financial perpetual bonds 20%
- Corporate perpetual bond weight 14.5%

Country Allocation



Sector Allocation



Source: Maybank Asset Management, Bloomberg; Data as of January 2021.



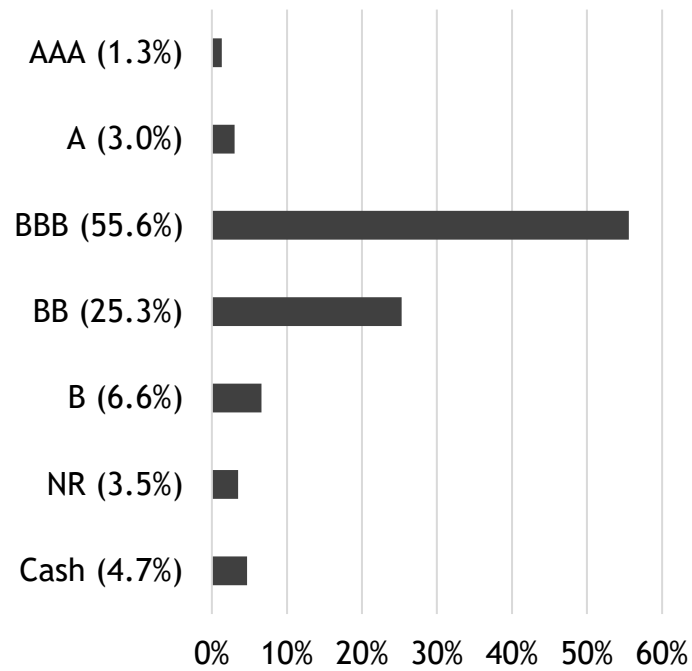
PORTFOLIO ALLOCATIONS



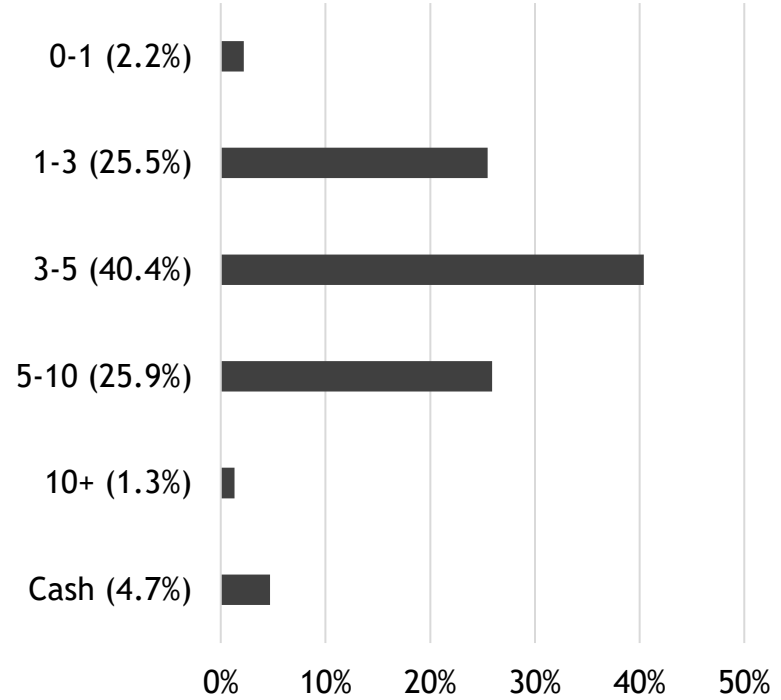
ASIA INCOME FUND

- IG weight 59.9%, HY/NG weight 35.4%, cash 4.7%
- Concentrated in BBB/BB, selective single B
- Weighted portfolio duration 3.9 years
- Weighted portfolio yield 4.1%

Credit Rating Allocation



Duration Allocation



REFINITIV LIPPER FUND AWARDS
2020 WINNER SINGAPORE



Source: Maybank Asset Management, Bloomberg; Data as of January 2021.

TOP HOLDINGS AND OVERWEIGHTS/UNDERWEIGHTS



ASIA INCOME FUND

• TOP 10 Emisores:

Issuer	Weight %
COUNTRY GARDEN HOLDINGS CO	6.08%
SHIMAO GROUP HOLDINGS LTD	4.39%
ZHENRO PROPERTIES GROUP LTD	3.12%
PHOENIX GROUP HOLDINGS PLC	3.01%
INDIKA ENERGY TBK PT	2.63%
CHINA COMMUNICATIONS CONST-H	2.50%
SEAZEN HOLDINGS CO LTD-A	2.45%
SCENTRE GROUP	2.30%
DALIAN WANDA COMMERCIAL MANA	2.21%
YUZHOU GROUP HOLDINGS CO LTD	2.05%

Country

Top 5 Overweight	Overweight %
Australia	6.52%
UK	5.65%
Japan	3.01%
Singapore	2.09%
India	1.01%
Top 5 Underweight	Underweight %
Korea	-7.05%
China	-6.03%
HK	-4.69%
Indonesia	-3.65%
Philippines	-3.33%

Sector

Top 5 Overweight	Overweight %
Real Estate	17.89%
Financial	10.26%
Metals & Mining	3.09%
Industrial	3.06%
Infrastructure	1.02%
Top 5 Underweight	Underweight %
Quasi-Sov	-18.05%
Sovereign	-12.68%
TMT	-5.00%
Oil & Gas	-4.02%
Consumer	-2.15%



REFINITIV LIPPER
FUND AWARDS

2020 WINNER
SINGAPORE



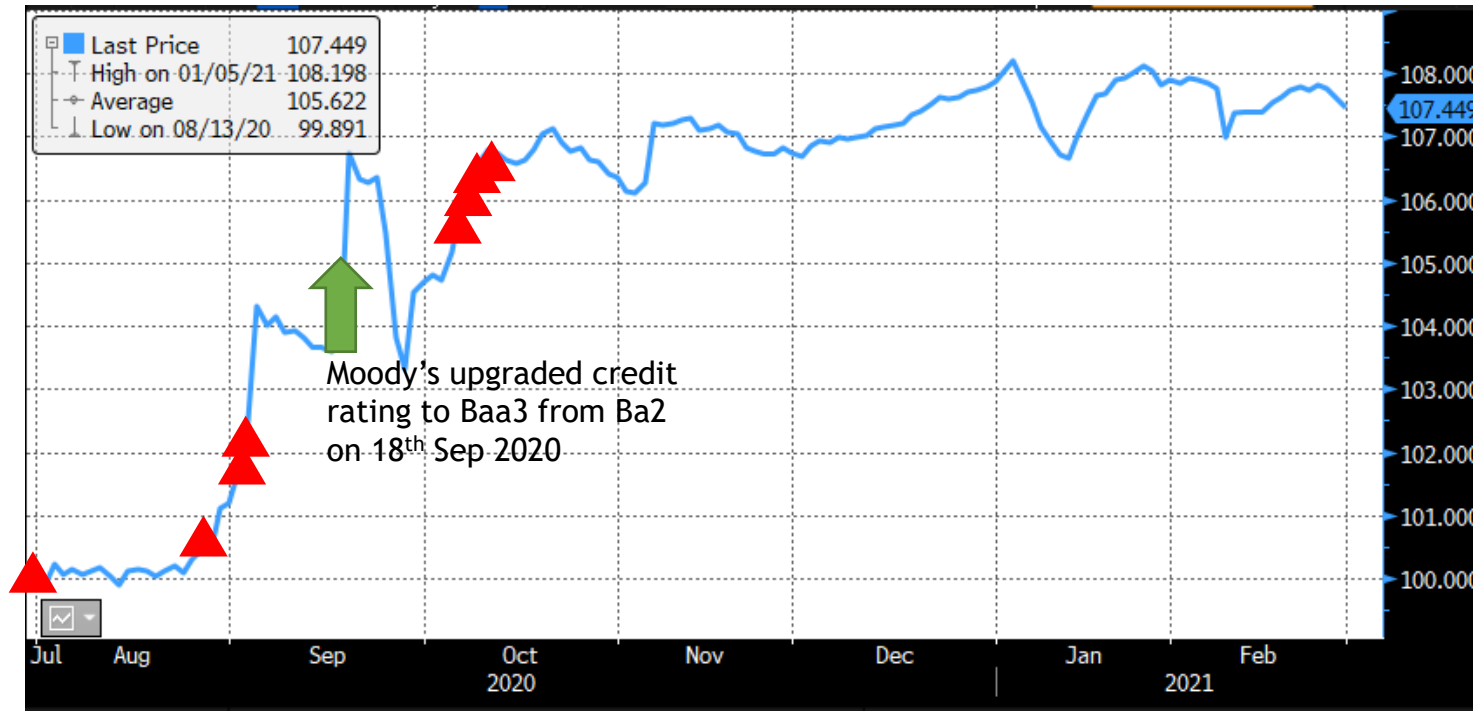
Source: Maybank Asset Management, Bloomberg; Data as of January 2021.

Emisiones en cartera



ASIA INCOME FUND

Country Garden 4.8% 2030 - Bond Price Chart



▲ Buy Trades

Source: Maybank Asset Management, Bloomberg; Data as of February 2021.



REFINITIV LIPPER FUND AWARDS

2020 WINNER SINGAPORE

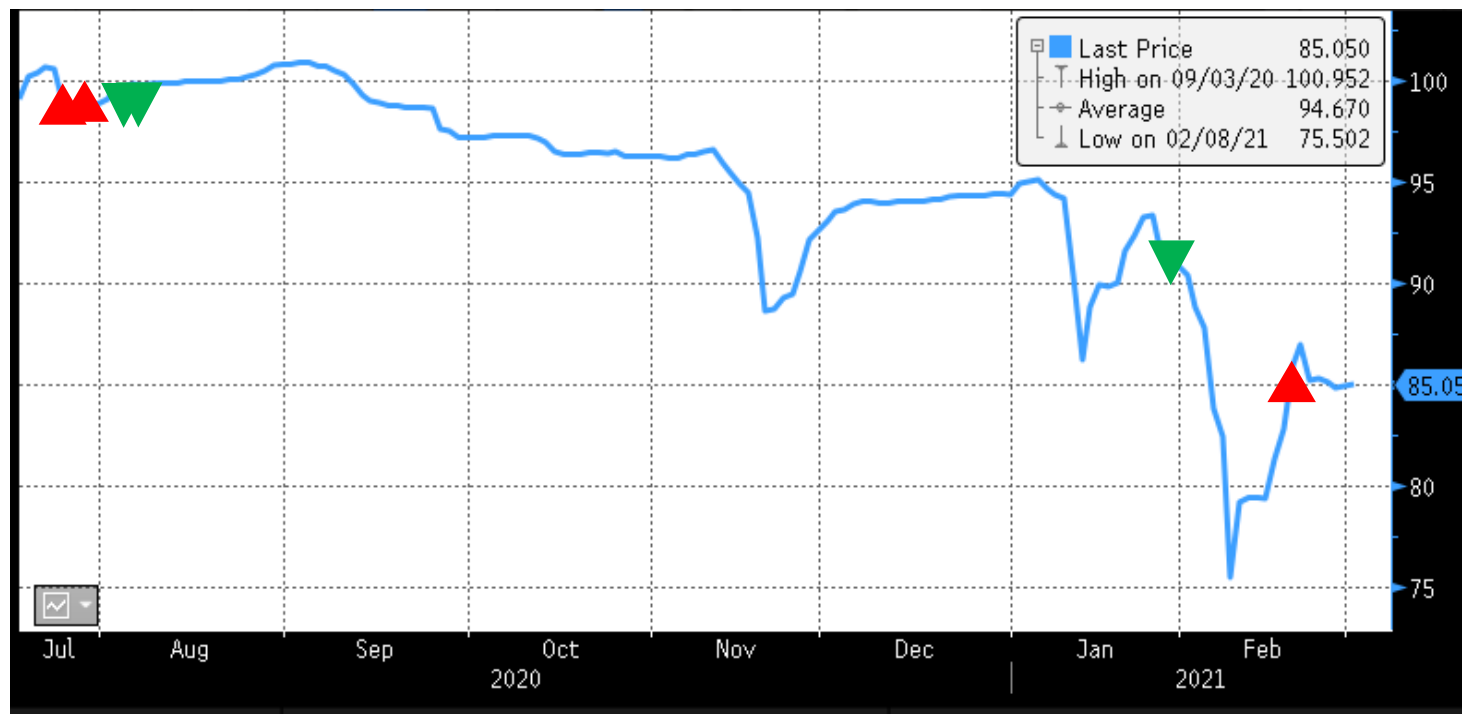


Emissiones en cartera



ASIA
INCOME FUND

Greenland 6.125% 2023 - Bond Price Chart



▲ Buy Trades ▼ Sell Trades

Source: Maybank Asset Management, Bloomberg; Data as of February 2021.



REFINITIV LIPPER
FUND AWARDS

2020 WINNER
SINGAPORE

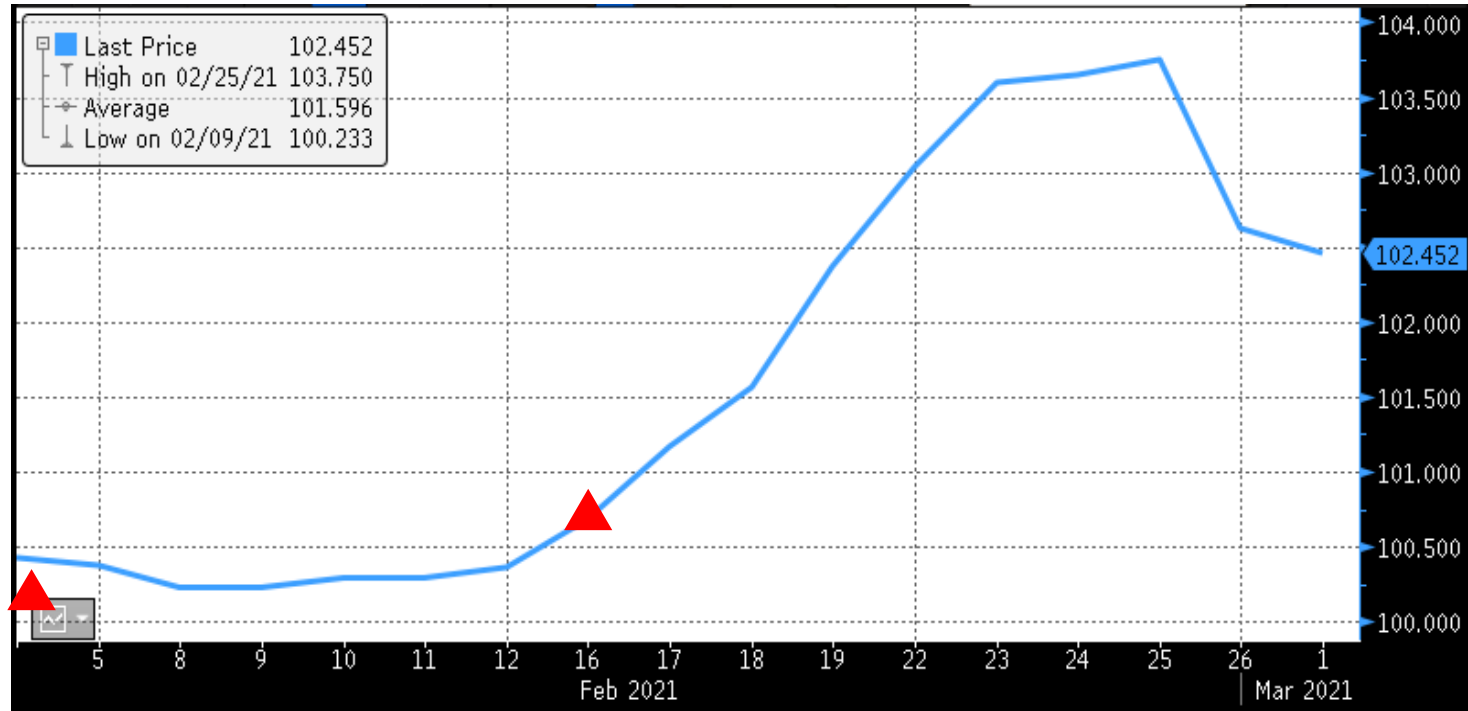


Emisiones en cartera



ASIA INCOME FUND

Lippo Malls 7.5% 2026 - Bond Price Chart



▲ Buy Trades

Source: Maybank Asset Management, Bloomberg; Data as of February 2021.



REFINITIV LIPPER FUND AWARDS
2020 WINNER SINGAPORE



Credit Scoring Model: Company (1)



EM Scoring Matrix

			Zhenro Properties		Time Stamp	18-Sep-20
					Score Date	
GROUP	FACTORS	WGT	BASIS of SCORE	RATING	SCORE	
Company	Size of Business via EBITDA in USD/AAA	##	EBITDA of company was USD 1.26bn in LTM (1H 2020 + 2H 2019)	A	4.0	
Company	Business Diversification via [1] Customer, [2] Businesses, and [3] Geography	##	Diversified customer group for its property business in China [1 - Not Met] Business focus on properties sales [2 - Not Met] geography - Zhenro operates solely in China, focus mainly on tier 2 cities. Its land bank consist of: 38.2% in Yangtze River Delta, 27.9% in Western Taiwan Straits, 14.9% Central China, 12.4% Bohai Rim, 5.1% in Western China and 1.5% Pearl River Delta. [3 - Met] customer - no end customer concentration risk as it owns 167 projects	BBB	3.3	
Company	Growth Strategy [G5]: Maintaining Positive cash flow through cycle or the last 5 FYs	##	Zhenro was listed in 2018. Company had negative FCF in 2014, 2016, 2017, 2018 and 2019 (due to increase in properties under development and completed properties held for sale) and only positive in 2015	<B	0.4	
Company	Growth Strategy [G5]: Aggressive vs. Conservative approach. [Capex / TA is based on the largest capex increase in the	##	Company has been growing aggressively. Its average CAPEX/TA is around 10% in last 3 years (ratio falling as company size grew bigger, used to be almost 50% in 2014). Expansion for properties company like Zhenro is usually through land / project purchase, which requires significant capital and management resources.	B	1.3	

Source: Maybank Asset Management, September 2020.

Credit Scoring Model: Company (2)



GROUP	FACTORS	WGT	BASIS of SCORE	RATING	SCORE
Company	Financial Strategy [FS]: Shareholder Friendliness	##	Dividend payout in the last 2 years has been 23% and 25% of its net profit. Assign BB for relatively short dividend payment record (only 2 years) and not diversified shareholdings (major shareholder Ou Zongrong owns 54.6%, his sons owns another 9.96% together). Concentrated shareholding by individual could result in shareholder friendly actions).	BB	2.4
Company	Financial Strategy [FS]: Debt Management	##	3/5 Met: [1-Met] debt maturity distribution has improved [2-Not] FCF was negative in last 3 years [3-Not] Debt maturing profile not lengthy - only 2% of the total debt has more than 5 years maturity. [4-Met] Cash/ST Debt=2.08x as of 1H 2020, improved from 1.76x as of end 2019 [5-Met] Net Debt/SHF = 0.85 as of 1H 2020	BB	2.4
Company	Financial Strategy [FS]: Liquidity Management	##	4/5 Met: [1-Not] Total credit line RMB 250bn but no breakdown of irrevocable portion. Therefore assigned not met [2-Met] Cash/TA average 16% in last 3 years [3-Met] M/V = USD 2.9bn > USD 1bn [4-Met] Only 23% of the borrowings are secured (CNY 35.6bn/155.2bn)	BBB	3.3

Source: Maybank Asset Management, September 2020.

Credit Scoring Model: Company (3)



GROUP	FACTORS	WGT	BASIS of SCORE	RATING	SCORE
Company	Management stability	##	<p>2/4 Met:</p> <p>[1-Not] CEO - Wang Benlong resigned (Oct 2019), after 1.5yr at CEO position since Feb 2018. The previous CEO stayed in the position for 3 years (2015-2018). Currently, chairman took over CEO role until a new candidate is found.</p> <p>[2-Met] CFO - Current CFO Chan Wai Kin joined in Nov 2018, previously, ED in finance with Future Land and CFO of Times property. Therefore, considered experienced with high growth property companies, although short history with Zhenro company.</p> <p>[3-Met] No speculative financial positions or major non-core business ventures</p> <p>[4-Not] Multiple senior management person resigned in last 2 years. Company commented it is due to the growing business need & similar to industry level, but still requires cautious attention.</p>	B	1.3
Company	Corporate Governance [CG]: Related Party Transaction (% of revenue)	##	<p>Minimal transaction with related party, only have some advances & repayment of advances from JVs (<2% of TA). Notch down due to concentrated shareholding by individual, which could result in shareholder friendly actions. Max 2 bucket above CPI (BB) and Cr Metric (BB).</p>	BB	2.4
Company	Corporate Governance [CG]: Oversight	##	<p>1/4 Met</p> <p>[1-Not Met] 3/8 are independent</p> <p>[2-Met] Although major shareholder Ou Zongrong owns 54.6% and his sons owns another 9.96% together, China Cinda owns ~11% and China Orient owns ~14%</p> <p>[3-Not Met] Chairman (Huang Xianzhi) is acting for CEO as the previous CEO resigned.</p> <p>[4-Not Met] 2/3 of the audit committee members are independent</p>	BB	2.4

Source: Maybank Asset Management, September 2020.

Credit Scoring Model: Industry



GROUP	FACTORS	WGT	BASIS of SCORE	RATING	SCORE
Industry	Regional Market Leadership	##	Company focus on tier 2 cities, where the market is fragmented and competitive	BB	2.4
Industry	Competitive Landscape	##	> 10 major players and competitive. The company is ranked No. 27 among Chinese property developers according to contracted sales (equity portion)	B	1.3
Industry	Profit Margin Comparison vs Peers	##	Gross Profit Margin (20-22%) at the lower range of comparison with real estate peers. Lower than peers like Evergrand, Agile, CIFI, Futureland, China SCE (25-30%). Similar level to Sunac. Higher than Ronshine, Greenland (15% area)	B	1.3
Industry	Strength of Competition	##	Zhenro is a mid tier but fast growing developer (ranked No. 20 in domestic property player based on contracted sales 2020 1H, improved from No. 27 in 2019). Lesser resources vs bigger players such as Vanke and Country Garden, and has a shorter operating track record	B	1.3
Industry	Long Term Industry Prospects	##	Growth prospects in the China property industry remains relatively sound, especially for the 1st tier and 2nd tier cities, which Zhenro will benefit as majority of its land bank is in tier 2 cities. We expect its growth to be in line with China's GDP growth rate of around 6%. However, recently the government has been tightening the funding channels for real estate, so assign BB for the policy pressure.	BB	2.4
Industry	Industry Regulations: Predictable & Return based vs. Unregulated & politically influenced	##	Cyclical industry given it is in property sector. Regulation in terms of tightening or loosening property sector can change in a relatively fast based on government's view.	BB	2.4
Industry	Cyclicality (weighted average of the major operation/s)	##	Company focus on real estate, which is a cyclical industry	BB	2.4

Source: Maybank Asset Management, September 2020.

Credit Scoring Model: País y Métrica Crediticia (1)



GROUP	FACTORS	WGT	BASIS of SCORE	RATING	SCORE
Country	Economic management	##	China is going through economic reform while trying to maintain a moderate growth rate. It is facing macro headwinds from trade war with US, which probably will distract its MT growth plan.	BBB	3.3
Country	Political Stability	##	China has stable political environment.	BBB	3.3
Country	Corporate Governance - Country level using Transparency International (CPI)	##	CPI score for China is 3.6	BB	2.4
Country	[1] Property Rights / Legal System, and [2] Influence of Government on legal system	##	Legal system is stable, but legal solution can take a long time	BB	2.4
Cr Metrics	EBITDA / Int Exp (Last 3 yrs)	##	Last 3 years average 1.8x after add back capitalized interest.	<B	0.4
Cr Metrics	EBITDA / Int Exp (Next 3 yrs)	##	Management communicated that Zhenro has shifted focus from fast growth to manage leverage, therefore expect next 3 years interest coverage to remain 1.8x with potential improvement (from reducing financing cost).	B	1.3
Cr Metrics	EBITDA / Int Exp (Trough)	##	In a stressed case, some cities may have restriction on property sales, which will reduce Zhenro's ability to generate EBITDA. If EBITDA fall by 30% (Zhenro has property projects across 13 provinces and therefore provides some diversification), EBITDA/Interest will fall to 1.3x	<B	0.4

Source: Maybank Asset Management, September 2020.

Credit Scoring Model: Métrica Crediticia (2)



GROUP	FACTORS	WGT	BASIS of SCORE	RATING	SCORE
Cr Metrics	TD / EBITDA (Last 3 yrs)	##	Last 3 years average 7.7x	<B	0.4
Cr Metrics	TD / EBITDA (Next 3 yrs)	##	Do not expect the company leverage to increase in the near future, as company management communicated in the call that it is trying to improve credit profile.	B	1.3
Cr Metrics	TD / EBITDA (Trough)	##	Highest in the last 3 years was 8x in FY 2017	<B	0.4
Cr Metrics	ROIC (Last 3 yrs)	##	Last 3 years average 4.8%	B	1.3
Cr Metrics	ROIC (Next 3 yrs)	##	Expect its ROIC to remain around current level. Margin for property companies have been slowly trending down in general as new land acquired (at higher cost) accounts for higher percentage of their selling projects. For Zhenro, it was able to maintain its gross margin at around 20-23% in the last 5 years, although this level is lower than a lot of its peers. It may be able to improve its profitability if it manage to deleverage and therefore reduce their financing cost	B	1.3
Cr Metrics	ROIC (Trough)	##	ROIC was as low as 2.1% in 2014	<B	0.4
Cr Metrics	EVA (Last 3 yrs)	##	Last 3 years average is -0.9%, using 7% WACC	BB	2.4
Cr Metrics	EVA (Next 3 yrs)	##	Expect its ROIC to remain a around current level. Potential upside may come from lower financing cost if it managed to deliver its promise on improving credit metrics	BBB	3.3
Cr Metrics	ND/EV - Market indicator	##	ND average 65% in last 3 years	B	1.3
Cr Metrics	TD/TA - BS Indicator	##	TD/TA = average 37% in last 3 years	BB	2.4

Source: Maybank Asset Management, September 2020.

Credit Scoring Model: Puntuación Final del Rating & Stress Test (Floor)



FACTORS	KEY FACTORS	WGT	CORE FACTORS	RATING	SCORE
Company	Business Profile	##	Company Profile	BB	2.5
Industry	Industry Dynamics	##	Industry Dynamics	B +	2.0
Country	Country Dynamics	##	Country Dynamics	BB +	2.8
Cr Metrics	Financial Strength	##	Credit Metrics	B -	1.2
	TOTAL	##	STANDALONE SCORE	B +	1.7

SOVEREIGN / PARENT UPLIFT			SOVEREIGN / PARENT RATING		
GRE	Gov Related Entities (GRE)	Var	Major Shareholder - IF Government Related	AA -	+10 Notch
Non GRE	Major Shareholder	1 No	Major Shareholder - IF Private Sector	NA	-----

BASELINE CREDIT SCORE (BCS)	B +	1.7
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ADJUSTMENT TO BCS - ANALYST TWEAK		
<i>Secured debt/TA ~23%, assign 1 notch subordination for its senior unsecured bonds</i>	B	1.45

FLOOR SCORE (SOV Cap + ADJUSTMENT)	B -	1.1
Floor Score - Standalone Ex ADJUSTMENT	B	1.5
Credit Metric in BAD Scenario	<B	0.9

Source: Maybank Asset Management, September 2020.

Actualización Crediticia: Descripción de la Compañía



Zhenro Properties						UPDATE	
CREDIT VIEW		STABLE		Analyst		Wu Jiaying	
Foreign	MAM	B	Floor	B-	Local Credit	MAM	-
Credit Rating	M/SP/F	B2/B-/B+			Rating	Loc	Floor
Fundamental View		+1		Medium	Last Rating Update	23-Jun-20	Rating \updownarrow
Industry Type		Utilities			Bond Ticker	ZHPRHK	Equity Ticker
Ind Fundamental View		+1		Medium	Last FY EBITDA	USD 1.26bn	Market Cap
Currency		USD:CNY		1:6.77			
Date of Report		18-Sep-2020			Ownership	Founder Ou Zongrong indirectly owned 54.6%, his sons Ou Guowei and Ou Guoqiang together owned another 9.96%, with the remaining listed in exchange	

COMPANY DESCRIPTION:

Zhenro Properties Group (“Zhenro”) is a real estate development company in China. It was incorporated in Cayman Islands in 2014 and listed on the HK Stock Exchange in January 2018. As of the end of June 2020, Zhenro had 198 projects in 29 cities and its gross land bank totalled 26.3 million square meters. It focuses mainly in tier 2 cities (76.8% of its contracted sales in 2020 comes from tier 2 cities, while 22.6% come from Tier 3 cities) and its key operating cities include Nanjing, Fuzhou, Shanghai, Suzhou, Tianjin and Nanchang.

Zhenro is a medium size developer, with contracted sales (equity portion) of CNY 72.8bn in 2019 ranked No. 34 among Chinese property developers. Its total contracted sales (including full JV and associate’s projects) was CNY 140.8bn in 2019, ranked 23. Company has relatively high leverage with Total Debt/EBITDA at 7.9x and EBITDA/Interest coverage at 1.7x in the last 12 month period ending June 2020.

The company was founded by Ou Zongrong, who indirectly owned 54.6% of Zhenro as of 30 July 2019. Ou Guowei and Ou Guoqiang, the sons of Ou Zongrong, together owned another 9.96% of the company, with the remaining shares listed on the HK Stock Exchange. Its market cap is about USD 2.77bn as of 18th Sep 2020.

Source: Maybank Asset Management, September 2020.

Actualización Crediticia: Análisis del Crédito



EVENTS: (1) Zhenro announced 1H 2020 result at end Aug 2020 (2) announced its contracted sales for Aug 2020 in Sep 2020 (3) Zhenro hosted an investor call for its new Green bond issue in Sep 2020.

CREDIT ANALYSIS:

■ **Contracted sales:** In first 8 months of 2020, it recorded CNY 81.9bn contracted sales with +3.4% growth yoy and achieved 58.5% of its full year sales target of CNY 140bn. The small cumulative contracted sales yoy growth shows that it has recovered from the COVID's disruption, supported by its strong sales execution, good quality land bank and sizable saleable resources. Management guided that it is planning to launch more projects in Sep & Oct and is confident to achieve the full year target.

■ **Profitability:** In 1H 2020, company's gross profit margin maintained at 20.3%, same as the level in 2019. This is at the lower end of its 20-22% range, as Zhenro continued to book the sales of its relatively high cost projects that were acquired in 2016 & 2017. In general, we expect Zhenro's profit margin to remain at a range that is relatively low among peers, due to (1) Competitive land acquisition as Zhenro acquire land mainly via public auction (2) generally high land cost due to its focus in tier 2 cities. However, we believe this also makes its land bank good quality in terms of liquidity and location.

■ **Leverage:** Zhenro has been improving its net gearing, lowering it from 1.14x in 2018, 0.95x in 2019 and now 0.85x as of 1H 2020. However, due to its weakened profit margin since 2019 at 20.3% vs 22.8% in 2018, its EBITDA/Interest coverage did not improve and remained at a range of 1.7-1.9x. Similarly, its total debt/EBITDA has stay in a range of 7.5-7.8. We expect to see some impact in its credit ratios starting from 2021, once the lower margin projects finish selling.

■ **Liquidity and debt structure:** Zhenro continue to improve its cash/ST Debt from 1.19x as of end 2018, 1.76x as of end 2019 to 2.09x as of end June 2020. In the last 2 years, it has also been actively improving its debt structure by re-financing to extend borrowing maturity and reduce funding cost. Trust loan (relatively short tenor & high cost) used to account for 36% of its borrowing in 2018 and has dropped to 9% as of June 2020. As a result of its active management, its weighted average cost of borrowings reduced from 7.8% (in 2018), 7.5% (in 2019) to 7.0% (1H 2020). It also reduced short-term debt's weight in total debt from 51% in 2018 to 30% in 1H 2020.

Source: Maybank Asset Management, September 2020.

Actualización Crediticia: Comentario sobre el Crédito



CREDIT VIEW			Zhenro's 2020 1H result was overall satisfactory as it recorded decent contracted sales,
STABLE			maintained its profit margin, improved liquidity and debt structure.
CREDIT RATING	Fgn Loc	B -	We maintain Zhenro rating at B on a senior unsecured basis. Although there were some improvement in its debt management and liquidity, we will continue to watch its profitability level and de-leverage progress for significant improvement before upgrade action.
UNCHANGED			
SUMMARY			
Fundamental View: +1 ■ Zhenro's credit strength includes its good quality land bank (mainly located in tier 2 cities, with some in tier 1 and tier 3) and its ability to execute projects to deliver strong sales growth. However, its rating is limited by its relatively low profitability (at the lower range among peers) and weak financial metrics (EBITDA/interest around 1.9x and Debt/EBITDA around 6x).			
Risks to Fundamental View: MEDIUM ■ Please refer to below downgrade triggers section			
Qualitative Assessment			
RED FLAGS - Nil			

Source: Maybank Asset Management, September 2020.



Rating Downward Movement Triggers

Profitability:

- (Not breached – Moody's; 3rd Sep 2020) suffers from a material decline in its profit margins (Gross profit margin unchanged in 2020 1H vs 2019 at 20.3%);
- (Not breached – S&P; 1st Apr 2020) debt-funded expansion continues to be more aggressive than expected or the company's margins continue to be compressed.
- (Not breached – Fitch; 7th Sep 2020) EBITDA margin, after adding back capitalised interest in cost of goods sold, below 15% for a sustained period

Leverage:

- (Cautious – Moody's; 3rd Sep 2020) materially increases its debt leverage. EBIT/interest coverage falling below 2.0x and/or adjusted revenue/debt falling below 50%-55% on a sustained basis (EBIT/interest 1.7x and adjusted revenue/debt at around 46% as of end June 2020).
- (Not breached – S&P; 1st Apr 2020) Indications of these would be its proportionately consolidated debt-to-EBITDA ratio not improving to below 6x, or its consolidated debt-to-EBITDA ratio not improving to about 6.5x
- (Not breached – Fitch; 7th Sep 2020) Leverage (net debt/adjusted inventory) above 55% for a sustained period (net debt/adjusted inventory improved from 55% in 1H 2019 to 42% in 1H 2020)

Liquidity:

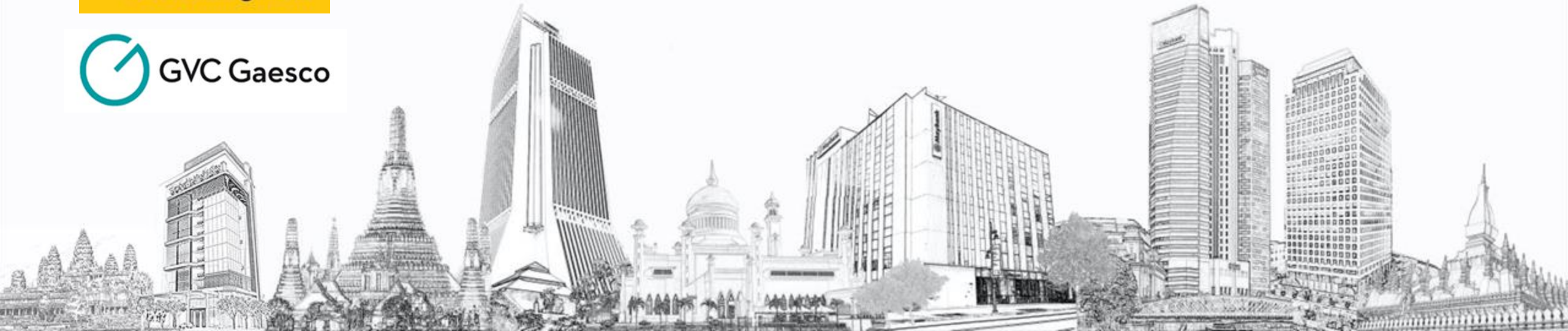
- (Not breached – Moody's; 3rd Sep 2020) experiences an impairment of its liquidity position, such that cash/short-term debt falls below 1.0x (2.1x as of June 2020);

Contracted sales:

- (Not breached – Moody's; 3rd Sep 2020) generates weak contracted sales;

Source: Maybank Asset Management, September 2020.

Thank You





ASIA FOCUS.



GVC Gaesco

GVC Gaesco ASIAN Fixed Income Fund, FI



El objetivo del fondo es obtener un rendimiento por cupones y por apreciación de capital de bonos principalmente asiáticos (mínimo del 50% de la cartera estará invertida en renta fija privada o pública asiática)

► **Datos de cartera actual**

TIR Media 3,75%

Divisa USD : 94%

Duración Media: 4,25

Bonos subordinados: 28%

Rating Medio: BBB

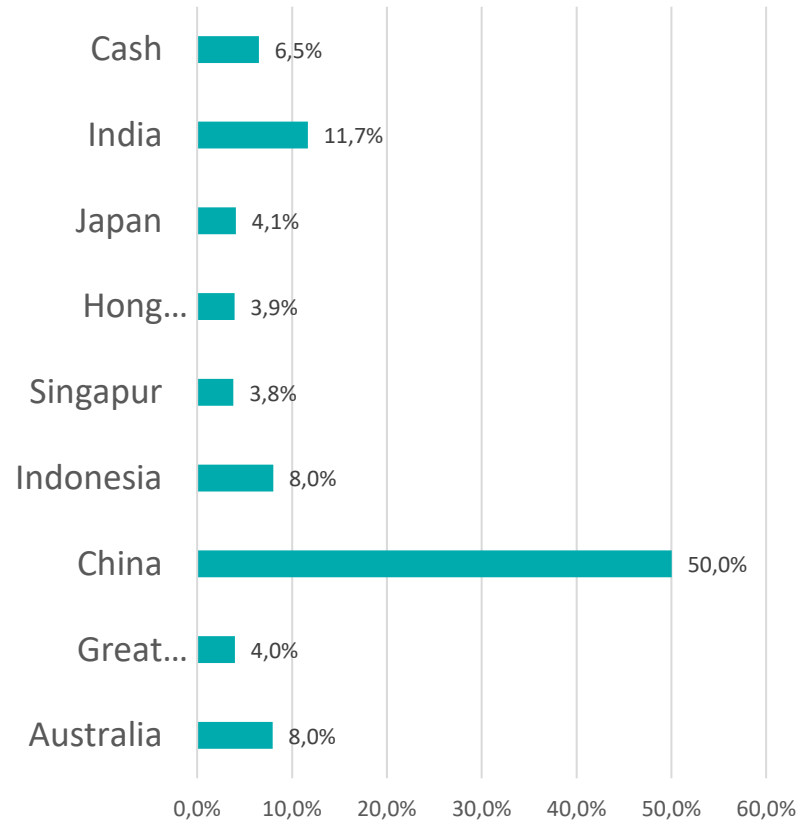
High Yield : 19%

► **Top 5 primeras posiciones**

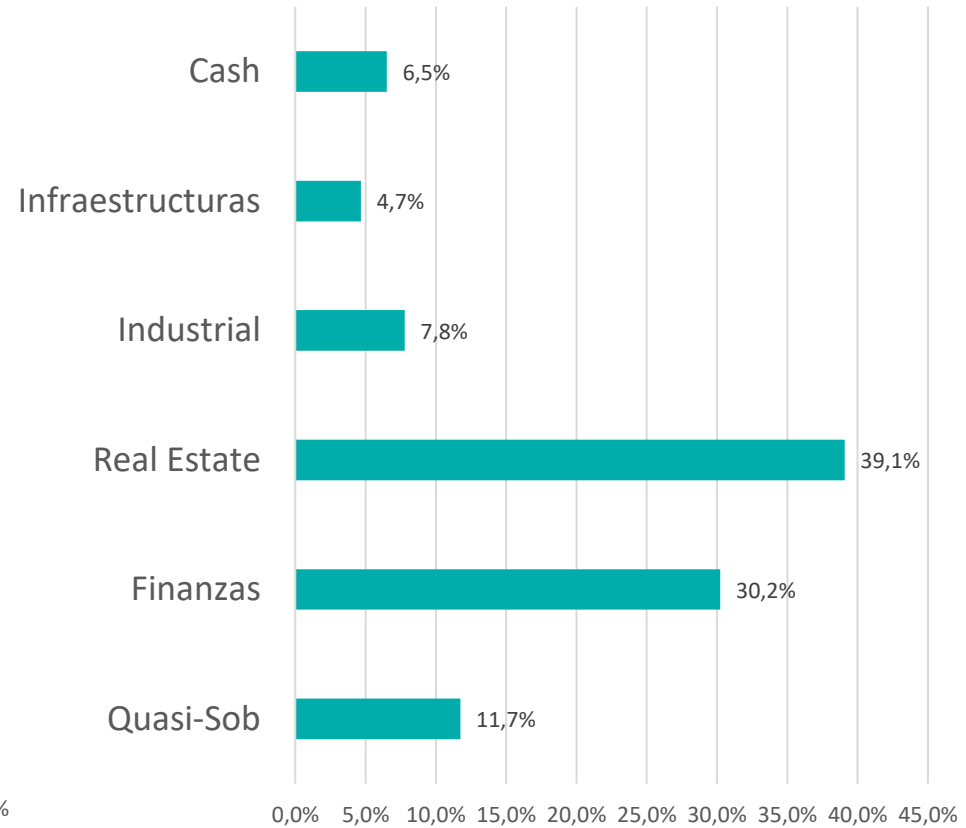
CCCI TREASURE LTD	4.7%	Infraestructure
HUARONG FINANCE 2017 CO	4.7%	Financial Services
COUNTRY GARDEN	3.7%	Real Estate
LMIRT CAPITAL PTE LTD	3,7%	Real Estate
GREENLAND GLB INVST	3,4%	Real Estate



► Inversión por países

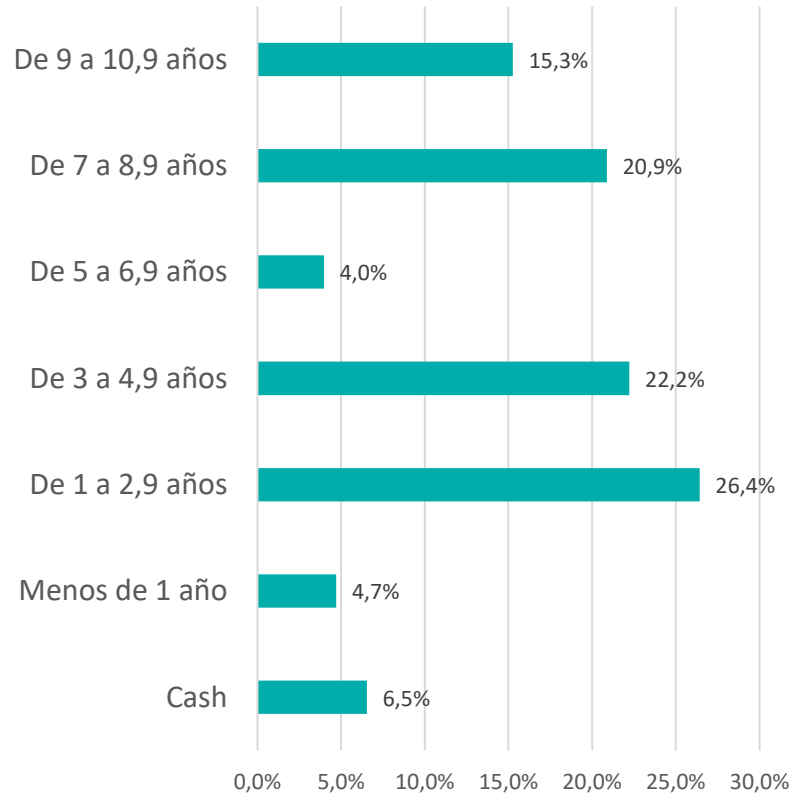


► Inversión por sectores

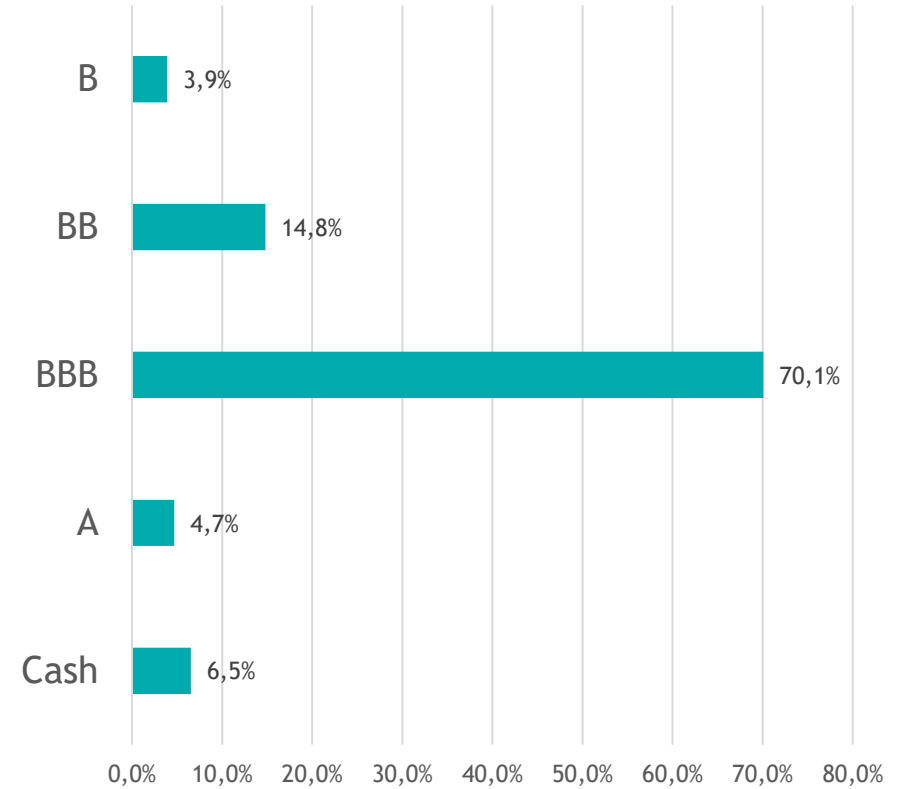




► Duración



► Ratings





Nombre del Fondo	GVC Gaesco Asian Fixed Income Fund
Fecha de Lanzamiento	Noviembre 2020
Cotización	Diaria
Tasa de Gestión	1.75% anual (Class A) <300k 1.45% anual (Class P) >300k <1M 1.10% (Class I) >1M
Equipo Gestor	María Morales
Asesoramiento	Maybank Asset Management Singapur
Divisa	EUR
Benchmark	JP MORGAN ASIA (JACI)
Depositario	BNP Paribas

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