Idea Brunch with Roger Fan of RF Capital

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Welcome to Sunday's Idea Brunch, your interview series with great off-the-beaten-path investors. We are very excited to interview Roger Fan!

Roger is currently the chief investment officer of RF Capital, an LA-based fund he founded in 2017. Before launching RF Capital, Roger earned his J.D. from the Texas Tech University School of Law. Roger likes to invest in "obscure, undervalued companies globally across all sectors with an emphasis on micro-cap companies."

(Editor's Note: Sunday's Idea Brunch is looking to interview more talented off-the-beaten-path investors like Roger. If you know of someone magical, please email edwin@585research.com or hit reply!)

Roger, thanks for doing Sunday's Idea Brunch! Can you please tell readers a little more about your background and why you decided to launch RF Capital?

First, thank you for the invite. Sunday's Idea Brunch is a great interview series. The list of fund managers that you have interviewed previously is quite impressive.

So I decided to launch RF Capital because friends and family kept asking me what I wanted to do after law school. Up until that point, I was managing my family's money and my own with great success. I had also been providing friends with investment ideas and they knew about the returns that I was generating.

Initially, I planned on working as a hedge fund analyst after graduation. However, my friends and family persuaded me to go out on my own. They kept following up with me to see if I'd be willing to manage their money as a professional investor. And they were quite persistent! Without their encouragement, I would've taken a job offer as an analyst somewhere. Since I already had many years of living expenses saved up and a private track record of strong returns,

I decided to take a leap of faith and launch the firm.

I wouldn't necessarily recommend that to young professionals today, but that is the path I took. It helps when you are only 28 years old, young, and don't know any better! However, I'm in the seat that I've always wanted to be in now, so it all worked out.

How did studying to be a lawyer and doctor influence you as an investor?

Going to law school was one of the best decisions I ever made. I know that many professionals disregard advanced education and say it's useless, but I attribute my success to law school. The skillset that you gain from law school is directly transferable to investing. For example, issue spotting is a crucial skill in law, and that is the way I read and process information today. Issues pop up in my head left and right no matter what I'm reading – financial filings, transcripts, proxies, press releases, newspapers, etc. You can't read primary information sources passively. You have to be active, identify issues as you read, and take notes on the computer or legal pad.

I also became a better writer in law school. I don't consider myself an excellent writer, but I improved by leaps and bounds during my time there. All the memos, briefs, and exam essays that I had to write provided me with plenty of practice and volume. You learned to write persuasively and efficiently if you wanted to get good grades and/or win the competitions!

Many investors don't realize it, but writing is an important part of the investment business. Strong writing skills help you write great investor letters, research memos, and emails to management teams, investors, employees, etc. Writing is applicable to investing no matter what type of role you are in. On the investing side, portfolio managers and analysts have to write in some way shape or form. Similarly, founders and COO-type people have to communicate with prospects and their investor base.

Crafting persuasive arguments is another skill that is a byproduct of all the reading, researching, and writing that you do in law. You not only have to create a strong argument for why you should win, but you also have to address the other side of the table. You have to be able to anticipate what opposing counsel is going to say, and you have to be able to negate their arguments. That is your job as a lawyer – to persuade the judge and the jury if you're in trial.

With investing, that means thinking extensively about why you should be long or short a company. Then depending on which side of the trade you're on, you have to think about the opposing side. More importantly, you have to be able to figure out what exactly it is that you know more than the market. Remember, when you buy or sell short a stock, sophisticated market participants are on the other side of the trade. You always have to ask yourself if you're the patsy at the table.

Taking a step back even further, my time as a premed in college also helped tremendously. There, my life was all about math, sciences, and economics. With those subjects, volume, and precision were needed. You had to work and solve a lot of questions and problems to be proficient. And you had to be precise. There are only so many ways you can solve a math or organic chemistry problem. There's no flexibility like there is in law. In law, you can argue something both ways. And if you don't understand the black letter law, you can "BS" your way through the analysis and manipulate the facts to arrive at a conclusion. In the math and sciences, that kind of approach doesn't work. Oftentimes, there's only a handful of ways to solve a problem and there's only one answer.

The research-intensive science classes also provided me with plenty of exposure to the scientific method. The scientific method is actually a lot like law and investing. You start with a hypothesis and you work extremely hard to disprove it. It's a lot like crafting a legal argument. So again, there's a lot of overlap in terms of process between math, science, law, and investing.

And from all the internships and volunteer work that I did, I learned how to communicate with people and how to be personable. All the doctors, nurses, and techs that I worked with were all amazing. They were so great with patients, and I learned from them how to interact with others. I didn't learn as much of this in law, but the human element is certainly present. You have to be personable and an effective communicator when dealing with clients, judges, opposing counsel, witnesses, experts, etc.

I also learned the importance of speed and flexible thinking during those internships. I did several rotations in the Emergency Room departments. As one can imagine, the nurses/doctors had to be quick when diagnosing and treating patients. In the ER and the OR, speed and accuracy are crucial. In the investment business, it's never on that level of intensity. But in the hospital, it quite literally is a matter of life and death. I've seen table deaths in the operating room and many people who died in the ER. Those experiences really reinforced the importance of speed and accuracy. That's why as an investor, I do everything quickly but accurately.

In short, I was blessed to have had such a multi-disciplinary education. As Charlie Munger put it, it provided me with a lollapalooza effect in life and insights that I wouldn't have gained otherwise. I didn't study anything at the PhD level, but having exposure to a broad range of disciplines from math and sciences to economics, accounting, and law certainly influenced the investor that I am today.

On your website, you stress you look for "aligned management teams." What exactly does that mean? Could you please share some examples of egregiously misaligned or extremely well-aligned management teams you've seen?

An aligned management team is when key executives like the chairman, CEO, and CFO own a significant amount of stock. Additionally, their compensation packages aren't egregious. The way they manage the company via capital allocation is also very telling of whether they're aligned with shareholders or not. If you just follow the trail of transactions from dividends and buybacks to acquisitions and reinvestments, you can figure out quickly if the management team is doing what's best for shareholders. Sometimes, it's best to take a step back and pretend you are the Chairman and/or CEO. Then review all the deals, transactions, and capital allocation decisions as if you owned 100% of the company. Pretend that you are the founder and involved in the day-to-day operations of the company.

I won't identify any misaligned management teams in particular, but you really do see some ridiculous things going on when you turn over a lot of rocks. Some of the salaries and stock option packages I've seen are astronomically high - relative to both the peer group, the industry, and the company's revenues and earnings. I have no problem with talent being well compensated. However, the dollars allocated for compensation must match the skill level and the company's finances.

I've also seen bone-headed transactions that have deterred me from making an investment. As I stated before, I like to detach myself from the investor hat and pretend like I'm the owner operator of the business. And a lot of acquisitions, buybacks, etc. just don't make any sense sometimes. When you think critically about capital allocation decisions, sometimes you just arrive at the conclusion that management is just lighting cash on fire.

Related party transactions are another thing to watch out for. If you read the footnotes, sometimes you'll see ridiculous related party transactions. And you can just tell that management is enriching themselves through the company. What's worse is when you ask them directly about it and they'll sidestep it or give you an answer that is so unsatisfactory that you can tell they are outright liars.

Analyzing boards and management teams can actually be quite a process. It certainly makes for a deep conversation - especially with peer portfolio managers. However, I try not to place too much of an emphasis on management teams even though it's one of the key criteria. I just place the analysis lower on my priorities list.

I've found that I'm an optimistic person in general and will give people the benefit of the doubt based on first impressions if they are presentable, likable, and articulate. Overall, I've been burned by getting too close to management teams. Looking back on my investment history since inception (and even going back to 2008 as a private investor), the best investments I ever made were ones where I had limited contact with the board, management teams, and top shareholders.

It's probably just the way I'm wired, but I just operate better when I can sit in a room and think for myself. I want to be able to debate the bull, base, and reasonable case on my own without any input from others. I trust myself to be right in my analysis and I don't need others to validate my investment thesis. Management teams are savvy at pitching their companies and being extremely likable people in general. I just don't want to be influenced by any of that. Furthermore, peer managers who take the opposite view are extremely smart. They are great at pitching and presenting their investments, so I can also be susceptible to being moved off of ideas. So I prefer to ignore management teams and fellow PM's as a whole until I need some serious questions answered.

With that being said, I'll still do calls with management teams and visit when needed, but I only do so to check a box. It feels almost obligatory because otherwise I feel like I'm skipping a step in the investment process. However, it's not something that I absolutely need to do, and I don't force myself to do it if I don't have any pressing questions.

What I focus on instead is to figure out the key drivers of the business, analyze the historical numbers, make an attempt to project normalized earnings out 2 to 5 years, and purchase shares if the IRR is at least, say, 30% minimum. I just don't want to see any red flags when it comes to the board/management team portion of the investment equation.

Given that you focus on small companies, many of which have no analyst coverage, how do you generate your investment ideas? And has your process for finding ideas changed since your 2017 launch?

The process for idea generation has certainly changed since the 2017 launch. Back then, I used to read 13F's and investor letters, look at idea sharing sites like VIC/Sum Zero/Seeking Alpha/Corner of Berkshire and Fairfax, and talk to fellow portfolio managers for ideas. And all of that worked. There's nothing wrong with doing any of it. In fact, I achieved excellent returns going all the way back to 2008 as a private investor. Those methods of idea generation definitely work.

However, I just had an epiphany around late 2019 and early 2020 that I was a great investor with a solid track record. So why not generate ideas and write up companies on my own? I realized that I didn't need to rely on others and their analysis to come up with great investment ideas. So I made the shift in my investment process and the fund's performance improved significantly.

Screens, newspapers, and targeted internet searches are the primary way that I generate investment ideas these days. I used to screen very rarely, but now I rely almost exclusively on screeners. However, I try to make the screens as broad as possible so that the list still has a few hundred companies on it. Then I'll go through each company one by one and do a quick scan of the numbers and charts.

Newspapers are also useful. I'm sure most people don't even read newspapers anymore, but I still find them helpful. They keep me engaged with what's going on in the markets. Newspapers provide market sentiment, include what journalists and the general population feel are important, and occasionally have interesting articles about companies undergoing change or distress.

And of course, targeted internet searches can help you find exactly what you are looking for. It's probably the best way to find special situations aside from newspapers. So whenever I'm not doing a deep dive on a company that fits our typical criteria, I'll run searches to see if there are any interesting special situations where I can add a sub-5% position to the portfolio.

How does your fund trade positions and manage risk? Specifically, can you please share a little about position sizing, turnover, concentration, and anything else relevant?

There are no hard and fast rules when it comes to position sizing. It depends on the type of investment, upside/downside profile, and conviction level. Generally, I like to slowly build the position because I can get more comfortable with a company as time goes on - especially if my expertise in the industry is limited. The typical sizing progression is 3%, 5%, 7%, 10%, 12%, 15%, etc. at cost. I don't have a max position limit because you really have to bet big when you see a rare investment with huge multibagger potential and limited downside.

Others may disagree, but I don't think it would be crazy to put 33% or even 50% of the fund's capital in an amazing investment idea. With that being said, the largest position size we've ever had since inception was 25% at cost. Typically, investments are sized around 7% or 10% to start. It's only the great ideas that exceed 10%. Conversely, it's the special situations, companies with elevated downside risk, shorts, and tracking positions that are below 5%.

So there tends to be 5 to 10 core positions with smaller positions at any given time - which could bring the number of holdings to 15, 20, or more. I don't really worry about how many companies there are in the portfolio. I'm primarily focused on the Top 5 positions because they are the key driver of returns. Additionally, the Top 5 positions will almost certainly be 50% or more of the portfolio, so I have to get those investments right.

Turnover isn't something I worry about. I don't optimize the portfolio with taxes in mind. If I need to sell a company, I'll sell. Whether it's a short or long-term gain/loss, it doesn't matter. Trading and managing risk is all about valuations, fundamentals, and the investment theses. Of course, I prefer to hold companies for the long term as long as everything is meeting expectations. For example, we've held **Zengame** (Hong Kong: 2660 — HKD$3.82 billion) since 2019 and **Sprouts Farmers Market** (NASDAQ: SFM — $7.89 billion) since 2020. On the other hand, I've cut my losses in companies or sold at a profit within a year of the initial buy. Like position sizing, every situation is different and it's all valuation and thesis-driven. In short, I'm trying to get the highest net returns possible for my investors. Turnover is of minimal importance.

I would also add that I've added charts to my investment process in recent years. That may be sacrilege to the practice of value investing, but I want the odds stacked in my favor. I have respect for technical analysis, momentum, etc. and I'm not above using any of it to my advantage. If something works over the long term and it's not detrimental overall to the practice of value investing, I'm willing to incorporate it into my investment process. The goal is to have a Hall of Fame track record, and you can't do that without constantly evolving, improving, and learning as an investor.

Also, I've found that using technical analysis for entries and exits and trading around positions has added another dimension to the investment process. Subjectively, I think charts and technical analysis have enhanced returns, but we'll have to see over the long term. So far, the net returns we've achieved since implementing technical analysis have been great.

What are some of your favorite off-the-beaten-path ideas today?

Zengame Technology (Hong Kong: 2660 — HKD$3.82 billion) continues to be one of my favorite ideas. I've written about the company several times before, so investors who follow me may already be familiar with the name. However, the stock price is down ~35% YTD, which provides investors with an even better entry point at HK$3.71/share. It wasn't too long ago in late December 2023/January 2024 that the price increased significantly and reached a 52-week high of HK$5.88/share. Despite the large decline, Zengame continues to be RF Capital's top holding. We haven't trimmed our position. In fact, we've been adding for investors that are underweight the company.

For those unfamiliar with Zengame, they are a developer and operator of casual mobile games in China. Zengame's flagship game at the moment is Fingertip Sichuan Mahjong. (Mahjong is a popular board game in Asia.) Previously, Fight the Landlord, a card game, was the flagship. The company generates revenue through advertising and in-game virtual item purchases. Zengame employs the "freemium" business model, so the games are free to download and play.

One of the key drawing points of Zengame is that its flagship games are always ranked in the Top 5 of the iOS charts in its category. This continues to be the case with Fingertip Sichuan Mahjong - which still consistently ranks in the top 5 in the card and board games iOS bestseller list in China. To me, that indicates that Zengame is not only great at developing games that people want to play but also that they are on top of their marketing and tracking of current player trends. It's difficult to be so consistent over multi-year periods with game development, especially with casual mobile games. Keep in mind that Zengame doesn't develop complex games like RPGs, FPS games like Call of Duty, and other games that companies like Tencent are famous for. Zengame focuses on casual games as well as card and board games that are quick and easy to play. Also, the marketing and advertising needs to be on point. It seems like the company is doing a great job through livestreaming as well as promoting its games through the usual channels like WeChat, ByteDance, and Kuaishou.

Additionally, Zengame's numbers and valuation metrics have always been a "no-brainer" given its strong growth prospects. Although Zengame didn't have the best half-year recently, the current multiples and valuation are still too cheap to ignore. First, the pre-tax ROIC is 47%, and that is before you take into account the large amount of cash on the balance sheet. Any time I see a high ROIC like Zengame's, it indicates to me that the company has some sort of competitive advantage or edge whether that may or may not be visible at first glance. One would think there's no moat to be had in the casual mobile games category, but clearly Zengame has made it work ever since the company IPO'd. The company consistently has high ROIC numbers. Second, the company trades at ~5x P/E and FCF.

Add in a dividend yield of 6.25% and you already have a high-yielding return rate to start. This doesn't even take into account further revenue and earnings growth in the future, multiple expansion, potential buybacks, acquisitions, and the overall China/Hong Kong economy and markets improving.

Instead, the company is priced for severe decline. Any time I see valuation multiples across the board below 5, that tells me that the market hasn't discovered the company yet, thinks the company is going out of business, or the company is going to be in severe decline for the foreseeable future. Since our initial purchase in 2019 until now, Zengame has always traded at low single-digit multiples. One can argue that Zengame trades at such low multiples because it is a microcap that trades in Hong Kong, which has been cheap relative to markets like the US for quite some time. However, purchasing shares in companies at low multiples no matter what the market cap is or the country is one of the keys to investment success. I've never made much money paying market-type multiples or more for companies.

However, I do recognize that Zengame has issues that need to be monitored going forward - especially after the most recent half-year. Most recently in H2 2023, Zengame posted declines in revenue, gross profit, pre-tax income, and net income. In the company's history since its IPO, all of those numbers have only declined across the board previously during the half-year ending in December 2020. Revenue only declined one other time in the half-year period ending in June 2021. Interestingly enough though, Zengame's stock price has increased slightly since the latest report. To me, that says investors aren't too concerned yet and that the year's overall price decline is due more to the Hong Kong stock market and challenges in the Chinese economy as a whole.

With that being said, I'm closely watching how Zengame does going forward. The large declines in KPIs like MAU, DAU, and MPU aren't encouraging. Luckily, those KPIs are balanced out by the huge increase in ARPPU. Furthermore, H2 2023 affected FY2023 results significantly because H1 2023 was great. While revenues and pretax earnings are growing in the mid-teens for FY2023, gross profit and net income only grew in the single digits. These aren't growth rates that long-term Zengame investors are accustomed to seeing. On the other hand, it's important to remember that almost all companies don't experience growth rates that look like a straight line up. There will always be down quarters and down years. The trick is to recognize if the problems are temporary or permanent.

On balance, Zengame still remains an attractive investment. Actual sales revenue in China's domestic game market and the number of game users in China continue to grow overall. So the industry as a whole is doing fine. Also, ARPPU continues to grow despite other KPIs lagging. Furthermore, the balance sheet is solid with a current ratio of 7.5, tons of cash, and zero debt. Management continues to own a significant amount of stock. Both Ye Sheng and Yang Min continue to own ~43% of shares outstanding combined. And most importantly, all valuation multiples are sub-5x. Even if Zengame continues to struggle, there is still a disconnect with the current multiples. Investors have to keep in mind that the numbers have to match reality, and despite the weak H2 2023, Zengame still trades at a discount to intrinsic value. The financials going forward would have to be much worse in order to justify the low, single-digit multiples.

Moving on, a new investment that we haven't previously disclosed is **Grand Banks Yachts** (Singapore: G50 — S$71 million), a nano/microcap that trades in Singapore. Grand Banks is currently a 7% position for us and our cost basis was S$0.368/share. We are still conducting research on the company and building conviction. Ideally, this will be a holding that becomes a 10-20% position for us in the future. (That is always the goal for core holdings.) So hopefully investors won't get too interested in the company just yet! We just felt the need to discuss a new idea for your readers because it feels like we speak and write about the same companies over and over again.

So Grand Banks operates in the luxury yacht industry. They manufacture and sell luxury yachts in the US, Asia, Australia, and Europe under the Grand Banks, Eastbay, and Palm Beach brands. The yachts range from 42 feet to 85 feet. Our thinking with luxury yachts is that, generally speaking, only high-income earners and/or HNWIs purchase them. Yachts of any type and size are expensive, so the target market is very specific. While high-income earners and HNWIs are susceptible to downturns in the economy, there's the saying that the rich stay rich. And we've certainly seen this with the increasing wage and wealth disparity between the rich, middle-class, and low-income groups in recent times. So, the real question is only if there is demand for Grand Banks, East Bay, and Palm Beach yachts specifically or if target customers choose to purchase yachts from other companies instead.

Like Zengame, the valuation metrics make sense and fall squarely in the deep value category. ROIC is slightly above 20%, which isn't amazing but good enough for the initial hurdle, and is much higher when adjusting for cash. Also, the ROIC is decent for a company that has a cyclical financial profile. The trailing multiples are also quite attractive, especially for value investors. (0.55x P/S, 1.23x EV/EBITDA, 1.51x EV/EBIT, 5.33x P/E, and 1.07x tangible book.) Also, the dividend yield is 3.9%. For a company that is growing (at the current moment in the cycle), those multiples are extremely attractive. Much like the Zengame investment, low multiples provide the company with a lot of free options to increase intrinsic value and the share price.

Grand Branks certainly has momentum working in its favor for 9M FY2024. Net profit was the highest it's been in 10 years and increased 92.8% YoY for the 9M period. Revenue and gross profit increased 20.7% and 62.3% YoY, respectively, and the gross profit margin rose to 38% from 28.3% during that time. Additionally, Grand Banks added 3 new boat orders in the most recent 3 months - which makes it 14 new orders for 9M FY2024. This reflects a healthy order book of S$122.2M as of month-end in March 2024.

Also, increased boat construction activities will help clear the backlog - leading to greater revenue recognition. The expansion of the Malaysian manufacturing yard is going well and will add 25% more capacity and improve production capacity. The more efficient production will help the company with shorter delivery times and assist with marketing and sales of its yachts.

As with any investment, there are risks, and Grand Banks is no different. Potential issues include softer demand, rising economic uncertainty, and higher operating costs. Furthermore, Grand Banks is a tiny company that trades in Singapore. By their nature, nano/microcaps may take some time for their upside potential to be realized due to the discovery aspect. Tiny companies are not only off the radars of institutions but also for many retail investors. Additionally, the Singapore stock market as a whole is trading at a distressed valuation. So only investors with a long-term time horizon should invest in companies like Grand Banks. And more importantly, yachts are discretionary purchases and the financial profile of Grand Banks certainly looks like that of a cyclical company. Therefore, the recent momentum, growth, and expansion of the company's production facilities, may not last indefinitely.

However, Grand Banks is the type of company that is in our typical strike zone. The company is small, illiquid, and attractively priced with minimal investor/analyst coverage. Grand Banks is certainly worth considering given the strong balance sheet, low multiples, and strong recent financials. Additionally, Mark Richards (CEO and Director) has an impressive background and owns ~6% of shares outstanding. Grand Banks is the classic value investment where you can't lose much, but the upside can potentially be quite attractive going forward.

Roger, what are some of the first things you do when researching a potential investment? What does that first hour of research look like for you? Do you do anything that few others do?

The first thing I do in the first hour is to look at all the numbers, charts, and business descriptions. I want to get a sense of how potentially undervalued a company is, what the price action has been over its entire history, who the top shareholders are, and if it's the type of business that I would want to invest in. TIKR or publications like Value Line are great examples of what I like to look at for this. Everything is all in one place and I can decide if I want to pursue the target further.

Then I'll read the annual report, the most recent quarterly or half-year report, and the investor presentation. Of course, I probably won't get through all of that in the first hour. It depends on how fast I read and how many pages there are.

If I still like the company at this point, I'll create a model with the historical financials, relevant metrics, and ratios. I want to get comfortable with the numbers and really understand them on a deeper level.

I'm not sure if I do anything that few others do when researching a potential investment. I would imagine their process is similar. I don't do anything special that is proprietary. I only work with public information and filings.

Perhaps what's different is just executing at a high level and having frameworks of successful investments in mind. Being a great analyst is all about doing everything as quickly and as accurately as possible in large volumes. To do that, you need to know exactly what you are looking for and recognize patterns and frameworks that you've developed over the years.

More importantly, it comes down to execution. I like to think about it in terms of sports. The greatest athletes of all time in any sport may or may not have been the most athletically gifted relative to their peer group. But what stands out about the GOATs, whether it be Michael Jordan, Michael Phelps, Roger Federer, Tiger Woods, Tom Brady, Michael Schumacher, etc., was their flawless execution.

What would you like RF Capital to look like 10 years from now?

In 10 years, I would like for RF Capital to be putting up even better numbers. The goal from Day One has always been to have one of the greatest track records of all time. I'm constantly looking to improve my investment process and learn about new companies every day. And the two variables for a great track record are net returns and longevity. That boils down to making good investment decisions with a high batting average and managing risk and protecting the downside over full market cycles. I try to operate like Walter Schloss, who is an underrated investor. Sure, he didn't have the highest net returns since the inception of his fund, but he has the longest track record that I know of for a hedge fund manager. While I respect Warren Buffett and think he's one of the GOATs of investing, he doesn't compare to Schloss in terms of longevity because Warren shut down his investment partnership after about 12 years and ended up operating Berkshire Hathaway. Schloss, on the other hand, has only operated one investment partnership since he launched and ended up with a track record that beat the S&P 500 by a few percentage points net of all fees over many decades.

Additionally, I would like to add more intelligent, hardworking, and like-minded investors to the fund. Given our love for microcaps though, we aren't looking to get too large in terms of AUM. Perhaps $25M or $30M in AUM is the capacity to preserve the sub-$100M market cap opportunity set. And assuming we can maintain our returns while moving up the market cap spectrum, I think the hard close would be around $300M. However, that's only if I think we can maintain our returns past the $25-30M AUM mark.

No matter what the hard close ends up being, I just don't see myself managing a multi-billion-dollar hedge fund in the future unless it happens organically without additional investors and capital. That may seem stupid and naive from the perspective of most investment professionals, but I'm really in the investment management business to have one of the best track records of all time. Also, I just really enjoy investing and it would be a hobby that I would devote 40+ hours to even if I had another full-time, 40-hour/week job.

Besides, I've never met a poor hedge fund manager. I think a hedge fund's AUM would only exceed $1B if the manager wanted multiple mansions, supercars, yachts, and other life's luxuries. And there's nothing wrong with that. But a fund manager has to choose between being an ultra-high-income earner or being a craftsman who dedicates his/her life to achieving the highest returns possible. I choose to dedicate my entire career to perfecting my craft.

Roger, thank you for the great interview! What is the best way for readers to follow or connect with you?

Thank you again for inviting me on. The best way to connect with me is via email at roger.fan@rfcapitalmanagement.com. Also, I'm @rgrfan on X.

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