



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

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

Suite 3001
50 Wong Chuk Hang Rd
Hong Kong
+852 3758 2608

info@ascendercapital.com

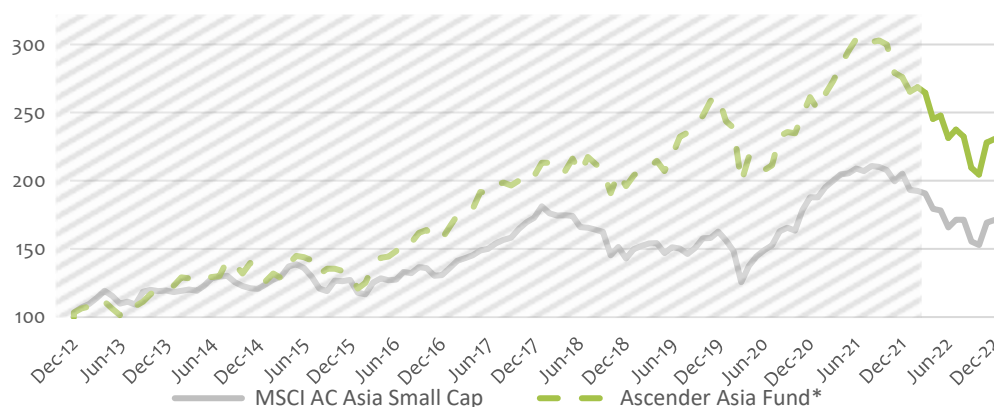
ASCENDER ASIA FUND

December 2022 FACTSHEET – NAV 83.38

PERFORMANCE AS OF 31 December 2022

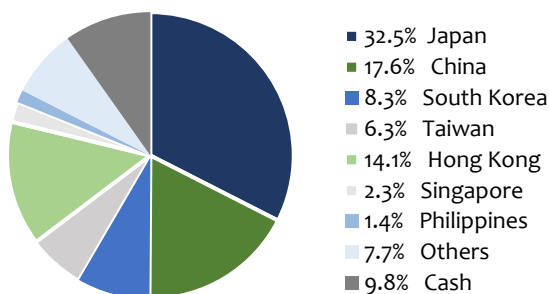
Class	1 month	YTD	1 Year	Annualized		
				3 Year	5 Year	Since Launch
Lead Series - Class A	1.1%	-16.5%	-16.5%*	-4.2%*	2.5%*	8.6%*
MSCI Asia Small Cap	1.1%	-16.6%	-16.6%	1.7%	-0.2%	5.5%

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

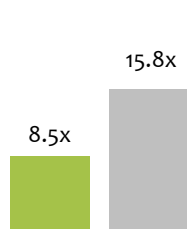
GEOGRAPHIC BREAKDOWN



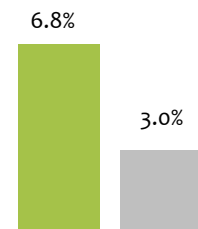
PORTFOLIO CHARACTERISTICS

P/E Ratio (TTM)	8.5x
EV/EBIT Ratio (TTM)	5.4x
Dividend Yield	6.8%
Return on Equity	16.8%
Net Cash to Mkt Cap	25.2%
7 Year EBIT Growth	10.4%
Median Mkt Cap	\$375m
# of Holdings	33
Gross Long	90.2%

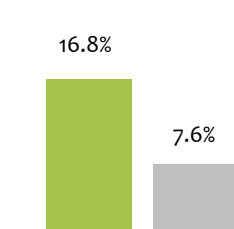
PRICE/EARNINGS



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)
JNBY	0.6%	Itokuro	-0.6%
LG H&H	0.2%	Hamee	-0.6%
Autohome	0.2%	AFRECATV	-0.5%



ASCENDER ASIA FUND

December 2022 – NAV 83.38

LONG CONTRIBUTION YTD 2022

Asset Class	YTD Contribution
Equity (Long)	-4.2%
Equity (Unrealized FX)	-8.6%

MONTHLY COMMENTARY

A common theme among the investment candidates we met in Taiwan was their strong unit economics. The average selling price (ASP) of their product offering is stable or growing, which is impressive when considering how cyclical their technology end markets can be. Thanks to dominating market share in their respective global niche and strong costs controls, they sport consistently high Gross margins and stable operating margins. We were able to add some of them up to the portfolio thanks to the general price weaknesses in the technology supply chain in our part of the world.

ITE Technologies provides the key Integrated Circuit (“IC”) for power supplies on notebooks with a 50% global market share. Its ASP has moved from c\$0.60 to c\$0.70 over the past 12 months and gross margins have never dipped below 50% over the past 6 years. The company works alongside the large OEM and chipset vendors, sometimes months in advance of a new notebook launch, giving it high switching costs. We were able to buy it at a PE valuation of 8.5x and a yield of 9%.

Innodisk is a former portfolio company. Its memory storage solution can be found in all kind of demanding industrial applications, such as Ericsson base stations or Airbus jets. Whereas ITE Tech outsources the manufacturing of its ICs, Innodisk’s manufacturing know-how to is a key differentiator. It can re-configure its state-of-the-art facility 3,000 time a week to produce small batches thanks to investment in their own software. This is a unique capability, which would be close to impossible to replicate at this stage. We were able to buy it at a PE valuation of 9x and a yield of 6.5%.

Both companies provide a low-cost item with high value to their customers. Without power, a notebook cannot even run its self-diagnosis program and without an extremely reliable memory storage, a sophisticated industrial application cannot store and retrieve key operating data. In both cases, high product reliability and availability are key barriers to entry for competitors.

We also added **CITIC Telecom** to the portfolio in December. The company should benefit from increased roaming charges in Macau, where it holds the largest mobile and broadband operator. It seems that a large jump in Value Added Services (“VAS”) revenues derived from two-stage log-in to games and services operated out of China and the growing availability of connected Electric Vehicles (“EV”) has not been noticed by investors yet. We bought the telecom and VAS operator at a very attractive PE valuation of 8.5x and 8.7% dividend yield.



ASCENDER ASIA FUND

December 2022 – NAV 83.38

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	1.1	-16.5
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

*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 Ascender Global Value Fund. Performance shown assumes investment of 95% and 5% in cash. Calculated after fund's costs and fees

DISCLAIMER

This document is not intended as an advice, an offer or solicitation with respect to the purchase or sale of securities, including shares or units of funds. The publication or distribution of this document may be subject to legal restrictions in certain countries. Anyone receiving access to this document should be aware of and follow any applicable laws and regulations.

All views expressed and/or reference to companies cannot be construed as a recommendation by Ascender. Opinions and forecasts may be changed without notice. To the extent permitted by applicable law, rules, codes and guidelines, Ascender and its related entities accept no liability whatsoever whether direct or indirect that may arise from the use of information contained in this document.

This document is for distribution solely to persons permitted to receive it and to persons in jurisdictions who may receive it without breaching applicable legal or regulatory requirements. This document and website have not been reviewed by the Securities and Futures Commission in Hong Kong (the "SFC"). Ascender is registered on the official Public Register of Licensed Persons and Registered Institutions (Type 9 License / Asset Management) maintained by the SFC in accordance with the relevant laws.

Ascender Capital Global Value Fund ("the fund") prospectus has not been authorized by the SFC for public distribution in Hong Kong.

This document is prepared for information only and does not have any regard to the specific investment objectives, financial situation and the particular needs of any specific person who may receive this document. Any person considering an investment should seek independent advice on the suitability (in particular its financial knowledge and experience, its investment goals, and its financial situation) or otherwise of the particular investment. Investors should not only base on this document alone to make investment decisions. In no case should they base their decision solely on this presentation, which is not meant to be complete and which contains only a part of the information relating to the Fund. Prospective investors should note that investment involves risk.

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.