



## ASCENDERCAPITAL

### FUND STRATEGY

The Fund seeks to invest in a balanced portfolio of high quality businesses across the Asian equity markets not accessible through passive and larger funds.

We focus exclusively on companies with a track record of profitability, capital efficiency and good corporate governance.

The Fund invests with a margin of safety by demanding attractive valuations and a strong financial position.

### FUND OVERVIEW

<b>Inception</b>	December 1, 2021
<b>Portfolio Manager</b>	Edouard Mercier & Jean-Charles Tisserand
<b>Management Fee</b>	1.5%
<b>Performance Fee</b>	20% of net alpha vs. MSCI AC Asia Small Cap
<b>Asset Classes</b>	Equities & Cash
<b>Minimum Investment</b>	US\$1,000,000
<b>Investing</b>	Monthly Liquidity
<b>Redemption</b>	Monthly Liquidity Early redemption fee for first 3 years
<b>Legal Entity</b>	Open ended investment fund incorporated in Cayman Islands
<b>Administrator</b>	Bolder Group
<b>Custodian</b>	DBS
<b>Auditors</b>	Grant Thornton
<b>Legal Advisors</b>	Ogier Global

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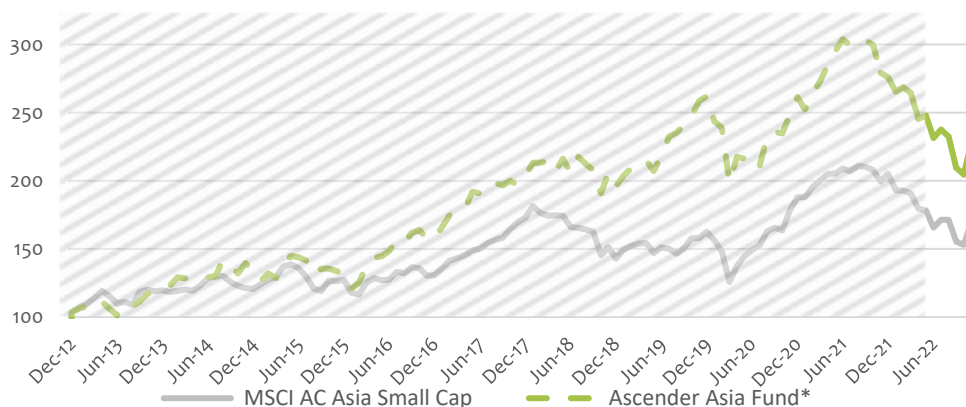
# ASCENDER ASIA FUND

November 2022 FACTSHEET – NAV 82.48

### PERFORMANCE AS OF 30 November 2022

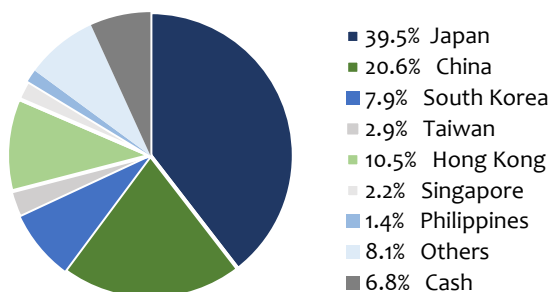
Class	1 month	YTD	1 Year	Annualized		
				3 Year	5 Year	Since Launch
<b>Lead Series - Class A</b>	11.5%	-17.4%	-18.3%*	-4.1%*	3.0%*	8.6%*
<b>MSCI Asia Small Cap</b>	10.8%	-17.4%	-15.2%	2.3%	-0.02%	5.4%

### PERFORMANCE CHART (TOTAL NET RETURN)



\*Note the shaded area and dotted line reflects AAF performance estimates, net of costs & fees. This has been calculated by removing cash and short positions from the Ascender Global Value Fund. Performance shown assumes investment of 95% and 5% in cash. Calculated after fund's costs and fees

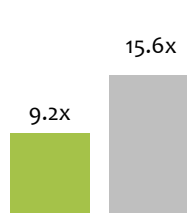
### GEOGRAPHIC BREAKDOWN



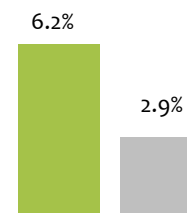
### PORTFOLIO CHARACTERISTICS

P/E Ratio (TTM)	9.2x
EV/EBIT Ratio (TTM)	4.7x
Dividend Yield	6.2%
Return on Equity	15.1%
Net Cash to Mkt Cap	35.0%
7 Year EBIT Growth	9.0%
Median Mkt Cap	\$262m
# of Holdings	33
Gross Long	93.2%

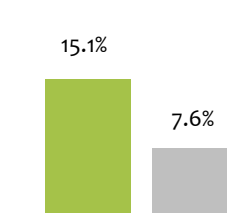
### PRICE/EARNINGS



### DIVIDEND YIELD



### RETURN ON EQUITY



— Ascender — MSCI AC Asia SC

### TOP 3 MONTHLY CONTRIBUTORS AND DETRACTORS FOR AAF EQUITY POSITIONS

Contributors	Contribution (bps)	Detractors	Contribution (bps)
Beenos	1.6%	AFREECATV	-0.1%
JNBY	1.0%	N/A	N/A
Haitian	0.9%	N/A	N/A



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## MONTHLY COMMENTARY

During November, we met 43 companies in Tokyo, Seoul, Taipei, Hsinchu, Taichung, Kaohsiung and in our home base of Hong Kong. Visitors and hosts were equally pleased to meet face-to-face for the first time in three years. Our preparatory calls were instrumental in getting very good management turnout.

In the West, a wealth of information including a founder's podcasts, management interviews, knowledgeable write-ups or initiation reports is available to the fundamental investor. In Asia, this kind of information is just not available. The time we spend with management on the ground is key to understanding the business model, competitive environment and what drives its corporate culture. It is a key edge for the fund.

Our timely trip took place with a background of extremely low valuation and high volatility in the region. We have already started to make some changes to the portfolio as a result.

We took **Beenos** through our research process in February 2021 but did not invest until it reached our valuation threshold in February 2022. The company operates the dominant marketplace for foreign buyers of Japanese consumer goods available on Rakuten, Yahoo Japan and Mercari. Over the past 10 months, the business boomed thanks to the weak Yen, travel restrictions and rising interest in Anime merchandise. We sold our position after a strong performance.

While investors in Chinese technology companies attempt to read the Chinese government's policy tea leaves, Korea has a clear and stable regulatory framework. So when the leading Korean online streaming platform share price came down because of a subscribers growth slowdown followed by a negative research report from a reputed source, we took a closer look. **AfreecaTV** is another network-effect business which a strong moat. Operating profit have grown at a 40% annual rate over the past 5 years. The company should benefit from their nascent advertising business and keep growing subscriber contributions to streamers. Their only competitor, Twitch Korea, may even be a victim of Amazon's current review of their unprofitable businesses and either lower its service quality or leave the country altogether.

We bought this growing, high-quality business at a PE valuation of 13x. Only one year ago, it was valued at 36x P/E.

The portfolio reacted positively to the relaxation of lock-downs in China with **JNBY**, our women fashion retail brand, and **Haitian**, a high-margin machine tool manufacturer, leading the rebound. A slightly stronger Yen and Korean Won also helped.



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## MONTHLY PERFORMANCE (%)\*

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	FY
2022	-3.8	1.2	-1.5	-7.2	1.0	-5.7	2.7	-2.2	-9.8	-2.4	11.5		-17.4
2021	-3.5	4.6	3.5	4.2	3.7	3.0	-1.6	0.9	0.4	-1.0	-7.1	-1.2*	5.4*
2020	7.0	-2.0	-16.7	9.5	-0.7	-3.8	1.6	10.1	1.4	-0.5	5.8	5.2	-0.2
2019	3.9	2.6	0.3	2.3	-3.5	5.5	6.3	1.3	2.2	3.0	4.4	1.3	33.6
2018	4.8	0.0	0.6	-3.6	4.5	-4.9	5.7	-2.3	-2.1	-8.1	7.8	-4.7	-3.6
2017	5.6	5.1	2.1	0.5	7.0	-0.6	3.4	0.8	-1.0	1.8	-1.6	3.3	29.3
2016	-8.6	3.6	10.1	4.2	0.7	2.7	5.1	-0.9	4.8	1.2	-4.0	0.0	19.1
2015	-4.3	4.5	-2.6	8.3	4.0	-0.6	-1.7	-7.2	3.1	0.1	-1.3	-1.2	0.1
2014	1.5	4.9	-0.5	1.8	-1.0	0.0	0.5	8.9	-2.0	-4.8	5.9	-5.6	8.8
2013	2.8	1.4	-1.5	4.9	-4.7	-4.5	8.3	-1.5	3.	5.1	2.9	0.8	17.3
2012												3.4	3.4

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The performance chart (net total return) does not include the current months' HFRI index data as that is only released after five business days of the month and then modified again after all participants share their data. Therefore, we use accurate all accurate HFRI data points until the month preceding the current factsheet.

The past performance information of the market, manager and investments and any forecasts on the economy, stock market, bond market or the economic trends of the markets which are targeted by the fund(s) are not indicative of future performance. The value of an investment in the Fund may go down or up. The Fund does not offer any performance or capital guarantee. The Prospectus should be read for further details including the risk factors. The Fund may invest in derivatives for hedging purpose only. Investment in derivatives is subject to additional risks, including credit risk of the issuer, liquidity risk, counterparty risk and valuation risk. In adverse situation, the Fund's use of derivatives may become ineffective in hedging and the Fund may suffer losses. Additional risk factors are described in the prospectus. Investors are advised to be aware of any new risks that may have emerged in the prevailing market circumstances before subscribing in the Fund.