

Prusik Asian Smaller Companies Fund



LONG ONLY ABSOLUTE RETURN INVESTING IN ASIA

PRUSIK

31 December 2012

Quarterly Fund Fact Sheet

Investment Objective

To preserve capital and generate absolute returns over a full economic cycle by investing primarily in Small Cap companies in Asia Pacific Ex-Japan, whilst maintaining portfolio volatility significantly below the peer group.

Fund Facts

Fund Size (USD)	102.3m
Launch Date	8 February 2008
Fund Manager	Heather Manners
Fund Structure	UCITS III
Domicile	Dublin
Currencies	USD (base), GBP, SGD

Performance (%)

	A USD	C GBP	D SGD
1 Month	1.81	2.32	2.23
3 Month	7.35	8.01	7.94
Year to Date	30.80	31.05	30.69
Since Launch†	53.82	56.32	12.72
2012	30.80	31.05	30.69
2011	-19.28	-19.86	-20.04
2010	16.43	16.90	7.90
2009	59.70	56.10	-
2008	-21.60	-18.40	-

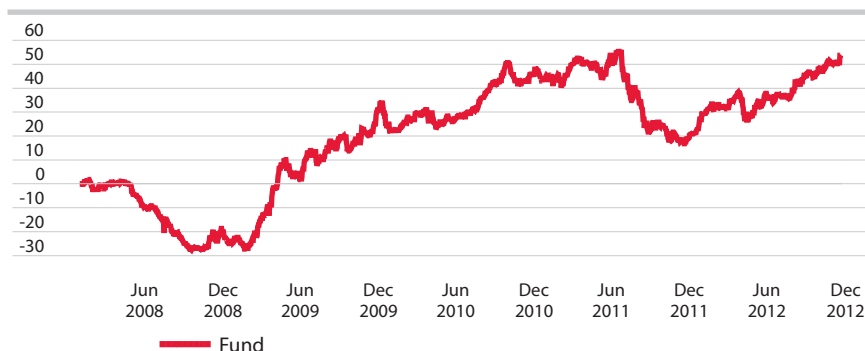
Source: Bloomberg.

†Launch Date: A: 08.02.08, C: 25.03.08, D: 15.01.10

Investment Process

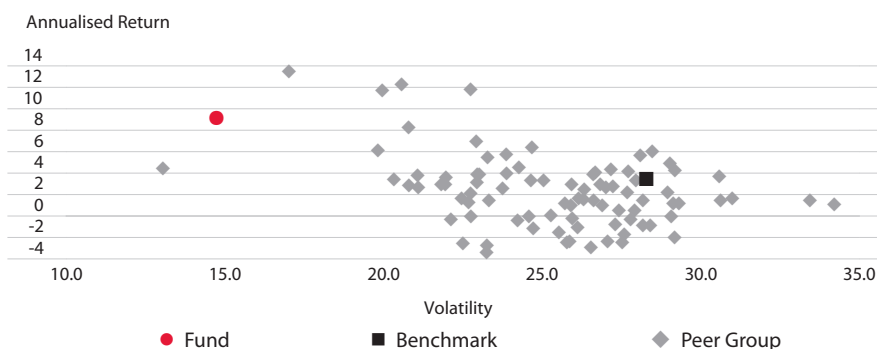
With anomalies as a start point, the investment process seeks to identify and invest in key 'themes' in the Pacific region. Our themes are driven by factors outside of the normal economic cycle and are not yet discounted by the market. Companies are identified and chosen via rigorous bottom-up analysis with emphasis on traditional value and high ROCE. Cash and Index Futures are used when opportunities are few and to reduce portfolio volatility.

Fund Performance - Class A USD (%)



Source: Bloomberg. Total return net of fees. Since launch: 08.02.08

Risk Adjusted Performance - Class A USD (%)



Source: Bloomberg. Annualised return and 1 year volatility versus the peer group (open ended offshore Asia Pacific ex Japan Equity Fund Index), 8.02.08 to 31.12.12

Fund Manager Commentary

The fund was up 1.8% in December. Thailand, Vietnam and Singapore were all positive contributors while India, Taiwan and Korea were less so. Thai property developer **Raimon Land**, **Pepsi-Cola Philippines** and Thai Free to air TV company, **MCOT**, were amongst the strongest contributors. Mobile gaming company, **Gamevil**, and Indian cinema chain, **PVR**, were the key detractors.

The major change to the portfolio recently has been a small increase in the weighting in China. China is one of the most unpopular and undervalued markets in the region and has suffered 5 years of poor performance. We think this may change in 2013, driven by a number of possible factors. These include falling inventories and rising orders from the US leading to rising capacity utilisation and margins. There is also a chance that we see the local currency weaken as the US rhetoric on currency manipulation has died down. This would be supportive to exporters as well as creating the illusion of progress i.e. nominal growth. We will continue to add to China, mainly in the consumer and property sectors.

Recent additions to the fund include **Tibet Water**, the premier bottled spring water brand in China, **Sino Grandness**, which has a fast growing new brand of top end juices in China and is on a P/E of just 3x and **Hopefluent**, a leading real estate agency in China on a P/E of 6x plus a 5% yield.

All data as at 31.12.12. Source: Prusik Investment Management LLP, unless otherwise stated.

Prusik Asian Smaller Companies Fund



Top 5 Holdings (%)

Sino Thai Engineering & Construction	4.1
Super Group Ltd	3.8
Thai Tap Water Supply	3.2
Airports of Thailand	3.2
Kolao Holdings	3.1
Total Number of Holdings	60

Portfolio Financial Ratios

Predicted Price/Earnings Ratio	11.1x
Predicted Return on Equity (%)	19.1
Predicted Earnings Growth (%)	22.5

Risk Metrics

Beta	0.6
Alpha	7.3
Sharpe Ratio	0.6
Volatility (%)	14.7
% of the portfolio which could be sold in 2 business days	81.1

Thematic Breakdown (%)

ASEAN Consumer	33.3	
ASEAN Infrastructure	19.5	
Oil Services	6.5	
Infrastructure	5.9	
Entertainment/Tourism	4.8	
Local brands	4.6	
Gold	4.6	
Singapore Office	4.6	
Other	4.2	
Vietnam	4.1	
Financial Services	2.6	
Telecommunication	2.4	
Media	2.2	
Cash	0.7	

Geographical Breakdown (%)

Thailand	29.1	
Philippines	18.0	
Singapore	17.7	
Hong Kong/China	9.7	
Malaysia	5.3	
Korea	5.2	
Vietnam	4.1	
Indonesia	4.0	
India	3.3	
Australia	2.8	
Cash	0.7	

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Management Fees

Annual Management Fee	1.5% p.a. Paid monthly in arrears
Performance Fee	10% NAV appreciation with a 6% hurdle

Dealing

Dealing Line	+353 1 4367 200
Administrator	Brown Brothers Harriman (Dublin)
Dealing Frequency	Weekly, Friday
Min. Initial Subscription	USD 10,000
Subscription Notice	2 business days
Redemption Notice	2 business days

Share Class Details

Share Class	Sedol	ISIN	Month-end NAV
A USD Unhedged Non distributing	B2PKN21	IE00B2PKN210	153.82
B USD Unhedged Distributing	B2PKN32	IE00B2PKN327	153.97
C GBP Hedged Distributing	B2PKN43	IE00B2PKN434	80.27
D SGD Hedged Distributing	B3M3HJ5	IE00B3M3HJ55	211.30

Performance fee based on individual investors' holding

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