



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

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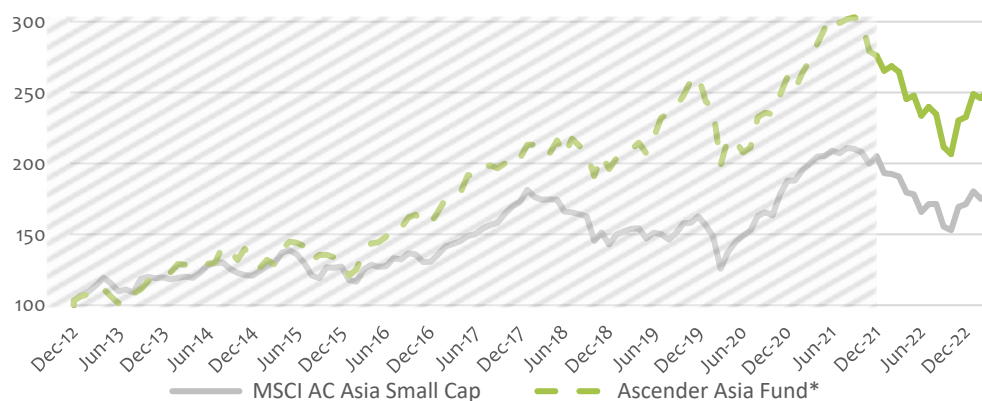
ASCENDER ASIA FUND

March 2023 FACTSHEET – NAV 90.43

PERFORMANCE AS OF 31 March 2023

Class	1 month	YTD	1 Year	Annualized		
				3 Year	5 Year	Since Launch
Lead Series - Class A (Gross)	3.0%	9.2%	-2.0%	10.8%*	6.9%*	12.8%*
Lead Series - Class A (Net)	2.7%	8.5%	-4.5%	8.3%**	3.3%**	9.4%**
MSCI Asia Small Cap	2.1%	4.3%	-6.4%	12.4%	0.5%	5.8%

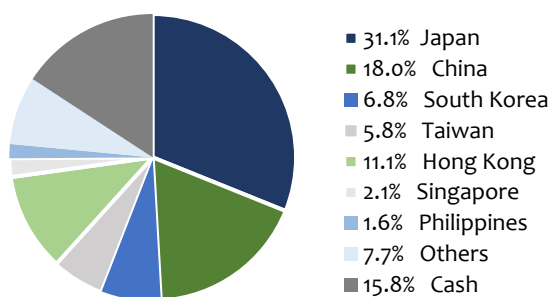
PERFORMANCE CHART (TOTAL NET RETURN)



* 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 before fund's costs and fees

**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



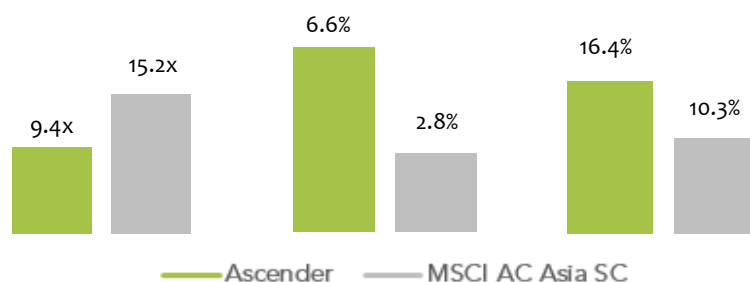
PORTFOLIO CHARACTERISTICS

P/E Ratio (TTM)	9.4x
EV/EBIT Ratio (TTM)	5.3x
Dividend Yield	6.6%
Return on Equity	16.4%
Net Cash to Mkt Cap	24.0%
7 Year EBIT Growth	11.6%
Median Mkt Cap	\$343m
# of Holdings	30
Gross Long	84.2%

PRICE/EARNINGS

DIVIDEND YIELD

RETURN ON EQUITY





ASCENDER ASIA FUND

March 2023 – NAV 90.43

TOP 3 MONTHLY CONTRIBUTORS AND DETRACTORS FOR EQUITY POSITIONS

Contributors	Contribution (bps)	Detractors	Contribution (bps)
Innodisk	1.1%	KINX	-0.4%
China Mobile	0.4%	JNBY	-0.4%
Citic Telecom Intl'	0.4%	LG H&H	-0.3%

LONG CONTRIBUTION YTD 2023

Asset Class	YTD Contribution
Equity (Long)	10.6%
Equity (Unrealized FX)	-1.0%

MONTHLY COMMENTARY

We started the month by visiting another 18 companies in Japan from Tokyo to Osaka and ended it by a trip to Shanghai and Hangzhou.

We met the founder and CEO of **Hamee**, a portfolio company, in the quiet town of Odawara. The company built its success as an edgy mobile accessories supplier. Readers will remember that they also developed internally the leading multi-vendor e-commerce software platform in use in Japan. Management decided last year to launch a cosmetics line targeted at their young customer base. We came in the meeting with tough questions on the viability of this new business line and the risks of diversification. We liked the response they gave us on the level of internal discussions before the launch and the current back and forth between the project sponsors and the founder.

We are always intrigued by companies which manage stable margins as a global leader in a cyclical industry. It took us a second visit to **Yamaichi** to understand its low cost vs high value proposition to Apple and other high-end smartphone makers. The company has deftly leveraged this position in a high switching cost competitive moat. The number of high-tech pins in its testing sockets has increased with the complexity of Integrated Circuits, taking its average selling price up with it. The know-how to manufacture these pins, which can be used up to a million times, brings together manufacturing expertise, the use of special alloys and pre-production integration with its customers. The company is expanding its manufacturing base North of Tokyo which bodes well for earnings growth over the next few years.

We visited 6 companies in China, which is booming back to life. We bumped into Tim Cook at our hotel in Shanghai but unfortunately did not catch a glimpse of Jack Ma on the Alibaba campus in Hangzhou! During the week, **CNOOC** and **China Mobile** released their results, which were very strong. Our visits to a state-owned lift company and a leading department store were equally impressive, as was our meeting with **JNBY**, where we were apparently the first foreign investors to show up at their headquarters.



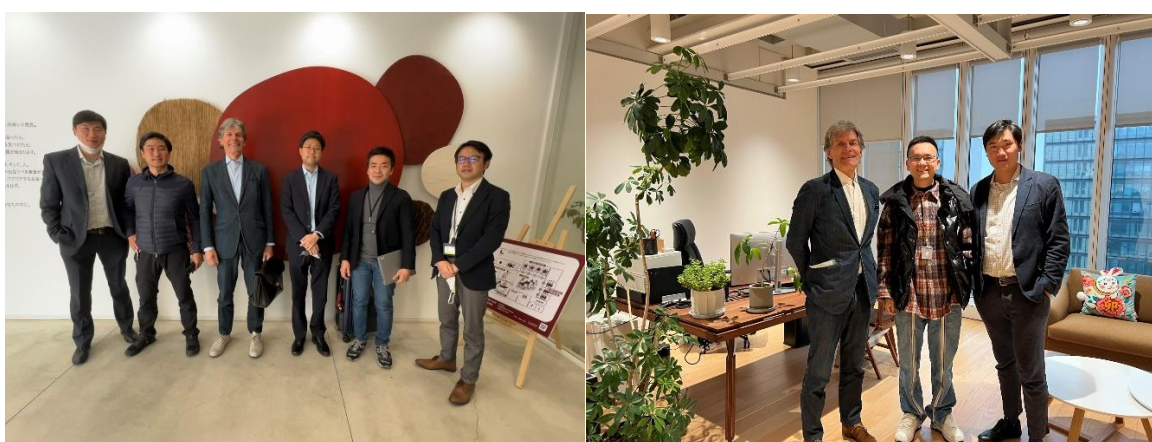
ASCENDER ASIA FUND

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The impressions we got from our **Alibaba** and **Netease** meetings were more mixed. Regulatory pressure on Chinese private tech companies has reduced, but competition remains extremely high or has even increased thanks to the removal of exclusivity clauses for the strongest actors. We noticed that most Chinese tech companies are quoted abroad, shielding local investors from the financial impact of weakened business models.

The state owned enterprises are now mainly quoted locally. This forced shift from New York to Shanghai has coincided with an abrupt stop to regulated 20 to 30% a year price cuts for China Mobile which took place from 2017 to 2020 and a much improved capital allocation for both. CNOOC has for instance paid a 25% dividend yield over the past 12 months and China Mobile has upped its payout from 60% to 68% in 2022. Investors should not be surprised by the diverging fortune of both groups.

Visiting companies allows us to get a better understanding of their corporate culture. One thing is sure, **Hamee** and **JNBY**'s sense of design extends to their cool headquarters, where we took these pictures.



MONTHLY PERFORMANCE (%)*

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	FY
2023	6.9	-1.2	2.7										8.5
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	-15.6
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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