

FSSA Dividend Advantage Fund

Investment objective and strategy

The Fund aims to provide investors with regular distributions and long term growth, and invests all or substantially all of its assets in FSSA Asian Equity Plus Fund (the "Underlying Sub-Fund"), under the Dublin registered First Sentier Investors Global Umbrella Fund plc. The Underlying Sub-Fund invests primarily (at least 70% of its net asset value) 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 the Asia Pacific region (excluding Japan). Such companies will be selected on the basis of their potential dividend growth and long term capital appreciation.

Fund information

Fund size (S\$m)	4,686.5
Benchmark	MSCI AC Asia Pacific ex Japan Index
Number of holdings	50

Available share classes

Share class	Inception date	Nav/per share	Distribution frequency*	ISIN code
Class A (SGD - Q Dist)	20 Dec 2004	S\$1.9122	Quarterly	SG9999002083

* Dividends are not guaranteed and may be paid out of capital.

About FSSA Investment Managers

FSSA Investment Managers is an autonomous investment management team within First Sentier Group, 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.

Annualised performance in SGD (%) to 31 December 2025

	Since Inception	10yrs	5yrs	3yrs	1yr
Fund (Ex initial charges)	7.9	6.0	0.5	5.8	11.4
Fund (Inc initial charges)	7.6	5.4	-0.6	4.0	5.8
Benchmark	7.0	7.8	4.0	14.2	22.8

Cumulative performance in SGD (%) to 31 December 2025

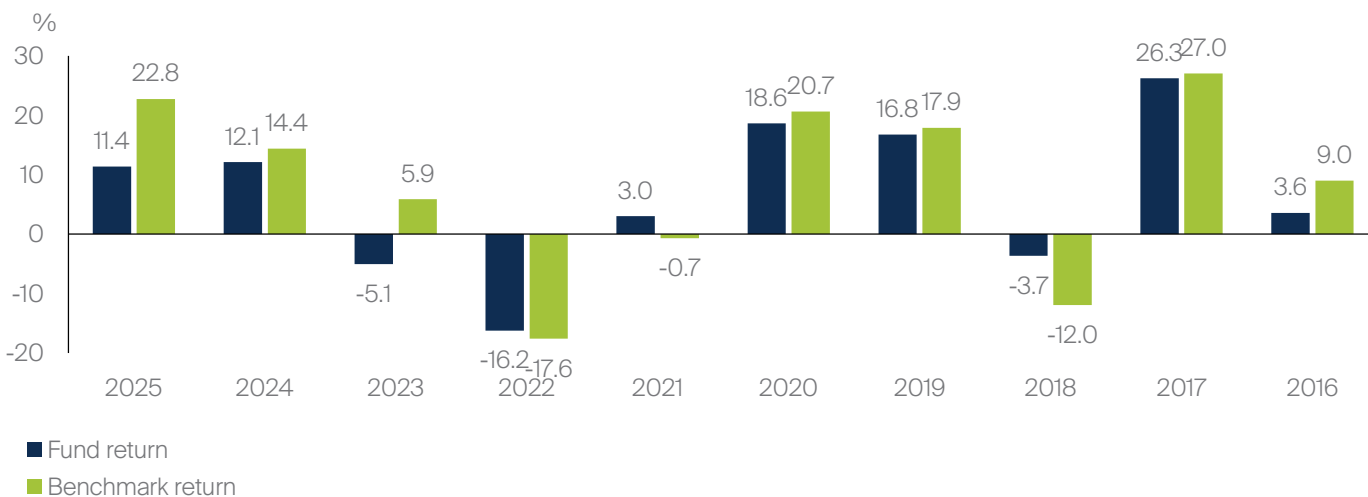
	Since Inception	5yrs	3yrs	1yr	3mths
Fund (Ex initial charges)	393.5	2.3	18.6	11.4	3.0
Fund (Inc initial charges)	368.8	-2.8	12.6	5.8	-2.1
Benchmark	316.5	21.7	48.7	22.8	3.3

Performance review

Over the past 12 months, key contributors to performance included **Samsung Electronics**, after it announced a large foundry order from a "large global company", which Bloomberg identified to be Tesla (Samsung did not disclose the name, citing confidentiality reasons). We believe the risk-reward looks favourable with a turnaround in its foundry business, while its legacy memory business remains strong. **Netease** rose after reporting strong earnings results, with gaming revenue and margins both better than consensus estimates as the increased cost of game development has helped market leaders. Netease plans to release its new games both in China and internationally in future, which will likely aid in the growth of its non-China revenue.

On the negative side, **Silergy**, a leading Taiwanese manufacturer of integrated circuits, declined after reporting disappointing earnings results. Uncertainty related to the US administration's reciprocal tariff policy affected its sales to global customers. However, sales in China continued to grow at a healthy clip. We believe the longer-term outlook for the company is bright, as it launches new products in the automotive and data-centre segments and continues to gain market share in the global analogue chip industry. **CSL** declined due to unexpectedly weak revenue growth from its Behring division, which focuses on plasma-derived therapies. Behring also suffered from the loss of tender contracts in the UK and Mexico.

Calendar year performance (% in SGD) to 31 December 2025



Source: Lipper and First Sentier Investors, single pricing basis with net income reinvested. Unless otherwise specified, all information contained in this document is as at 31 December 2025. Investment involves risks, past performance is not a guide to future performance.

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.

Portfolio review

New purchases over the quarter included **Full Truck Alliance (FTA)**, a leading digital freight platform in China with a strong competitive moat and a long growth runway. FTA should continue to strengthen with scale, as shippers move more of their business on to the platform, driven by cheaper prices, which then drives more truckers to the platform, and so on. The business is still in the early stages of monetisation (which implies room to grow), margins are expanding, and it is cash flow generative. Meanwhile, new growth opportunities, such as cargo pooling, could also open up once it reaches a minimum viable scale.

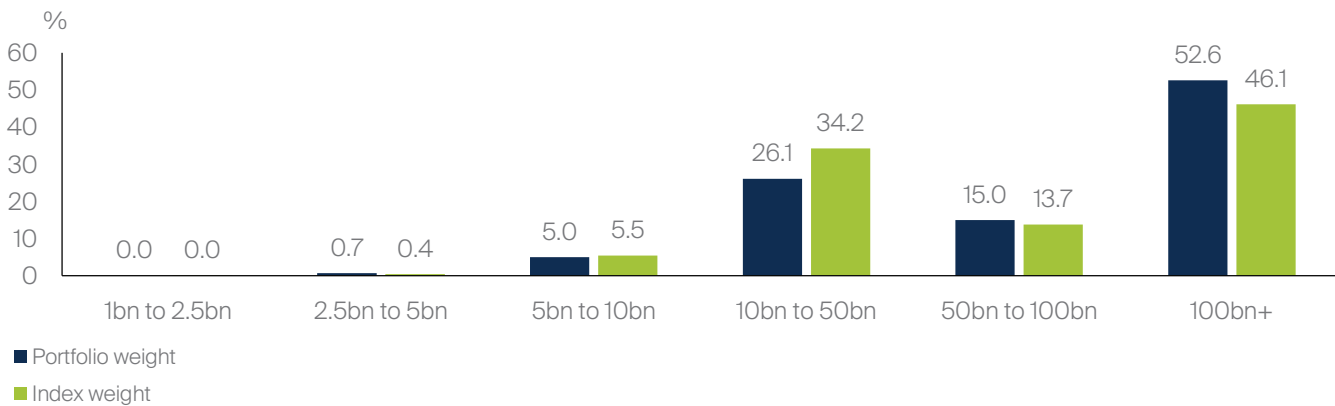
We also bought **Bank of the Philippine Islands (BPI)**, the second largest bank in the Philippines. The bank is majority-owned by Ayala Corporation, one of the Philippines' most established and influential business groups, and it has many of Ayala's associated qualities: a strong governance framework, measured growth, and operational professionalism. BPI operates with one of the leanest cost structures in the Philippine banking sector, supported by its scale, automation and relatively high productivity per branch. It has delivered a steady improvement in returns over the past few years, reflecting its stronger operating leverage, improving margins, and relatively stable asset quality. Structurally, we think the long-term investment potential is attractive, as the Philippines is one of the most under-penetrated banking markets in emerging markets relative to its economic size and demographics. With a population of ~114 million and a Gross Domestic Product (GDP) of US\$505bn, it is among Southeast Asia's larger economies, yet its household credit to GDP remains close to frontier market levels.

We sold **Axis Bank** and **Keyence** to consolidate the portfolio into higher conviction ideas.

Stock spotlight

Mediatek is one of the largest chip design companies globally. We have been following Mediatek for many years and have witnessed its performance through the cycles. Throughout the ups and downs in its history, its talented engineers and well-aligned management team usually find a way through to the next "big thing". From optical drives for computers to scan CDs, it entered the smartphone supply chain with 2G modem chips and benefited from technology upgrades each year – until it collapsed in 2015-17 amid poor execution and competition from both low- and high-end competitors. In 2018 Rick Tsai joined Mediatek from TSMC and focused on getting the basics right again. We believe Mediatek has been transformed under his leadership into a better-quality company. In recent years, the company has improved its competitiveness, and we believe its market share will likely remain stable. With the smartphone market now in the mature stages, the company is investing into new areas (ASIC, auto, augmented reality/virtual reality, Internet of Things, artificial intelligence) to diversify and internationalise its business in the long run.

Market capitalisation breakdown (SGD)



Source: First Sentier Group as at 31 December 2025. Portfolio weights may not add up to 100% as cash holdings are excluded and full coverage of stocks is not always available. This information is calculated by First Sentier Investors. 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.

Outlook

We are optimistic on the outlook for Asian equities. With a rising share of global GDP growth, Asia should continue to benefit from the shift towards higher value services-led growth, digital transformation and the ongoing financialisation across the region. Valuations also look attractive in comparison to developed markets like the US, while low ownership of Asian equities in global portfolios provides a good backdrop for absolute returns.

Across the FSSA Asian equity portfolios, our core holdings have continued to deliver good underlying business performance and shareholder returns. Current portfolio valuations remain attractive – as they have been over the last couple of years. Looking forward, we expect earnings to compound at low double-digit rates with circa 20% average returns on equity, while free cash flow yield is at a historic high and companies are returning more cash to shareholders.

While we can't second guess when the Artificial Intelligence (AI) theme might run its course, our holdings are characterised by strong competitive advantages, and they have historically managed to preserve margins and profitability through the cycles. We are confident that their strong fundamentals will translate into attractive shareholder returns in the long run, as the market broadens, over time, from its narrow focus on AI.

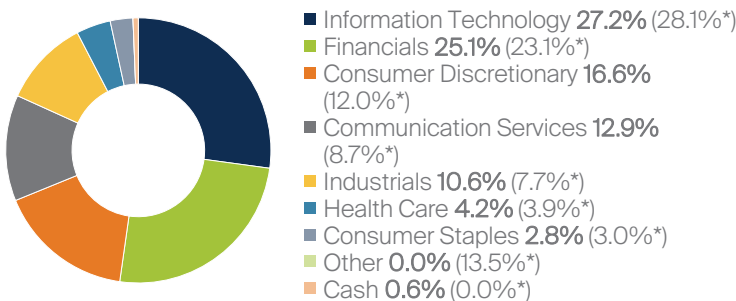
Our long-term investment themes:

- 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.

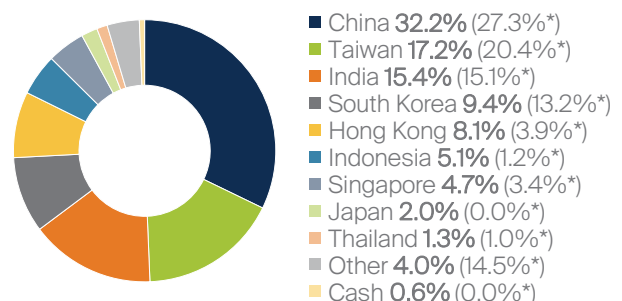
Ten largest company holdings as at 31 December 2025

Stock name	Geography	Sector	Portfolio weight (%)
Taiwan Semiconductor (TSMC)	Taiwan	Information Technology	9.9
Tencent Holdings Ltd	China	Communication Services	9.4
Samsung Electronics Co Ltd Pfd	South Korea	Information Technology	5.6
ICICI Bank Limited	India	Financials	4.7
AIA Group Limited	Hong Kong	Financials	4.5
HDFC Bank	India	Financials	4.2
Netease Inc	China	Communication Services	3.5
Midea Group	China	Consumer Discretionary	3.4
MediaTek Inc	Taiwan	Information Technology	3.2
PT Bank Central Asia Tbk	Indonesia	Financials	2.9

Sector breakdown



Geographic breakdown



*Index weight

*Index weight

Source: First Sentier Group as at 31 December 2025. Sector and Country classifications provided by FactSet and First Sentier Group. 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 Group' portfolios at a certain point in time, and the holdings may change over time.

Top 5 contributors to absolute performance

3 months to 31 December 2025

Stock name	Geography	Sector	Value added (bps*)
Taiwan Semiconductor Manufacturing Co., Ltd.	Taiwan	Information Technology	140
Samsung Electronics Co Ltd Pfd Non-Voting	South Korea	Information Technology	126
SK hynix Inc.	South Korea	Information Technology	91
Huazhu Group Ltd ADR	China	Consumer Discretionary	52
Oversea-Chinese Banking Corporation Limited	Singapore	Financials	48

12 months to 31 December 2025

Stock name	Geography	Sector	Value added (bps*)
Tencent Holdings Ltd	China	Communication Services	409
Taiwan Semiconductor Manufacturing Co., Ltd.	Taiwan	Information Technology	390
Samsung Electronics Co Ltd Pfd Non-Voting	South Korea	Information Technology	293
Netease Inc	China	Communication Services	163
AIA Group Limited	Hong Kong	Financials	148

Bottom 5 contributors to absolute performance

3 months to 31 December 2025

Stock name	Geography	Sector	Value added (bps*)
Tencent Holdings Ltd	China	Communication Services	-98
Shenzhen Mindray Bio-Medic-A	China	Health Care	-45
Netease Inc	China	Communication Services	-35
Silergy Corp.	Taiwan	Information Technology	-29
ANTA Sports Products Ltd.	China	Consumer Discretionary	-27

12 months to 31 December 2025

Stock name	Geography	Sector	Value added (bps*)
Tata Consultancy Services Limited	India	Information Technology	-79
Silergy Corp.	Taiwan	Information Technology	-76
PT Bank Central Asia Tbk	Indonesia	Financials	-60
FPT Corp.	Vietnam	Information Technology	-54
CSL	Australia	Health Care	-52

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. 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 Group' portfolios at a certain point in time, and the holdings may change over time. 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.

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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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