

FSSA Asian Growth Fund

- The Fund invests primarily in equity securities or equity-related securities of companies that are listed, or have their registered offices in, or conduct a majority of their economic activity in Asia excluding Australia, Japan and New Zealand.
- The Fund invests in emerging markets which may have increased risks than developed markets including liquidity risk, currency risk/control, political and economic uncertainties, high degree of volatility, settlement risk and custody risk.
- The Fund may expose to China market risk including repatriation risk, uncertainties to PRC taxation policies and risks associated with StockConnects, QFI, the ChiNext market and/or the STAR board. The Fund may also expose to RMB currency and conversion risk.
- The Fund's investments may be concentrated in a single sector, country, specific region or small numbers of countries/companies which may have higher volatility or greater loss of capital than more diversified portfolios. Investing in securities of small/mid-capitalisation companies may have lower liquidity and more volatile prices during adverse economic developments.
- The Fund may use FDIs for hedging and efficient portfolio management purposes, which may subject the Fund to additional liquidity, valuation, counterparty and over the counter transaction risks.
- It is possible that a part or entire value of your investment could be lost. You should not base your investment decision solely on this document. Please read the offering document including risk factors for details.

Investment objective and strategy

The Fund aims to achieve long term capital appreciation and invests primarily in equity or equity-related securities of companies that are listed, or have their registered offices in, or conduct a majority of their economic activity in Asia excluding Australia, Japan and New Zealand.

Fund information

Fund size (US\$m)	183.4
Benchmark	MSCI AC Asia ex Japan Net Index [▲]
Number of holdings	31

Available share classes

Share class ⁺	Inception date	Nav/per share	ISIN code
Class I (USD - Acc)	05 August 1999	US\$57.55	IE0008368411

⁺ Acc represents share class with dividends accumulated.

[▲] The benchmark displayed is the MSCI AC Asia Pacific ex Japan Index until 30 April 2002

About FSSA Investment Managers

FSSA Investment Managers is an autonomous investment management team within First Sentier Investors, with dedicated investment professionals based in Hong Kong and Singapore. We are specialists in Asia Pacific and Global Emerging Markets equity strategies, managing assets on behalf of clients globally.

We are bottom-up investors, using fundamental research and analysis to construct high-conviction portfolios. We conduct more than a thousand direct company meetings a year, seeking to identify high quality companies to invest in. We look for founders and management teams that act with integrity and risk awareness; and dominant franchises that have the ability to deliver sustainable and predictable returns over the long term. As responsible, long-term shareholders, we have integrated ESG analysis into our investment process and engage extensively on environmental, labour and governance issues.

Annual performance (% in USD) to 31 December 2024

	12 mths to 31/12/24	12 mths to 31/12/23	12 mths to 31/12/22	12 mths to 31/12/21	12 mths to 31/12/20
FSSA Asian Growth Fund Class I (USD - Acc)	8.4	1.0	-16.5	3.4	17.6
FSSA Asian Growth Fund Class II (USD - Acc)	8.3	1.0	-16.5	3.4	17.6
MSCI AC Asia ex Japan Net Index	12.0	6.0	-19.7	-4.7	25.0

Cumulative performance (% in USD) to 31 December 2024

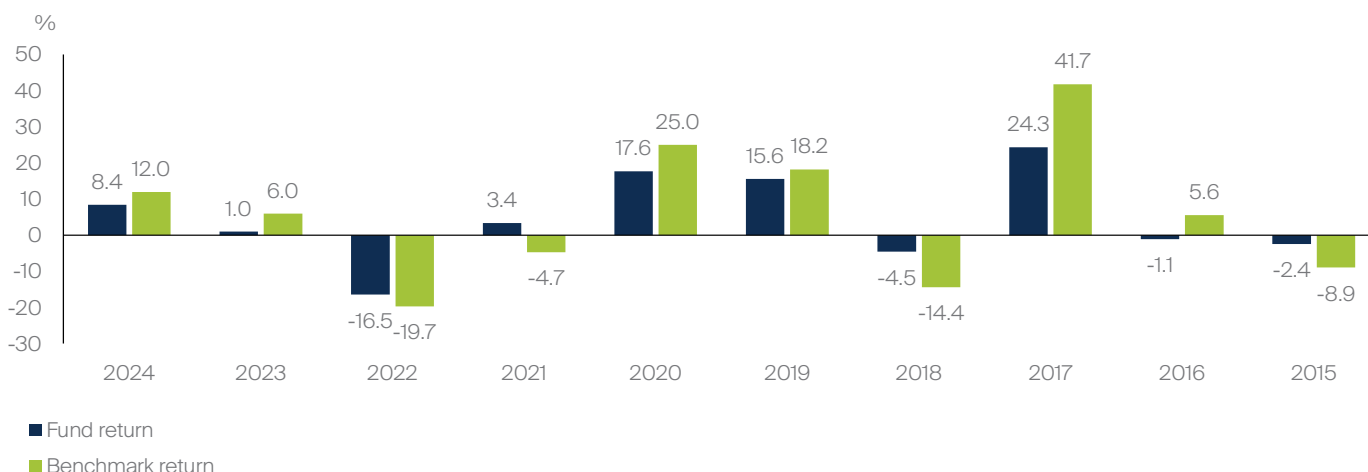
	Since Inception	10 yrs	5 yrs	3 yrs	1 yr	YTD	6 mths	3 mths
FSSA Asian Growth Fund Class I (USD - Acc)	475.5	47.2	11.2	-8.5	8.4	8.4	3.4	-6.6
FSSA Asian Growth Fund Class II (USD - Acc)	1244.6	45.7	11.1	-8.6	8.3	8.3	3.3	-6.6
MSCI AC Asia ex Japan Net Index	356.5	56.6	13.5	-4.7	12.0	12.0	2.0	-7.6

Performance review

Over the past 12 months, key contributors to performance included TSMC, as growth has remained strong at a time when demand is generally weak. Revenue and profits are expected to continue to grow this year, as management commented on the "extremely robust" AI demand. TSMC's smartphones and personal computing (PC) businesses are also expected to be resilient, as content per chip is rising due to the growing adoption of AI. Tencent also added to performance as it continued to develop new functions within WeChat (such as Video Accounts and Mini Shops) to slowly improve monetisation and enhance the quality of the franchise. Tencent has proven its ability to deliver decent growth despite the weak environment – for example, its Video Accounts grew by 60% in 9M24 and contributed to a high double-digit percentage of its

On the negative side, China Resources Beer (CRB) fell as weak demand led to a decrease in beer sales volumes. Although we underestimated the growth slowdown, CR Beer's execution operationally has been decent amid a difficult environment. The premium beer segment is still growing faster than the overall portfolio (albeit at a slower pace than before). Naver declined on concerns about AI headwinds and competition from alternative e-commerce platforms like Coupang. However, there are some bright spots of improving user engagement, ad targeting and growth and commerce monetisation; and there is better financial discipline after Covid excesses.

Calendar year performance (% in USD) to 31 December 2024



Source: Lipper and First Sentier Investors, Nav-Nav (USD total return) data as at 31 December 2024. This Fund is a sub fund of Ireland domiciled First Sentier Investors Global Umbrella Fund Plc. Class I (USD-Acc) and Class II (USD-Acc) are the non-dividend distributing class of the fund, the performance quoted are based on USD total return (non-dividend distributing). Class II (USD-Acc) was launched on 30 June 1988 and has been closed for subscription. The benchmark displayed is the MSCI AC Asia Pacific ex Japan Index until 30 April 2002, the MSCI AC Far East ex Japan Index from 1 May 2002 until 1 November 2005 and the MSCI AC Asia ex Japan Index from 2 November 2005 onwards. Gross of tax benchmark performance is shown before 1 July 2016 and net of tax benchmark performance is shown after the aforementioned date. Class I (USD - Acc) performance is shown in the above chart. Unless otherwise specified, all information contained in this document is as at 31 December 2024. Investment involves risks, past performance is not a guide to future performance. On 22 September 2020, First State Asian Growth Fund was rebranded as FSSA Asian Growth Fund.

total advertisements' revenue.

Portfolio review

New purchases over the quarter included Jardine Matheson (JM) on attractive valuations. We have owned the shares previously and reinitiated a position after noting positive changes in its subsidiaries, Hongkong Land and Dairy Farm. We believe there is a group-wide urgency to improve, given the poor performance over the last decade. Hongkong Land will exit development property, recycle capital, including buybacks (at the right valuation) and is aiming to double profits and dividends per share in the next decade. Dairy Farm, with its new CEO, is focused on cleaning up mistakes, cutting costs/improving profits, and paying dividends. We believe the risk-reward for the JM group looks attractive with these changes.

There were no significant disposals over the quarter.

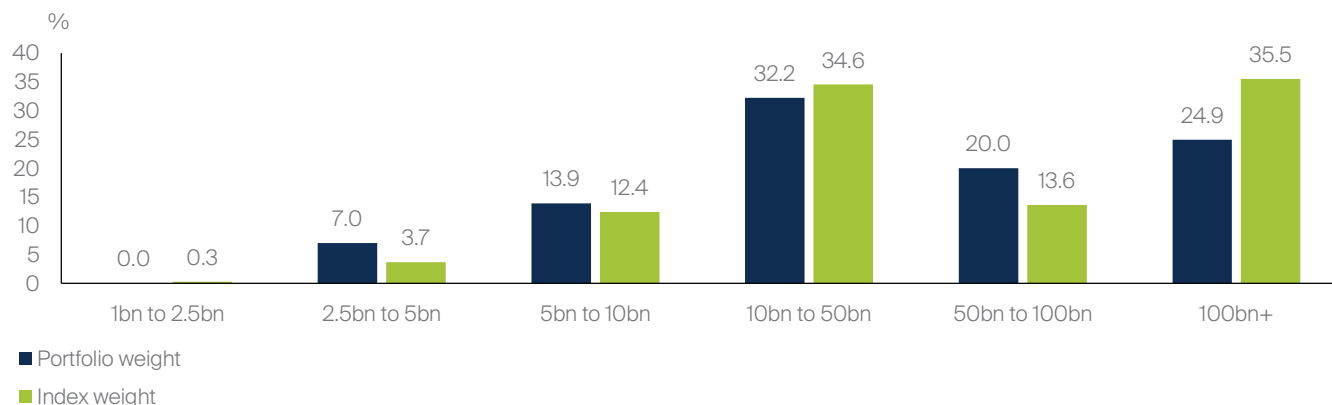
Stock spotlight

Midea Group is China's largest home appliances company and a dominant consumer franchise, well-positioned to benefit from rising income levels and the premiumisation trend in China. The domestic appliances market has become an oligopoly with Midea, Gree and Haier Smart Home holding majority market share. In this mature market, Midea remains no. 1 or no. 2 in every major category, with replacement demand being the dominant driver. While China's demographic tailwinds are not as strong as before, Midea has invested substantial sums in product development to differentiate its high-end offerings in brands like Colmo, and to take the Midea brand up-market. In addition, Midea has been focusing on its B2B business, and aims to become a technology company.

The company's automation level doubled to 80% from 2019 to 2023, resulting in cost reductions every year. A small but growing part of its business is KUKA, a German robot maker which Midea acquired in 2016. It makes more than 80% of the robotics in Tesla's new Shanghai factory and the BYD auto factory. Its traction among automakers is well-aligned with China's growing leadership in this area. While the margins here are still low, we think it shows the company's forward thinking.

The company has more than 30 R&D centres and manufactures in 19 cities globally. Despite its large scale and mature growth profile, the operations are efficient, profitable and highly cash-flow generative. Even after factoring in the beleaguered property market and economic uncertainties, we believe 8-10% annual profit growth may be achievable in the coming 3 years.

Market capitalisation breakdown (USD)



Data source: First Sentier Investors. For illustration purposes only. Portfolio weights may not add up to 100% as cash holdings are excluded and full coverage of stocks is not always available. Past performance is not indicative of future performance. Reference to specific securities (if any) is included for the purpose of illustration only and should not be construed as a recommendation to buy or sell the same. All securities mentioned herein may or may not form part of the holdings of First Sentier Investors' portfolios at a certain point in time, and the holdings may change over time. The index refers to MSCI AC Asia ex Japan Net Index.

Outlook

The uncertainty that was prevalent across Asian and global markets in 2024 looks set to continue into the new year. With Mr Trump's election win in the United States, the general consensus is that US policy will be negative for emerging markets – particularly as the president-elect has already raised the spectre of more protectionism and higher trade tariffs. But instead of trying to second-guess geopolitics or macro policy, we continue to focus our efforts on finding high-quality companies to invest in for the long term.

Overall, we remain constructive on our portfolio holdings and our ability to generate value in a difficult market environment. We expect there may be volatility in the near term as companies – and investors – recalibrate to the new norm. But we believe there are still pockets of growth to be found and that by investing in high-quality companies we can deliver decent returns for our clients in the long run.

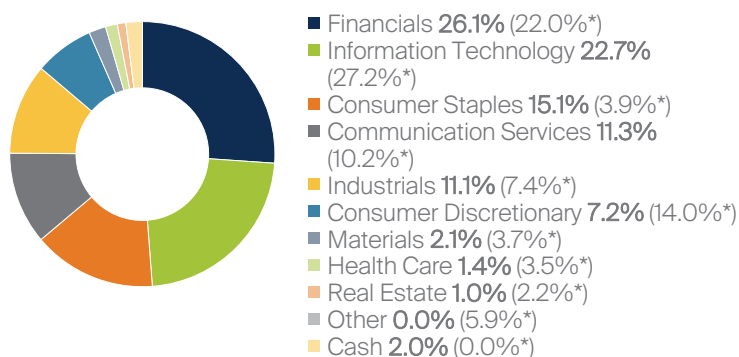
Our long-term investment themes:

- Dominant consumer franchises which have an edge in brand, distribution and innovation.
- High quality financials, supported by a strong deposit franchise or a specific loan niche.
- The rise in healthcare spending, due to increasing incomes and healthy consumer choices.
- Beneficiaries of a smarter, more connected world.
- An ageing population and the growing trend of automation.

Ten largest company holdings as at 31 December 2024

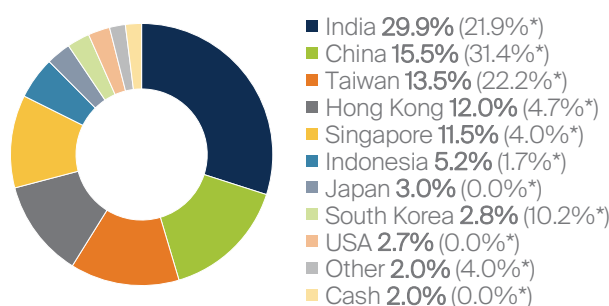
Stock name	Geography	Sector	Portfolio weight (%)
Tencent Holdings Ltd.	China	Communication Services	8.5
Taiwan Semiconductor (TSMC)	Taiwan	Information Technology	7.3
Oversea-Chinese Banking Corporation	Singapore	Financials	5.5
HDFC Bank	India	Financials	5.0
Midea Group	China	Consumer Discretionary	5.0
Axis Bank Limited	India	Financials	4.8
Techtronic Industries Co., Ltd.	Hong Kong	Industrials	4.6
Jardine Cycle & Carriage Limited	Singapore	Industrials	4.4
Tata Consultancy Serv. Ltd	India	Information Technology	4.1
DFI Retail Group Holdings Limited	Hong Kong	Consumer Staples	3.8

Sector breakdown



*Index weight

Geographic breakdown



*Index weight

Sector and Country classifications provided by Factset and First Sentier Investors. The Fund may hold multiple equity securities in the same company, which have been combined to provide the Fund's total position in that company. Index weights, if any, typically include only the main domestic-listed security. The above Fund weightings may or may not include reference to multiple securities. Allocation percentage is rounded to the nearest one decimal place and the total allocation percentage may not add up to 100%.

Past performance is not indicative of future performance. Reference to specific securities (if any) is included for the purpose of illustration only and should not be construed as a recommendation to buy or sell the same. All securities mentioned herein may or may not form part of the holdings of First Sentier Investors' portfolios at a certain point in time, and the holdings may change over time.

The index refers to MSCI AC Asia ex Japan Net Index.

Top 5 contributors to absolute performance

3 months to 31 December 2024

Stock name	Geography	Sector	Value added (bps*)
Taiwan Semiconductor Manufacturing Co., Ltd.	Taiwan	Information Technology	58
DFI Retail Group Holdings Limited	Hong Kong	Consumer Staples	21
Oversea-Chinese Banking Corporation Limited	Singapore	Financials	20
Tech Mahindra Limited	India	Information Technology	15
Advantech	Taiwan	Information Technology	13

12 months to 31 December 2024

Stock name	Geography	Sector	Value added (bps*)
Taiwan Semiconductor Manufacturing Co., Ltd.	Taiwan	Information Technology	489
Mahindra & Mahindra Ltd.	India	Consumer Discretionary	328
Tencent Holdings Ltd.	China	Communication Services	260
Midea Group Co. Ltd. Class A	China	Consumer Discretionary	176
Oversea-Chinese Banking Corporation Limited	Singapore	Financials	135

Bottom 5 contributors to absolute performance

3 months to 31 December 2024

Stock name	Geography	Sector	Value added (bps*)
Colgate-Palmolive (India) Limited	India	Consumer Staples	-93
Axis Bank Limited	India	Financials	-83
Godrej Consumer Products Limited	India	Consumer Staples	-68
Techtronic Industries Co., Ltd.	Hong Kong	Industrials	-65
China Resources Beer (Holdings) Co. Ltd.	China	Consumer Staples	-64

12 months to 31 December 2024

Stock name	Geography	Sector	Value added (bps*)
China Mengniu Dairy Co., Ltd.	China	Consumer Staples	-98
NAVER Corp.	South Korea	Communication Services	-77
Nippon Paint Holdings Co., Ltd.	Japan	Materials	-67
PT Unilever Indonesia Tbk	Indonesia	Consumer Staples	-65
China Resources Beer (Holdings) Co. Ltd.	China	Consumer Staples	-49

Stock contributions show the impact of the individual stock's performance to the total fund performance. These stock contributions show the top 5 and bottom 5 contributors to the fund and are not representative of the performance of the fund as a whole.

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This stock information does not constitute any offer or inducement to enter into investment activity.

Contributions are calculated at the investee company level before the deduction of any fees incurred at fund level (e.g. the management fee and other fund expenses) but after deduction of transactional costs. Stocks held/listed in non-index countries have economic activity > 50% from developing economies.

* A basis point is a unit of measure used in finance to describe the percentage change in value or rate of a financial instrument. One basis point is equivalent to 0.01% (1/100th of a percent) or 0.0001 in decimal form.

Data source: This information is calculated by First Sentier Investors.

Important information

Investment involves risks, past performance is not a guide to future performance. Refer to the offering documents of the respective funds for details, including risk factors. The information contained within this document has been obtained from sources that First Sentier Investors ("FSI") believes to be reliable and accurate at the time of issue but no representation or warranty, expressed or implied, is made as to the fairness, accuracy or completeness of the information. To the extent permitted by law, neither FSI, nor any of its associates, nor any director, officer or employee accepts any liability whatsoever for any loss arising directly or indirectly from any use of this. It does not constitute investment advice and should not be used as the basis of any investment decision, nor should it be treated as a recommendation for any investment.

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