



RAHASTOYHTIÖ
FUND MANAGEMENT



JOM Silkkitie & Komodo Funds

Summer 2018

www.jom.fi

JOM Fund Management

JOM Fund Management Ltd is a boutique fund management company, focused mainly on equity investing across SE-Asian markets.

The fund company currently manages two active Finland-registered equity funds:

- **Asia focused JOM Silkkitie Fund**
- **Indonesia focused JOM Komodo Fund**

Key personnel:



Emilia Etelä-aho
CEO



Jussi Salo

- Marketing & sales
- Risk management & compliance



Marianne Viitanen

- Back-office, administration

Portfolio manager – Juuso Mykkänen

- 15 year experience on direct investments into Asian stocks



JOM Silkkitie Fund 31.7.2009 – active Asian long only equity fund

- Alpha of +5 ppt vs. MSCI Asia (ex-Jpn) TR-index EUR

JOM Komodo Fund 15.5.2012 - active Indonesia-focused long only equity fund

- Alpha of +42 ppt vs. JCI TR-Index EUR

Sifter Global Fund, 19.6.2003 – 31.7.2008

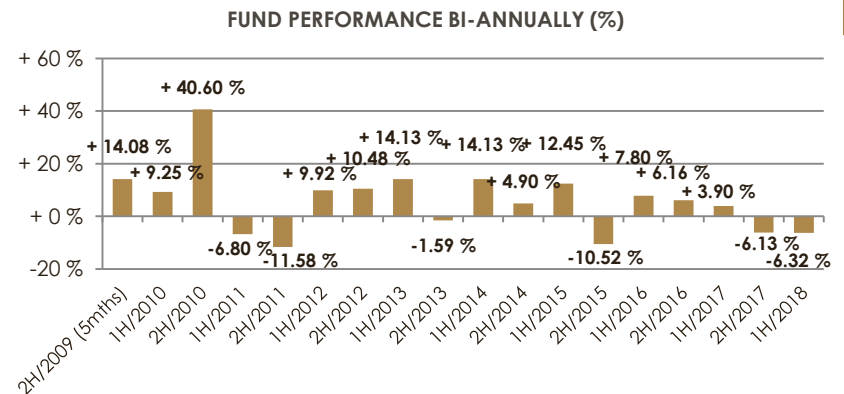
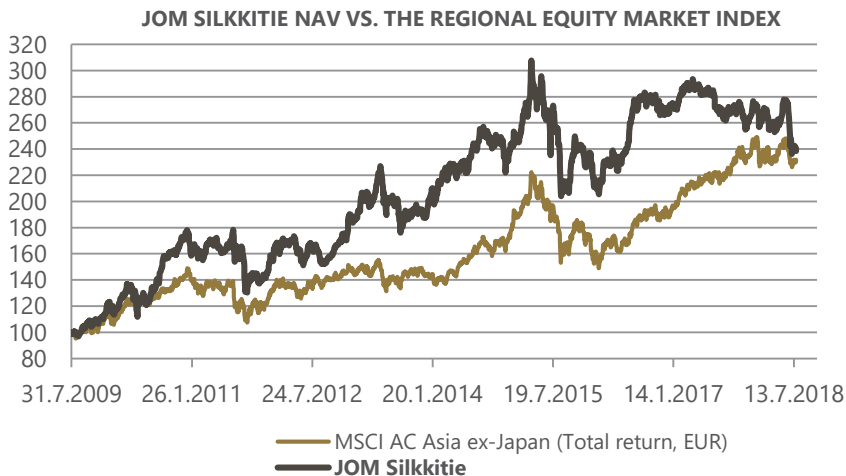
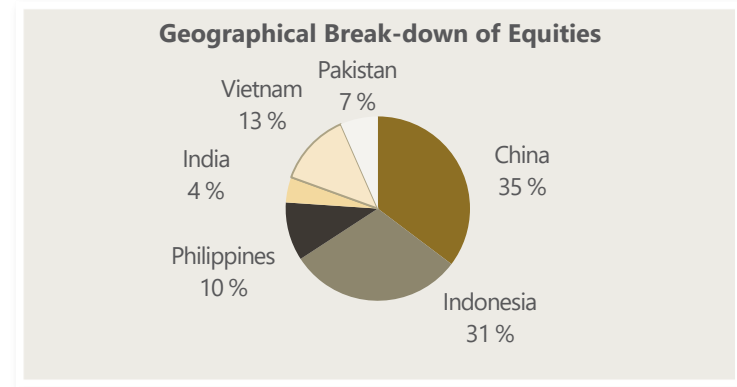
- Senior portfolio manager
- Alpha +34 ppt vs. MSCI World (EUR) index

Allianz Asset Management GmbH (München) 11/2000-11/2001

- Junior portfolio manager

JOM Silkkitie Asia Equity Investment Fund - Key Data

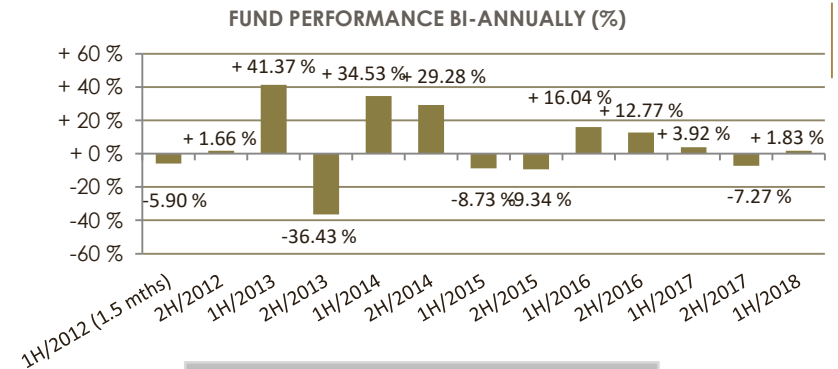
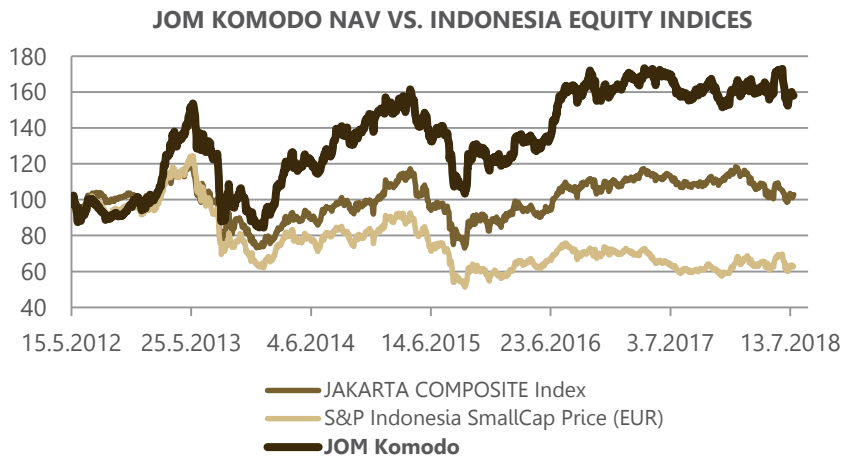
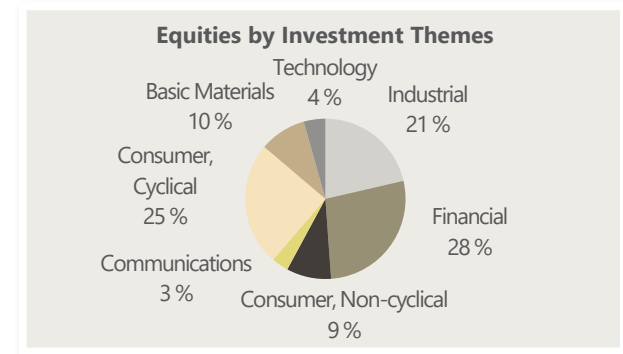
JOM SILKKITIE (UCITS)	13.7.2018
Focus area	Asia smidcaps
Fund size	36m EUR
Inception	31.7.2009
Return since inception	+141.24 %
Benchmark	MSCI Asia TR (ex-Japan) (EUR)
Performance vs. benchmark	+5 ppt
Correlation to MSCI Asia (ex-Japan)	0.57



Silkkitie means "Silk Road" and it was chosen as the name for the Fund to symbolize the centuries old route that was used to bring Asia's riches to Europe.

JOM Komodo Indonesia Equity Investment Fund - Key Data

JOM KOMODO (UCITS)	13.7.2018
Focus area	Indonesia smidcaps
Fund size	14.4 mEUR
Inception	15.5.2012
Return since inception	+58.66 %
Benchmark	JCI-Index TR
Performance vs benchmark	+42 ppt
Correlation to JCI-Index	0.59



The Komodo Fund was named after the over 2m-long lizard species Komodo, which lives exclusively on the Komodo island in Eastern Indonesia.



Why Invest in (Southeast) Asia - Basics

Structural Fundamentals in Good Shape

- Working age population growth projected to increase in 2015-2020 as follows: 10% in Philippines, 11% in Vietnam, 7.2% in India, 5.8% in Indonesia, 8.5% in Malaysia and 1.2% in Thailand BUT decline by 0.8% in China, 2% in Korea, 2.4% in Taiwan and 4% in Japan
- After painful restructuring post Asian financial crises of late 90s Southeast Asian countries are now in sound financial shape with relatively low gearing and with a healthy financial sector
- Large infrastructure investments are gaining traction after 15 year hiatus in most Southeast Asian countries
- China's transition to consumption driven growth will provide attractive opportunities in many years to come
- Structural growth provides stable growth amid uncertain global business cycle

Indonesia to remain our favorite market

BASICS

Population m	Area km ²	GDP 2017 (USD)	GDP growth 2017	GDP/capita 2017	Stock market size bnUSD
260	1,811,000	1,007bn	5.1%	3,880 USD	495bn

- 4th largest population base (260m) globally, 50% of population under 30 year old.
- Stock market to GDP ratio only 50%, whereas in other Asian countries the ratio is at 75-200%.
- McKinsey estimates (2013) that Indonesia will become 7th largest economy globally by 2030. Current ranking is 15th.

Why now?

- Middle income class will have some +30m more spenders by 2018-19, which will boost the overall economy.
- President Joko Widodo's government has implemented various pro-business reforms since 2015, that have boosted investor confidence. This is now showing in investment flows.
- Indonesia is turning into strategic long-term investment from just a tactical trade.

Valuation July 2018 – Silkkitie & Komodo

Multiple	PE18e	PE19e	P/BV	DY%	P/sales	EBITDA%	ROE%	Gearing %
Silkkitie 25.7.2018	11.7	10.4	2.1	3.0	1.3	21.6	19.3	94.7
Positions: 32								
Weighted market cap : 8047m EUR								

Multiple	PE18e	PE19e	P/BV	DY%	P/sales	EBITDA%	ROE%	Gearing %
Komodo 25.7.2018	12.7	10.3	2.2	3.1	1.4	20.0	16.0	53.0
Positions: 35								
Weighted market-cap: 352m EUR								

On both funds discount to market multiples around 17-40% on PE basis

Terms and Contact Details

FUND	SILKKITIE	KOMODO
Liquidity	Bi-monthly	Bi-monthly
Currency	EUR	EUR
Inception	31.7.2009	15.5.2012
NAV calculation	daily	daily
Minimum investment	5 000 €	5 000 €
Management fee p.a.	1.2%	1.5%
Subscription fee	max. 1.5%	max 1.5%
Redemption fee	1% (if < 12m)	2% (if < 24m)
Performance fee	10% over 5% hurdle rate p.a. (with HWM)	10% over 5% hurdle rate p.a. (HWM with 2 yr memory)
Custodian bank	SEB	SEB

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Key staff

- Juuso Mykkänen, Portfolio Manager
- Emilia Etelä-aho, CEO, Head of Operations
- Jussi Salo, Marketing
- Marianne Viitanen, Back-office