



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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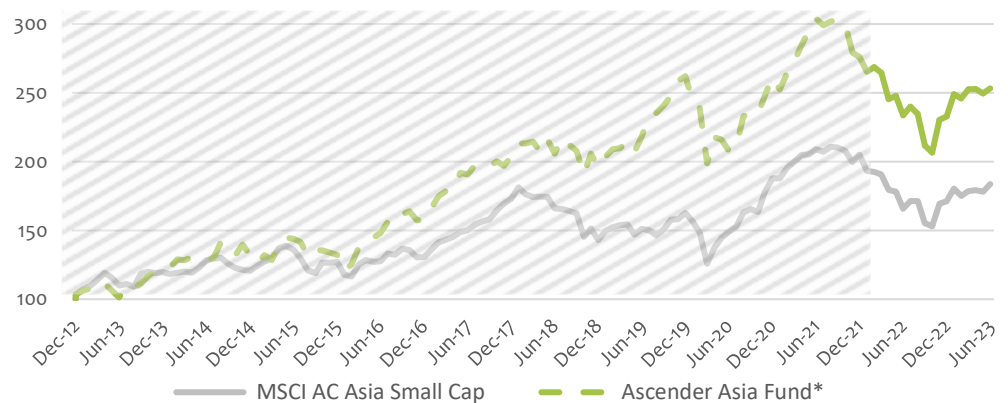
ASCENDER ASIA FUND

June 2023 FACTSHEET – NAV 90.67

PERFORMANCE AS OF 30 June 2023

Class	1 month	YTD	1 Year	Annualized		
				3 Year	5 Year	Since Launch
Lead Series - Class A (Gross)	1.7%	10.2%	10.9%	9.3%*	7.9%*	12.6%*
Lead Series - Class A (Net)	1.5%	8.8%	8.4%	6.8%**	4.3%**	9.2%**
MSCI Asia Small Cap	3.0%	7.2%	10.8%	7.2%	2.0%	5.9%

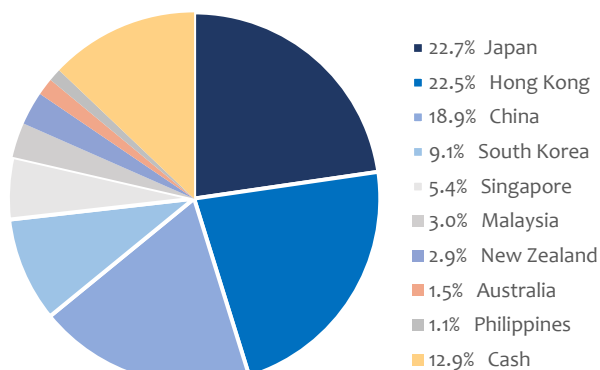
PERFORMANCE CHART (TOTAL NET RETURN)



* 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

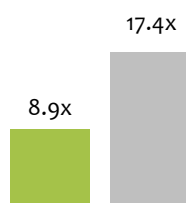
GEOGRAPHIC BREAKDOWN



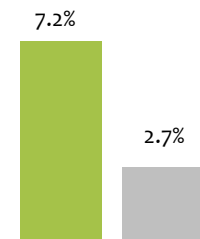
PORTFOLIO CHARACTERISTICS

P/E Ratio (TTM)	8.9x
EV/EBIT Ratio (TTM)	5.3x
Dividend Yield	7.2%
Return on Equity	18.9%
Net Cash to Mkt Cap	23.6%
7 Year EBIT Growth	12.0%
Median Mkt Cap	\$542m
# of Holdings	29
Gross Long	87.1%

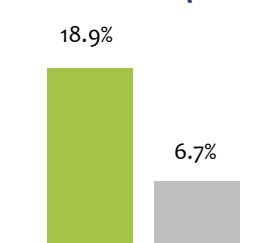
PRICE/EARNINGS



DIVIDEND YIELD



RETURN ON EQUITY





ASCENDER ASIA FUND

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TOP 3 MONTHLY CONTRIBUTORS AND DETRACTORS FOR EQUITY POSITIONS

Contributors	Contribution (bps)	Detractors	Contribution (bps)
Quick	0.6%	Zengame	-0.4%
JNBY	0.6%	LG H&H	-0.3%
Yamaichi	0.5%	Coway	-0.2%

LONG CONTRIBUTION YTD 2023

Asset Class	YTD Contribution
Equity (Long)	15.3%
Equity (Unrealized FX)	-3.8%

MONTHLY COMMENTARY

This month, we sold the remaining of our best performing Taiwanese investments as they approached our valuation targets. The sale of **ITE** and **Stark Technology** followed the one from **Innodisk** which was sold in May. All three investments were made at the end of last year following our first visit since 2019. Such a short holding period is unusual for us and speaks to the strength of their share price rebound since then.

We also used a strong Japanese equity market to sell some of our local holdings. We still rate highly the management teams at **Hamee** and **Sprix** but the announcements of their diversification plans made it difficult for us to predictably model their earnings path over the next few years. We will keep monitoring both and may well invest again once the picture becomes clearer. We finally sold **Itokuro** where management opportunistically awarded themselves what could amount to 11.5% of the company in a very unusual incentives plan. We have had a number of heated exchanges with them and reluctantly came to the conclusion that our time was better spent on more attractive businesses.

The very poor sentiment with anything Chinese is opening up a number of interesting investment opportunities. After having limited ourselves mostly to State Owned Enterprises (**SOEs**) in the past 3 years, we are now starting to invest in a range of entrepreneurial businesses, some of them closer to home in Hong Kong.

We invested at the end of the month in **Vtech**, the Hong Kong-based and managed leading maker of electronic learning products for toddlers and pre-school children. Its strong manufacturing base in Dongguan also produces residential and enterprises phones and provides contract manufacturing services to a global customer base. We first met Dr. Allan Wong 20 years ago. The company has always been profitable, including in 2009 where operating margins stayed remarkably stable.

Revenues have grown but EBIT has been flat for years because of a product mix change. From the look at its stock price chart, Vtech has all the markings of a value trap but we think that this year earnings should positively surprise. In the meantime, the company has a 100% dividend payout ratio which yields 10%.



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Earlier this year, we invested again in **Crystal International**, the blue-chip apparel manufacturer for global fashion brands. The fact that Crystal has consistently captured the largest wallet share of Uniqlo's spending should tell our readers a lot about the quality and dependability of its offering. With 80,000 employees spread across Asia, the company is the leading manufacturer of denim jeans and ranks as second or third player in other categories such as lifestyle, intimate and sportswear.

The company successfully moved part of its production from China to Vietnam over the past few years and is strategically positioning itself to vertically integrate some technical textile manufacturing capabilities through small acquisitions there. As is the case with Vtech, Crystal has had extremely stable earnings over the past 10 years. The company is taking steps to increase its valuation which is currently 3x EV/EBIT and 6x P/E as the local Lo family realizes that their 2017 IPO has so far yielded negative performance for their minority shareholders.

MONTHLY PERFORMANCE (%)*

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	FY
2023	6.9	-1.2	2.7	0.0	-1.2	1.5							8.8
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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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.