

**PRUSIK ASIA FUND PLC**

(An open-ended investment company with variable capital incorporated with limited liability and established as a UCITS under the law of Ireland)

**Condensed Semi-Annual Report and Unaudited Financial Statements  
For the Period Ended 30 June 2015**

**TABLE OF CONTENTS**

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	<b>Page</b>
GENERAL INFORMATION	2
INVESTMENT MANAGER'S REPORT	4
SCHEDULE OF INVESTMENTS	6
BALANCE SHEET	9
PROFIT AND LOSS ACCOUNT	11
STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES	12
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	13
NOTES TO THE FINANCIAL STATEMENTS	17
STATEMENT OF SIGNIFICANT CHANGES IN THE COMPOSITION OF THE PORTFOLIO	25
MANAGEMENT AND ADMINISTRATION	27

## **GENERAL INFORMATION**

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Prusik Asia Fund plc (the “Company”) is a public limited liability investment company with variable capital, incorporated on 7 September 2005 in Ireland pursuant to the Companies Act 2014 and authorised by the Central Bank of Ireland (the “Central Bank”), as an investment company pursuant to the European Union (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (as amended) (the “UCITS Regulations”).

Except where the context otherwise requires, defined terms shall bear the meaning given to them in the Prospectus of the Company.

The Company, with the prior approval of the Central Bank, may create additional Share Classes as the Directors may deem appropriate.

The Company commenced trading on 7 October 2005. There are six share classes available to investors in the Company:

- Class A Dollar Non-Distributing Class (first issued on 7 October 2005)
- Class B Dollar Distributing Class (first issued on 7 October 2005)
- Class C Sterling Distributing Class (first issued on 14 July 2006)
- Class D Singapore Dollar Distributing Class (first issued on 22 December 2009)
- Class E Singapore Dollar Distributing Class (first issued on 21 September 2011)
- Class U Sterling (Unhedged) Distributing Class (first issued on 1 July 2013)

Brown Brothers Harriman Fund Administration Services (Ireland) Limited (the “Administrator”) determines the Net Asset Value (“NAV”) per Share of each Class of the Company daily (“Dealing Day”). The valuation point is 11.00 am (Irish time) on each Dealing Day.

The most recent Prospectus of the Company is dated 24 December 2014.

### **Investment Objective**

The investment objective of the Company is to engineer capital growth primarily by investing in companies operating in the Asian region.

In pursuit of its investment objective the Company invests in companies operating in Asia including Australia, New Zealand, Hong Kong, Taiwan, South Korea, China, India, Sri Lanka, Pakistan, Thailand, Indonesia, Malaysia, Singapore and the Philippines and generally seeks to invest, on average, in companies which have a price to book value ratio and price/earnings ratio below the level then prevailing in the market of that sector. The Company pursues its investment objective primarily by taking long positions in publicly traded common stocks and other equity securities of Asian issuers.

The Company has the ability to hold up to 100% of the NAV in cash for any period of time Prusik Investment Management LLP (the “Investment Manager”) deems this prudent. The Company limits its investment in other collective investment schemes to a maximum of 10% of its NAV.

The Company may invest in American depository receipts and global depository receipts and other equity related securities and instruments, which may be over-the-counter or listed, including convertible bonds, depository receipts and warrants as well as other securities such as bonds and preference shares issued by corporate and governmental issuers (and which may be fixed or floating, and of both investment grade (rated BB- or higher by Standard & Poor's/ Moody's) or non-investment grade.

The Company may invest in both short and long term Asian and foreign debt securities (such as fixed and/or floating rate bonds and notes) of corporate issuers and government entities. The debt and other fixed income securities in which the Company may invest will principally be of investment grade.

**GENERAL INFORMATION (CONTINUED)**

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**Investment Objective (continued)**

The Company may, however, invest on a very limited basis in debt and fixed income securities which are not required to satisfy any minimum rating standard. Such securities may include instruments that are considered to be of poor standing and which have predominantly speculative characteristics with respect to capacity to pay interest and repay principal.

The Company may also invest in certain securities and markets, using forms of indirect investment including, but not limited to Real Estate Investment Trusts ("REITS"), where such investment represents a more practical, efficient or less costly way of gaining exposure to the relevant security or market.

The Company may also invest in currency forwards such as non-deliverable forwards ("NDF") in order to manage currency exposure.

Pending investment of the proceeds of a placing or offer of Shares or where market or other factors so warrant, the Company's assets may be invested in money market instruments, including but not limited to certificates of deposit, floating rate notes and fixed or variable rate commercial paper listed or traded on Recognised Markets and in cash deposits.

The annual report and audited financial statements and unaudited half-yearly financial statements are available to the public at the registered office of the Company and are sent to shareholders.

## INVESTMENT MANAGER'S REPORT

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In the first half of the year the Prusik Asia Fund rose 4.1% versus the MXAPJ index which rose 3.7%. The outperformance came in the second quarter when the markets fell but the Fund was up. We have streamlined the Fund to focus on fewer stocks and key themes. We remain very optimistic for our themes and although the stock markets have been volatile of late, mainly thanks to the local market in China, we feel that regional valuations now offer an opportunity which has only been cheaper 5 times in many years.

In the first quarter the Fund rose 2.9%, versus a rise in the MXAPJ of 4.5%. There were two major reasons for this underperformance. Firstly, financials in Vietnam, where we have around 6% of the Fund, were weak. Secondly, we reallocated some of the capital within our India portfolio towards consumer orientated companies where we think the long term growth opportunity looks particularly bright. Exiting our Indian two wheeler holdings at this time involved locking in some short term year to date losses, despite their longer term strong contribution to the portfolio. Despite a weak first quarter for Vietnam, we remain very confident for the long term outlook for the this market following a visit there in January, and still feel there is significant upside from here. Equally, we believe India still has further upside in coming years, but our recent visit there suggests a few months more consolidation and correction is possible. The Indian economy has not really started to recover yet and interest rates are still too high. This is ultimately a positive scenario in that the country still sits on the brink of a macroeconomic turnaround but more government activity is necessary to unlock this positive potential.

Indonesia has also been going through a correction period as investors assess Jokowi's first year and lack of action. Stocks here have underperformed the region in recent months but many still sit close to 5 year highs. Although interest rates can and should fall from here, the Indonesian economy remains very dependent on commodities with few obvious new areas for growth. With this in mind we reduced our Indonesia weighting during the first quarter, something which proved to be beneficial over the second quarter as stocks there fell further.

The positive forces for the first quarter all came from North Asia, especially China. Thematically, we saw the strongest performance from our 'smart textiles' theme, which has turned in some excellent first quarter growth numbers. If anything, the story here seems to be better and better.

During the second quarter the Prusik Asia Fund rose 1.1%, 2.0% ahead of the index, which fell 0.9%. The positive contributors included Beijing Capital International Airport Co. Ltd. which continues to benefit from the tourism boom in China, a theme which has seen strong growth for several years now. Chinese insurer, Ping An Insurance Group Co., which sits within our financialisation theme, was also a positive contributor. We are very excited about the financialisation theme, with a particular focus on capital markets and pension reform in China.

Elsewhere our smart textiles/technical clothing theme continued to do well, partly in response to NIKE producing higher than expected earnings growth in its recent results, as well as our textiles holdings themselves announcing very good numbers.

Vietnam also had a very strong quarter, driven mainly by the government announcement that foreign ownership limits for listed companies will finally be raised. In addition, Vietnam is showing strong GDP growth owing to the huge Foreign Direct Investment (FDI) flowing into the country's manufacturing sector. Textiles companies have played a significant part in this as have technology companies such as LG Electronics Inc., Samsung Electronics Co. Ltd. and Intel as they look for a second manufacturing base after China.

Finally, our niche technology holding, Hermes Microvision, Inc., which is the market leader in chip inspection in Taiwan, made a meaningful contribution to performance in the quarter.

In terms of portfolio activity in the quarter, we streamlined the portfolio a little, including selling out completely of our position in Travelsky Technonology Ltd., a ticketing platform for Chinese airlines, as it hit our valuation target in April. The more concentrated list of companies the Fund is invested in is well positioned to take advantage of the upside we see. Our favourite themes include travel and leisure, smart textiles, 'financialisation' and Vietnam.

**INVESTMENT MANAGER'S REPORT (CONTINUED)**

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**Outlook**

Currently, at the time of publishing and since the end of the period under review, Asia has corrected significantly and now offers investors a very interesting new potential entry point. At 1.27 X Price/Book, Asia has rarely been cheaper and stands only 3% more expensive than the 2008/9 valuation lows.

Looking at this level from a historic perspective, statistically, longer term investors who bought at these levels sit with a very low ( under 5%) chance of not making 9% or more in the following 12 months. However, at this point it is still quite unclear how serious the risks are of a major dislocation of some sort in China. We wouldn't underestimate this although it is not our central case. Hence we would be just starting to buy and continue adding as the situation clarifies and these valuation levels are revisited.

From a portfolio perspective, this correction also gives us a chance to possibly upgrade the portfolio with some good companies at much cheaper valuations.

Medium term we believe Asia, in parts, offers much better growth combined with value, compared to the US, and has significant scope for further interest rate cuts in a number of countries. It also has many industries and themes which are seeing very strong momentum due to structural reasons. Despite all of this, foreign investors still seem cautious of Asia and indeed are carrying the lowest weightings in Emerging Markets for 15 years. This is usually a very good indicator of good upside on a one year plus view.

**Prusik Investment Management LLP**  
**26 August 2015**

## SCHEDULE OF INVESTMENTS

Country	Holding	Security Description	Cost USD	Value USD	% of Net Assets
<b>Common Stock (31 December 2014: 92.40%)</b>					
<b>Australia (31 December 2014: 3.91%)</b>					
	1,700,000	Fairfax Media Ltd.	1,381,607	1,063,856	1.24%
			1,381,607	1,063,856	1.24%
<b>China (31 December 2014: 25.16%)</b>					
	11,000	Baidu, Inc.	2,253,459	2,205,500	2.57%
	2,770,000	Beijing Capital International Airport Co. Ltd.	1,969,396	3,194,381	3.72%
	4,200,000	China Telecom Corp. Ltd.	2,230,218	2,465,075	2.87%
	93,000	JD.com, Inc.	2,398,315	3,022,500	3.52%
	1,062,000	Jiangsu Expressway Co. Ltd.	1,180,262	1,397,314	1.63%
	214,000	Ping An Insurance Group Co. of China Ltd.	1,788,886	2,881,932	3.36%
	713,000	Shenzhou International Group Holdings Ltd.	2,403,302	3,458,174	4.03%
	112,000	Tencent Holdings Ltd.	1,850,435	2,236,446	2.61%
			16,074,273	20,861,322	24.31%
<b>Hong Kong (31 December 2014: 17.76%)</b>					
	525,000	AIA Group Ltd.	2,238,329	3,423,339	3.99%
	780,000	China Taiping Insurance Holdings Co. Ltd.	2,974,853	2,802,136	3.26%
	6,180,000	Hutchison Telecommunications Hong Kong Holdings Ltd.	2,285,828	2,574,900	3.00%
	1,800,000	Pacific Textiles Holdings Ltd.	2,388,089	2,879,146	3.35%
	2,650,000	PCCW Ltd.	1,375,780	1,579,273	1.84%
			11,262,879	13,258,794	15.44%
<b>India (31 December 2014: 7.84%)</b>					
	255,000	Bharti Airtel Ltd.	1,436,194	1,682,844	1.96%
	500,000	Oberoi Realty Ltd.	2,266,918	2,124,401	2.47%
	30,000	United Spirits Ltd.	1,779,030	1,593,207	1.86%
			5,482,142	5,400,452	6.29%
<b>Indonesia (31 December 2014: 1.31%)</b>					
	20,200,000	Lippo Karawaci Tbk PT	1,819,987	1,787,812	2.08%
			1,819,987	1,787,812	2.08%
<b>Singapore (31 December 2014: 2.49%)</b>					
	1,590,000	Singapore Post Ltd.	2,403,455	2,238,771	2.61%
			2,403,455	2,238,771	2.61%
<b>South Korea (31 December 2014: 11.81%)</b>					
	65,000	Doosan Heavy Industries & Construction Co. Ltd.	1,770,882	1,395,911	1.63%
	2,100	Samsung Electronics Co. Ltd.	2,629,787	2,382,712	2.77%
	90,000	SK Telecom Co. Ltd.	1,055,315	2,186,100	2.55%
			5,455,984	5,964,723	6.95%
<b>Taiwan (31 December 2014: 8.18%)</b>					
	1,980,000	Advanced Semiconductor Engineering, Inc.	2,370,930	2,680,181	3.12%
	145,000	Eclat Textile Co. Ltd.	1,861,354	2,375,972	2.77%
	410,000	Feng TAY Enterprise Co. Ltd.	1,838,233	2,376,619	2.77%

## SCHEDULE OF INVESTMENTS (CONTINUED)

Country	Holding	Security Description	Cost USD	Value USD	% of Net Assets
<b>Common Stock (31 December 2014: 92.40%) (continued)</b>					
<b>Taiwan (31 December 2014: 8.18%) (continued)</b>					
	2,000,000	Formosa Taffeta Co. Ltd.	2,369,501	2,121,114	2.47%
	41,000	Hermes Microvision, Inc.	1,464,237	2,668,718	3.11%
	390,000	Taiwan Semiconductor Manufacturing Co. Ltd.	1,592,184	1,774,449	2.07%
			11,496,439	13,997,053	16.31%
<b>Thailand (31 December 2014: 5.10%)</b>					
	56,000	Siam Cement PCL	592,363	858,987	1.00%
	125,000	Siam Cement PCL - NVDR	1,844,016	1,924,785	2.24%
	3,200,000	Sino-Thai Engineering & Construction PCL	2,078,193	2,207,877	2.58%
			4,514,572	4,991,649	5.82%
<b>Vietnam (31 December 2014: 8.84%)</b>					
	1,000,000	Bao Viet Holdings	1,808,409	1,879,872	2.19%
	1,183,793	Phu Nhuan Jewelry JSC	1,451,035	2,143,963	2.50%
	1,920,000	Saigon Securities, Inc.	1,126,177	2,139,202	2.49%
	1,031,560	Vingroup JSC	1,850,180	2,057,444	2.40%
	3,410,000	VNDirect Securities Corp.	1,504,239	2,188,904	2.55%
			7,740,040	10,409,385	12.13%
<b>Total Common Stock</b>			<b>67,631,378</b>	<b>79,973,817</b>	<b>93.18%</b>
<b>Total Fair Value of Investments</b>			<b>67,631,378</b>	<b>79,973,817</b>	<b>93.18%</b>

## Forward Foreign Currency Contracts (31 December 2014: 0.03%)

Currency Bought	Amount Bought	Currency Sold	Amount Sold	Maturity Date	Counterparty	Unrealised Gain/(Loss)	% of Net Assets
USD	23,153	SGD	(30,923)	05/08/2015	Brown Brothers Harriman	191	0.00%
GBP	609,918	USD	(958,682)	31/07/2015	Brown Brothers Harriman	488	0.00%
USD	50,569	GBP	(31,836)	05/08/2015	Brown Brothers Harriman	504	0.00%
GBP	354,463	USD	(535,806)	05/08/2015	Brown Brothers Harriman	21,609	0.02%
<b>Total unrealised gain on Forward Foreign Currency Contracts</b>						<b>22,792</b>	<b>0.02%</b>
<b>Total Financial Assets at Fair Value through Profit or Loss</b>						<b>79,996,609</b>	<b>93.20%</b>
USD	46,033	GBP	(29,789)	05/08/2015	Brown Brothers Harriman	(812)	0.00%
USD	96,649	GBP	(62,302)	05/08/2015	Brown Brothers Harriman	(1,325)	0.00%
USD	358,114	GBP	(230,536)	05/08/2015	Brown Brothers Harriman	(4,417)	(0.01%)
SGD	1,253,170	USD	(938,845)	05/08/2015	Brown Brothers Harriman	(8,294)	(0.01%)
<b>Total unrealised loss on Forward Foreign Currency Contracts</b>						<b>(14,848)</b>	<b>(0.02%)</b>
<b>Total Financial Liabilities at Fair Value through Profit or Loss</b>						<b>(14,848)</b>	<b>(0.02%)</b>



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**SCHEDULE OF INVESTMENTS (CONTINUED)**

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	<b>Value USD</b>	<b>% of Net Assets</b>
Cash	8,947,464	10.42%
Other Net Liabilities	(3,098,710)	(3.60%)
<b>Net Assets Attributable to Holders of Redeemable Participating Shares</b>	<b>85,830,515</b>	<b>100.00%</b>

**BALANCE SHEET**

	Notes	As at 30 June 2015 USD	As at 31 December 2014* USD
<b>Assets</b>			
Financial assets, at cost		67,631,378	75,424,021
Financial assets at fair value through profit or loss			
- Transferable securities		79,973,817	85,727,256
- Warrants		–	2,930,732
- Financial derivative instruments		22,792	–
Cash		8,947,464	4,320,303
Margin cash due from broker		2,018	2,018
Dividends receivable		251,364	111,891
Subscriptions receivable		40,882	26,091
Other assets		–	692
<b>Total assets</b>		<b>89,238,337</b>	<b>93,118,983</b>
<b>Liabilities</b>			
Financial liabilities at fair value through profit or loss			
- Financial derivative instruments		14,848	28,762
Payable for investments purchased		2,984,891	–
Redemptions payable		14,366	15,603
Investment management fees	2	82,001	93,378
Administration fees	3	20,733	21,689
Custody fees	4	17,786	13,710
Directors' fees	5	10,342	6,595
Audit fees		9,040	7,293
Performance fees	2	175,939	4,812
Professional fees		55,503	40,547
Other liabilities		22,373	133,995
<b>Total liabilities</b>		<b>3,407,822</b>	<b>366,384</b>
<b>Net Assets Attributable to Holders of Redeemable Participating Shares</b>		<b>85,830,515</b>	<b>92,752,599</b>

\*Prior year figures have been restated to comply with recent updates to accounting standards. Refer to Summary of Significant Accounting Policies and note 12 for further information.

**BALANCE SHEET (CONTINUED)**

	Notes	As at 30 June 2015	As at 31 December 2014*
<b>Class A Dollar Non-Distributing Class</b>			
Net Assets		USD16,822,921	USD20,788,893
Outstanding Redeemable Participating Shares	1	80,161	103,122
Net Asset Value per Share		USD209.86	USD201.60
<b>Class B Dollar Distributing Class</b>			
Net Assets		USD1,771,225	USD2,441,282
Outstanding Redeemable Participating Shares	1	8,434	12,103
Net Asset Value per Share		USD210.00	USD201.07
<b>Class C Sterling Distributing Class</b>			
Net Assets		GBP624,505	GBP1,197,660
Outstanding Redeemable Participating Shares	1	5,426	10,875
Net Asset Value per Share		GBP115.09	GBP110.13
<b>Class D Singapore Dollar Distributing Class</b>			
Net Assets		SGD1,254,367	SGD1,202,193
Outstanding Redeemable Participating Shares	1	4,333	4,333
Net Asset Value per Share		SGD289.49	SGD277.43
<b>Class E Singapore Dollar Distributing Class</b>			
Net Assets		SGD3,856,983	SGD3,581,787
Outstanding Redeemable Participating Shares	1	23,683	23,618
Net Asset Value per Share		SGD162.86	SGD151.66
<b>Class U Sterling Unhedged Distributing Class</b>			
Net Assets		GBP39,706,408	GBP41,067,819
Outstanding Redeemable Participating Shares	1	339,720	365,489
Net Asset Value per Share		GBP116.88	GBP112.36

\*Prior year figures have been restated to comply with recent updates to accounting standards. Refer to Summary of Significant Accounting Policies and note 12 for further information.

**PROFIT AND LOSS ACCOUNT**

	Notes	For the period ended 30 June 2015 USD	For the period ended 30 June 2014* USD
<b>Investment income</b>			
Dividend income		863,407	1,108,186
Interest income		334	363
Miscellaneous income		1,573	17,503
Net realised gain on financial assets and liabilities at fair value through profit or loss		5,519,054	3,299,407
Movement in net unrealised loss on financial assets and liabilities at fair value through profit or loss		(721,744)	(2,175,625)
<b>Total income</b>		<b>5,662,624</b>	<b>2,249,834</b>
<b>Expenses</b>			
Investment management fees	2	487,099	425,856
Administration fees	3	50,149	63,787
Custody fees	4	41,662	34,227
Directors' fees	5	20,561	21,456
Audit fees		10,265	35,641
Professional fees		77,300	77,319
Performance fees	2	173,320	21,621
Transaction costs		309,967	418,881
Other expenses		13,923	5,459
<b>Total expenses</b>		<b>1,184,246</b>	<b>1,104,247</b>
<b>Net income before finance costs</b>		<b>4,478,378</b>	<b>1,145,587</b>
<b>Finance costs</b>			
Overdraft interest		(3,746)	(1,102)
<b>Total finance costs</b>		<b>(3,746)</b>	<b>(1,102)</b>
Withholding tax on dividends		(64,316)	(38,690)
<b>Change in Net Assets Attributable to Holders of Redeemable Participating Shares from Operations</b>		<b>4,410,316</b>	<b>1,105,795</b>

Gains and losses arise solely from continuing operations. There were no recognised gains or losses other than those reflected above and therefore, no statement of total recognised gains and losses has been presented.

\*Prior year figures have been restated to comply with recent updates to accounting standards. Refer to Summary of Significant Accounting Policies and note 12 for further information.

The accompanying note form an integral part of these financial statements.

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**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES**


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	For the period ended 30 June 2015 USD	For the period ended 30 June 2014* USD
Change in Net Assets Attributable to Holders of Redeemable Participating Shares from Operations	4,410,316	1,105,795
<b>Capital Share Transactions of Redeemable Participating Shares</b>		
Proceeds from issuance of Redeemable Participating Shares	10,755,977	22,306,993
Payments on redemption of Redeemable Participating Shares	(22,088,377)	(7,919,960)
Net (decrease)/increase from Capital Share Transactions of Redeemable Participating Shares	(11,332,400)	14,387,033
Change in Net Assets Attributable to Holders of Redeemable Participating Shares	(6,922,084)	15,492,828
Net Assets Attributable to Holders of Redeemable Participating Shares at the beginning of the period	92,752,599	69,064,968
<b>Net Assets Attributable to Holders of Redeemable Participating Shares at the end of the period</b>	<b>85,830,515</b>	<b>84,557,796</b>

\*Prior year figures have been restated to comply with recent updates to accounting standards. Refer to Summary of Significant Accounting Policies and note 12 for further information.

## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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The significant accounting policies and estimation techniques adopted by the Company are as follows:

### **Basis of Preparation of Financial Statements**

The financial statements have been prepared in accordance with accounting standards generally accepted in Ireland and Irish statute comprising the Companies Act 2014 and the UCITS Regulations. The financial statements are prepared in accordance with generally accepted accounting principles under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities at fair value through profit or loss, and they comply with accounting standards issued by the Financial Reporting Council (“FRC”), as promulgated by the Institute of Chartered Accountants in Ireland.

FRS 102: “The financial reporting standard applicable in the UK and Republic of Ireland” is effective for accounting periods beginning on or after 1 January 2015 and replaces the accounting standards under which the financial statements of the Company were previously prepared. These unaudited condensed financial statements have been prepared in accordance with the new standard for interim statements, FRS 104 “Interim Financial Reporting”, and should be read in conjunction with the audited financial statements for the year ended 31 December 2014. FRS 104 is effective for interim reporting periods commencing on or after 1 January 2015. These financial statements are the first financial statements to comply with FRS 104. The transition to FRS 104 has resulted in a number of changes in accounting policies and certain reclassifications have been made to previously reported amounts to conform with current period presentation. These reclassification have had no impact on reported shareholder dealing net assets.

The information required to be included in the Statement of Total Recognised Gains and Losses and a Reconciliation of Movements in Shareholders Funds, is, in the opinion of the Directors contained in the Condensed Profit and Loss Account and the Condensed Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares on pages 11 and 12, respectively. The Company has availed of the exemption available to investment funds under FRS 102 not to prepare a cash flow statement.

### **Financial Assets and Financial Liabilities at Fair Value through Profit or Loss**

#### *(i) Classification*

In accordance with FRS 102 “Basic Financial Instruments: Recognition and Measurement”, the Company designated all its assets and liabilities as Financial Assets and Financial Liabilities at fair value through profit or loss. The category of Financial Assets and Financial Liabilities at fair value through profit or loss is further subdivided into:

#### *Financial assets and financial liabilities held for trading*

These include equities and forward foreign currency contracts held by the Company. These instruments are acquired or incurred principally for the purpose of generating a profit from short-term fluctuation in price. All the Company’s assets and liabilities are held for the purpose of being traded or are expected to be realised within one year.

#### *Financial instruments designated as at fair value through profit or loss upon initial recognition*

These include Financial Assets or Financial Liabilities that are not held for trading. These financial instruments are designated on the basis that their fair value can be reliably measured and their performance has been evaluated on a fair value basis in accordance with the risk management and/or investment strategy as set out in the Company’s Prospectus. There were no such financial instruments designated as at fair value through profit or loss upon initial recognition held by the Company at the period end.

#### *(ii) Recognition*

All regular purchases and sales of financial instruments are recognised on the trade date, subject to receipt before agreed cut-off time, which is the date that the Company commits to purchase or sell an asset. Regular way purchases or sales are purchases or sales of financial instruments that require delivery of assets within the period generally established by regulation or convention in the market place.

Gains and losses arising from changes in the fair value of the financial assets or financial liabilities at fair value through profit or loss are included in the Profit and Loss Account in the period in which they arise. Dividends are credited to the Profit and Loss Account on the dates on which the relevant securities are listed as “ex-dividend”.

## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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### Financial Assets and Financial Liabilities at Fair Value through Profit or Loss (continued)

#### *(iii) Derecognition*

A financial asset (or, where applicable a part of a financial asset or part of a group of similar assets) is derecognised where

- The rights to receive cash flows from the assets have expired; or
- The Company has transferred its rights to receive cash flows from the assets or has assumed an obligation to pay the received cash flows in full without material delay to a third party under “pass through” arrangements; or
- Either (a) the Company has transferred substantially all the risks and rewards of the assets, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the assets, but has transferred control of the asset.

When the Company has transferred its right to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Company’s continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

The Company derecognises a financial liability when the obligation specified in the contract is discharged, cancelled or expires.

#### *(iv) Initial Measurement*

Financial instruments categorised at fair value through profit or loss are measured initially at fair value, with transaction costs for such instruments being recognised directly in the Profit and Loss Account.

Financial liabilities, other than those classified as at fair value through profit and loss are recognised initially at fair value plus transaction costs that are directly attributable to their acquisition or issue.

Components of hybrid financial instruments are measured in accordance with the above policies based on their classification.

#### *(v) Subsequent Measurement*

After initial measurement, the Fund measures financial instruments classified as financial assets at fair value through profit or loss at their fair values. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm’s length transaction. Securities which are quoted, listed or traded on a Recognised Exchange will be valued at last traded price at the Valuation Point in accordance with IFRS 9 “Financial Instruments”. The value of any security which is not quoted, listed or dealt in on a Recognised Exchange or which is so quoted, listed or dealt but for which no such quotation or value is available or the available quotation or value is not representative of the fair market value shall be the probable realisation value as estimated with care and good faith by the Directors or by a competent person, firm or corporation appointed for such purpose by the Custodian.

For the audited financial statements for the year ended 31 December 2014, securities which were quoted, listed or traded on a recognised exchange were valued for financial reporting purposes at last bid prices at the Valuation Point. Financial assets and liabilities at fair value through profit or loss for the year end 31 December 2014 have been restated to reflect the change from bid to last traded price at the Valuation Point. Further details are set out in Note 12.

#### *Cash and other Liquid Assets*

Cash comprises current deposits with banks. Cash and other liquid assets will be valued at their face value with accrued interest on interest bearing accounts as at the close of business on each valuation date.

## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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### Financial Assets and Financial Liabilities at Fair Value through Profit or Loss (continued)

#### *Derivative Instruments*

Derivative instruments traded on a regulated market shall be valued at the settlement price as determined by the market. If the settlement price is not available, the value shall be the probable realisation value estimated with care and in good faith by (i) the Directors or the Investment Manager or (ii) a competent person, firm or corporation selected by the Directors and approved for the purpose by the Custodian or (iii) any other means provided that the value is approved by a competent person (such competent person having been approved for the purpose by the Custodian). Derivative contracts which are not traded on a regulated market including without limitation swap contracts will be valued on the basis of a quotation provided daily by the relevant counterparty and verified or approved at least weekly by a party independent of the counterparty, including the Investment Manager, or another independent party which is approved for such purpose by the Custodian. Apart from forward foreign currency contracts as at 30 June 2015 and 31 December 2014 the Company did not hold any derivative instruments.

#### *Forward Foreign Currency Contracts*

Forward foreign currency contracts shall be valued in the same manner as derivatives contracts which are not traded in a regulated market or by reference to the price at the Valuation Point at which new forward contracts of the same size and maturity could be undertaken. The forward foreign currency contracts held by the Company as at 30 June 2015 are included in the Schedule of Investments.

#### *Collective Investment Schemes*

Units in collective investment schemes shall be valued at the latest available net asset value per unit or last traded price as published by the relevant collective investment scheme or, if traded on a Recognised Exchange, in accordance with listed securities above. As at 30 June 2015, the Company did not hold any collective investment schemes.

#### *Warrants*

The Company may invest in warrants. Warrants which are fully paid up and have a zero strike price exhibit the identical risk and return characteristics as in the case where the Company had acquired the underlying equity directly. Such warrants are valued at the last traded price for the underlying equity quoted on the stock exchange or principal market on which it is listed. As at 30 June 2015, the Company did not hold any warrants.

### Distributions Payable to Holders of Redeemable Participating Shares

The Company received Reporting Fund status from HMRC with effect from the 1st January 2010 (the Company had previously been registered as having distributor status for the year ended 31 December 2009). The Directors, at their discretion, propose to distribute any of the net investment income of the Class B Dollar Distributing Class, the Class C Sterling Distributing Class, the Class D Singapore Dollar Distributing Class, the Class E Singapore Dollar Distributing Class and the Class U Sterling (Unhedged) Distributing Class of the Company. In the event that a dividend is paid it will be paid out of the net investment income and/or net realised and unrealised capital gains (i.e. realised and unrealised gains net of realised and unrealised losses) of the Company. It is currently anticipated that, if there is net income to distribute, a dividend will be declared in April of each year, and will be paid within four months of declaration. However, the Directors may at their discretion determine the frequency at which a dividend is paid. Shareholders will be notified of any change in the frequency of the payment of dividends. Distributions to holders of redeemable participating shares are recorded in the Income Statement as Finance Costs when paid. As at 30 June 2015 and 31 December 2014, no distributions were paid or payable from the Company.

### Foreign Exchange Translation

#### *Functional and Presentation Currency*

Items included in the Company's financial statements are measured using the currency in which Shareholder transactions take place (the "functional currency") which is US Dollars ("USD"). The Fund's reporting currency is also USD.



## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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### Foreign Exchange Translation (continued)

#### *Transactions and Balances*

Assets and liabilities denominated in currencies other than the functional currency are translated into the functional currency at the exchange rates ruling at the balance sheet date. Transactions in currencies other than the functional currency are translated into the functional currency at the exchange rates ruling at the dates of the transactions. Gains and losses on foreign exchange transactions are recognised in the Profit and Loss Account in determining the result for the period.

### Investment Transactions and Investment Income

Investment transactions are accounted for as at the date purchased or sold. Gains and losses arising from changes in the fair value of the Financial Assets at fair value through profit or loss are included in the Profit and Loss account in the period in which they arise.

### Interest Income and Interest Expenses

Interest income and interest expenses are recognised on an accruals basis in line with the contractual terms. Interest is accrued on a daily basis.

### Dividend Income

Dividends are credited to the Profit and Loss Account on the dates on which the relevant securities are listed as “ex-dividend”. Income is shown gross of any non-recoverable withholding taxes and net of any tax credits. Withholding tax is recognised in the Profit and Loss Account.

### Transaction Costs

Transaction costs include fees and commissions paid to agents (including employees acting as selling agents), advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. Transaction costs do not include debt premiums or discounts, financing costs or internal administrative or holding costs. Transaction costs are recognised in the Profit and Loss Account as an expense.

### Expenses

Expenses are recognised in the Profit and Loss Account on an accruals basis.

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**NOTES TO THE FINANCIAL STATEMENTS**


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**1. Share Capital***Authorised*

The authorised capital of the Company is Euro ("EUR") 300,000 divided into 300,000 redeemable non-participating Shares of EUR1 each and 500 billion Redeemable Participating Shares of no par value.

*Non-Participating Shares*

There are currently 300,000 redeemable non-participating Shares authorised, with two in issue. The redeemable non-participating Shares do not form part of the NAV of the Company and are thus disclosed in the financial statements by way of this note only. In the opinion of the Directors, this disclosure reflects the nature of the Company's business as an investment fund.

*Redeemable Participating Shares*

The net assets attributable to holders of Redeemable Participating Shares are at all times equal to the NAV of the Company. Redeemable Participating Shares are redeemable at the Shareholder's option and are classified as Financial Liabilities under FRS 104 "Financial Instruments: Disclosure and Presentation" as they can be redeemed at the option of the Shareholder. Net Assets Attributable to Holders of Redeemable Participating Shares represent a liability in the Balance Sheet, carried at the redemption amount that would be payable at the balance sheet date if a Shareholder exercised the right to redeem. Consequently the differences adjust the carrying amount of Net Assets Attributable to Holders of Redeemable Participating Shares and are recognised in the Profit and Loss Account.

The movement in the number of redeemable participating shares for the period ended 30 June 2015 is as follows:

	<b>Class A Dollar Non-Distributing Class Shares</b>	<b>Class B Dollar Distributing Class Shares</b>	<b>Class C Sterling Distributing Class Shares</b>
At the beginning of the period	103,122	12,103	10,875
Redeemable Participating Shares issued	376	–	17
Redeemable Participating Shares redeemed	(23,337)	(3,669)	(5,466)
At the end of the period	80,161	8,434	5,426

	<b>Class D Singapore Dollar Distributing Class Shares</b>	<b>Class E Singapore Dollar Distributing Class Shares</b>	<b>Class U Sterling (Unhedged) Distributing Class Shares</b>
At the beginning of the period	4,333	23,618	365,489
Redeemable Participating Shares issued	–	65	59,122
Redeemable Participating Shares redeemed	–	–	(84,892)
At the end of the period	4,333	23,683	339,719

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**1. Share Capital (continued)***Redeemable Participating Shares (continued)*

The movement in the number of redeemable participating shares for the period ended 30 June 2014 is as follows:

	<b>Class A Dollar Non-Distributing Class Shares</b>	<b>Class B Dollar Distributing Class Shares</b>	<b>Class C Sterling Distributing Class Shares</b>
At the beginning of the period	99,447	15,062	10,665
Redeemable Participating Shares issued	26,201	50	455
Redeemable Participating Shares redeemed	(21,770)	(688)	(63)
At the end of the period	103,878	14,424	11,057

  

	<b>Class D Singapore Dollar Distributing Class Shares</b>	<b>Class E Singapore Dollar Distributing Class Shares</b>	<b>Class N Dollar Non-Distributing Class Shares*</b>
At the beginning of the period	4,082	23,436	2,775
Redeemable Participating Shares issued	2	182	–
Redeemable Participating Shares redeemed	–	–	(2,775)
At the end of the period	4,084	23,618	–

  

	<b>Class O Dollar Distributing Class Shares*</b>	<b>Class P Sterling Distributing Class Shares*</b>	<b>Class U Sterling (Unhedged) Distributing Class Shares</b>
At the beginning of the period	7,740	3,602	221,261
Redeemable Participating Shares issued	416	19	100,373
Redeemable Participating Shares redeemed	(8,156)	(3,621)	(5,264)
At the end of the period	–	–	316,370

\*Share Class closed on 5 June 2014.

Application for redemption of Redeemable Participating Shares may be submitted prior to 5.00pm Irish time one calendar day before any Dealing Day (the “dealing deadline”) or such other time as the Board of Directors may determine, provided that the dealing deadline is no later than the valuation point for the Company. Shares will be issued at the NAV per Share based on last traded prices.

Holders of the Distributing Class are entitled to receive all dividends declared and paid by the Company. Upon winding up, the holders are entitled to a return of capital based on the NAV per Share of the Company.

**2. Investment Management Fees**

The Company has entered into an Investment Management Agreement with Prusik Investment Management LLP (the “Investment Manager”) pursuant to which the Investment Manager manages the Company’s investments on a discretionary basis.

The Investment Manager receives from the Company a fee in relation to the Company of 1.5% per annum of the NAV of the Company together with Value Added Tax (“VAT”), if any on such fee. Fees payable to the Investment Manager shall be accrued at each Valuation Point and shall be payable monthly in arrears. The Company shall bear the cost of any VAT applicable to any fees or other amounts payable to or by such nominee in the performance of their respective duties. Class E Singapore Dollar Distributing Shares shall not be charged an Investment Management Fee. The Investment Management Fee payable in respect of the Class U Sterling (Unhedged) Distributing Class shall be subject to a maximum fee of 1% per annum of the NAV of the Company together with VAT, if any on such fee.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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### 2. Investment Management Fees (continued)

The Investment Manager earned a fee of USD487,099 during the period ended 30 June 2015 (USD425,856: 30 June 2014), of which USD82,001 is outstanding at the period end (USD93,378: 31 December 2014).

#### *Performance fee and equalisation*

In relation to Classes A, B, C, D and U the Investment Manager also receives a Performance Fee out of the assets of the Company. The Performance Fee is calculated in respect of each twelve month period ending on 31 December respectively in each year (a "Calculation Period") for Classes A, B, C and D and quarterly for Class U. For each Calculation Period, the Performance Fee in respect of each Share for Classes A, B, C and D will be equal to 10% of the appreciation in the Net Asset Value per Share during that Calculation Period above the base Net Asset Value per Share. The base Net Asset Value per Share is the greater of the Net Asset Value per Share at the time of issue of that Share and the highest Net Asset Value per Share achieved as at the end of any previous Calculation Period (if any) during which such Share was in issue. The Performance Fee in respect of each Class U Sterling (Unhedged) Distributing Share ("Class U Share") will be equal to 10% of the Net Percentage Outperformance (as defined below) by the Class U Sterling (Unhedged) Distributing Shares of the performance of the MSCI AC Asia Pacific excluding Japan Index, free-float weighted equity index ("MXAPJ") (the "Index Performance") during that Calculation Period multiplied by the Net Asset Value per Share of the Class U Shares as at the beginning of the Calculation Period. The net percentage outperformance in respect of Calculation Periods where Class U Performance is greater than Index Performance is the arithmetic difference between Index Performance expressed in GBP and Class U Performance, expressed as a percentage (the "Net Percentage Outperformance").

In the case of Classes A, B, C and D there is a further calculation, which is intended to ensure the performance fee for these classes is based on the performance of each individual shareholding, and the result of this calculation is that certain shareholders may benefit from a credit against future performance fees referred to as an equalisation credit. Other shareholders may be required to pay additional amounts of performance fee if they have subscribed for shares at a time when the Net Asset Value per Share of the relevant class is less than that when a performance fee was last paid for that class. In respect of class U, the performance fee is calculated based on the performance of the share classes as a whole, and not that of any individual shareholding. The Investment Manager will not charge the Holders of Participating Shares of the Company a performance fee if the Net Asset Value does not appreciate by more than 6% per annum for all classes.

For further details on the Performance Fee calculations and Equalisation Credits please refer to the Prospectus. The Investment Manager may, at its sole discretion, agree with any Shareholder, to rebate, return and or remit any part of the Management and Performance Fees which are paid or payable to the Investment Manager. Details of the Performance fees and Equalisation fees charged to the Company and payable at the end of the year are included in the Profit and Loss Account and Balance Sheet, respectively.

The Class E Singapore Dollar Distributing Class will not be charged a Performance Fee.

A Performance Fee of USD173,320 was earned during the period ended 30 June 2015 (USD21,621: 30 June 2014), which does not include any retribution due to additional performance fees (USDNil: 30 June 2014). The performance fee outstanding at the end of the period was USD175,939 (USD4,812: 31 December 2014), which includes USDNil of an additional performance fee (USDNil: 31 December 2014).

### 3. Administration Fees

The Company pays Brown Brothers Harriman Fund Administration Services (Ireland) Limited (the "Administrator") a fee of 0.04% of the NAV of the Company if the NAV is less than USD200,000,000, 0.03% of any increment greater than USD200,000,000 and less than USD400,000,000, and 0.02% of any increment greater than USD400,000,000 (plus VAT, if any), subject to a minimum charge of USD4,000. Additional Classes in excess of two Classes shall be charged at \$250 per month. The Administrator is also entitled to receive registration fees and transaction and reporting charges at normal commercial rates which shall accrue daily and be paid monthly in arrears.

The Administrator is also be entitled to be repaid out of the assets of the Company all of its reasonable out-of-pocket expenses incurred on behalf of the Company which shall include legal fees, couriers' fees and telecommunication costs and expenses together with VAT, if any, thereon.

The Administrator earned a fee of USD50,149 during the period ended 30 June 2015 (USD63,787: 30 June 2014), of which USD20,733 is outstanding at the period end (USD21,689: 31 December 2014).

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**4. Custodian Fees**

The Company pays Brown Brothers Harriman Trustee Services (Ireland) Limited (the “Custodian”) a fee of 0.02% of the NAV of the Fund. The Company shall also pay the fees and reasonable transaction charges (charged at normal commercial rates) of any sub-custodian appointed by the Custodian. The Custodian fees are payable monthly in arrears, subject to a minimum charge of USD36,000 per Fund per annum.

The Custodian shall also be entitled to be repaid all of its disbursements out of the assets of the Company, including legal fees, couriers’ fees and telecommunication costs and expenses and the fees, transaction charges and expenses of any sub-custodian appointed by it which shall be at normal commercial rates together with VAT, if any, thereon.

The Custodian earned a fee of USD41,662 during the period ended 30 June 2015 (USD34,227: 30 June 2014), of which USD17,786 is outstanding at the period end (USD13,710: 31 December 2014).

**5. Directors’ Fees**

The Directors of the Company are entitled to a fee in remuneration for their services of EUR15,000 each (plus VAT, if any) per annum. In addition, the Directors are entitled to special remuneration if called upon to perform any special or extra services to the Company. All Directors are entitled to reimbursement by the Company of expenses properly incurred in connection with the business of the Company or the discharge of their duties.

The Directors earned fees of USD20,561 during the period ended 30 June 2015 (USD21,456: 30 June 2014), of which USD10,342 is outstanding at the period end (USD6,595: 31 December 2014).

**6. Related Parties***Directors*

Heather Manners, a Director of the Company, is Chief Investment Officer of the Investment Manager and has not been paid a fee for the period ended 30 June 2015.

Anthony Morris, Alternate Director for Heather Manners, is also a partner and is Chief Operating Officer and Head of Trading of the Investment Manager. As an Alternate Director, he is not entitled to receive a director’s fee from the Company.

The following Directors and related parties held Shares in the Company as at 30 June 2015:

<b>Related Party</b>	<b>Shares held</b>	<b>Share Class</b>
David Hammond (Family members)	835	Class A Dollar Non-Distributing Class
Heather Manners	9,858	Class E Singapore Dollar Distributing Class
Prusik Investment Management LLP	2,109	Class E Singapore Dollar Distributing Class
Prusik Investment Management Singapore Private Ltd.	65	Class E Singapore Dollar Distributing Class
Anthony Morris	2,778	Class E Singapore Dollar Distributing Class
Thomas Naughton (Partner of the Investment Manager)	7,458	Class E Singapore Dollar Distributing Class
Richard Hayes	1,262	Class E Singapore Dollar Distributing Class

The following Directors and related parties held Shares in the Company as at 31 December 2014:

<b>Related Party</b>	<b>Shares held</b>	<b>Share Class</b>
David Hammond (Family members)	835	Class A Dollar Non-Distributing Class
Heather Manners	8,346	Class E Singapore Dollar Distributing Class
Prusik Investment Management LLP	7,029	Class E Singapore Dollar Distributing Class
Prusik Investment Management Singapore Private Ltd.	154	Class E Singapore Dollar Distributing Class
Anthony Morris	1,000	Class E Singapore Dollar Distributing Class
Thomas Naughton (Partner of the Investment Manager)	5,827	Class E Singapore Dollar Distributing Class
Vanessa Hayes	274	Class C Sterling Distributing Class
Richard Hayes	1,262	Class E Singapore Dollar Distributing Class

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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### 6. Related Parties (continued)

#### *Connected Parties*

In accordance with the Central Bank's UCITS Notice 14, any transaction carried out with the Company by the Promoter, the Investment Manager, the Custodian, the Investment Adviser and/or associated or group companies of these entities ("connected parties") must be carried out as if negotiated at arm's length. Such transactions must be in the best interest of the shareholders of the Company.

The Board of Directors of the Company is satisfied that (i) there are arrangements (evidenced by written procedures) in place to ensure that the obligations set out above are applied to all transactions with connected parties; and (ii) transactions with connected parties entered into during the period complied with these obligations.

### 7. Taxation

The Company qualifies as an investment undertaking as defined in Section 739B of the Taxes Consolidation Act, 1997 (as amended). It is not chargeable to Irish tax on its income and gains.

Tax may arise on the happening of a chargeable event. A chargeable event includes any distribution payments to Shareholders or any encashment, redemption or transfer of Shares. No tax will arise on the Company in respect of chargeable events in respect of:

- a Shareholder who is not Irish resident and not ordinarily resident in Ireland at the time of the chargeable event, provided the necessary signed statutory declarations are held by the Company; and
- certain exempted Irish tax investors who have provided the Company with the necessary signed statutory declarations.

Following legislative changes in the Finance Act 2006, the holding of Shares at the end of a Relevant Period will, in respect of Irish Resident investors, also constitute a chargeable event. To the extent that any tax issues arise on such a chargeable event, such tax will be allowed as a credit against any tax payable on the subsequent encashment, redemption, cancellation or transfer of the relevant Shares.

A Relevant Period is defined as a period of eight years beginning with the acquisition of a Share by a Shareholder and each subsequent period of eight years beginning immediately after the preceding relevant period.

Dividend income and interest received by the Company may be subject to non-recoverable withholding tax in the countries of origin.

### 8. Financial Risk Management

#### **Fair Value Estimation**

The Company has classified fair value measurements using a fair value hierarchy. The fair value hierarchy has the following levels:

- (i) Level A: The best evidence of fair value is a quoted price for an identical asset in an active market. Quoted in an active market in this context means quoted prices are readily and regularly available and those prices represent actual and regularly occurring market transactions on an arm's length basis.
- (ii) Level B: When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the entity can demonstrate that the last transaction price is not a good estimate of fair value (e.g. because it reflects the amount that an entity would receive or pay in a forced transaction, involuntary liquidation or distress sale), that price is adjusted.
- (iii) Level C: If the market for the asset is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, an entity estimates the fair value by using a valuation technique. The objective of using a valuation technique is to estimate what the transaction price would have been on the measurement date in an arm's length exchange motivated by normal business considerations.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**8. Financial Risk Management (continued)****Fair Value Estimation (continued)**

The tables below provide an analysis within the fair value hierarchy of the Funds' financial assets and liabilities measured at fair value as at 30 June 2015 and as at 31 December 2014:

**As at 30 June 2015**

<b>Financial Assets at Fair Value Through Profit or Loss</b>	<b>Level A USD</b>	<b>Level B USD</b>	<b>Level C USD</b>	<b>Total USD</b>
Common Stock	79,973,817	–	–	79,973,817
Forward Foreign Currency Contracts	–	22,792	–	22,792
<b>Total Financial Assets at Fair Value Through Profit or Loss</b>	<b>79,973,817</b>	<b>22,792</b>	<b>–</b>	<b>79,996,609</b>

**Financial Liabilities at Fair Value Through Profit or Loss**

Forward Foreign Currency Contracts	–	(14,848)	–	(14,848)
<b>Total Financial Liabilities at Fair Value Through Profit or Loss</b>	<b>–</b>	<b>(14,848)</b>	<b>–</b>	<b>(14,848)</b>

**As at 31 December 2014\***

<b>Financial Assets at Fair Value Through Profit or Loss</b>	<b>Level A USD</b>	<b>Level B USD</b>	<b>Level C USD</b>	<b>Total USD</b>
Common Stock	85,727,256	–	–	85,727,256
Warrants	–	2,930,732	–	2,930,732
<b>Total Financial Assets at Fair Value Through Profit or Loss</b>	<b>85,727,256</b>	<b>2,930,732</b>	<b>–</b>	<b>88,657,988</b>

**Financial Liabilities at Fair Value Through Profit or Loss**

Forward Foreign Currency Contracts	–	(28,762)	–	(28,762)
<b>Total Financial Liabilities at fair Value Through Profit or Loss</b>	<b>–</b>	<b>(28,762)</b>	<b>–</b>	<b>(28,762)</b>

\*Prior year figures have been restated to comply with recent updates to accounting standards. Refer to Summary of Significant Accounting Policies and note 12 for further information.

**9. Soft Commission Agreements**

During the period ended 30 June 2015, the Investment Manager did not enter into soft commission arrangements with brokers/dealers.

**10. Efficient Portfolio Management**

During the period ended 30 June 2015 the Company did not hold any instruments for the purposes of efficient portfolio management.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

## 11. Exchange Rates

The following exchange rates have been used to translate assets and liabilities in currencies other than USD:

	30 June 2015	31 December 2014
Australian Dollar	1.3023	1.2197
British Pound Sterling	0.6357	0.6413
Euro	0.8940	0.8227
Hong Kong Dollar	7.7523	7.7546
Indian Rupee	63.6650	63.1225
Indonesian Rupiah	13,332.5000	12,385.0000
Singapore Dollar	1.3458	1.3216
South Korean Won	1,117.5500	1,088.3200
Taiwan Dollar	30.8800	31.6550
Thailand Baht	33.7700	32.8800
Vietnamese Dong	21,810.0000	21,387.5000

## 12. Net Asset Comparison

In accordance with the provisions of the Company's Prospectus, marketable investment securities are valued at last traded prices at the Valuation Point. For reporting periods prior to 1 January 2015 (and the introduction of FRS 102) marketable investment securities for financial reporting purposes were required by FRS 26 to be valued based on bid prices at the Valuation Point. The difference between the two valuation methods resulted in a difference between the NAV per Share shown in the financial statements and the NAV per Share at which Redeemable Participating Shares were issued and redeemed.

As at 31 December 2014, the difference between the NAV for financial reporting purposes as required by FRS 26 and the NAV at which Redeemable Participating Shares were issued and redeemed is detailed in the table below.

Net Asset Value reconciliation	31 December 2014 USD
Net Assets attributable to holders of redeemable participating shares (for shareholder dealing purposes)	92,752,599
Adjustment for bid and offer pricing	(293,545)
Net Assets attributable to holders of redeemable participating shares (for financial reporting purposes)	92,459,054

The comparative financial statements have been restated to represent the net assets attributable to holders of redeemable participating shares for shareholder dealing purposes at last traded price in accordance with FRS 102. The following table represents the financial reporting Net Assets and NAV per Share which were presented in the Balance Sheet as at 31 December 2014.

## Net Assets and NAV per share for financial reporting purposes

		31 December 2014 Net Assets		31 December 2014 NAV per Share
Class A Dollar Non-Distributing Class	USD	20,723,100	USD	200.96
Class B Dollar Distributing Class	USD	2,433,556	USD	201.07
Class C Sterling Distributing Class	GBP	1,193,870	GBP	109.79
Class D Singapore Dollar Distributing Class	SGD	1,198,388	SGD	276.55
Class E Singapore Dollar Distributing Class	SGD	3,570,452	SGD	151.18
Class U Sterling (Unhedged) Distributing Class	GBP	40,937,847	GBP	112.01



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

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**13. Comparatives**

The comparative figures are for the period ended 30 June 2014 for the Condensed Profit and Loss Account and the Condensed Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares, and as at 31 December 2014 for the Condensed Balance Sheet. Prior year figures have been restated to comply with recent updates to accounting standards.

**14. Significant Events during the Period**

There were no events during the period that had a material effect on the unaudited condensed financial statements.

**15. Events since the Period End**

There were no events after the period end that had a material effect on the unaudited condensed financial statements.

**16. Approval of Financial Statements**

The report and unaudited condensed financial statements were approved by the Directors on 26 August 2015.

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**STATEMENT OF SIGNIFICANT CHANGES IN THE COMPOSITION OF THE PORTFOLIO**

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In accordance with the UCITS Regulations a statement of changes in the composition of the portfolio during the reporting period is provided to ensure that Shareholders can identify changes in the investments held by the Company. These statements present the aggregate purchases and sales of transferable securities exceeding 1% of the total value of purchases and sales for the period. At a minimum the largest 20 purchases and 20 sales must be given.

**Total Purchases for the period ended 30 June 2015**

<b>Security Description</b>	<b>Acquisitions Nominal</b>	<b>Cost USD</b>
China Taiping Insurance Holdings Co. Ltd.	780,000	2,965,728
Bank Rakyat Indonesia Perser Tbk PT	2,800,000	2,694,032
Hyundai Motor Co.	16,500	2,650,187
Samsung Electronics Co. Ltd.	2,100	2,623,229
Formosa Taffeta Co. Ltd.	2,000,000	2,364,771
Oberoi Realty Ltd.	500,000	2,255,791
Baidu, Inc.	11,000	2,248,961
Youngone Corp.	38,000	1,914,209
Summarecon Agung Tbk PT	13,200,000	1,889,560
Eclat Textile Co. Ltd.	145,000	1,856,714
Vingroup JSC	820,000	1,846,487
Tencent Holdings Ltd.	112,000	1,845,679
Feng TAY Enterprise Co. Ltd.	410,000	1,833,649
Pakuwon Jati Tbk PT	46,000,000	1,822,178
Lippo Karawaci Tbk PT	20,200,000	1,811,743
Bao Viet Holdings	1,000,000	1,804,799
United Spirits Ltd.	30,000	1,771,310
Doosan Heavy Industries & Construction Co. Ltd.	65,000	1,765,586
JD.com, Inc.	30,000	833,289

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**STATEMENT OF SIGNIFICANT CHANGES IN THE COMPOSITION OF THE PORTFOLIO  
(CONTINUED)**


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**Total Sales for the period ended 30 June 2015**

<b>Security Description</b>	<b>Disposals Nominal</b>	<b>Proceeds USD</b>
Travelsky Technology Ltd.	1,900,000	3,185,356
Huaneng Power International, Inc.	2,252,000	2,693,674
Hyundai Motor Co.	16,500	2,623,175
LG Uplus Corp.	245,000	2,616,130
CLP Holdings Ltd.	295,000	2,577,192
Bank Rakyat Indonesia Perser Tbk PT	2,800,000	2,479,188
Kinh Do Corp.	1,080,000	2,404,202
Hanjin Transportation Co. Ltd.	50,000	2,364,840
CSL Ltd.	34,000	2,358,551
Kerry Logistics Network Ltd.	1,500,000	2,205,652
Tata Motors Ltd.	284,862	2,147,921
Sinopharm Group Co. Ltd.	580,000	2,054,652
Youngone Corp.	38,000	2,052,070
Baidu, Inc.	9,100	1,954,546
KT Corp.	70,000	1,860,806
Summarecon Agung Tbk PT	13,200,000	1,815,354
PCCW Ltd.	2,650,000	1,813,784
Hero MotoCorp Ltd.	40,000	1,701,066
Alibaba Group Holding Ltd.	20,000	1,670,672
Pakuwon Jati Tbk PT	46,000,000	1,634,254
Coway Co. Ltd.	18,000	1,579,211
Bajaj Auto Ltd.	45,000	1,538,207
Kinsus Interconnect Technology Corp.	420,000	1,361,212
Telekomunikasi Indonesia Persero Tbk PT	5,250,000	1,183,253

## MANAGEMENT AND ADMINISTRATION

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### BOARD OF DIRECTORS

David Hammond\* (Irish)  
Heather Manners (British)  
Anthony Morris (British) (Alternate Director)  
Richard Hayes\* (Irish)

\*Independent of the investment manager

### PROMOTOR, INVESTMENT MANAGER AND DISTRIBUTOR

Prusik Investment Management LLP  
*From 13 April 2015*  
6th Floor Moss House  
15-16 Brook's Mews  
London, W1K 4DS  
United Kingdom

*Until 12 April 2015*  
1<sup>st</sup> Floor  
46 Hays Mews  
London, W1J 5QD  
United Kingdom

### INDEPENDENT AUDITOR

Ernst & Young  
Harcourt Street  
Dublin 2  
Ireland

### LEGAL ADVISERS UNITED KINGDOM

Simmons & Simmons  
One Ropemaker Street  
London, EC2Y 9SS  
United Kingdom

### COMPANY SECRETARY

Tudor Trust Limited  
33 Sir John Rogerson's Quay  
Dublin 2  
Ireland

### COMPANY NAME AND REGISTERED OFFICE

Prusik Asia Fund plc  
33 Sir John Rogerson's Quay  
Dublin 2  
Ireland

### ADMINISTRATOR

Brown Brothers Harriman Fund Administration  
Services (Ireland) Limited  
30 Herbert Street  
Dublin 2  
Ireland

### CUSTODIAN

Brown Brothers Harriman Trustee  
Services (Ireland) Limited  
30 Herbert Street  
Dublin 2  
Ireland

### LEGAL ADVISERS IRELAND

Dillon Eustace  
33 Sir John Rogerson's Quay  
Dublin 2  
Ireland

### GOVERNANCE SERVICES PROVIDER

Bridge Consulting  
33 Sir John Rogerson's Quay  
Dublin 2  
Ireland