



# FSSA Dividend Advantage Fund

## Fund snapshot

- High-conviction portfolio with bottom-up stock selection
- Aims to provide regular distribution and long-term capital appreciation
- Managed by a team of Asia and Global Emerging Markets specialists with a long track record



**Minimum market cap**  
> US\$1.5bn



**Geographical sector**  
Asia Pacific ex-Japan

| Lead portfolio manager | Approx. no. of stocks | Benchmark                           | Maximum cash | Minimum market cap |
|------------------------|-----------------------|-------------------------------------|--------------|--------------------|
| Martin Lau             | 50 - 70               | MSCI AC Asia Pacific ex Japan Index | 10%          | > US\$1.5bn        |

|                               |                        |                          |                            |
|-------------------------------|------------------------|--------------------------|----------------------------|
| Minimum initial investment    | S\$1,000               | Initial charge           | 5.0% (Cash / SRS)          |
| Minimum subsequent investment | S\$100                 |                          | 0.0% (CPF - Ordinary Acct) |
| Share class                   | Class A (SGD - Q Dist) | Management fee           | 1.5% p.a.                  |
| Inception date                | 20 December 2004       | Distribution Frequency** | Quarterly                  |
| ISIN code                     | SG9999002083           | NAV/share                | S\$1.6597                  |

Source: First Sentier Investors, as at 31 December 2023.

## Annualised performance in SGD (%)

|                            | 1 year | 3 years | 5 years | 10 years | Since inception |
|----------------------------|--------|---------|---------|----------|-----------------|
| Fund (Ex initial charges)  | -5.1   | -6.4    | 2.6     | 5.9      | 7.5             |
| Fund (Inc initial charges) | -9.8   | -8.0    | 1.5     | 5.3      | 7.2             |
| Benchmark*                 | 5.9    | -4.7    | 4.3     | 4.7      | 5.9             |

Source: Lipper, First Sentier Investors, as at 31 December 2023. Since inception: 20 December 2004. Single pricing basis with net income reinvested \*MSCI AC Asia Pacific ex Japan Index

## Why invest in the FSSA Dividend Advantage Fund?

### 1. Capture the multi-decade growth story of Asia

- More than half of the world's 4 billion middle class live in Asia, with projections adding another 1.5 billion members by 2030<sup>1</sup>
- Ride Asia's growth story with these long-term investment themes:



**Dominant consumer franchises**



**Beneficiaries of the rise in healthcare spending**



**High-quality financials**



**A more connected and automated world**

### 2. A differentiated, high-conviction portfolio constructed from the bottom up

- High-conviction portfolio built from the bottom up with a focus on quality management, strong financials and sustainable growth drivers

#### Portfolio characteristics

|  |       |
|--|-------|
| Differentiated (high active share)             | 78.5% |
| High conviction (# holdings)                   | 51    |
| Concentrated (top 20 holdings)                 | 66.6% |
| Cash generative, asset light companies (ROCE#) | 28.6% |
| Profitability (ROE*)                           | 19.7% |
| P/E ratio (next 24 month) <sup>†</sup>         | 14.0x |

Source: First Sentier Investors, FactSet, MSCI as at 31 December 2023.

# Weighted Average Post-Tax ROCE run excluding values below zero or above 200% (GICS financial companies are excluded).

\* Weighted Average Return on Equity run excluding values below zero.

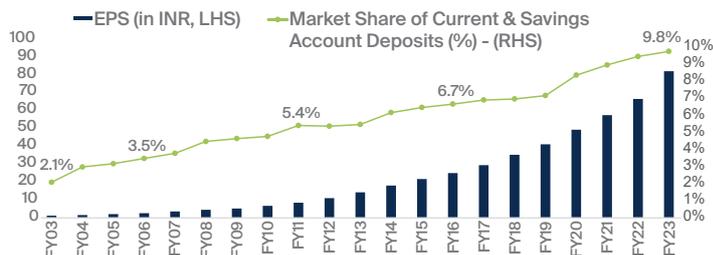
† Weighted Harmonic Average P/E ratio.

<sup>1</sup> Brookings Institution, World Economic Forum, as at 13 July 2020.

### 3. HDFC Bank: India's largest private sector bank

- Over 60% of loans and deposits in India are still controlled by inefficient state-owned banks
- A beneficiary of financial inclusion, well-run private sector banks like HDFC Bank have been gaining market share rapidly and is expected to continue to do so
- Management has a track record of managing risks prudently and maintaining industry-leading Return on Assets (ROAs) across economic cycles and periods of disruption

### Steadily increasing market share and earnings per share



EPS means Earnings Per Share.

Source: HDFC Bank Annual Reports, Factset, Reserve Bank of India, Kotak Institutional Equities, as at 31 May 2023.

## Why FSSA Investment Managers?

FSSA Investment Managers are specialists in Asia and Global Emerging Markets. Operating as an autonomous investment team within First Sentier Investors Group, we are a team of dedicated investment professionals based in Hong Kong, London and Singapore. Established in 1988, we are bottom-up investors with a different perspective, using fundamental research and analysis to construct high-conviction portfolios.



Quality focused



Absolute return mind-set



Benchmark indifference



ESG fully integrated

### Important information

\*\*First Sentier Investors (Singapore) ("FSIS") intends to make quarterly distributions on 31 March, 30 June, 30 September and 31 December each year. The distributions will be made out of the income, capital gains and/or capital of the Fund. Investors should note that the intention to make the quarterly distribution is not guaranteed by FSIS or its distributors and FSIS may in future review the distribution policy depending on prevailing market conditions.

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Applications for units of the Fund must be made on the application forms accompanying the prospectus. Investments in unit trusts are not obligations of, deposits in, or guaranteed or insured by First Sentier Investors (Singapore), and are subject to risks, including the possible loss of the principal amount invested.

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