



## 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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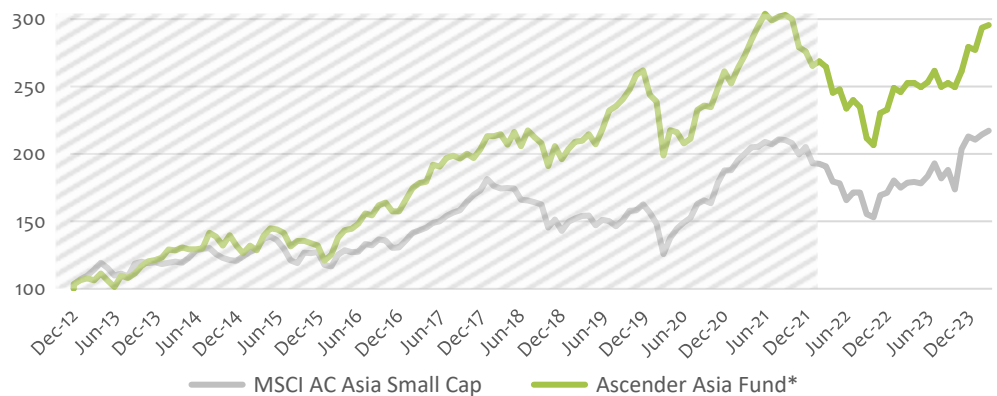
# ASCENDER ASIA FUND

March 2024 FACTSHEET – NAV 105.84

### PERFORMANCE AS OF 28 March 2024

Class	1 month	YTD	1 Year	Annualized		
				3 Year	5 Year	Since Launch
<b>Lead Series - Class A (Gross)</b>	0.8%	6.4%	23.5%	6.5%*	10.4%*	13.5%*
<b>Lead Series - Class A (Net)</b>	0.7%	5.6%	19.9%	3.8%**	7.1%**	10.0%**
<b>MSCI Asia Small Cap</b>	1.3%	2.0%	17.5%	1.7%	6.2%	6.6%

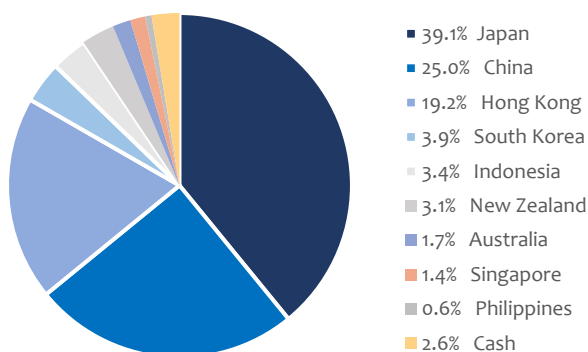
### PERFORMANCE CHART (TOTAL NET RETURN)



\* 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

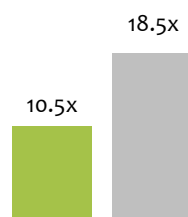
### GEOGRAPHIC BREAKDOWN



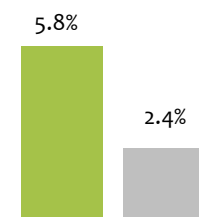
### PORTFOLIO CHARACTERISTICS

P/E Ratio (TTM)	10.5x
EV/EBIT Ratio (TTM)	6.1x
Dividend Yield	5.8%
Return on Equity	18.5%
Net Cash to Mkt Cap	22.0%
7 Year EBIT Growth	14.3%
Median Mkt Cap	\$502m
# of Holdings	29
Gross Long	97.4%

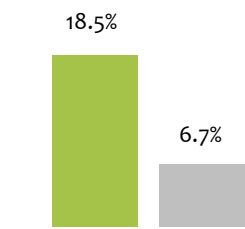
### PRICE/EARNINGS



### DIVIDEND YIELD



### RETURN ON EQUITY



— Ascender — MSCI AC Asia SC



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## TOP 3 MONTHLY CONTRIBUTORS AND DETRACTORS FOR EQUITY POSITIONS

Contributors	Contribution (bps)	Detractors	Contribution (bps)
Beenos	0.7%	Zengame	-0.7%
CNOOC	0.5%	CITIC Telecom	-0.6%
Xinhua Winshare	0.4%	ITFOR	-0.3%

## LONG CONTRIBUTION YTD 2024

Asset Class	YTD Contribution
Equity (Long)	10.0%
Equity (Unrealized FX)	-2.7%

## MONTHLY COMMENTARY

The Hang Seng Index remains depressed, taking some high-quality companies down with it.

**Modern Dental** is a locally managed company started by two dentists which has grown into the largest made to order dental prosthetics provider globally. It operates a state-of-the-art facility in Dongguan, across the border from Hong Kong, which serves European, Australian and US markets. It also opened a brand-new facility in Vietnam in 2023. The company has established an efficient distribution network of local distributors, capturing up to 10% market share in some markets such as France.

On average, only 40% of dental prosthetics are produced locally with Modern Dental continuously taking market share thanks to lower price, higher quality and a lack of new skilled technicians in the West. Because prosthetics are not reimbursed by national insurance programs outside of the UK, this market has efficiently consolidated itself, closing the door to new entrants.

Dentists carefully select their prosthetics providers based on price competitiveness, quality and turnaround time. In addition to being very competitive on these three points, Modern Dental smartly provides local training, customer care and a powerful combination of an oral scanner and online ordering software. Once dentists commit to a supplier, that relationship tends to be very sticky, providing a great barrier to entry.

Modern Dental has a history of acquiring its local distributors in addition to third-party ones, giving it access to new markets or higher market share in an existing one. We like their thoughtful analysis of success factors in their Merger and Acquisitions strategy. Steadily deploying its own cash flow in its own distribution channel and manufacturing capacity at the minimum 15% rate of return they require from new investments marks it as one of the very few true earnings compounders in HK.

Although Modern Dental has captured 60% of its local Hong Kong market, it represents only 10% of its revenues. Almost of its revenues and profits are derived from a well-balanced mix of Western markets where demand is not cyclical but where growth should remain structurally positive for years to come.

We acquired the company's shares last year at a valuation of around 7x EV/EBIT.



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March 2024– NAV 105.84

## MONTHLY PERFORMANCE (%)\*

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	FY
2024	-1.0	5.9	0.7										5.6
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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