

FOUNTAINHEAD PARTNERSHIPS PORTFOLIO UPDATE: JANUARY 2022

Fountainhead Partnerships Fund was down 9.6% in Jan-22, while S&P 500 and MSCI world were down 5.2% and 4.5% respectively.

Stocks experienced their first correction of over 10% since March 2020. Three main reasons behind the correction were: rising inflation fears, expected tightening of monetary policy in a slowing economy in the US and valuation reset of growth stocks.

Index	YTD return	Index maximum drawdown from YTD high	Average member drawdown from YTD high	% of members with:			
				Positive YTD return	At least -10% drawdown from YTD high	At least -20% drawdown from 52w high	At least -50% drawdown from 52w high
S&P 500	-8%	-10%	-14%	33%	67%	52%	2%
NASDAQ	-12%	-16%	-22%	30%	75%	76%	46%
Russell 2000	-10%	-15%	-22%	23%	85%	83%	35%

Average stock in S&P 500 and Nasdaq is down 15% and 22% respectively from its high (by Feb 14). The real carnage is beneath the surface where more than 52% and 76% of stocks in S&P and Nasdaq are down more than 50%, respectively. Even stalwarts like Microsoft, Google and Apple are down 18%, 15% and 12% respectively. In our portfolio average stock is down 15% and about 80% of the companies are down more than 10%. We managed to do some hedging at the margins that cushioned further downside of the portfolio.

We are in an investment environment where uncertainty is very high and everyone is worried about almost everything from inflation, interest rates, valuations, earnings growth and even geo politics and a potential war in Europe. Widely followed investor sentiment measures such as AAII (American Association of Individual Investors) and State Street Institutional Investors Survey are showing the level of bearishness that was last seen in 2016, even worse than March 2020.

We have maintained very high level of cash in the portfolio since Jan 2020, three months before the pandemic even started. We consider current correction as an opportunity to deploy cash and increase our allocation to stocks. Our increasing allocation call is based on a) cheaper valuations, b) absence of an economic recession, c) high degree of confidence in earnings growth of portfolio companies.

There are risks still out there including persistent inflation, more liquidity tightening and clouds over earnings and economic growth. However, most of our stocks may be higher in price now but their valuations are cheaper than they have ever been in the last five years while interest rates are much lower than the peak level of 2018. We consider it as a good set up and

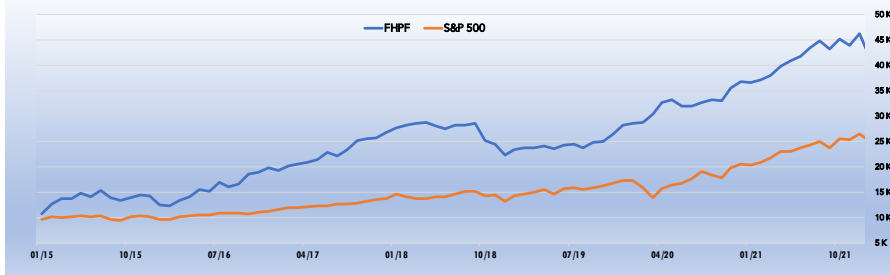
opportunity to finally increase our allocation to stocks. Hence we have increased our allocation from 80% to 88% during the course of 2022 thus far.

Corrections in the stock market manifest in price and time. Have we seen the end of the price correction, who knows! No one can pick the bottom. However, in a year without a recession S&P 500 has rarely seen a bear market (i.e. 20% down from its highs). And that is our primary call that despite a slowdown economy in the US we are unlikely to see a recession this year. Even if the correction in price has run its course, the correction in time may continue for the next few months. Historically, in a no-recession year it takes about five months on average for the markets to recoup their previous highs. If the correction deepens from here due to any geopolitical reason we will be quite inclined to increase our exposure to 100%.

Fountainhead Partnerships Fund (FHPF)

Hypothetical Growth of \$10,000

01/31/2015 - 01/31/2022



The performance data featured represents past performance, which is no guarantee of future results. Investment return and principal value of an investment will fluctuate, therefore, you may have a gain or loss when you sell your shares. Current performance may be higher or lower than the performance data quoted.

INVESTMENT APPROACH

- Long term thematic investing by comprehending and allocating capital in secular long term trends - both societal and macro.
- Identify stocks in global themes such as aging population, consumption habits, automation, payments etc and invest when prices are right.
- A return oriented mindset agnostic to definition of value or growth, geography or size of the company.
- Avoid market noise and use temperamental advantage.

PERFORMANCE

(As of 01/31/2022)

	2022	2021	2020	2019	2018	2017	2016	2015	Inception*
Fountainhead Partnerships Fund	-9.6%	26%	30%	27%	-17%	35%	39%	42%	22%
S&P 500 (IVV)	-5.2%	29%	18%	31%	-4%	22%	12%	1%	14%
MSCI World	-4.5%	18%	16%	27%	-9%	24%	8%	-2%	10%

Notes: i) Total return on FHPF net of TER vs Total return on iShares S&P 500 ETF and iShares MSCI World AC ETF. ii) Inception* is CAGR

KEY HOLDINGS

(As of 01/31/2022)

Holding	Country
Novo Nordisk A/S	Denmark
Greggs PLC	UK
Alphabet Inc Class C	USA
Royal Dutch Shell PLC Class B	UK
Danaher Corporation	USA
Freni Brembo SpA	ITA
Lindt & Sp Ps	SWI
Stryker Corporation	USA
Icon Plc	USA
Diploma PLC	UK

KEY STATISTICS

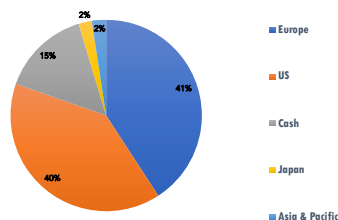
(As of 01/31/2022)

Ratio	Fund	&P 500 (IVV/MSCI World)	
P/E	19	18	18
P/B	5.9	4.4	2.9
ROE	30%	24%	16%
Div Yield	1.60%	1.30%	1.32%
Sharpe ratio*	1.2	0.8	0.6

* Since inception Jan 2015

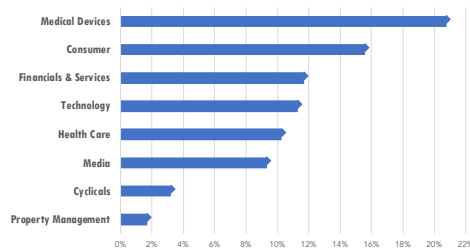
GEOGRAPHIC EXPOSURE

(As of 01/31/2022)



SECTOR EXPOSURE

(As of 01/31/2022)



FUND OVERVIEW

Objective

Long term capital appreciation through listed equities and capital preservation through recession risk management.

Strategy

Globally diversified equity portfolio with a 3-10 year view and global macro trading whenever equity like returns are possible.

Risk

Equity investments involve risk of manager's ability to buy and sell stocks at the right valuations. An error of judgement may cause investors some or significant loss on their investments.

FUND SNAPSHOT

(As of 01/31/2022)

Strategy Inception	01/2015
Fund Category	Equity Hedge
Risk of this Category	High
Returns (inception) p.a.	22.4%
Exp. Ratio Net (p.a.)	1.50%

FUND MANAGER

(Fountainhead Pte. Ltd.)

Primary Manager - CIO:	Asif Ali
Portfolio Manager:	Paul Sherriff, CFA
Portfolio Manager:	Hamza Ayub, CFA

FUND DETAILS

Auditor	PWC
Administrator	Vistra International
Custodian and Broker	Julius Baer/Interactive Brokers
Compliance	RSM
Fund Manager Regulator	Monetary Authority Singapore
Fund Registration	Cayman Monetary Authority

DISCLAIMER

Please read this information carefully. None of the information in this document constitutes an offer to sell or solicitation of an offer to buy an interest in any investment fund or for the provision of any investment management or advisory services. Any such offer or solicitation will be made only by means of delivery of a confidential private offering memorandum relating to a particular fund or investment management contract to qualified investors in those jurisdictions where permitted by law.

All the estimates, figures and comparable information given on this document are the non-binding estimations of the company and are subject to change. The company nor any of its partners, officers and/or employees and affiliates make any guarantees, representation or warranty, nor does any person accept any responsibility or liability for any loss or profit, indirect or other consequential losses or other economic losses suffered by any person arising from reliance upon any information, statement or opinion contained in this document (whether such losses are caused by the negligence of such person or otherwise).

Fountainhead Partnerships Fund (FHPF)

RISK RETURN STATISTICS

01/31/2015 - 01/31/2022

MONTHLY RETURN

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	7.6%	18.3%	8.1%	0.2%	7.4%	-4.4%	8.4%	-9.7%	-2.7%	3.9%	2.9%	-1.3%
2016	-11.5%	-1.5%	8.5%	5.4%	9.0%	-1.9%	11.4%	-4.3%	2.3%	12.4%	2.3%	4.0%
2017	-2.8%	5.1%	1.3%	1.6%	2.7%	6.5%	-2.6%	5.7%	7.1%	2.0%	0.4%	3.9%
2018	3.3%	2.1%	1.2%	1.0%	-2.8%	-1.8%	2.9%	-0.1%	1.4%	-12.0%	-3.0%	-9.0%
2019	5.1%	1.7%	-0.4%	1.8%	-2.2%	2.7%	0.8%	-2.6%	4.5%	0.4%	6.2%	6.6%
2020	1.0%	0.5%	5.6%	7.9%	1.4%	-3.7%	0.0%	2.3%	2.0%	-0.6%	7.7%	3.3%
2021	-0.7%	1.9%	2.2%	4.8%	2.6%	2.1%	3.9%	3.4%	-3.6%	4.6%	-2.9%	5.3%
2022	-9.6%											

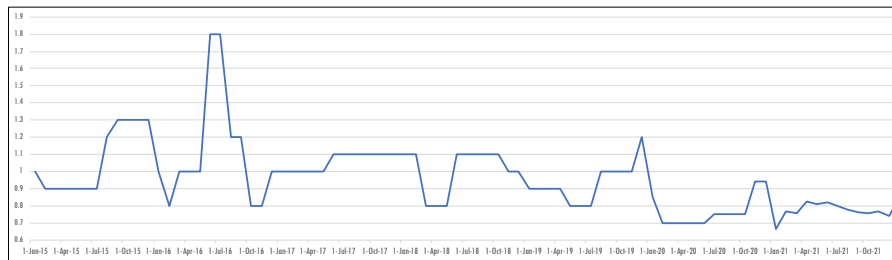
The performance data featured represents past performance, which is no guarantee of future results. Investment return and principal value of an investment will fluctuate; therefore, you may have a gain or loss when you sell your shares. Current performance may be higher or lower than the performance data quoted.

CUMULATIVE RETURN

(As of 01/31/2022)	1 year	2 years	3 years	4 years	5 years	6 years	7 years	Inception
FHPF	14%	46%	79%	51%	117%	232%	288%	318%
S&P 500	24%	45%	76%	72%	117%	161%	159%	151%
MSCI World	14%	14%	54%	43%	83%	116%	102%	99%

Inception: 1st Jan 2015

FUND GROSS



Sub 100% represents cash holdings – not downside hedging – undertaken from time to time. Similarly, levels above 100% is marketable asset value – not theoretical exposure via derivatives

MONTHLY RETURNS SUMMARY

01/31/2015 - 01/31/2022	FHPF	S&P500	MSCI
Annualized Volatility	18%	15%	15%
Annualized Return (CAGR)	22%	14%	10%
Correlation	1.00	0.49	0.49
Sharpe Ratio	1.16	0.81	0.57
Returns Skew	-0.16	-0.38	-0.40
Max Drawdown	-22%	-20%	-21%
Worst Monthly Return	-12%	-12%	-13%
Best Monthly Return	18%	13%	12%

MSCI: MSCI World AC ETF

FUND HOLDINGS SUMMARY

(As of 01/31/2022)	FHPF
Number of holdings	39
Weight of top 10 holdings	35%
Weight of largest holding	5.8%
Weight of smallest holding	0.7%
Largest Market Cap (bn)	2203
Smallest Market Cap (bn)	0.23
Average Market Cap (bn)	11,345
Median Market Cap (bn)	18,891

DISCLAIMER

Please read this information carefully. None of the information in this document constitutes an offer to sell or solicitation of an offer to buy an interest in any investment fund or for the provision of any investment management or advisory services. Any such offer or solicitation will be made only by means of delivery of a confidential private offering memorandum relating to a particular fund or investment management contract to qualified investors in those jurisdictions where permitted by law.

All the estimates, figures and comparable information given on this document are the non-binding estimations of the company and are subject to change. The company nor any of its partners, officers and/or employees and affiliates make any guarantees, representation or warranty, nor does any person accept any responsibility or liability for any loss or profit, indirect or other consequential losses or other economic losses suffered by any person arising from reliance upon any information, statement or opinion contained in this document (whether such losses are caused by the negligence of such person or otherwise).