

# **ERSTE STOCK ASIA INFRASTRUCTURE**

**Jointly owned fund pursuant to the InvFG**

Annual Report 2021/22

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## General Information about the Investment Firm

<b>The company</b>	Erste Asset Management GmbH Am Belvedere 1, A-1100 Vienna Telephone: +43 05 0100-19777, fax: +43 05 0100-919777
<b>Registered capital</b>	EUR 2.50 million
<b>Shareholders</b>	Erste Group Bank AG (64.67%) Erste Bank der österreichischen Sparkassen AG (22.17%) Steiermärkische Bank und Sparkassen Aktiengesellschaft (3.30%) Tiroler Sparkasse Bankaktiengesellschaft Innsbruck (1.74%) DekaBank Deutsche Girozentrale, Frankfurt (1.65%) „Die Kärntner“ Trust-Vermögensverwaltungsgesellschaft m. b. H. & Co KG (1.65%) Salzburger Sparkasse Bank Aktiengesellschaft (1.65%) Sieben Tiroler Sparkassen Beteiligungsgesellschaft m. b. H. (1.65%) NÖ-Sparkassen Beteiligungsgesellschaft m. b. H. (0.76%) VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe (0.76%)
<b>Supervisory Board</b>	Rudolf SAGMEISTER (Chairman) Manfred BARTALSZKY (from 16.02.2022) Maximilian CLARY UND ALDRINGEN (from 16.02.2022) Thomas SCHAUFLER (Deputy Chairman) (until 31.10.2021) Harald GASSER Gerhard GRABNER Harald Frank GRUBER Oswald HUBER Radovan JELASITY Robert LASSHOFER (until 16.02.2022) Peter PROBER Rupert RIEDER Gabriele SEMMELROCK-WERZER Reinhard WATTL Gerald WEBER Appointed by the Works Council: Martin CECH Regina HABERHAUER Heinrich Hubert REINER Peter RIEDERER Nicole WEINHENGST Manfred ZOUREK
<b>Managing directors</b>	Heinz BEDNAR Winfried BUCHBAUER Peter KARL Thomas KRAUS
<b>Prokuristen (proxies)</b>	Karl FREUDENSCHUSS Manfred LENTNER Günther MANDL Gerold PERMOSER Magdalena REISCHL Oliver RÖDER
<b>State commissioners</b>	Walter MEGNER (until 28.02.2022) Christoph SEEL (until 30.11.2021) Angelika SCHÄTZ (from 01.03.2022) Wolfgang TRISKO (until 14.05.2022)
<b>Auditor</b>	Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H.
<b>Depository bank</b>	Erste Group Bank AG

## Dear Unit-holder,

We are pleased to present you the following annual report for the ERSTE STOCK ASIA INFRASTRUCTURE jointly owned fund pursuant to the InvFG for the accounting year from 1 June 2021 to 31 May 2022.

The calculated value could not be determined for 27 October 2021 due to a technical problem. For this reason, the issue and redemption of unit certificates was temporarily suspended.

Even as the COVID-19 pandemic spreads, we are not losing sight of our responsibility to manage the assets entrusted to our care in a manner that maintains our ability to act on the capital markets and that enables us to make the best possible allocation decisions.

Modern technology also allows us to meet these obligations in full via teleworking.

## Development of the Fund

### **Investment strategy:**

The Fund invests in sectors that truly represent Asia's infrastructure or are necessary for its improvement and further expansion. These include the following: utilities, traffic and transport, construction companies and conglomerates, telecommunications, and environmental and raw materials infrastructure. As a result of rapid economic growth in recent years and lapses in development over the past decades, countries such as China and India have a lot of ground to make up when it comes to their motorways, railway lines, power plants, supply of energy sources, ports, airports, sewage treatment plants, water supply, and more.

### **Market report and portfolio orientation:**

During the reporting period, the global equity markets were hit hard by high inflation, the COVID-19 pandemic, monetary policy (Fed, ECB, BoJ), and the commodity price trend. This led to a significant increase in volatility. The first quarter of 2022 was a stark contrast to 2021. Almost exactly a year after the WHO announced a global pandemic in March 2020, the equity markets were at record highs. This rapid uptrend was spurred further by the approval of vaccines at the end of last year. The positive economic outlook also sent inflation expectations climbing. The increase in yields for ten-year US government bonds also led to higher volatility and a sector rotation. While highly valued technology shares corrected, especially cyclical names with recovery potential profited from this rotation. Before the war in Ukraine, the economic indicators were pointing to a continuation of the recovery scenario. The dampening effect that the Omicron variant had on the developed economies waned.

ERSTE STOCK ASIA INFRASTRUCTURE achieved a negative performance of 7.51% in euros for the reporting period. While a sideways trend prevailed in 2022 in general starting in the second quarter, the Asian exchanges retreated on a volatile track from the beginning of 2022 onward. The Asia-Pacific region remains the driver of global economic expansion and is expected to deliver the strongest growth in the world again in 2022. Both the development of the Asian currencies versus the euro and stock picks (considering the very high levels of fluctuation and stock diversity) were significant drivers of this performance. The best performance was seen with energy names including Cosco Shipping Energy Trans and Petrochina in China, Thailand's PTT-Explor. & Production Pcl, and the industrial group Keppel Corp in Singapore. Negative performance was seen for companies including the South Korean communication names Naver Corp and Kakao Corp.

Due to unit redemptions, the Fund conducted over EUR 4 million in equities transactions during the reporting period to maintain its strategic orientation. Thanks to its orientation towards the active selection of individual instruments, ERSTE STOCK ASIA INFRASTRUCTURE was able to make opportunistic use of market corrections in order to actively build up favourable individual positions in quality names. The individual stocks are selected using a fundamental investment process and are precisely coordinated to minimise risk, which generates a diversified Asia portfolio with an attractive risk/return profile.

The portfolio is broadly diversified at present with 75 stocks and is allocated roughly as follows: 41% industry, 9% utilities, 9.9% communications, 13% IT, 12% materials, and 13.3% energy. The sector allocation was also gradually changed during the reporting period. The industrial sector was increased further in light of the rising infrastructure and environmental technology investments. Energy, materials, and transport companies saw better performance than other sectors. The allocation to these sectors was raised during the reporting period. While cyclical sectors profited above all from the recovery of the global economy in 2021, materials and energy companies posted gains starting at the beginning of the year.

The largest weightings are currently in China/Hong Kong (roughly 45%), South Korea (roughly 14%), Taiwan (roughly 9.4%), Singapore (roughly 4.2%), Thailand (roughly 5%), and India (roughly 18.2%).

Foreign currency risk is not hedged for strategic reasons. No derivatives were used during the reporting period.

No investments were made in the Indian industrial company Larsen & Toubro Ltd. because of the EAM restricted banned weapons guideline. Due to ESG considerations, no investments were made in companies that generate their revenue through coal transactions, and any such holdings were sold while protecting the interests of the unit-holders (e.g. Jardine Matheson Holdings, Jardine Strategic Holdings, and Sembcorp Industries). No investments were made in Chinese companies on the US restricted banned list, and existing positions were sold while protecting the Fund's interests.

The allocation to China/Hong Kong was reduced during the reporting period. The focus in the China portfolio is being placed on companies in the segment of "new infrastructure" (5G, cloud computing, AI, robotics, environmental technologies, batteries, electric vehicles, etc.) over the long term to seize the opportunities that will arise from investments by the Chinese government. Purchases were made in companies including Nari Technology, Xinyi Glass Holding, Haitian International Holdings, and CN Northern Rare. Real estate managers and service providers such as A-Living, which made an important contribution to supplying the population during the lockdown, were also added to the China portfolio.

Conversely, positions including Luxshare Precision Industries, Anhui Conch Cement, Tencent Holding, Xinao Gas Holdings, Jiangsu Hengli Hydr., Cnooc Ltd., MTR Corp, Sany Heavy Industry, Kingsoft Cloud Holding, Vnet Group, and Boc Aviation were sold.

Sector rotations were also gradually implemented in the portfolio for South Korea due to the strong performance of the construction, real estate, and transport sectors. Additional shares were picked up in GS Engineering & Construction and Daewoo Engineering & Construction. Conversely, Wonik IPS, NCsoft Corp, and LS Electronic were sold. In India, Reliance Industries, Sterlite Technologies, Container Corp., and Hindalco Industries were bought. This increased the weighting of India in the reporting period. The stake in the Indian energy company Reliance Industries is currently the largest individual position in the portfolio at around 6.8%.

The weighting of Taiwan was increased over the past 12 months. Names including Taiwan Semiconductor Manufacturing and Evergreen Marine were bought. As far as transactions in the ASEAN countries are concerned, the positions in Singapore were increased due to better business prospects and Keppel Corp was bought.

## **Outlook:**

### **Market outlook:**

Reports are indicating that the upswing will be dampened by the Russian war in Ukraine. In the base scenario, the global recovery will be slowed substantially by the current crisis but will withstand the current commodity price shock. The downside risks dominate here, especially in Europe. China is a source of uncertainty. The zero-COVID policy led to new lockdowns in the first and second quarters of 2022. In China, the transition to an endemic will not happen as quickly as in the developed economies as a result. Global supply chains may also be disrupted again, causing additional cost pressure. After the strong 6.1% growth posted in 2021, the International Monetary Fund (IMF) has lowered its estimates for the global economy to plus 3.6% for 2022 and plus 3.3% for 2023.

At the same time, the IMF raised its 2022 inflation projections for the industrialised countries to 5.7% and for the emerging markets to 8.7%. In any case, growth is still not uniform in the emerging market regions. The government stimulus in China is expected to increase further.

Overall, the countries of Asia are likely to remain important for global economic growth. The structural development of the region's infrastructure sectors is intact. The Asian governments have also identified this area as a target for improvement measures. A great focus here is being placed on "new infrastructure". The expansion of 5G, the IoT, cloud computing, environmental technology, robotics, electric vehicles, and batteries are megatrends that will have a substantial shaping effect on infrastructure. Our preferred themes include the accelerated introduction of clean energy in China as set forth in its latest five-year plan that begins in 2021. China's commitment to reaching zero net carbon emissions by 2060 will require comprehensive and rapid investments in clean energy technologies and plants over many years. New projects were also announced in areas including 5G network expansion, AI, cloud computing, health care system expansions, and more. China intends to further extend its global market leadership in many fields of technology. A strong focus is also being placed on ensuring a stable real estate market, which makes an important contribution to GDP. This sector is also a source of substantial tax revenue, and building land auctions are one of the most important income sources for local governments. The companies in the infrastructure sectors are likely to profit from this. China's initiative for the development of a "New Silk Road" and "One Belt, One Road" covers around 65 countries with about 70% of the world's population. The construction of a modern infrastructure with new economic corridors along the trade routes that connect Asia, Africa, and Europe by land and sea will bring important new opportunities for infrastructure companies. The Asian countries are in solid fundamental shape, and some economic indicators are already at pre-crisis levels.

The global equity markets will continue to see high volatility. Even though investors and analysts expect stable Q2 corporate results, negative momentum still seems likely.

The IMF anticipates growth of 3.6% in 2022. But these projections depend largely on the duration of the Ukraine-Russia war and China's zero-COVID policy and are thus still subject to great uncertainty. Most Asian countries are in solid fundamental shape, and some economic indicators are already at pre-crisis levels.

Positive corporate earnings are still expected in all sectors in 2022. We expect gains in energy, materials, and industry in particular.

## Method of Calculating the Global Exposure

Method of calculating the global exposure:	Commitment approach
Reference assets used:	-
Value at risk:	
Lowest value:	-
Average value:	-
Highest value:	-
Model used:	-
Leverage* when using the value-at-risk calculation method:	-
Leverage** according to § 4 of the 4 <sup>th</sup> Derivatives Risk Measurement and Reporting Regulation:	-

\* Total nominal values of derivative instruments without taking into account offsetting and hedging (item 8.5. Schedule B InvFG 2011).

\*\* Total derivative risk taking offsetting and hedging into account = total of the equivalent values of the underlying assets as a percentage of the fund assets.

## Asset Allocation

	As of 31.05.2022	
	EUR millions	%
Equities		
CNY	1.3	9.26
HKD	5.1	35.11
INR	2.6	18.14
IDR	0.1	0.94
KRW	2.2	14.97
MYR	0.1	0.41
PHP	0.2	1.06
SGD	0.5	3.40
TWD	1.6	10.80
THB	0.6	4.35
USD	0.1	0.66
Transferable securities	14.4	99.10
Bank balances	0.1	0.55
Dividend entitlements	0.1	0.36
Other deferred items	-0.0	-0.01
Fund assets	14.6	100.00

## Comparative Overview

Accounting year	Fund assets
2019/2020	16,356,674.91
2020/2021	19,764,929.60
2021/2022	14,579,019.79

General information about performance:

The performance of unit categories with no outstanding units at the end of the reporting period or no outstanding units during the reporting period is generally based on the dividend-adjusted performance of the overall fund. In these cases, the performance is not reported below.

When a unit category is issued during the reporting period, the performance and reinvestment are calculated from the point in time that the unit category is launched. Because of this and possible other fees and currency classes, the performance and reinvestment of this unit category differ from those of comparable unit categories.

The performance is determined assuming the reinvestment of all paid dividends and amounts at their nominal value on the day of disbursement.

Accounting year	Fund type	ISIN	Currency	Calculated value per unit	Dividend disbursement/payment	Re-investment	Development in per cent
2019/2020	Dividend-bearing units	AT0000A05S63	EUR	4.53	0.0500	0.0000	-7.83
2020/2021	Dividend-bearing units	AT0000A05S63	EUR	5.86	0.0700	0.0000	30.68
2021/2022	Dividend-bearing units	AT0000A05S63	EUR	5.36	0.0700	0.0000	-7.51

Accounting year	Fund type	ISIN	Currency	Calculated value per unit	Dividend disbursement/payment	Re-investment	Development in per cent
2019/2020	Non-dividend-bearing units	AT0000A05S71	EUR	6.13	0.0000	0.0000	-7.82
2020/2021	Non-dividend-bearing units	AT0000A05S71	EUR	8.00	0.0000	0.0000	30.51
2021/2022	Non-dividend-bearing units	AT0000A05S71	EUR	7.41	0.0000	0.0000	-7.38

Accounting year	Fund type	ISIN	Currency	Calculated value per unit	Dividend disbursement/payment	Re-investment	Development in per cent
2019/2020	KESt-exempt non-dividend-bearing units	AT0000A09F07	EUR	6.29	-	0.0000	-7.91
2020/2021	KESt-exempt non-dividend-bearing units	AT0000A09F07	EUR	8.21	-	0.0000	30.52
2021/2022	KESt-exempt non-dividend-bearing units	AT0000A09F07	EUR	7.61	-	0.0000	-7.31

Accounting year	Fund type	ISIN	Currency	Calculated value per unit	Dividend disbursement/payment	Re-investment	Development in per cent
2019/2020	KESSt-exempt non-dividend-bearing units	AT0000A09GR7	HUF	2,170.61	-	0.0000	-2.18
2020/2021	KESSt-exempt non-dividend-bearing units	AT0000A09GR7	HUF	2,851.04	-	0.0000	31.35
2021/2022	KESSt-exempt non-dividend-bearing units	AT0000A09GR7	HUF	3,020.40	-	37.5374	5.94

## Disbursement/Payment

The following disbursement or payment will be made for the accounting year from 1 June 2021 to 31 May 2022. The coupon-paying bank is obligated to withhold capital gains tax from this disbursement if the respective investor is not exempt from the payment of this tax.

The disbursement or payment will be effected on or after 1 September 2022 at

Erste Group Bank AG, Vienna,

and the respective bank managing the Unit-holder's securities account.

Fund type	ISIN	Currency	Dividend disbursement/payment		KESSt with option declaration	KESSt w/o option declaration	Reinvestment
Dividend-bearing units	AT0000A05S63	EUR	0.0700		0.0118	0.0118	0.0000
Non-dividend-bearing units	AT0000A05S71	EUR	0.0000		0.0000	0.0000	0.0000
KESSt-exempt non-dividend-bearing units	AT0000A09F07	EUR	-	*	-	-	0.0000
KESSt-exempt non-dividend-bearing units	AT0000A09GR7	HUF	-	*	-	-	37.5374

\* Pursuant to the penultimate sentence of § 58 (2) of the Austrian Investment Fund Act, no capital gains tax will be paid.

## Income Statement and Changes in Fund Assets

### 1. Value Development over the Accounting Year (Fund Performance)

Calculation according to the OeKB method per unit in the unit currency not accounting for a front-end surcharge

The performance of unit categories with no outstanding units at the end of the reporting period or no outstanding units during the reporting period is generally based on the dividend-adjusted performance of the overall fund. In these cases, the "performance", the "net earnings per unit", and the "total value including (notional) units gained through disbursement/payment" are not reported in the following.

When a unit category is issued during the reporting period, the performance is calculated from the point in time that the unit category is launched. Because of this and possible other fees and currency classes, the performance of this unit category differs from that of comparable unit categories.

<b>AT0000A05S63 dividend-bearing units EUR</b>	
Unit value at the beginning of the reporting period (288,159.546 units)	5.86
Disbursement/payment on 30.08.2021 (corresponds to roughly 0.0120 units at a calculated value of 5.81)	0.0700
Unit value at the end of the reporting period (258,238.563 units)	5.36
Total value including (notional) units gained through dividend disbursement/payment	5.42
Net earnings per unit	-0.44
<b>Value development of one unit in the period</b>	<b>-7.51%</b>

<b>AT0000A05S71 non-dividend-bearing units EUR</b>	
Unit value at the beginning of the reporting period (1,780,191.384 units)	8.00
Disbursement/payment	0.0000
Unit value at the end of the reporting period (1,653,650.267 units)	7.41
Total value including (notional) units gained through dividend disbursement/payment	7.41
Net earnings per unit	-0.59
<b>Value development of one unit in the period</b>	<b>-7.38%</b>

<b>AT0000A09F07 KEST-exempt non-dividend-bearing units EUR</b>	
Unit value at the beginning of the reporting period (396,707.446 units)	8.21
Disbursement/payment	0.0000
Unit value at the end of the reporting period (67,374.220 units)	7.61
Total value including (notional) units gained through dividend disbursement/payment	7.61
Net earnings per unit	-0.60
<b>Value development of one unit in the period</b>	<b>-7.31%</b>

<b>AT0000A09GR7 KEST-exempt non-dividend-bearing units HUF</b>	
Unit value at the beginning of the reporting period (68,703.086 units)	2,851.04
Disbursement/payment	0.0000
Unit value at the end of the reporting period (54,300.542 units)	3,020.40
Total value including (notional) units gained through dividend disbursement/payment	3,020.40
Net earnings per unit	169.36
<b>Value development of one unit in the period</b>	<b>5.94%</b>

## 2. Fund Result

### a. Realised fund result

#### Ordinary fund result

##### Income (without profit or loss from price changes)

Interest income (excluding income adjustment) 0.00

Dividend income 302,588.30

Other income 8) 0.00

Total income (without profit or loss from price changes) 302,588.30

**Interest paid** - 1,162.27

##### Expenses

Fees paid to Investment Firm - 293,240.29

Costs for the financial auditor and tax consultation - 3,633.00

Publication costs - 33,826.42

Securities account fees - 8,270.34

Depository bank fees - 23,459.09

Costs for the external consultant 0.00

Performance fee -

Total expenses - 362,429.14

Compensation for management costs from sub-funds 1) 0.00

**Ordinary fund result (excluding income adjustment) - 61,003.11**

#### Realised profit or loss from price changes 2) 3)

Realised gains 4) 1,189,567.23

Realised losses 5) - 599,893.14

**Realised profit or loss from price changes (excluding income adjustment) 589,674.09**

**Realised fund result (excluding income adjustment) 528,670.98**

### b. Unrealised profit or loss from price changes 2) 3)

Changes in the unrealised profit or loss from price changes 7) - 1,668,921.80

**Result for the reporting period 6) - 1,140,250.82**

### c. Income adjustment

Income adjustment for income in the period - 32,511.91

Income adjustment for profit carried forward from dividend-bearing units - 1,314.86

**Overall fund result - 1,174,077.59**

### **3. Changes in Fund Assets**

<b>Fund assets at the beginning of the reporting period</b>	<b>19,764,929.60</b>
<b>Disbursement/payment in the accounting year</b>	<b>- 19,802.69</b>
<b>Issue and redemption of units</b>	<b>- 3,992,029.53</b>
<b>Overall fund result</b>	
(The fund result is shown in detail under item 2.)	<b>- 1,174,077.59</b>
<b>Fund assets at the end of the reporting period</b>	<b><u>14,579,019.79</u></b>

- 1) Reimbursements (in the sense of commissions) paid by third parties are forwarded to the fund after deduction of appropriate costs. Erste Bank der oesterreichischen Sparkassen AG receives 25% of the calculated commissions to cover administrative costs.
- 2) Realised profits and losses are not calculated precisely for the specific periods, which means that they, as is the case for the changes in the unrealised profit or loss, are not necessarily congruent with the changes in the value of the fund in the accounting year.
- 3) Total profit or loss from price changes without income adjustment (realised profit or loss from price changes, without income adjustment, plus changes in the unrealised profit or loss): EUR -1,079,247.71.
- 4) Thereof profits from transactions with derivative financial instruments: EUR 0.00.
- 5) Thereof losses from transactions with derivative financial instruments: EUR 0.00.
- 6) The result for the accounting year includes explicitly reported transaction costs in the amount of EUR 17,694.19.
- 7) Thereof changes in unrealised gains EUR -1,857,858.61 and unrealised losses EUR 188,936.81.
- 8) The earnings reported under this item can be attributed to lending fees from securities lending transactions conducted with Erste Group Bank AG in the amount of EUR 0.00, to earnings from real estate funds in the amount of EUR 0.00, and to other earnings in the amount of EUR 0.00.

# Statement of Assets and Liabilities as of 31 May 2022

(including changes in securities assets from 1 June 2021 to 31 May 2022)

Security designation	ISIN number	Purch./ additions	Sales/ disposals	Holding Units/nominal (nom. in 1,000, rounded)	Price	Value in EUR	% share of fund assets
<b>Publicly traded securities</b>							
<b>Equities denominated in CNY</b>							
<b>Issue country China</b>							
AIR CHINA LTD A YC 1	CNE000001NNO	0	0	80,000	9.690	108,708.46	0.75
BEIJ.EASP.MAT.TECH.A YC 1	CNE100000NN1	5,000	0	5,000	69.800	48,941.24	0.34
BEIJING OR.YUH.WATER.TE.A	CNE100000CS3	0	0	30,000	44.550	187,421.12	1.29
CN NORTHN RARE E.GR.A YC1	CNE000000T18	10,000	0	10,000	34.830	48,843.08	0.34
CONT.AMPEREX TECH. A YC 1	CNE100003662	0	0	10,000	408.000	572,149.77	3.92
EVE ENERGY CO.LTD A YC1	CNE100000GS4	0	0	10,000	80.430	112,789.23	0.77
NARI TECHNOLOGY A YC 1	CNE000001G38	15,000	0	15,000	34.250	72,044.59	0.49
SANY HEAVY INDUSTRY A YC1	CNE000001F70	0	30,000	30,000	16.950	71,308.37	0.49
SHENZHEN INOV.TECHN.A YC1	CNE100000V46	4,957	0	14,871	61.230	127,689.15	0.88
Total issue country China						<u>1,349,895.01</u>	<u>9.26</u>
Total equities denominated in CNY translated at a rate of 7.13100						<u>1,349,895.01</u>	<u>9.26</u>
<b>Equities denominated in HKD</b>							
<b>Issue country Cayman Islands</b>							
CH.CONCH ENV.PRO.HLDGS	KYG2124M1015	70,000	0	70,000	5.160	42,976.72	0.29
Total issue country Cayman Islands						<u>42,976.72</u>	<u>0.29</u>
Total equities denominated in HKD translated at a rate of 8.40455						<u>42,976.72</u>	<u>0.29</u>
<b>Equities denominated in INR</b>							
<b>Issue country India</b>							
ASHOK LEYLAND DEMAT. IR 1	INE208A01029	0	0	70,000	137.500	115,729.75	0.79
BHARTI AIRTEL IR 5	INE397D01024	0	0	15,000	700.200	126,286.70	0.87
CONTAINER C.IN.DEMAT.IR 5	INE111A01025	10,000	0	10,000	650.450	78,209.26	0.54
GAIL (INDIA) LTD. IR 10	INE129A01019	0	0	100,000	147.200	176,991.36	1.21
HINDALCO INDS DEMAT IR 1	INE038A01020	20,000	0	90,000	422.550	457,261.76	3.14
INFOSYS LTD. DEMAT. IR 5	INE009A01021	0	0	20,000	1,503.600	361,581.81	2.48
POWER GRID CORP. IND.IR10	INE752E01010	13,333	0	53,333	232.900	149,351.56	1.02
RELIANCE INDS(DEMAT) IR10	INE002A01018	10,000	0	30,000	2,632.650	949,639.22	6.51
STERLITE TECH.DEM.NEW IR2	INE089C01029	20,000	0	20,000	174.050	41,855.09	0.29
UPL LTD IR 2	INE628A01036	0	14,500	20,000	779.600	187,476.18	1.29
Total issue country India						<u>2,644,382.69</u>	<u>18.14</u>
Total equities denominated in INR translated at a rate of 83.16790						<u>2,644,382.69</u>	<u>18.14</u>

## ERSTE STOCK ASIA INFRASTRUCTURE

Security designation	ISIN number	Purch./ additions Units/nominal (nom. in 1,000, rounded)	Sales/ disposals	Holding	Price	Value in EUR	% share of fund assets
<b>Equities denominated in KRW</b>							
<b>Issue country Republic of Korea</b>							
DAEWOO ENGINEER.+CONSTR.	KR7047040001	15,000	0	35,000	6,550.000	172,973.05	1.19
GS ENGIN.+CONSTR. SW 5000	KR7006360002	3,000	0	3,000	39,800.000	90,089.34	0.62
HD HYUNDAI CO.LTD.SW 1000	KR7267250009	0	0	2,850	62,500.000	134,398.36	0.92
HYUNDAI GLOVIS CO. SW 500	KR7086280005	0	0	1,000	212,000.000	159,957.63	1.10
KAKAO CORP. SW 100	KR7035720002	0	0	2,500	85,000.000	160,334.88	1.10
KOREA SHIP.+OFFS.E SW5000	KR7009540006	0	0	2,184	91,400.000	150,614.89	1.03
LG CORP. SW 5000	KR7003550001	1	1	3,646	80,200.000	220,627.74	1.51
LX HOLDINGS CORP. SW 1000	KR7383800000	0	0	1,768	9,700.000	12,939.67	0.09
NAVER CORP SW 100	KR7035420009	0	0	400	288,000.000	86,920.37	0.60
SAMSUNG EL. SW 100	KR7005930003	0	0	9,000	67,400.000	457,690.08	3.14
SAMSUNG SDI CO. SW 5000	KR7006400006	0	0	1,000	575,000.000	433,847.34	2.98
SK ENERGY CO. LTD. SW5000	KR7096770003	11	1,000	11	215,500.000	1,788.58	0.01
SK SQUARE CO. LTD SW 100	KR7402340004	982	1	981	47,300.000	35,010.57	0.24
SK TELECOM CO. LTD SW 100	KR7017670001	4,018	3,000	1,518	57,100.000	65,399.88	0.45
Total issue country Republic of Korea						<u>2,182,592.38</u>	<u>14.97</u>
Total equities denominated in KRW translated at a rate of 1,325.35100						<u>2,182,592.38</u>	<u>14.97</u>
<b>Equities denominated in PHP</b>							
<b>Issue country Philippines</b>							
INTL CONTAINER TERM. PP 1	PHY411571011	0	0	40,000	217.000	154,668.02	1.06
Total issue country Philippines						<u>154,668.02</u>	<u>1.06</u>
Total equities denominated in PHP translated at a rate of 56.12020						<u>154,668.02</u>	<u>1.06</u>
<b>Equities denominated in TWD</b>							
<b>Issue country Taiwan</b>							
ASIA CEMENT CORP. TA 10	TW0001102002	0	0	120,000	44.400	171,356.90	1.18
EVERGR.MARINE (TAIW.)TA10	TW0002603008	20,000	0	80,000	140.500	361,496.16	2.48
FAR EASTN NEW CENTUR.TA10	TW0001402006	0	0	100,401	30.500	98,486.17	0.68
HIWIN TECH.CORP. TA 10	TW0002049004	309	0	10,609	225.000	76,770.49	0.53
MEDIATEK INC. TA 10	TW0002454006	0	0	5,000	905.000	145,531.15	1.00
TAIWAN SEMICON.MANU. TA10	TW0002330008	10,000	0	40,000	560.000	720,419.39	4.94
Total issue country Taiwan						<u>1,574,060.26</u>	<u>10.80</u>
Total equities denominated in TWD translated at a rate of 31.09300						<u>1,574,060.26</u>	<u>10.80</u>
Total publicly traded securities						<u>7,948,575.08</u>	<u>54.52</u>
<b>Securities admitted to organised markets</b>							
<b>Equities denominated in HKD</b>							
<b>Issue country Bermuda</b>							
BEIJING ENTER.WTR GR.CON	BMG0957L1090	0	0	250,000	2.600	77,339.06	0.53
CHINA GAS HLDGS HD-.01	BMG2109G1033	0	0	45,000	11.700	62,644.64	0.43
KUNLUN ENERGY CO. HD-.01	BMG5320C1082	0	0	150,000	6.760	120,648.93	0.83
Total issue country Bermuda						<u>260,632.63</u>	<u>1.79</u>

Security designation	ISIN number	Purch./ additions Units/nominal (nom. in 1,000, rounded)	Sales/ disposals	Holding	Price	Value in EUR	% share of fund assets
<b>Issue country Cayman Islands</b>							
CHINA CONCH VENT. HD -.01	KYG2116J1085	0	0	70,000	20.400	169,907.97	1.17
CK HUTCHISON HLDGS	KYG217651051	0	0	60,000	55.700	397,641.75	2.73
COUNTRY GARDEN SVDL-.0001	KYG2453A1085	0	0	20,000	31.100	74,007.53	0.51
HAITIAN INTL HLDGS HD-.10	KYG4232C1087	40,000	40,000	80,000	20.150	191,800.87	1.32
JD.COM. INC. A	KYG8208B1014	810	1	809	226.000	21,754.17	0.15
SANY HEAVY EQP.HL.CO.REGS	KYG781631059	0	0	300,000	7.900	281,990.11	1.93
TENCENT HLDGS HD-.00002	KYG875721634	0	8,000	12,000	362.400	517,434.01	3.55
XINAO GAS HOLDINGS HD-.10	KYG3066L1014	0	15,000	20,000	120.300	286,273.51	1.96
XINYI GLASS HLDGS HD,- 10	KYG9828G1082	40,000	0	40,000	19.940	94,900.98	0.65
Total issue country Cayman Islands						2,035,710.90	13.96
<b>Issue country China</b>							
CHINA MOLYBDENUM H	CNE100000114	0	0	249,000	3.850	114,063.22	0.78
CHINA NATL BUIL. M. H YC1	CNE1000002N9	0	0	80,000	9.910	94,329.86	0.65
CHINA PETRO.+ CHEM. H YC1	CNE1000002Q2	0	0	160,000	3.790	72,151.39	0.49
CHINA RAILWAY GRP H YC 1	CNE1000007Z2	0	0	293,000	5.430	189,301.03	1.30
CHINA TOWER CORP. H YC 1	CNE100003688	0	0	500,000	0.920	54,732.26	0.38
COSCO SHIP.HLDG.CO.H YC 1	CNE1000002J7	45,000	0	195,000	13.900	322,503.88	2.21
PETROCHINA CO. LTD H YC 1	CNE1000003W8	0	0	220,000	4.210	110,202.21	0.76
WEICHAJ POWER CO. H YC 1	CNE1000004L9	0	0	70,000	12.200	101,611.63	0.70
XINJIANG GOLDW.SC.+T.H	CNE100000PP1	0	0	70,000	12.860	107,108.65	0.73
ZHUZHOU CRRC TIME.E.H YC1	CNE1000004X4	0	0	27,000	33.600	107,941.53	0.74
ZIJIN MINING GRP H YC-.10	CNE100000502	0	0	280,000	10.660	355,140.97	2.44
Total issue country China						1,629,086.63	11.17
<b>Issue country Hong Kong</b>							
BEIJING ENTERPRISES	HK0392044647	0	0	30,000	27.500	98,161.12	0.67
CHINA MERCHANTS PORT HLDG	HK0144000764	0	0	80,000	14.880	141,637.57	0.97
H.K. CHINA GAS	HK0003000038	13,480	0	283,086	8.880	299,100.33	2.05
TECHTRONIC I.SUBD.	HK0669013440	0	0	50,000	102.800	611,573.49	4.19
Total issue country Hong Kong						1,150,472.51	7.89
Total equities denominated in HKD translated at a rate of 8.40455						5,075,902.67	34.82
<b>Equities denominated in IDR</b>							
<b>Issue country Indonesia</b>							
TELKOM INDONESIA B RP 50	ID1000129000	0	0	500,000	4,310.000	137,675.93	0.94
Total issue country Indonesia						137,675.93	0.94
Total equities denominated in IDR translated at a rate of 15,652.70000						137,675.93	0.94
<b>Equities denominated in SGD</b>							
<b>Issue country Singapore</b>							
COMFORTDELGRO	SG1N31909426	0	70,000	70,000	1.440	68,639.13	0.47
KEPPEL CORP. SUB. SD-.25	SG1U68934629	50,000	30,040	50,000	6.890	234,585.13	1.61

## ERSTE STOCK ASIA INFRASTRUCTURE

Security designation	ISIN number	Purch./ additions Units/nominal (nom. in 1,000, rounded)	Sales/ disposals	Holding	Price	Value in EUR	% share of fund assets
SEMBCORP MARINE SD-.10	SG1H97877952	0	0	366,360	0.119	29,687.00	0.20
SINGAPORE AIRP. TERM.	SG1I52882764	0	25,000	25,000	4.380	74,563.34	0.51
SINGAPORE TELE. SD-.15	SG1T75931496	0	0	50,000	2.590	88,182.22	0.60
Total issue country Singapore						495,656.82	3.40
Total equities denominated in SGD translated at a rate of 1.46855						495,656.82	3.40
<b>Equities denominated in THB</b>							
<b>Issue country Thailand</b>							
AIRPORTS THAIL.-NVDR-BA 1	TH0765010R16	0	0	100,000	69.750	190,271.21	1.31
INDORAMA VENT.-NVDR- BA 1	TH1027010R10	0	0	100,000	49.250	134,349.20	0.92
PTT EXPL.+PROD.-NVDR-BA 1	TH0355010R16	0	0	42,000	169.500	194,199.39	1.33
PTT PCL -NVDR- BA 1	TH0646010R18	0	0	110,000	38.250	114,776.50	0.79
Total issue country Thailand						633,596.30	4.35
Total equities denominated in THB translated at a rate of 36.65820						633,596.30	4.35
<b>Equities denominated in USD</b>							
<b>Issue country Cayman Islands</b>							
NETEASE INC. ADR/5	US64110W1027	0	0	1,000	103.730	96,830.81	0.66
Total issue country Cayman Islands						96,830.81	0.66
Total equities denominated in USD translated at a rate of 1.07125						96,830.81	0.66
Total securities admitted to organised markets						6,439,662.53	44.17
<b>Unlisted securities</b>							
<b>Equities denominated in HKD</b>							
<b>Issue country Cayman Islands</b>							
CH.MET.RECL.REGS HD-.0001	KYG211311009	0	0	250,000	0.000	0.00	0.00
Total issue country Cayman Islands						0.00	0.00
Total equities denominated in HKD translated at a rate of 8.40455						0.00	0.00
<b>Equities denominated in MYR</b>							
<b>Issue country Malaysia</b>							
PRESS METAL ALUM.HLDGS	MYL886900009	50,000	0	50,000	5.540	59,056.17	0.41
Total issue country Malaysia						59,056.17	0.41
Total equities denominated in MYR translated at a rate of 4.69045						59,056.17	0.41
Total unlisted securities						59,056.17	0.41
<b>Breakdown of fund assets</b>							
Transferable securities						14,447,293.78	99.10
Bank balances						80,356.80	0.55
Dividend entitlements						52,261.47	0.36
Other deferred items						-892.26	-0.01
Fund assets						14,579,019.79	100.00

**Investor note:****The values of assets in illiquid markets may deviate from their actual selling prices.**

Dividend-bearing units outstanding	AT0000A05S63	units	258,238.563
Value of dividend-bearing unit	AT0000A05S63	EUR	5.36
Non-dividend-bearing units outstanding	AT0000A05S71	units	1,653,650.267
Value of non-dividend-bearing unit	AT0000A05S71	EUR	7.41
KEST-exempt non-dividend-bearing units outstanding	AT0000A09GR7	units	54,300.542
Value of KEST-exempt non-dividend-bearing unit	AT0000A09GR7	HUF	3,020.40
KEST-exempt non-dividend-bearing units outstanding	AT0000A09F07	units	67,374.220
Value of KEST-exempt non-dividend-bearing unit	AT0000A09F07	EUR	7.61

The Fund is not permitted to engage in repurchase agreements pursuant to Regulation (EU) No. 2015/2365 (Regulation on Transparency of Securities Financing Transactions and of Reuse). For this reason, repurchase agreements were not employed.

No total return swaps pursuant to Regulation (EU) 2015/2365 (Regulation on Transparency of Securities Financing Transactions and of Reuse) were concluded for the Fund during the reporting period.

The Fund is not permitted to engage in securities lending agreements pursuant to Regulation (EU) No. 2015/2365 (Regulation on Transparency of Securities Financing Transactions and of Reuse). For this reason, securities lending agreements were not employed.

**Explanation on disclosure pursuant to Delegated Regulation (EU) No. 2016/2251 supplementing Regulation (EU) No. 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties, and trade repositories with regard to regulatory technical standards for risk-mitigation techniques for OTC derivative contracts not cleared by a central counterparty:**

All OTC derivatives are traded through Erste Group Bank AG.

In the event of negative derivatives exposure, collateral in the form of cash or bonds is pledged to Erste Group Bank AG in accordance with the contractually agreed threshold.

In the event of positive derivatives exposure, EUR-denominated government bonds from the Republic of Austria and/or the Federal Republic of Germany are pledged by Erste Group Bank AG to the Fund in accordance with the contractually agreed threshold. A one-time discount of 4% is agreed with the counterparty for this collateral. Collateral that would require a higher discount pursuant to Annex II to Delegated Regulation (EU) No. 2016/2251 is not accepted.

## ERSTE STOCK ASIA INFRASTRUCTURE

### Purchases and sales of transferable securities in the reporting period not listed in the statement of assets and liabilities

Security designation	ISIN number	Purch./ additions Units/nominal (nom. in 1,000, rounded)	Sales/ disposals
<b>Publicly traded securities</b>			
<b>Equities denominated in CNY</b>			
<b>Issue country China</b>			
BAOSHAN IRON+STEEL A YC 1	CNE0000015R4	0	100,000
JIANGSU HENGLI HYDR.A YC1	CNE1000019R4	0	40,000
LUXSHARE PRECISION INDS.A	CNE100000TP3	0	15,000
<b>Equities denominated in INR</b>			
<b>Issue country India</b>			
BHARTI AIRTEL RIGHTS	INE397D20024	1,071	1,071
TATA MOTORS DEMAT. IR 2	INE155A01022	0	30,000
<b>Equities denominated in KRW</b>			
<b>Issue country Republic of Korea</b>			
LG CHEM SW 5000	KR7051910008	0	300
LS ELECTRIC SW 5000	KR7010120004	0	2,000
NCSOFT CORP. SW 500	KR7036570000	0	400
POSCO HOLD. SW 5000	KR7005490008	0	800
SAMSUNG C+T CORP. SW 100	KR7028260008	0	2,500
SK SW5000	KR7034730002	0	1,494
WONIK IPS CO. LTD SW 500	KR7240810002	0	2,300
<b>Equities denominated in PHP</b>			
<b>Issue country Philippines</b>			
PLDT INC. PP 5	PHY7072Q1032	0	4,000
SM INVESTMENTS PP 10	PHY806761029	0	11,000
<b>Equities denominated in TWD</b>			
<b>Issue country Cayman Islands</b>			
AIRTAC INTL GROUP TA 10	KYG014081064	0	7,000

<b>Security designation</b>	<b>ISIN number</b>	<b>Purch./ additions Units/nominal (nom. in 1,000, rounded)</b>	<b>Sales/ disposals</b>
<b>Securities admitted to organised markets</b>			
<b>Equities denominated in HKD</b>			
<b>Issue country Cayman Islands</b>			
XIAOMI CORP. CL.B	KYG9830T1067	0	50,000
<b>Issue country China</b>			
A-LIVING SM.CI.SV. H YC 1	CNE100002RY5	20,000	20,000
ANHUI CONCH CEMENT H YC1	CNE1000001W2	0	20,000
CHINA RAILWAY CONS.H YC 1	CNE100000981	0	127,000
<b>Issue country Hong Kong</b>			
CNOOC LTD N.P.	HK0883013259	0	100,000
FOSUN INTL LTD	HK0656038673	0	90,000
MTR CORP. LTD	HK0066009694	0	40,000
<b>Issue country Singapore</b>			
BOC AVIATION LTD.	SG9999015267	0	10,000
<b>Equities denominated in IDR</b>			
<b>Issue country Indonesia</b>			
JASA MARGA (PERSERO)RP500	ID1000108103	0	300,000
<b>Equities denominated in SGD</b>			
<b>Issue country Singapore</b>			
SINGAPORE AIRLINES N.P.	SG1V61937297	0	30,000
SINGAPORE AIRLINES -RIGHTS-	SGXN93802555	62,700	62,700
<b>Equities denominated in USD</b>			
<b>Issue country Cayman Islands</b>			
BAIDU A ADR DL-.000000625	US0567521085	0	700
GDS HLDGS LTD.CL.A ADR/8	US36165L1089	0	2,000
JOYY INC.SP.ADR/20 CL.A	US46591M1099	0	1,500
KINGS.CLOUD HLD.SP.ADR/15	US49639K1016	0	3,000
VNET GROUP ADR A/6 N.P.	US90138A1034	0	4,000

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## ERSTE STOCK ASIA INFRASTRUCTURE

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<b>Security designation</b>	<b>ISIN number</b>	<b>Purch./ additions</b>	<b>Sales/ disposals</b>
<b>Units/nominal (nom. in 1,000, rounded)</b>			
<b>Unlisted securities</b>			
<b>Equities denominated in SGD</b>			
<b>Issue country Singapore</b>			
SEMBORP MARINE RIGHTS	SGXN96951979	549,540	549,540

Vienna, 1 August 2022

Erste Asset Management GmbH  
Electronically signed

Inspection information: The electronic signatures of this document can be inspected at the website of Rundfunk und Telekom Regulierungs-GmbH (<https://www.signatur.rtr.at/de/vd/Pruefung.html>).

Note: This document was signed with two qualified electronic signatures. A qualified electronic signature has the same legal effect as a hand-written signature (Article 25 of Regulation [EU] No 910/2014 [eIDAS Regulation]).

## Remuneration Policy

### Remuneration paid to employees of Erste Asset Management GmbH in EUR (2020 financial year of Erste Asset Management GmbH)

No investment success bonuses are paid, and no other amounts are paid directly from the investment funds.

Number of employees as of 31.12.20	252
Number of risk bearers in 2020	130
Fixed remuneration	19,145,955
Variable remuneration (bonuses)	5,353,596
<b>Total employee remuneration</b>	<b>24,499,551</b>
Thereof remuneration for managing directors	1,067,602
Thereof remuneration for managerial risk bearers	3,957,611
Thereof remuneration for risk bearers with control functions*	1,411,721
Thereof remuneration for other risk bearers	7,875,864
Thereof remuneration for employees in the same income bracket as managers and risk bearers due to the amount of their total remuneration	0
<b>Total remuneration for risk bearers</b>	<b>14,312,798</b>

\* Includes the Head of Compliance

### Principles governing performance-based remuneration components

The Management Company has adopted remuneration principles to prevent possible conflicts of interest and to ensure compliance with the standard rules of conduct when awarding remuneration to relevant persons.

Fixed salary components make up a large enough share of the total remuneration of all employees of the Management Company that a variable remuneration policy can be applied on an individualised basis.

The total remuneration (fixed and variable components) is governed by the principle of balance and is linked to sustainability so that the acceptance of excessive risks is not rewarded. Therefore, the variable remuneration forms no more than a balanced portion of the total remuneration awarded to an employee.

The performance-based remuneration components serve the short-term and long-term interests of the Management Company and contribute to preventing risky behaviour. The performance-based remuneration components take into account individual performance as well as the profitability of the Management Company.

The size of the bonus pool is calculated based on the bonus potential that can be applied to the different employee categories. Bonus potential is a percentage of the fixed annual gross remuneration. The bonus potential can be no more than 100% of the fixed annual gross remuneration. The bonus pool is adjusted depending on the success of the Management Company. The personal bonus is linked to individual performance. The total of personal bonuses is limited by the size of the bonus pool after deduction of penalties.

The performance-based payments are capped at 100% of the annual gross remuneration for all employees, including the material risk bearers (according to the definition in the remuneration policy) and managing directors of the Management Company.

The remuneration system is made up of three components:

- 1) Fixed remuneration
- 2) Variable remuneration
- 3) Fringe benefits

The bonus potential is based on the fixed annual gross remuneration. The target agreements concluded with the employees contain qualitative and/or quantitative objectives. The payment of performance-based remuneration components is subject to a minimum profitability level for the Management Company and to performance targets.

Sixty per cent of the performance-based remuneration components are paid immediately; for employees who are involved directly in fund and portfolio management, 50% of this is paid immediately in cash and 50% is paid one year later in the form of non-cash instruments. The remaining 40% of the performance-based remuneration components are retained and paid out over a period of three years, with 50% of this also being paid in cash and 50% in the form of non-cash instruments for employees who are involved directly in fund and portfolio management. The non-cash instruments can consist of units in an investment fund that is administered by the Management Company, equivalent holdings or instruments linked to units, or equivalent non-cash instruments. Based on the principle of proportionality, the Management Company has set a materiality threshold below which there is no incentive to enter into inappropriate risks, for which reason there is no need to make delayed payment or payment in the form of a non-cash instrument. Other non-cash benefits are fringe benefits that are not associated with performance but with a specific position (e.g. company car) or that apply for all employees (e.g. holiday).

The Supervisory Board of the Management Company has set up a Remuneration Committee to ensure that the remuneration policy and its application are independently assessed. This committee consists of the following persons: Rudolf Sagmeister, Harald Gasser (remuneration expert), and Heinrich Hubert Reiner.

The complete remuneration policy of the Management Company can be viewed at [http://www.erste-am.at/de/private\\_anleger/wer-sind-wir/investmentprozess](http://www.erste-am.at/de/private_anleger/wer-sind-wir/investmentprozess).

The last audit of compliance with the requirements of the remuneration policy by the Supervisory Board on 7 April 2021 revealed no deviations. There were also no material findings during the last audit by the Internal Auditing department.

No material changes were made to the remuneration policy during the past accounting year.

# Audit Report\*

## Statement on the annual report

### Audit opinion

We have audited the annual report prepared by Erste Asset Management GmbH, Vienna, for the fund under its management

ERSTE STOCK ASIA INFRASTRUCTURE  
Jointly owned fund pursuant to the InvFG

consisting of the statement of assets and liabilities as of 31 May 2022, the income statement for the accounting year ending on this date, and the other information specified in Annex I Schedule B of the Austrian Investment Fund Act 2011 (InvFG 2011).

Based on the findings of our audit, we believe that the annual report satisfies the legal requirements and provides a true and fair view of the assets and financial position as of 31 May 2022 and of the earnings position of the fund for the accounting year ending on this date in accordance with Austrian commercial law and the provisions of the InvFG 2011.

### Basis for the audit opinion

We conducted our audit in accordance with § 49 (5) InvFG 2011 and in accordance with the Austrian principles of good auditing. These principles require the application of the International Standards on Auditing (ISA). Our responsibilities under these regulations and standards are described in the section “Responsibilities of the auditor in auditing the annual report” of our audit report. We are independent from the company as specified by the Austrian commercial and industry regulations and fulfilled our other professional obligations in accordance with these requirements. We feel that the audit evidence that we obtained up to the date of the audit certificate is sufficient and suitable to serve as a basis for our audit opinion as of that date.

### Other information

The legal representatives are responsible for the other information. The other information includes all information in the annual report except for the statement of assets and liabilities, the income statement, the other information specified in Annex I Schedule B of the InvFG 2011, and the audit report.

Our audit opinion does not cover this other information, and we provide no assurance whatsoever for this other information.

In the context of our review of the annual report, we are responsible for reading this other information and assessing whether the other information contains material inconsistencies with the annual report or with the information gathered by us during our audit, or appears to contain other manners of material misstatements.

Should we come to the conclusion on the basis of the work completed with the other information received before the date of the audit report that this other information contains a material misstatement, we are required to report about this fact. We have nothing to report in this regard.

### **Management and supervisory board responsibilities relating to the annual report**

The legal representatives are responsible for preparing the annual report and for ensuring that this report provides a true and fair view of the assets and financial and earnings position of the fund in accordance with Austrian commercial law and the provisions of the InvFG 2011. The legal representatives are also responsible for implementing the internal controls that they deem necessary to facilitate the preparation of an annual report that is free from material misstatements due to error or fraud.

The supervisory board is responsible for monitoring the accounting process of the company as it applies to the fund under its management.

### **Responsibilities of the auditor in auditing the annual report**

Our goals are to ascertain with sufficient certainty whether the annual report contains material misstatements due to error or fraud and to issue an audit certificate that includes our audit opinion. Sufficient certainty is a high degree of certainty but no guarantee that an audit conducted in accordance with the Austrian standards on good auditing, which require the application of the ISA, will always discover material misstatements that may be present. Misstatements can result from fraud or errors and are considered to be material when it can be reasonably expected that individual misstatements or a combination of misstatements can influence economic decisions made by readers on the basis of this annual report.

As part of an audit conducted in accordance with the Austrian standards on good auditing, which require the application of the ISA, we exercise professional judgement and maintain professional scepticism during the entire audit process.

In addition:

- We identify and assess the risks of material misstatements in the annual report due to error or fraud, plan audit steps in response to these risks, perform the planned audit steps, and collect audit evidence that is sufficient and suitable to form a basis for our audit opinion. The risk that a material misstatement resulting from fraud will remain undiscovered is greater than for misstatements resulting from error because fraudulent activity can include collusion, the falsification of documents, intentional incomplete or misleading representations, and the circumvention of internal controls.
- We familiarise ourselves with the internal control systems that are relevant for the audit to plan audit steps that are appropriate under the specific circumstances, but not so as to state an opinion on the effectiveness of the company's internal control system.

- We assess the appropriateness of the accounting methods applied by the legal representatives and the reasonableness of the estimates made by the legal representatives in the accounts and of the associated information.
- We assess the overall presentation, the structure, and the content of the annual report including the figures as well as whether the annual report depicts the underlying transactions and events in a manner that provides a true and fair view.
- We discuss the planned scope and scheduling of the audit and any material audit findings, including material defects that we discover in the internal control system during our audit, with the supervisory board, among other issues.

Vienna, 19 August 2022

**Ernst & Young**

Wirtschaftsprüfungsgesellschaft m.b.H.

**Mag. Andrea Stippl m.p.**  
(Certified Public  
Accountant)

**ppa MMag. Roland Unterweger m.p.**  
(Certified Public Accountant)

- \* In the case of the publication or dissemination of the annual report in a form that deviates from the confirmed (unabridged German) version (e.g. an abridged version or translation), reference may not be made to the audit report or our audit without our approval.

## **Annex Sustainability-Related Information**

### **Information pursuant to Article 7 of Regulation (EU) 2020/852 (Taxonomy Regulation):**

The underlying investments of this financial product do not take the EU criteria for environmentally sustainable economic activity into account.

## Fund Rules

The Fund Rules for ERSTE STOCK ASIA INFRASTRUCTURE, jointly owned fund pursuant to the Austrian Investment Fund Act (Investmentfondsgesetz; InvFG) 2011 as amended, were approved by the Austrian Financial Market Authority (FMA).

The Fund is an undertaking for collective investment in transferable securities (UCITS) and is managed by Erste Asset Management GmbH (the "Management Company" in the following), which has its registered office in Vienna.

### Article 1 Fund Units

The joint ownership of the fund assets is evidenced by certificates having the characteristics of a bearer unit.

The unit certificates are depicted in separate global certificates for each unit category. For this reason, individual unit certificates cannot be issued.

### Article 2 Depositary Bank (Depositary)

The depositary bank (depositary) appointed for the Fund is Erste Group Bank AG, Vienna.

The payment offices for unit certificates are the depositary bank (depositary) and any other payment offices named in the prospectus.

### Article 3 Investment Instruments and Principles

The following assets may be selected for the Fund in accordance with the InvFG.

The Fund invests predominantly, in other words at least 51% of its assets, in stocks from companies from Asia (excluding Japan) with direct or indirect business interests in infrastructure in the form of directly purchased individual instruments, in other words not indirectly or directly through investment funds or through derivatives. These can be denominated in euros or other currencies.

The fund assets are invested in the following instruments in accordance with the investment focus described above.

The Fund may invest in units in investment funds with investment restrictions that deviate from those of the Fund in terms of the investment focus described above and the restrictions regarding investment instruments defined below. This will not impair compliance with the investment focus described above at any time.

a) Transferable securities

Transferable securities (including securities with embedded derivative financial instruments) comprise at least 51% of the fund assets.

b) Money market instruments

Money market instruments may comprise up to 49% of the fund assets.

c) Transferable securities and money market instruments

The Fund may purchase transferable securities and money market instruments that are not fully paid up as well as subscription rights for these types of instruments and other financial instruments that are not fully paid up amounting to a maximum of 10% of the fund assets.

Transferable securities and money market instruments may be purchased for the Fund when they meet the criteria regarding listing or trading on a regulated market or a securities exchange pursuant to the InvFG.

Transferable securities and money market instruments that do not meet the criteria described in the previous paragraph may comprise up to 10% of the fund assets in total.

d) Units in investment funds

Units in investment funds (UCITS, UCI) may comprise up to 10% of the fund assets per individual issue and may comprise up to 10% in aggregate total, provided that the target funds themselves (UCITS or UCI) do not invest more than 10% of their fund assets in units of other investment funds.

e) Derivative financial instruments

Derivative financial instruments can be used as part of the investment strategy and for hedging purposes, and may comprise up to 49% of the fund assets.

f) Risk measurement method(s) of the Fund

The Fund applies the following risk measurement methods: commitment approach

The commitment value is determined according to § 3 of the 4th FMA Regulation on Risk Calculation and Reporting of Derivative Instruments (4. Derivate-Risikoberechnungs- und MeldeV) as amended.

g) Demand deposits or deposits with the right to be withdrawn

Demand deposits and deposits with the right to be withdrawn with a maximum term of 12 months may comprise up to 49% of the fund assets.

There are no minimum bank balance requirements.

However, in the course of the restructuring of the fund portfolio and/or in the case of the justified expectation of impending losses experienced by transferable securities, the Fund can hold a proportion of transferable securities below the specified limit and a higher proportion of demand deposits or deposits with the right to be withdrawn with a maximum term of 12 months.

h) Acceptance of short-term loans

The Management Company may accept short-term loans for the account of the Fund up to an amount of 10% of the total fund assets.

i) Repurchase agreements

Does not apply.

j) Securities lending

Does not apply.

Investment instruments may only be purchased for the entire Fund and not for individual unit categories or groups of unit categories.

This does not apply to currency hedging transactions, however. Such transactions can also be concluded solely for a single unit category. Expenses and income resulting from currency hedging transactions shall be allocated solely to the respective unit category.

### **Article 4 Issue and Redemption Procedure**

The unit value shall be calculated in the currency of the respective unit category.

The unit value is calculated at the same time as the issue and redemption price.

#### **Issue of units and front-end surcharge**

The issue price will be calculated and units issued on each Austrian exchange trading day with the exception of bank holidays.

The issue price shall be made up of the unit value plus a surcharge per unit amounting to up to 4.0% to cover the costs incurred by the Management Company in issuing the unit, rounded up to the next equivalent sub-unit of the currency unit specified for the respective unit category in the prospectus.

The Management Company shall be entitled to apply a sliding front-end surcharge scale at its own discretion.

There is no limit on the issue of units in principle. However, the Management Company reserves the right to temporarily or permanently suspend the issue of unit certificates.

#### **Redemption of units and back-end commission**

The redemption price will be calculated and units redeemed on each Austrian exchange trading day with the exception of bank holidays.

The redemption price is the unit value rounded down to the next equivalent sub-unit of the currency unit specified for the respective unit category in the prospectus. No back-end commission will be charged.

Upon request by the Unit-holder, his units shall be redeemed at the current redemption price in return for the unit certificate.

**Article 5**  
**Accounting Year**

The accounting year of the Fund is from 1 June to 31 May.

**Article 6**  
**Unit Categories and Use of Earnings**

The Fund features three different unit categories and the corresponding certificates: dividend-bearing units, non-dividend-bearing units with capital gains tax payment, and non-dividend-bearing units without capital gains tax payment, with certificates being issued for one unit each and also for fractional units.

Various unit categories may be issued for this Fund. The creation of unit categories and the issue of units of a specific category shall be decided at the discretion of the Management Company.

**Use of earnings for dividend-bearing units**

The earnings generated during the accounting year (interest and dividends) less all costs can be distributed as deemed appropriate by the Management Company. Dividend disbursement may be omitted in the interests of the Unit-holders. Dividends may also be disbursed at the discretion of the Management Company from earnings generated by the sale of fund assets, including subscription rights. Disbursements of fund assets and interim dividends may be paid.

The fund assets may in no case fall below the legally stipulated minimum volume for termination as a result of dividend disbursements.

The amounts shall be paid to the holders of dividend-bearing units on or after 1 September of the following accounting year. The remaining amount shall be carried forward.

An amount calculated in accordance with the InvFG must also be paid out on or after 1 September to cover the capital gains tax assessed by the tax authorities on the dividend-equivalent earnings from the fund units unless the Management Company provides suitable proof from the banks managing the corresponding securities accounts that the unit certificates can only be held by Unit-holders who are not subject to Austrian personal income tax or corporation tax or who meet the conditions for exemption from capital gains tax according to § 94 of the Austrian Income Tax Act (Einkommensteuergesetz) at the time of payment.

**Use of earnings for non-dividend-bearing units with capital gains tax payment (non-dividend-bearing units)**

The earnings generated by the Fund during the accounting year less all costs will not be paid out. In the case of non-dividend-bearing units, an amount calculated in accordance with the InvFG must be paid out on or after 1 September to cover the capital gains tax assessed by the tax authorities on the dividend-equivalent earnings from the fund units unless the Management Company provides suitable proof from the banks managing the corresponding securities accounts that the unit certificates can only be held by Unit-holders who are not subject to Austrian personal income tax or corporation tax or who meet the conditions for exemption from capital gains tax according to § 94 of the Austrian Income Tax Act (Einkommensteuergesetz) at the time of payment.

**Use of earnings for non-dividend-bearing units without capital gains tax payment (KESt-exempt non-dividend-bearing units)**

The earnings generated by the Fund during the accounting year less all costs will not be paid out. No payment pursuant to the InvFG will be made. The reference date for the exemption from KESt payment for the profit for the year for the purposes of the InvFG shall be 1 September of the following accounting year.

The Management Company shall provide suitable proof from the banks managing the corresponding securities accounts that the unit certificates could only be held by Unit-holders who are not subject to Austrian personal income tax or corporation tax or who met the conditions for exemption from capital gains tax according to § 94 of the Austrian Income Tax Act (Einkommensteuergesetz) at the time of payment.

If these requirements are not met at the time of payment, the amount calculated pursuant to the InvFG must be paid out by the credit institution managing the respective securities account.

**Article 7**  
**Management Fee, Compensation for Expenses, Liquidation Fee**

The Management Company shall receive an annual fee for its administrative activities amounting to up to 1.80% of the fund assets as calculated and accrued on the basis of the daily fund volume. The fee will be charged to the fund assets once per month.

The Management Company shall be entitled to compensation for all expenses incurred in the administration of the Fund.

The Management Company shall be entitled to apply a sliding management fee scale at its own discretion.

The costs for the introduction of new unit categories for existing investment funds shall be assessed against the unit price of the new unit categories.

Upon liquidation of the Fund, the party processing the liquidation shall receive a fee in the amount of 0.5% of the fund assets.

Further information and details about this Fund can be found in the prospectus.

## **Annex to the Fund Rules**

### **List of exchanges with official trading and organised markets (As of November 2020)**

#### **1. Exchanges with official trading and organised markets in the Member States of the EEA as well as exchanges in European countries outside of the EEA considered to be equivalent to regulated markets**

Every Member State must maintain a current list of the authorised markets within its territory. This list must be submitted to the other Member States and the Commission.

According to this provision, the Commission is required to publish a list of the regulated markets registered with it by the Member States once per year.

Because of lower entry barriers and specialisation in different trading segments, the list of “regulated markets” is subject to significant changes. For this reason, the Commission will publish an up-to-date version of the list on its official website in addition to the annual publication of a list in the Official Journal of the European Union.

##### **1.1. The currently valid list of regulated markets can be found at**

[https://registers.esma.europa.eu/publication/searchRegister?core=esma\\_registers\\_upreg](https://registers.esma.europa.eu/publication/searchRegister?core=esma_registers_upreg) \*

##### **1.2. The following exchanges are included in the list of regulated markets:**

- |        |              |                                      |
|--------|--------------|--------------------------------------|
| 1.2.1. | Luxembourg:  | Euro MTF Luxembourg                  |
| 1.2.2. | Switzerland: | SIX Swiss Exchange AG, BX Swiss AG** |

##### **1.3. Recognised markets in the EEA according to § 67 (2) 2 InvFG:**

Markets in the EEA that have been classified as recognised markets by the competent supervisory authorities.

#### **2. Exchanges in European countries outside of the EEA**

- |      |                         |                                                       |
|------|-------------------------|-------------------------------------------------------|
| 2.1. | Bosnia and Herzegovina: | Sarajevo, Banja Luka                                  |
| 2.2. | Montenegro:             | Podgorica                                             |
| 2.3. | Russia:                 | Moscow Exchange                                       |
| 2.4. | Serbia:                 | Belgrade                                              |
| 2.5. | Turkey:                 | Istanbul (only “National Market” on the stock market) |

#### **3. Exchanges in non-European countries**

- |       |               |                                                                                                            |
|-------|---------------|------------------------------------------------------------------------------------------------------------|
| 3.1.  | Australia:    | Sydney, Hobart, Melbourne, Perth                                                                           |
| 3.2.  | Argentina:    | Buenos Aires                                                                                               |
| 3.3.  | Brazil:       | Rio de Janeiro, Sao Paulo                                                                                  |
| 3.4.  | Chile:        | Santiago                                                                                                   |
| 3.5.  | China:        | Shanghai Stock Exchange, Shenzhen Stock Exchange                                                           |
| 3.6.  | Hong Kong:    | Hong Kong Stock Exchange                                                                                   |
| 3.7.  | India:        | Mumbai                                                                                                     |
| 3.8.  | Indonesia:    | Jakarta                                                                                                    |
| 3.9.  | Israel:       | Tel Aviv                                                                                                   |
| 3.10. | Japan:        | Tokyo, Osaka, Nagoya, Fukuoka, Sapporo                                                                     |
| 3.11. | Canada:       | Toronto, Vancouver, Montreal                                                                               |
| 3.12. | Colombia:     | Bolsa de Valores de Colombia                                                                               |
| 3.13. | Korea:        | Korea Exchange (Seoul, Busan)                                                                              |
| 3.14. | Malaysia:     | Kuala Lumpur, Bursa Malaysia Berhad                                                                        |
| 3.15. | Mexico:       | Mexico City                                                                                                |
| 3.16. | New Zealand:  | Wellington, Auckland                                                                                       |
| 3.17. | Peru:         | Bolsa de Valores de Lima                                                                                   |
| 3.18. | Philippines:  | Philippine Stock Exchange                                                                                  |
| 3.19. | Singapore:    | Singapore Stock Exchange                                                                                   |
| 3.20. | South Africa: | Johannesburg                                                                                               |
| 3.21. | Taiwan:       | Taipei                                                                                                     |
| 3.22. | Thailand:     | Bangkok                                                                                                    |
| 3.23. | USA:          | New York, NYCE American, New York Stock Exchange (NYSE), Philadelphia, Chicago, Boston, Cincinnati, Nasdaq |

3.24.	Venezuela:	Caracas
3.25.	United Arab Emirates:	Abu Dhabi Securities Exchange (ADX)

#### 4. Organised markets in countries outside of the European Union

4.1.	Japan:	over the counter market
4.2.	Canada:	over the counter market
4.3.	Korea:	over the counter market
4.4.	Switzerland:	over the counter market of the members of the International Capital Market Association (ICMA), Zurich
4.5.	USA:	over the counter market (under the supervision of an authority such as the SEC, FINRA, etc.)

#### 5. Exchanges with futures and options markets

5.1.	Argentina:	Bolsa de Comercio de Buenos Aires
5.2.	Australia:	Australian Options Market, Australian Securities Exchange (ASX)
5.3.	Brazil:	Bolsa Brasileira de Futuros, Bolsa de Mercadorias & Futuros, Rio de Janeiro Stock Exchange, Sao Paulo Stock Exchange
5.4.	Hong Kong:	Hong Kong Futures Exchange Ltd.
5.5.	Japan:	Osaka Securities Exchange, Tokyo International Financial Futures Exchange, Tokyo Stock Exchange
5.6.	Canada:	Montreal Exchange, Toronto Futures Exchange
5.7.	Korea:	Korea Exchange (KRX)
5.8.	Mexico:	Mercado Mexicano de Derivados
5.9.	New Zealand:	New Zealand Futures & Options Exchange
5.10.	Philippines:	Manila International Futures Exchange
5.11.	Singapore:	The Singapore Exchange Limited (SGX)
5.12.	South Africa:	Johannesburg Stock Exchange (JSE), South African Futures Exchange (SAFEX)
5.13.	Turkey:	TurkDEX
5.14.	USA:	NYCE American, Chicago Board Options Exchange, Chicago Board of Trade, Chicago Mercantile Exchange, Comex, FINEX, ICE Future US, Inc., New York, Nasdaq, New York Stock Exchange, Boston Options Exchange (BOX)

\*) To open the list, select "Regulated market" under "Entity type" in the column on the left side of the page and then click "Search" (or "Show table columns" and "Update"). The link can be changed by the ESMA.

When the expected withdrawal of the United Kingdom of Great Britain and Northern Ireland (GB) from the EU takes effect, GB will lose its status as an EEA member state and, in turn, the exchanges/regulated markets located there will also lose their status as EEA exchanges/regulated markets. In this event, we hereby inform you that the following exchanges and regulated markets located in GB shall be considered exchanges or recognised regulated markets in a third country as defined by the InvFG 2011 and the UCITS Directive that are expressly designated in the Fund Rules: Cboe Europe Equities Regulated Market – Integrated Book Segment, London Metal Exchange, Cboe Europe Equities Regulated Market – Reference Price Book Segment, Cboe Europe Equities Regulated Market – Off-Book Segment, London Stock Exchange Regulated Market (derivatives), NEX Exchange Main Board (non-equity), London Stock Exchange Regulated Market, NEX Exchange Main Board (equity), Euronext London Regulated Market, ICE FUTURES EUROPE, ICE FUTURES EUROPE – AGRICULTURAL PRODUCTS DIVISION, ICE FUTURES EUROPE – FINANCIAL PRODUCTS DIVISION, ICE FUTURES EUROPE – EQUITY PRODUCTS DIVISION, and Gibraltar Stock Exchange.

\*\*\*) In the event that Switzerland's stock market equivalence expires, SIX Swiss Exchange AG and BX Swiss AG are to be subsumed under item 2 "Exchanges in European countries outside of the EEA" until further notice.

**Note regarding the data used**

The sections Income Statement and Changes in Fund Assets, Statement of Assets and Liabilities and Details and Explanation of Tax Treatment in this annual report were prepared on the basis of data from the depositary bank for the Fund.

**The data and information provided by the depositary bank were collected with the greatest possible care and were checked solely for plausibility.**

**Note for retail funds:**

Unless indicated otherwise, source: Erste Asset Management GmbH. Our languages of communication are German and English. The full prospectus and the key investor information (and any applicable changes to these documents) were published in Amtsblatt zur Wiener Zeitung in accordance with the provisions of the InvFG 2011 in the currently amended version and are available free of charge at the registered office of the Investment Firm and at the head office of the depositary bank. The exact date of most recent publication, the languages in which the key investor information is available, and any additional locations where the documents can be obtained can be viewed on the website [www.erste-am.at](http://www.erste-am.at).

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