



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

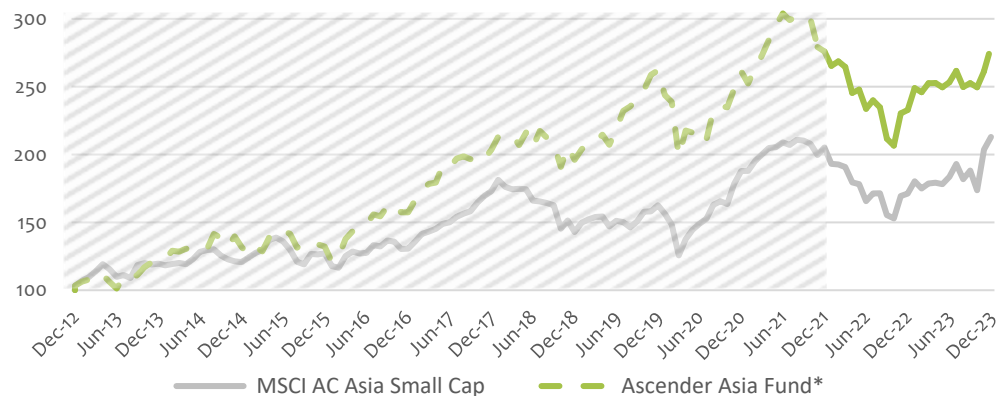
ASCENDER ASIA FUND

December 2023 FACTSHEET – NAV 100.03

PERFORMANCE AS OF 31 December 2023

Class	1 month	YTD	1 Year	Annualized		
				3 Year	5 Year	Since Launch
Lead Series - Class A (Gross)	7.1%	23.1%	23.1%	4.8%*	10.5%*	13.1%*
Lead Series - Class A (Net)	6.9%	20.0%	20.0%	2.3%**	7.3%**	9.7%**
MSCI Asia Small Cap	4.6%	17.7%	17.7%	2.4%	7.1%	6.5%

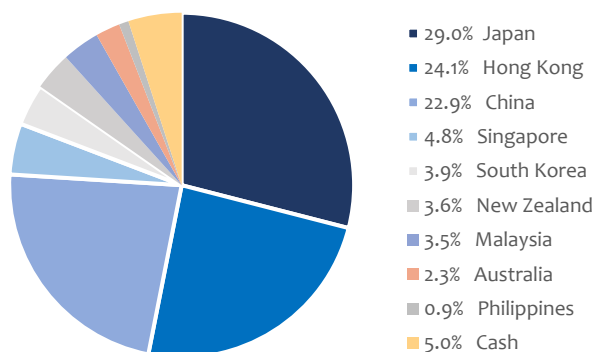
PERFORMANCE CHART (TOTAL NET RETURN)



* 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

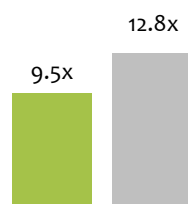
GEOGRAPHIC BREAKDOWN



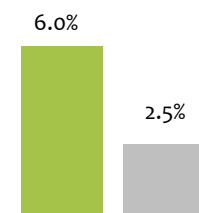
PORTFOLIO CHARACTERISTICS

P/E Ratio (TTM)	9.5x
EV/EBIT Ratio (TTM)	5.6x
Dividend Yield	6.0%
Return on Equity	20.2%
Net Cash to Mkt Cap	20.1%
7 Year EBIT Growth	14.5%
Median Mkt Cap	\$582m
# of Holdings	31
Gross Long	95.0%

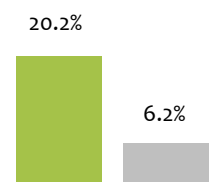
PRICE/EARNINGS



DIVIDEND YIELD



RETURN ON EQUITY





ASCENDER ASIA FUND

December 2023 – NAV 100.03

TOP 3 MONTHLY CONTRIBUTORS AND DETRACTORS FOR EQUITY POSITIONS

Contributors	Contribution (bps)	Detractors	Contribution (bps)
Zengame	1.6%	IHR	-0.3%
AfreecaTV	0.7%	NSW	-0.1%
JNBY	0.6%	Valuetronics	-0.1%

LONG CONTRIBUTION YTD 2023

Asset Class	YTD Contribution
Equity (Long)	27.7%
Equity (Unrealized FX)	-2.7%

MONTHLY COMMENTARY

2023 was a stronger year for global markets than many had expected. In Asia, the positive 31% performance in local currency of the Japanese market contrasted with the negative 14% performance of the Chinese market which experienced massive foreign funds outflows.

Good stock-picking enabled us to outperform the regional index while having on average 43% of the fund exposed to Greater China. We are fully aware of all the pitfalls of investing in that market, but there should be plenty of upside to our Chinese portfolio when the stream of negative news weakens. In the meantime, China's trade balance increased from \$30 billion a month pre-COVID to \$70 billion currently, giving it a number of options to deal with a taming of the real estate bubble from a position of relative strength.

December saw strong performance across the board. The three best investments came from a well-balanced cross-section of our geographical focus on China, Japan and Korea. **Zengame** saw a strong uptake of its new release of its Mahjong mobile game in mid-December. Even after a 42% jump during the month, the company remains attractively valued at 6x P/E. **Quick Co** increased its dividend payout ratio from 40 to 50%. The company remains well positioned to benefit from a dearth of talents in the healthcare and construction sectors. And the long rumored exit of Twitch from Korea was finally made official, leaving **AfreecaTV** the only contender in that vibrant market.

We initiated two investments in **Japan** during the month.

The first one operates a cross-border service connecting international consumers to a large number of Japanese marketplace and e-commerce web sites. It has accumulated a 5 million-strong subscribers base with good repeat buy rate by offering a seamless experience for product discovery, translation, payment and shipping. The majority of products bought are related to Anime characters, which are difficult to acquire through other channels, short of visiting the country. Earlier in its history, the company made some early venture capital investments in Southeast Asia. A successful one in Tokopedia was realized in 2023, muddying its operating earnings predictability and hiding encouraging progress of its core offering. We are buying this former portfolio investment at an adjusted 5.8x EV/EBIT valuation. Having met and talked to the company multiple times over the years gives us stronger confidence of our analysis in the face of a 57% collapse in their share price from the end of November 2022 when we started to sell our position.



ASCENDER ASIA FUND

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The second investment operates one of two software as a service gateway widely used by hotels and guest rooms to connect their own room management system to a wide range of travel booking sites, making it an indispensable part of their operations. Customer retention is as a result north of 95%, giving extremely good predictability to earnings, even during the COVID lockdowns and border closure which ended only a year ago. Conversely, the company will benefit from increased booking volumes from the small fee they take per active booking and cancellations. We are buying this growing and high cash flow generative business at a 10x EBIT valuation.

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	3.3	-4.6	1.2	-1.2	4.7	6.9	20.0
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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