



Fund Statistics as of the 15th January 2021

Share Price (GBP): 0.245

Market Cap (GBP MM): 28.24

NAV per Share (GBP): 0.81

NAV Publication: Quarterly

Investment Manager

HarmonyCapital

Harmony Capital Investors Limited is an investment firm with a presence in Singapore, Hong Kong and London. The firm focuses on SMEs in South East Asia, China and Australia.

SME Target Features

Enterprise Value: GBP4.0-400.0MM

Revenue: GBP4.0-400.0MM

Profitability: Positive EBITDA; Manageable CapEx

Limited Financing Sources: Restricted access to public markets

Significant Opportunities to Locate High-Yielding, Well-Structured Opportunities in the Underserved SME Space

SME Structured Protection

Convertible Bonds & Covenants

Loans & Warrants / Royalties

Preferred Equity & Governance

Secured Loans

Board of Directors

John Croft – Executive Chairman

Hugh Viscount Trenchard – Non-Executive Director

Stuart Crocker – Non-Executive Director

Dr. George Lam – Non-Executive Director

John Batchelor – Non-Executive Director

Overview

Jade Road (“JADE” or the “Company”) is a London quoted company focused on providing shareholders with attractive, uncorrelated, risk adjusted returns from a diversified portfolio of pan-Asian investments.

Strategy

Provide growth capital and financing to emerging and established Small and Medium-size Enterprises (“SMEs”) in growth sectors throughout Asia; well diversified by national geographies, instruments and asset classes.

Objective

Provide shareholders with unique access to a diverse portfolio of assets, across a variety of high-growth geographies throughout Asia.

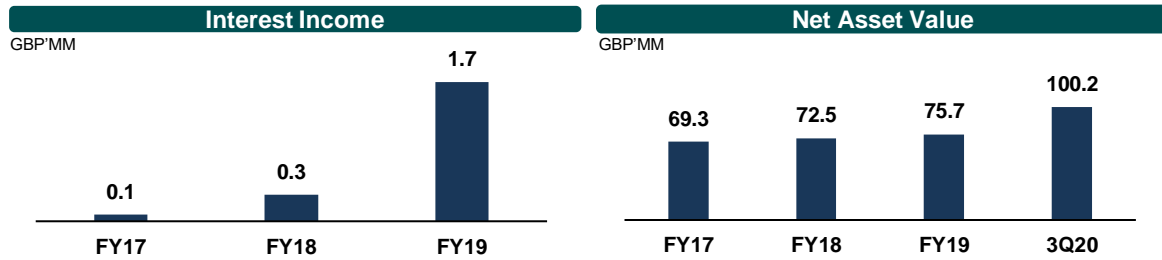
Investment Policy

JADE’s exclusive investment manager has the flexibility to invest sector-agnostically, across the capital structure, over long time horizons; assisting in navigating various economic cycles and geopolitical shifts. It targets both capital gains and income generation.

Compelling Investment Case	
Track Record	Harmony Capital, JADE’s investment manager, has an established tracked record of generating excess returns, throughout market cycles, across the globe for the past 25+ years ; with a focus on Asian special situations for 17+ years.
Robust Risk Management	Rigorous due diligence and disciplined risk management , with downside protection through selectively investing in assets and proactively managing them.
Established Investment Expertise and Networks	The Company’s investment manager, Harmony Capital, seeks to capitalise on its team’s established investment expertise and broad networks and offices across Asia .
Discount to NAV	The Company’s share price is currently trading at a + 69% discount to NAV .
Governance	The five experienced and independent non-executive directors comprising the Company’s Board provide strong governance .
Largest Investment	Future Metal Holdings (44.0% of JADE’s last reported NAV) , a Chinese dolomite quarry, commenced production in December 2019.
Supportive Majority Shareholder	48% major shareholder, supportive long-term holder since 2014.

Key Highlights in 2nd Half 2020

- A substantial increase in JADE’s Net Asset Value from GBP76.8MM in 2017, to GBP100.2MM at the end of the 3rd quarter of 2020.
- In 2020, JADE’s largest asset, Future Metal Holdings Ltd had its 3-year Mining Licence renewed. Additionally, construction of the facility’s requisite environmental facilities was completed in June 2020 and later approved for operation by local authorities.
- In December 2020 JADE announced the appointment of PKF Littlejohn LLP as its new auditor following 10 years of service from Crowe LLP. This change continues JADE’s strong level of corporate governance and an appropriate degree of independence of its auditor.
- In July 2020 JADE announced an Open Offer and Placing for the value of GBP3.1MM. To date the Company has raised GBP2.0MM and has effectively closed the raise at this level to continue and refocus on other strategic initiatives into 2021.



Significant opportunities for JADE to invest selectively in high growth SMEs in Asia and proactively manage them:	
Opportunity	There is a funding gap of c.USD3.0 trillion across Asian SMEs.
Demand	Asian SMEs are attractive investments with built in collateral and downside protection .
Market	There are over 270 million Asian SMEs, making up 98% of Asian companies.
Growth	Pan-Asian SME’s account for 42% of Asia’s GDP and only receive 18.7% of lending via traditional institutions.
Returns	Traditional institutions restricted for regulatory and structural reasons; SMEs seek growth capital from alternative finance providers.

Fund Information

Listing: AIM Market LSE

Ticker: JADE

Launch Date: 19 February 2014

Management Fee: 1.75%

Advisers

Corporate Broker: Hybridan LLP

Legal Advisor: Locke Lord LLP

NOMAD: WHIreland Plc

Auditor: PKF Littlejohn LLP

