

YEOMAN 3-RIGHTS VALUE ASIA FUND

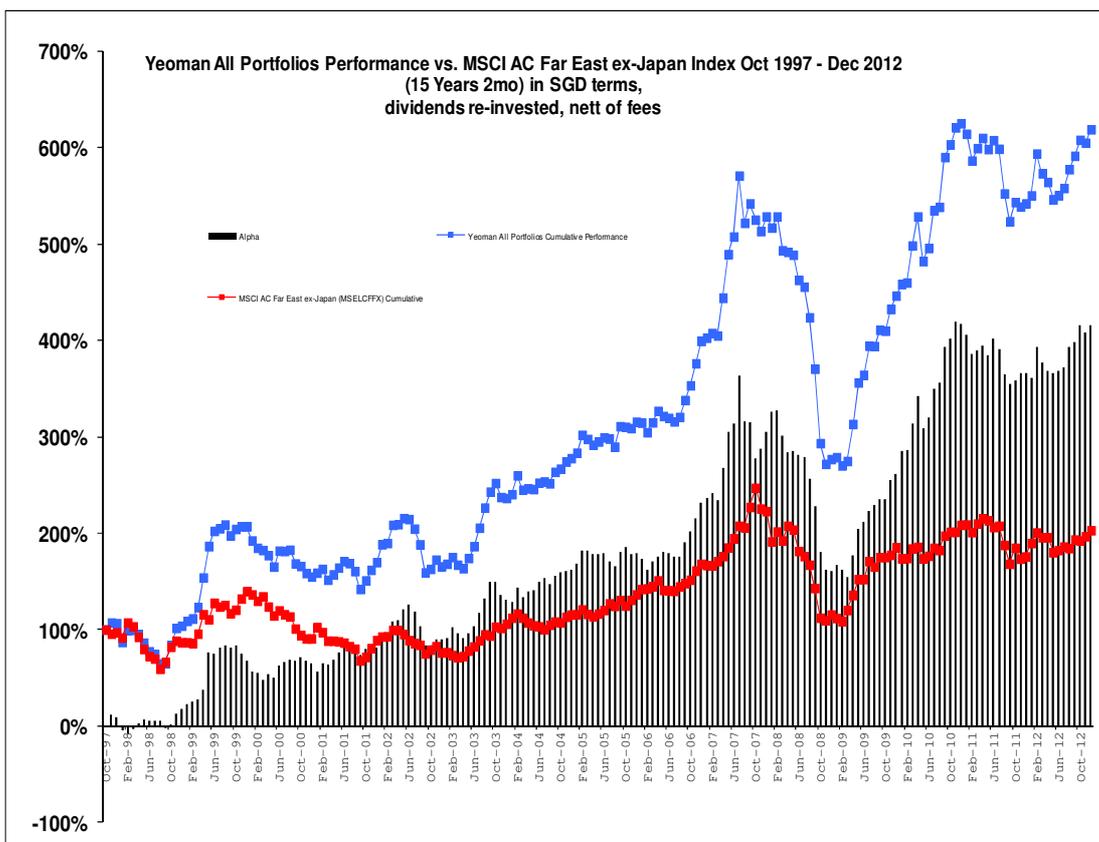
(Co. Regn: 53979 C1 GBL; Fund Business Licence: C1/04/01282)

At 31 Dec 2012
NAV/Share:
S\$220.12

Yeoman All-Portfolios Performance: 15yr 2mo ending 31Dec12

Period	Yeoman-All Performance	MSCI AC FE x Japan Performance	Out/Under Performance
CAGR (p.a.)	12.77% p.a.	4.78% p.a.	+7.99% p.a.
Cumulative Performance From Oct97 to Dec12 (15Yr 2mo)	519.11%	103.14%	+415.97%
Dec 2012	2.30%	3.18%	-0.88%
YTD 2012	14.19%	15.49%	-1.30%
Historical Performance			
Jan12 to Dec12	14.19%	15.49%	-1.30%
Jan11 to Dec11	-13.29%	-15.65%	+2.36%
Jan10 to Dec10	40.00%	12.50%	+27.50%
Jan09 to Dec09	61.31%	60.32%	+0.99%
Jan08 to Dec08	-47.62%	-48.16%	+0.54%
Jan07 to Dec07	32.28%	32.48%	-0.20%
Jan06 to Dec06	27.60%	23.50%	+4.10%
Jan05 to Dec05	13.60%	18.10%	-4.50%
Jan04 to Dec04	17.50%	8.80%	+8.70%
Jan03 to Dec03	42.90%	39.20%	+3.70%
Jan02 to Dec02	-2.60%	-14.50%	+11.90%
Jan01 to Dec01	9.50%	-1.60%	+11.10%
Jan00 to Dec00	-25.10%	-35.20%	+10.10%
Jan99 to Dec99	99.30%	61.40%	+37.90%
Jan98 to Dec98	-2.50%	-10.70%	+8.20%
Oct97 to Dec97	6.60%	-2.90%	+9.50%

Note: In SGD terms, nett of all fees, dividends re-invested and calculated according to CFA(AIMR) PPS standards.



Equities/Cash Allocations	Country Allocations	Portfolio Valuations (trailing)
Equities 98.43% Cash 1.57%	Hong Kong 30.45% Korea 26.40% Singapore 21.82% Malaysia 18.93% Thailand 0.82%	PE 10.30x P/B 0.60x Dividend Yield 4.32% p.a. ROE 7.29% (1 yr) 9.75% (5 yrs average) Weighted Ave Mkt Cap S\$149.46m

General Information

Fund Address:
Cim Fund Svcs Ltd
Rogers House, 5 President
John Kennedy Street,
Port Louis, Mauritius

Manager:
Yeoman Capital Management
Pte Ltd
11 Unity Street #02-13,
Robertson Walk,
Singapore 237995
(Co. Regn. 199902308Z)

Tel: **+65-67373922**
 Fax: **+65-67376780**
 Email: cio@yeomancap.com
 Website: www.yeomancap.com

Total Value of Fund:
\$98,492,445.89

Total Number of Shares:
447,443.46

Management Fee:
1% p.a.

Performance Fee:
15% High Water Mark

Sales Charge:
2.5% of NAV (payable to Distributor if applicable)

Manager Subscription Charge:
S\$2,500 (one-time fixed sum payable to Manager)

Fund Subscription Charge:
1% of NAV (payable to Fund)

Fund Redemption Charge:
1.5% of NAV (payable to Fund)

Subscription Frequency:
Monthly

Redemption Frequency:
Quarterly

Investment Horizon:
3-5 years or more

Early Exit Charges:
 In 1st Year: **7.5%**
 In 2nd Year: **5.0%**
 In 3rd Year: **2.5%**
 (Payable to Fund)

Minimum Investment:
S\$250,000

Custodian:
British and Malayan Trustees
Ltd, Deutsche Bank

Auditor:
KPMG

Performance Comment at end 2012

In Dec12 our Fund was up **2.30%** versus the Index up 3.18%;

For the full year 2012, our Fund is up **14.19%** as compared with the market rise of 15.49%;

For the very long term of 15 years 2 months to end Dec12, we are up a cumulative **519.11%** as compared with the Index rise of 103.14%. On annualized terms, we are compounding at **+12.77% p.a.** against the Index's more modest +4.78% p.a. which implies out performance (*alpha*) by our Fund at **+7.99% p.a. nett of all fees and in SGD terms.**

2013 or the Year Ahead

We sometimes find it interesting to read the newspaper headlines in order to try understand what the majority of people are thinking out there. The Straits Times of 31Dec12 reads "Slow *growth* next year: Economists" and on New Year's Day the same paper's headlines reads "Economy *grew* a slower 1.2% - PM Lee sounds warning for 2013 and outlines way forward.."

You might have noticed that growth is very much the obsession of governments and policymakers world wide. Why is that so? In my own opinion it could well be because world population does not stand still but grows year after year. In order to satisfy their electorates and to just maintain the material quality of life at status quo, governments need the economies under their charge to grow at no less than population growth. Otherwise what happened in Tunisia and the other countries caught up by the Arab Spring might well visit the economically stagnant country. Hungry and hence angry people can bring down governments, we are all aware.

Thankfully, for us as value long term investors, we do not face the same challenges as do politicians and policy makers, i.e. we don't need to have a backdrop of high world economic growth in order to justify our investing in undervalued securities.

That does not mean that we can throw caution to the wind for we do have our own set of concerns. For e.g. we would be very concerned if the companies we owned were to willy-nilly issue more new shares and hence dilute our holdings in the underlying companies (more new shares issued would be our own version of more babies born into the country in the earlier example). We would also be very concerned if our companies were to go into serious or recurrent losses which negatively impact balance sheets and hence cause fundamental loss to us as shareholders. The same would apply if companies in our portfolio were to undergo severe balance sheet write-downs with effect similar to the above. This would be like a country having to restate its reserves downwards after finding out that they have been holding gamely onto some dud assets all along.

As was demonstrated at our Fund annual meeting in 2008 and 2011, if our companies can continue to stay in the black, register average or above average ROE and continue to pay out dividends to us as shareholders we would consider ourselves to be ahead of the game provided we did not overpay to own these same companies in the first place. As value fund managers, our focused concerns are different from those of politicians and policy makers and thankfully, we have a process for meeting our own objectives.

Other than the above, the Manager Comment made in our 3Q12 report (see this link <http://yeomancap.com/images/Yeoman-Newsletter-3Q12.pdf>) still applies as we stand here at the dawn of the New Year. The team and I are as focused as before and we take this opportunity to wish all clients and shareholders a Happy New Year 2013!

With best regards
Seng Chong YEO
Director and Chief Investment Officer