

PRUSIK ASIA FUND PLC

(An open-ended investment company with variable capital established as an umbrella fund with segregated liability between sub-funds and established as a UCITS under the law of Ireland)

Condensed Semi-Annual Report and Unaudited Financial Statements For the Period Ended 30 June, 2012

TABLE OF CONTENTS

	Page
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 CHANGES IN THE COMPOSITION OF PORTFOLIO (UNAUDITED)	25
MANAGEMENT AND ADMINISTRATION	27

GENERAL INFORMATION

Prusik Asia Fund plc (the “Company” or the “Fund”) is a public limited liability investment company with variable capital, incorporated on 7 September 2005 in Ireland pursuant to the Companies Acts, 1963 to 2012 and authorised by the Central Bank of Ireland (the “Central Bank”), as an investment company pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (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 nine 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 N Dollar Non-Distributing Class (first issued on 20 September 2010)
- Class O Dollar Distributing Class (first issued on 20 September 2010)
- Class P Sterling Distributing Class (first issued on 20 September 2010)
- Class E Singapore Dollar Distributing Class (first issued on 21 September 2011)

Brown Brothers Harriman Fund Administration Services (Ireland), Limited (the “Administrator”) determines the Net Asset Value (“NAV”) per Share of each Class of the Company weekly on each Friday (“Dealing Day”) provided that Dealing Day is a business day, or if such day is not a business day, on the following business day. The valuation point is 11.00 am (Irish time) on each Dealing Day.

The most recent Prospectus of the Company is dated 29 September 2005. There are five addenda to the Prospectus, dated 25 April 2007, 21 February 2008, 21 December 2009, 16 February 2010 and 11 January 2011.

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 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 (B or higher) 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)

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 utilise techniques for efficient portfolio management and/or to protect against exchange risks, subject to the conditions and within the limits laid down by the Central Bank. These techniques and instruments include but are not limited to futures, options, forward foreign exchange contracts, interest and exchange rate swap contracts, stock lending and repurchase and reverse repurchase agreements.

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.

Annual report and audited financial statements are 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

Prusik Asia Fund semi annual report June 2012

The half year to June 2012 saw stock markets in Asia gain modestly and the regional index rose by 5.5%. The muted performance of the index masked some stronger moves within the region, especially in ASEAN. The pattern of trading was quite volatile as markets rallied hard in the first quarter, only to correct and give up most of that gain in the second quarter. Over the period the Prusik Asia Fund was up 8.5%.

Despite the poor global macroeconomic backdrop, Asia produced a solid absolute return reflecting attractive valuations generated by very oversold stock markets in 2011. Additional impetus was created by the easier liquidity environment in Asia and the recognition that there are several countries with very strong fundamentals. The positive contributors to performance largely came from the ASEAN region, especially from Vietnam, but additionally from Thailand and the Philippines. Some of our Hong Kong holdings also did very well, such as the PC brand Lenovo, and Cambodian casino operator, Nagacorp.

At the start of the year we set out our stall for 2012 as follows:

- The liquidity environment would be better in 2012 than in 2011.
- We felt it unlikely that there would be a resolution in Europe (such as fiscal unity) until later in the year at the earliest.
- Asian valuations suggested likely upside. Furthermore, if shares and hence valuations were to fall a further 20% then we would have been at all time historic valuation lows and would have reached levels where it has always been correct to ignore the macro picture and buy stocks. As such, the risk/reward was favorably skewed with the risk on the downside looking smaller than the potential upside.
- We believed valuations at the time indicated there was 40% upside to Hong Kong and China and well over 100% upside in Vietnam. Other ASEAN markets such as the Philippines warranted at least 15%-20% upside.

We set up the portfolio weightings as follows:-

- **Hong Kong and China: 35-40%** based on the attractive value of companies and expectations of policy softening in China.
- **ASEAN: 45-55%** based on the extreme value and upside potential in Vietnam and the strong demographic and domestic economic environment in Thailand, the Philippines and Malaysia.
- **Gold: 5-10%** based on the likely move towards money creation in the absence of anything else working in the West and Asian governments' voracious appetite for increasing gold as a share of foreign reserves.
- **Technology: 5-10%** based on the strong handset and Gallium Arsenide themes and the sector's attractive valuations after a bad 2011.

Over the first half of 2012 we kept very close to the word of our expected weightings and there have been very few changes to the Fund. The ASEAN weighting has been at the top end of our range whilst Hong Kong has been lowered slightly on profit taking after the first quarter rally. This was following concerns that the China economy is slowing more dramatically than expected whilst there has been a notable absence of convincing economic stimulus.

Thematically there have also been few changes. One of our key themes remains consumption, especially of services, entertainment and leisure and local brands. We note that air travel in ASEAN over some months in the second quarter for example was up some 15-18% on last year. Stocks benefitting from this include hotel and restaurant conglomerate Minor Group in Thailand and cinema chain Major Cineplex.

We remain fully invested. We can see on screening, quantitative analysis and from our travels that there are some very cheap opportunities now emerging in North Asia especially Korea and China. Indeed the valuation gap between defensives and cyclical is approaching 2008/9 levels, suggesting that some rebalancing might be due. We are not overly optimistic about either economy but thematically and fundamentally we are far more inclined towards Korean companies and do note that since cyclical stocks here have become so cheap there is likely significant upside with probably just one small catalyst needed. At the time of writing we have rebalanced, slightly and cautiously, by reducing our overweight ASEAN position a tad and increasing our Korean exposure.

INVESTMENT MANAGER'S REPORT (CONTINUED)

Concluding thoughts

The overall macroeconomic picture both globally and in the region currently remains insufficient to begin the next bull market but does remain sufficiently supportive to continue current patterns. By this we mean significant outperformance and indeed impressive absolute returns in countries and companies which have genuinely strong fundamentals. The dispersion of returns in the region this year to date is quite large, and very supportive to attentive stock picking and non-index bets. This is the bread and butter of Prusik funds.

While we cannot rule out a globally driven correction in all markets we do feel that, given the relative fundamentals excellent value is still available in Asia. At current price to book ratios or implied earnings growth, Asia is trading close to recession valuation levels, below which it has rarely fallen and when it has a very good buying opportunity has emerged.

We would like to sincerely thank our investors for their tremendous support over the half year.

Prusik Investment Management LLP
August 2012

SCHEDULE OF INVESTMENTS

Country	Holding	Security Description	Cost USD	Value USD	% of Net Assets
Common Stock - 98.48% (31 December 2011: 79.58%)					
Australia - 1.94% (31 December 2011: 5.91%)					
	56,000	Newcrest Mining Ltd.	1,956,438	1,286,735	1.94%
			1,956,438	1,286,735	1.94%
Cambodia - 3.66% (31 December 2011: 0.00%)					
	5,500,000	NagaCorp Ltd.	1,386,287	2,432,279	3.66%
			1,386,287	2,432,279	3.66%
China - 3.29% (31 December 2011: 3.32%)					
	1,300,000	Jiangsu Expressway Co. Ltd.	1,108,311	1,205,116	1.81%
	2,940,000	Zijin Mining Group Co. Ltd.	967,042	981,756	1.48%
			2,075,353	2,186,872	3.29%
Hong Kong - 14.61% (31 December 2011: 3.28%)					
	188,000	China Mobile Ltd.	1,871,632	2,054,254	3.09%
	665,000	Great Eagle Holdings Ltd.	1,588,979	1,694,202	2.55%
	1,150,000	SJM Holdings Ltd.	2,466,789	2,108,405	3.18%
	195,000	Sun Hung Kai Properties Ltd.	2,228,704	2,290,391	3.45%
	225,000	Television Broadcasts Ltd.	1,284,597	1,552,004	2.34%
			9,440,701	9,699,256	14.61%
Indonesia - 2.55% (31 December 2011: 0.00%)					
	1,950,000	Telekomunikasi Indonesia Persero Tbk PT	1,676,835	1,692,041	2.55%
			1,676,835	1,692,041	2.55%
Norway - 1.77% (31 December 2011: 0.00%)					
	1,000,000	STX OSV Holdings Ltd.	1,160,539	1,173,044	1.77%
			1,160,539	1,173,044	1.77%
Philippines - 21.70% (31 December 2011: 7.09%)					
	4,120,000	Alliance Global Group, Inc.	995,414	1,130,135	1.70%
	1,538,133	BDO Unibank, Inc.	2,115,865	2,312,501	3.48%
	75,000	Globe Telecom, Inc.	1,678,300	1,982,410	2.99%
	340,000	Manila Electric Co.	1,957,729	2,047,920	3.08%
	23,750,000	Metro Pacific Investments Corp.	2,122,427	2,348,467	3.54%
	133,000	SM Investments Corp.	1,849,684	2,295,175	3.46%
	1,550,000	Universal Robina Corp.	2,220,340	2,291,657	3.45%
			12,939,759	14,408,265	21.70%
South Korea - 9.67% (31 December 2011: 10.74%)					
	82,000	Kangwon Land, Inc.	1,788,650	1,739,867	2.62%
	102,000	KT Corp.	1,300,648	1,300,500	1.96%
	20,000	KT&G Corp.	1,274,552	1,418,019	2.14%
	167,000	SK Telecom Co. Ltd.	1,958,719	1,957,240	2.95%
			6,322,569	6,415,626	9.67%
Taiwan - 6.07% (31 December 2011: 5.35%)					
	800,000	Quanta Computer, Inc.	1,944,238	2,124,937	3.20%
	660,000	Visual Photonics Epitaxy Co. Ltd.	812,784	1,030,179	1.55%

SCHEDULE OF INVESTMENTS (CONTINUED)

Country	Holding	Security Description	Cost USD	Value USD	% of Net Assets		
Common Stock - 98.48% (31 December 2011: 79.58%) (continued)							
Taiwan - 6.07% (31 December 2011: 5.35%) (continued)							
	700,000	Win Semiconductors Corp.	872,434	875,733	1.32%		
			3,629,456	4,030,849	6.07%		
Thailand - 18.62% (31 December 2011: 9.08%)							
	465,000	Advanced Info Service PCL	1,873,269	2,693,955	4.06%		
	400,000	Bangkok Bank PCL	2,110,911	2,392,947	3.60%		
	1,304,600	BEC World PCL	1,795,927	2,074,380	3.12%		
	17,000,000	Jasmine International PCL	1,521,903	1,637,909	2.47%		
	4,400,000	Minor International PCL	1,799,368	1,939,547	2.92%		
	1,340,000	Tisco Financial Group PCL	1,890,061	1,624,370	2.45%		
			10,991,439	12,363,108	18.62%		
United States - 1.06% (31 December 2011: 0.00%)							
	140,000	Alacer Gold Corp.	1,024,484	705,684	1.06%		
			1,024,484	705,684	1.06%		
Vietnam - 13.54% (31 December 2011: 1.60%)							
	1,000,000	Bank for Foreign Trade of Vietnam JSC	1,152,922	1,406,362	2.12%		
	586,250	FPT Corp.	1,164,684	1,320,850	1.99%		
	490,000	Kinh Do Corp.	704,314	949,294	1.43%		
	200,000	Masan Group Corp.	1,015,065	956,709	1.44%		
	500,000	Phu Nhuan Jewelry JSC	982,759	1,076,298	1.62%		
	3,553,050	Sacom Development & Investment Corp.	1,345,520	1,308,705	1.97%		
	1,600,000	Saigon Securities, Inc.	1,126,177	1,584,310	2.39%		
	490,000	Societe de Bourbon Tay Ninh	281,207	386,750	0.58%		
			7,772,648	8,989,278	13.54%		
Total Common Stock			60,376,508	65,383,037	98.48%		
Total Fair Value of Investments			60,376,508	65,383,037	98.48%		
Forward Foreign Currency Contracts - 0.05% (31 December 2011: (0.14%))							
Currency Bought	Amount Bought	Currency Sold	Amount Sold	Maturity Date	Counterparty	Unrealised Gain/(Loss)	% of Net Assets
GBP	1,234,355	USD	(1,930,000)	12/09/2012	Brown Brothers Harriman	(7,383)	(0.01%)
GBP	332,572	USD	(520,000)	12/09/2012	Brown Brothers Harriman	(1,989)	0.00%
SGD	1,251,979	USD	(980,000)	12/09/2012	Brown Brothers Harriman	5,728	0.01%
SGD	1,750,216	USD	(1,370,000)	12/09/2012	Brown Brothers Harriman	8,008	0.01%
USD	3,883,600	AUD	(3,800,000)	18/07/2012	Brown Brothers Harriman	27,494	0.04%
Total Forward Foreign Currency Contracts						31,858	0.05%

SCHEDULE OF INVESTMENTS (CONTINUED)

	Value USD	% of Net Assets
Total Financial Assets at Fair Value through Profit or Loss	65,424,267	98.54%
Total Financial Liabilities at Fair Value through Profit or Loss	(9,372)	(0.01%)
Cash	5,143,245	7.75%
Other Net Liabilities	(4,169,758)	(6.28%)
Net Assets Attributable to Holders of Redeemable Participating Shares	66,388,382	100.00%

BALANCE SHEET

	Notes	As at 30 June 2012 USD	As at 31 December 2011 USD	As at 30 June 2011 USD
Current Assets:				
Financial Assets, at cost		60,376,508	68,015,005	141,179,262
Financial Assets, at Fair Value through Profit or Loss		65,424,267	68,447,987	149,943,794
Cash		5,143,245	10,002,536	24,515,732
Margin Cash		13,802	5,090,154	4,414,142
Receivable for investments sold		1,021,537	5,961,970	–
Dividends receivable		255,139	–	446,042
Other Assets		160,065	165,207	197,365
Total Assets:		72,018,055	89,667,854	179,517,075
Liabilities (amounts falling due within one year):				
Financial Liabilities, at Fair Value through Profit or Loss				
Loss		9,372	152,686	174,414
Payable for investments purchased		5,397,176	3,367,335	3,317,528
Administration fees	3	18,007	43,757	–
Audit fees	6	23,701	49,760	43,035
Investment management fees	2	87,116	140,904	249,810
Performance fees	2	2,140	–	811
Directors' fees	5	19,890	4,322	42,723
Custody fees	4	46,914	27,854	119,930
Professional fees		(23,732)	–	–
Trustee fees	4	(2,873)	–	–
Other liabilities		51,962	59,278	85,523
Total Liabilities:		5,629,673	3,845,896	4,031,774
Net Assets Attributable to Holders of Redeemable Participating Shares (for financial statement purposes)				
	12	66,388,382	85,821,958	175,485,301

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

BALANCE SHEET (CONTINUED)

	Note	As at 30 June 2012	As at 31 December 2011	As at 30 June 2011
Class A Dollar Non-Distributing Class	1			
Net Assets		USD41,093,068	USD63,148,719	USD118,220,951
Outstanding redeemable participating Shares		276,933	461,492	689,704
Net Asset Value per share		USD148.39	USD136.84	USD171.41
Class B Dollar Distributing Class	1			
Net Assets		USD8,666,269	USD4,878,449	USD11,003,643
Outstanding redeemable participating Shares		58,379	35,636	64,172
Net Asset Value per share		USD148.45	USD136.90	USD171.47
Class C Sterling Distributing Class	1			
Net Assets		GBP1,241,734	GBP1,940,729	GBP3,195,075
Outstanding redeemable participating Shares		16,042	26,054	34,265
Net Asset Value per share		GBP77.40	GBP74.49	GBP93.24
Class D Singapore Dollar Distributing Class	1			
Net Assets		SGD1,835,453	SGD1,823,817	SGD3,552,565
Outstanding redeemable participating Shares		8,974	9,368	14,951
Net Asset Value per share		SGD204.52	SGD189.23	SGD237.61
Class E Singapore Dollar Distributing Class	1			
Net Assets		SGD1,319,990	SGD1,225,489	—
Outstanding redeemable participating Shares		13,162	13,162	—
Net Asset Value per share		SGD100.29	SGD93.11	—
Class N Dollar Non-Distributing Class	1			
Net Assets		USD473,339	USD128,626	USD491,082
Outstanding redeemable participating Shares		3,190	940	2,865
Net Asset Value per share		USD148.38	USD136.84	USD171.41
Class O Dollar Distributing Class	1			
Net Assets		USD11,109,534	USD11,709,885	USD35,139,880
Outstanding redeemable participating Shares		74,828	85,451	204,917
Net Asset Value per share		USD148.47	USD137.04	USD171.48
Class P Sterling Distributing Class	1			
Net Assets		GBP333,614	GBP39,4638	GBP1,647,500
Outstanding redeemable participating Shares		4,324	5,309	17,666
Net Asset Value per share		GBP77.16	GBP74.33	GBP93.26

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

PROFIT AND LOSS ACCOUNT

		For the six months ended 30 June 2012 USD	For the year ended 31 December 2011 USD	For the six months ended 30 June 2011 USD
	Notes			
Investment Income				
Dividend income		1,621,060	3,372,659	1,841,744
Interest income		–	7,245	4,208
Net realised gain on Financial Assets and Liabilities at Fair Value through Profit or Loss		2,585,698	(13,889,218)	8,672,758
Movement in net unrealised gain on Financial Assets and Liabilities at Fair Value through Profit or Loss		5,017,961	(17,678,193)	(9,160,142)
Total income		9,224,719	(28,187,507)	1,358,568
Expenses:				
Transaction costs		462,803	3,224,716	1,316,202
Performance fees		–	–	151,100
Investment management fees	2	640,361	2,452,492	1,424,738
Administration fees	3	37,286	167,061	47,640
Professional fees		19,370	103,741	42,490
Audit fees	6	24,599	52,940	40,395
Director's fee	5	24,172	49,221	37,435
Custody fees	4	88,802	125,380	90,300
Trustee fees	4	8,818	–	–
Other expenses		53,780	96,235	62,865
Total expenses		1,359,991	6,271,786	3,213,165
Net Income/(Expenses) before finance costs		7,864,728	(34,459,293)	(1,854,597)
Finance Costs				
Overdraft Interest		(330)	–	–
Withholding tax on dividends		(171,959)	(291,955)	(93,977)
Indian Capital Gain Tax		–	150,416	–
Total finance costs		(172,289)	(141,539)	(93,977)
Change in Net Assets Attributable to Holders of Redeemable Participating Shares from Operations		7,692,439	(34,600,832)	(1,948,574)

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.

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

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

	Note	For the period ended 30 June 2012 USD	For the year ended 31 December 2011 USD	For the period ended 30 June 2011 USD
Increase/(Decrease) in Net Assets Attributable to Holders of Redeemable Participating Shares		7,692,439	(34,600,832)	(1,948,574)
Capital Share Transactions of Redeemable Participating Shares:				
Proceeds from issuance of Redeemable Participating Shares		6,529,342	18,354,356	1,612,348
Payments on redemption of Redeemable Participating Shares		(33,655,357)	(123,163,754)	(49,410,661)
Net outflow from capital shares transactions of Redeemable Participating Shares		(27,126,015)	(104,809,398)	(47,798,313)
Changes in Net Assets Attributable to Holders of Redeemable Participating Shares		(19,433,576)	(139,410,230)	(49,746,887)
Net Assets Attributable to Holders of Redeemable Participating Shares at the beginning of the period		85,821,958	225,232,188	225,232,188
Net Assets Attributable to Holders of Redeemable Participating Shares at the end of the period		66,388,382	85,821,958	175,485,301

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 Acts, 1963 to 2012 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 reduction of financial assets and financial liabilities at fair value through profit or loss and comply with financial reporting standards of the Accounting Standards Board, as promulgated by the Institute of Chartered Accountants in Ireland.

The information required by FRS 3: “Reporting Financial Performance”, to be included in a statement of total recognised gains and losses and a reconciliation of movement in Shareholders’ funds, is in the opinion of the Directors contained in the Profit and Loss Account and Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares on pages 10 and 11. The financial statements have been prepared on a consistent basis with the prior year end accounts.

The Company has availed of the exemption available to open-ended investment funds under FRS 1 “Cash Flow Statements”, 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 26 “Financial Instruments: Recognition and Measurement”(“FRS 26”), 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 purchase 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 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”.

(iii) Derecognition

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

- The rights to receive cash flows from the assets have expired; or
- The Company 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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

(iii) Derecognition (continued)

- 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 bid prices at the Valuation Point. 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.

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.

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 exchange contracts and futures contracts, as at 30 June 2012 and 31 December 2011, the Company did not hold any derivative instruments.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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 contract of the same size and maturity could be undertaken. The forward foreign currency contracts held by the Company as at 30 June 2012 are included in the Schedule of Investments.

Futures Contracts

A futures contract is an agreement between two parties to buy and sell a security, index or currency at a specific price or rate at a future date. Upon entering into a futures contract, the Company is required to deposit with a broker an amount of cash or cash equivalents equal to a certain percentage of the contract amount. This is known as 'initial cash margin'. Subsequent payments ('variation margin') are made or received by the Company each day, depending upon the daily fluctuation in the value of the contract. The daily changes in contract value are recorded as unrealised gains or losses and the Company recognises a realised gain or loss when the contract is closed. Realised and unrealised gains and losses on futures contracts are recognised in the Profit and Loss Account. As at 30 June 2012, the Company did not hold any futures contracts.

Collective Investment Schemes

Units in collective investment schemes shall be valued at the latest available net asset value per unit or bid price as published by the relevant collective investment scheme or, if listed or traded on a Recognised Exchange, in accordance with listed securities above. As at 30 June 2012, the Company did not hold any units in collective investment schemes.

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 propose to distribute at least 85per cent 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 O Dollar Distributing Class, the Class P Sterling Distributing Class and the Class E Singapore Dollar 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 2012 and 31 December 2011, 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.

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.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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. Dividends are credited to the Profit and Loss Account on the dates on which the relevant securities are listed as “ex-dividend”. Interest income is accrued on a daily basis. Income is shown gross of non-recoverable withholding tax.

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 shown as a finance cost 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.

NOTES TO THE FINANCIAL STATEMENTS

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 25 "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 six months ended 30 June 2012 is as follows:

	Class A Dollar Non-Distributing Class Shares	Class B Dollar Distributing Class Shares	Class C Sterling Distributing Class Shares
At the beginning of the period	461,492	35,636	26,054
Redeemable Participating Shares issued	3	27,985	65
Redeemable Participating Shares redeemed	(184,562)	(5,242)	(10,077)
At the end of the period (for financial statement purposes)	276,933	58,379	16,042
	Class D Singapore Dollar Distributing Class Shares	Class E Singapore Dollar Distributing Class Shares	Class N Dollar Non-Distributing Class Shares
At the beginning of the period	9,638	13,162	940
Redeemable Participating Shares issued	—	—	2,740
Redeemable Participating Shares redeemed	(664)	—	(490)
At the end of the period (for financial statement purposes)	8,974	13,162	3,190
	Class O Dollar Distributing Class Shares	Class P Sterling Distributing Class Shares	
At the beginning of the period	85,451	5,309	
Redeemable Participating Shares issued	13,898	—	
Redeemable Participating Shares redeemed	(24,521)	(985)	
At the end of the period (for financial statement purposes)	74,828	4,324	

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1. Share Capital (continued)

The movement in the number of redeemable participating shares for the year ended 31 December 2011 is as follows:

	Class A Dollar Non-Distributing Class Shares	Class B Dollar Distributing Class Shares	Class C Sterling Distributing Class Shares
At the beginning of the year	832,350	80,230	51,899
Redeemable Participating Shares issued	2,000	6,196	3,844
Redeemable Participating Shares redeemed	(372,858)	(50,790)	(29,689)
At the end of the year (for financial statement purposes)	461,492	35,636	26,054
	Class D Singapore Dollar Distributing Class Shares	Class E Singapore Dollar Distributing Class Shares	Class N Dollar Non-Distributing Class Shares
At the beginning of the year	88,407	–	3,030
Redeemable Participating Shares issued	920	13,162	–
Redeemable Participating Shares redeemed	(79,689)	–	(2,090)
At the end of the year (for financial statement purposes)	9,638	13,162	940
	Class O Dollar Distributing Class Shares	Class P Sterling Distributing Class Shares	
At the beginning of the year	227,529	22,256	
Redeemable Participating Shares issued	59,434	460	
Redeemable Participating Shares redeemed	(201,512)	(17,407)	
At the end of the year (for financial statement purposes)	85,451	5,309	

The movement in the number of redeemable participating shares for the six months ended 30 June 2011 is as follows:

	Class A Dollar Non-Distributing Class Shares	Class B Dollar Distributing Class Shares	Class C Sterling Distributing Class Shares
At the beginning of the period	832,350	80,230	51,899
Redeemable Participating Shares issued	2,000	1,062	2,554
Redeemable Participating Shares redeemed	(144,646)	(17,120)	(20,188)
At the end of the period (for financial statement purposes)	689,704	64,172	34,265

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1. Share Capital (continued)

30 June 2011 (continued)

	Class D Singapore Distributing Class Shares	Class N Dollar Non-Distributing Class Shares	Class O Dollar- Distributing Class Shares
At the beginning of the period	88,407	3,030	227,529
Redeemable Participating Shares issued	920	-	3,128
Redeemable Participating Shares redeemed	(74,376)	(165)	(25,740)
At the end of the period			
(for financial statement purposes)	14,951	2,865	204,917

	Class P Sterling Distributing Class Shares
At the beginning of the period	22,256
Redeemable Participating Shares issued	100
Redeemable Participating Shares redeemed	(4,690)
At the end of the period	
(for financial statement purposes)	17,666

Application for redemption of Redeemable Participating Shares may be submitted prior to 5.00pm Irish time two calendar days 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.

The Investment Manager earned a fee of USD640,361 during the period ended 30 June 2012 (USD1,424,738: 30 June 2011), of which USD87,116 is outstanding at the period end (USD140,904: 31 December 2011).

Performance fee and equalisation

In relation to Classes A, B, C, D, N, O, P and Q 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 Classes N, O, P and Q. For each Calculation Period, the Performance Fee in respect of each Share 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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. Investment Management Fees (continued)

In the case of Classes A, B, C and D classes 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 classes N, O, P and Q, 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.

The Performance Fee outstanding at the period end is USD2,140 (USDNil: 31 December 2011).

3. Administration Fees

The Company pays Brown Brothers Harriman Fund Administration Services (Ireland) Limited (the “Administrator”) in the amount of 0.04% of the NAV of the Company if the NAV is less than USD200,000,000, 0.03% of the NAV of the Company if the NAV is between USD200,000,000 and USD400,000,000, and 0.02% of the NAV of the Company if the NAV is greater than USD400,000,000 (plus VAT, if any), subject to a minimum monthly charge of USD4,000. The Administrator is also be 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 USD37,286 during the period ended 30 June 2012 (USD47,640: 30 June 2011), of which USD18,007 is outstanding at the period end (USD43,757: 31 December 2011).

4. Custodian Fees

The Company pays Brown Brothers Harriman Trustee Services (Ireland) Limited (the “Custodian”) a trustee fee of 0.02% of the NAV of the Fund. The Custodian also receives a custody fee ranging from 0.01% to 0.09% of the NAV of the investments that the fund makes in each relevant market. 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 USD88,802 during the period ended 30 June 2012 (USD90,300: 30 June 2011), of which USD46,914 is outstanding at the period end (USD27,854: 31 December 2011).

The Trustee earned a fee of USD8,818 during the period ended 30 June 2012 (USD Nil: 30 June 2011), USD 2,873 of which is due as a credit to the Fund at the period end (USD Nil: 31 December 2011).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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 a fee of USD24,172 during the period ended 30 June 2012 (USD37,435: 30 June 2011), of which USD19,890 is outstanding at the period end (USD4,322: 31 December 2011).

6. Auditors Remuneration

Audit fees charged to the Profit and Loss Account for the period ended 30 June 2012 amounted to USD24,599 (USD40,395 30 June 2011) of which USD23,701 (USD49,760: 30 June 2011) is outstanding at the period end. This represents remuneration for work carried out for the Company for statutory audit of financial statements.

7. Related Parties*Directors*

Heather Manners is Chief Investment Officer of the Investment Manager and has waived her fees for the period ended 30 June 2012.

Anthony Morris is Chief Operating Officer and Head of Trading of the Investment Manager and has waived his fees for the period ended 30 June 2012.

David Hammond is a Director of Bridge Consulting, a financial services consultancy and business advisory firm which provided services relating to the Company's governance requirements under the UCITS Regulations. Bridge Consulting earned a fee of USD19,370 for the period ended 30 June 2012 (USD42,490: 30 June 2011), none of which is outstanding at the period end (USDNil: 31 December 2011).

All transactions which the Company has entered into with related parties, Directors of the Company or any party in which a Director has a material interest have been made in the ordinary course of business and on normal commercial terms and at an arms length basis during the period.

The following Directors and related parties held Shares in the Company as at 30 June 2012:

Related Party	Shares held	Share Class
David Hammond (Family members)	933	Class A USD\$ Non-Distributing Class
Heather Manners (Director & Partner of the Investment Manager)	4,080	Class D SDG\$ Distributing Class
Prusik Investment Management LLP	7,029	Class E SGD\$ Distributing Class
Thomas Naughton (Partner of the Investment Manager)	5,827	Class E USD\$ Distributing Class

The following Directors and related parties held Shares in the Company as at 31 December 2011:

Related Party	Shares held	Share Class
David Hammond (Family members)	933	Class A USD\$ Non-Distributing Class
Heather Manners (Director & Partner of the Investment Manager)	4,080	Class D SDG\$ Distributing Class
Tony Morris (Partner of the Investment Manager)	401	Class D SGD\$ Distributing Class
Prusik Investment Management LLP	7,029	Class E SGD\$ Distributing Class
Richard Hayes (Director)	703	Class A USD\$ Non-Distributing Class
Prusik Investment Management Singapore PTE Ltd	307	Class E SGD\$ Distributing Class
Thomas Naughton (Partner of the Investment Manager)	5,827	Class E USD\$ Distributing Class

Although not deemed to be related parties under FRS as they do not exercise "significant influence" over the activities of the Fund, UCITS Notice 14/ Non-UCITS 2 also deems a "Trustee" and its "associated or group companies" to be related parties to the Company.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7. Related Parties (continued)

As such, Brown Brothers Harriman Trustee Services (Ireland) Limited the Custodian, and Brown Brothers Harriman Fund Administration Services (Ireland) Limited, the Administrator, are related parties to the Company. During the period, both the Custodian and Administrator earned fees for provision of administration and custody services to the Company as disclosed in note 3 and note 4 to the financial statements. During the period companies related to the Trustee were also selected by the Investment Manager on behalf of the Fund to, execute foreign currency spot and forward contracts. No transaction based fee is applied on spot contracts or derivative contracts, USD 25 is charged on each forward currency contract.

8. 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 Shareholders investors who have provided the Company with the necessary signed statutory declarations.

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

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.

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

9. Soft Commission Agreements

During the period ended 30 June 2012, the Investment Manager entered into soft commission arrangements with brokers/dealers in respect of which certain goods and services used to support the investment decision process were received. The Investment Manager does not make direct payment for these services but does transact an agreed amount of business with the brokers on behalf of the Company and commission is paid on these transactions.

The goods and services utilised for the Company include computer hardware and software used for economic and political analysis, portfolio analysis including valuation and performance measurement, market analysis, data and quotation services and investment related publications.

The Investment Manager considers these arrangements are to the benefit of the Company and has satisfied itself that it obtains best execution on behalf of the Company and the brokerage rates are not in excess of the customary institutional full service brokerage rates.

These arrangements do not affect a broker's duty to provide best execution.

During the period ended 30 June 2012 and 30 June 2011 there were no soft commission transactions.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

10. Exchange Rates

The following exchange rates have been used to translate assets and liabilities in currencies other than USD as at 30 June 2012 and 31 December 2011:

	30 June 2012	31 December 2011
Australian Dollar	0.9840	1.0167
Euro	0.7951	0.7730
Hong Kong Dollar	7.7561	7.7676
Indonesian Rupiah	9,392.5000	9,059.6000
Korean Won	1,145.26000	1,151.70000
Pound Sterling	0.6419	0.6478
Singapore Dollar	1.2702	1.2968
Taiwan Dollar	29.8550	30.2682
Thailand Baht	31.7600	31.5199

11. 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. Marketable investment securities for financial reporting purposes are required by FRS 26 to be valued based on last bid prices at the valuation point. The difference between the two valuation methods may result in a difference between the NAV per Share shown in the financial statements and the NAV per Share at which Redeemable Participating Shares are issued and redeemed.

As at 30 June 2012 USD60,000 preliminary expenses were written off in full in the Profit and Loss Account in accordance with Irish Generally Accepted Accounting Principles. However, in accordance with the Prospectus dated 22 December 2010, the NAV reported each month reflects these preliminary expenses written off over a period of sixty months.

In the current period an adjustment to the carrying amount of the Net Assets attributable to holders of Redeemable Participating Shares (for Shareholder dealing purposes) of USD178,072 (USD42,722: 30 June 2011) has been reflected in accordance with FRS 26 to reflect the bid price at the valuation point.

As at 30 June 2012, the difference between the NAV for financial reporting purposes as required by FRS 26 and the NAV at which Redeemable Participating Shares are issued and redeemed is detailed in the table below.

Net Asset Value reconciliation	30 June 2012 USD
Net Asset attributable to holders of redeemable participating shares (for shareholder dealing purposes)	66,566,454
Adjustment for bid and offer pricing	(178,072)
Net Asset attributable to holders of redeemable participating shares (for financial reporting purposes)	66,388,382

Net Assets and NAV per share for dealing purposes		30 June 2012 Net Assets		30 June 2012 NAV per Share
Class A Dollar Non-Distributing Class	USD	41,203,291	USD	148.78
Class B Dollar Distributing Class	USD	8,689,515	USD	148.85
Class C Sterling Distributing Class	GBP	1,245,065	GBP	77.61
Class D Singapore Dollar Distributing Class	SGD	1,840,377	SGD	205.07
Class E Singapore Dollar Distributing Class	SGD	1,323,530	SGD	100.56
Class N Dollar Non-Distributing Class	USD	474,608	USD	148.78
Class O Dollar Distributing Class	USD	11,139,333	USD	148.87
Class P Sterling Distributing Class	GBP	334,509	GBP	77.36

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

12. Net Asset Comparison (continued)

As at 31 December 2011, the difference between the NAV for financial reporting purposes as required by FRS 26 and the NAV at which Redeemable Participating Shares are issued and redeemed is detailed in the table below.

Net Asset Value reconciliation	31 December 2011 USD
Net Asset attributable to holders of redeemable participating shares (for shareholder dealing purposes)	86,018,864
Adjustment in relation to unamortised preliminary expenses	(196,906)
Net Asset attributable to holders of redeemable participating shares (for financial reporting purposes)	85,821,958

Net Assets and NAV per share for dealing purposes	31 December 2011 Net Assets	31 December 2011 NAV per Share
Class A Dollar Non-Distributing Class	USD 63,293,622	USD 137.15
Class B Dollar Distributing Class	USD 4,889,643	USD 137.21
Class C Sterling Distributing Class	GBP 1,945,182	GBP 74.66
Class D Singapore Dollar Distributing Class	SGD 1,828,002	SGD 189.66
Class E Singapore Dollar Distributing Class	SGD 1,228,301	SGD 93.32
Class N Dollar Non-Distributing Class	USD 128,921	USD 137.15
Class O Dollar Distributing Class	USD 11,736,730	USD 137.23
Class P Sterling Distributing Class	GBP 395,544	GBP 74.50

13. Comparatives

The comparative figures are for the period for the six months ended 30 June 2011 for the Condensed Profit and Loss account and as at 31 December 2011 for the Condensed Balance Sheet.

14. Significant Events during the Period

With effect from 1 January 2012, Citi Fund Services (Ireland), Limited was replaced as administrator of the Company by Brown Brothers Harriman Fund Administration Services (Ireland) Limited.

15. Events since the Period End

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

16. Approval of Financial Statements

The report and audited financial statements were approved by the Directors on xx xxxx 2012.

STATEMENT OF CHANGES IN THE COMPOSITION OF PORTFOLIO (UNAUDITED)

In accordance with the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 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.

Major Purchases for the period ended 30 June 2012

Security Description	Acquisitions Nominal	Cost USD
Wynn Macau Ltd.	1,800,000	5,129,002
Universal Robina Corp.	2,205,000	3,139,945
Bangkok Bank PCL	545,000	2,876,117
Gamuda Bhd.	2,200,000	2,736,157
BDO Unibank, Inc.	1,850,000	2,703,928
IShares FTSE A50 China Index	1,750,000	2,467,446
SJM Holdings Ltd.	1,150,000	2,466,789
Jasmine International PCL	27,000,000	2,417,140
Great Eagle Holdings Ltd.	990,000	2,357,758
Swire Pacific Class A Ltd.	220,000	2,333,185
Sun Hung Kai Properties Ltd.	195,000	2,228,704
Metro Pacific Investments Corp.	23,750,000	2,122,427
SK Telecom Co. Ltd.	167,000	1,958,719
Manila Electric Co.	340,000	1,957,729
Shun Tak Holdings	4,620,000	1,951,814
Quanta Computer, Inc.	800,000	1,944,238
Neowiz Games Corp.	54,000	1,917,790
Tisco Financial Group PCL	1,340,000	1,890,061
Anhui Expressway Co. Ltd.	3,000,000	1,870,507
SM Investments Corp.	133,000	1,849,684
Zijin Mining Group Co. Ltd.	5,500,000	1,809,093
Minor International PCL	4,000,000	1,799,368
Cathay Pacific Airways	1,000,000	1,799,240
Kangwon Land, Inc.	82,000	1,788,650
Win Semiconductors Corp.	1,400,000	1,744,868
Visual Photonics Epitaxy Co. Ltd.	1,400,000	1,724,087
Alliance Global Group, Inc.	7,000,000	1,691,237
Telekomunikasi Indonesia Persero Tbk PT	1,950,000	1,676,835
Sacom Development and Investment Corp.	3,553,050	1,345,520
KT Corp.	102,000	1,300,648
Saigon Thuong Tin Commercial JSB	1,305,730	1,290,882
STX OSV Holdings Ltd.	1,000,000	1,160,539
FPT Corp.	464,080	1,153,199
Bank for Foreign Trade of Vietnam JSC	1,000,000	1,152,922
Saigon Securities, Inc.	1,600,000	1,126,177
GT Capital Holdings Inc.	100,000	1,073,590
Masan Group Corp.	200,000	1,015,065
Japan Vietnam Medical Instrument JSC	1,138,090	929,068
Phu Nhuan Jewelry JSC	421,010	832,536
New World Development Co. Ltd.	860,000	800,647

STATEMENT OF CHANGES IN THE COMPOSITION OF PORTFOLIO (UNAUDITED) (CONTINUED)

Major Sales for the period ended 30 June 2012

Security Description	Disposals Nominal	Proceeds USD
Lenovo Group Ltd.	5,500,000	4,773,576
Philippine Long Distance Telephone Co.	72,000	4,555,923
Wynn Macau Ltd.	1,800,000	4,356,880
Genting Malaysia Bhd.	3,260,000	4,061,057
Global Logistic Properties Ltd.	2,434,000	4,033,784
New World Development Co. Ltd.	3,160,000	3,750,614
Axiata Group Bhd.	2,102,300	3,299,965
Genting Singapore PLC	2,600,000	3,290,596
Haier Electronics Group Co. Ltd.	2,426,000	2,632,538
Saigon Thuong Tin Commercial JSB	2,400,000	2,558,954
Gamuda Bhd.	2,200,000	2,549,159
Swire Pacific Class A Ltd.	220,000	2,470,395
Incitec Pivot NPV	750,000	2,439,697
IShares FTSE A50 China Index	1,750,000	2,391,287
Taiwan Mobile Co. Ltd.	752,100	2,233,208
Lock&Lock Co. Ltd.	71,914	2,230,854
Advanced Info Service PCL	450,000	2,194,952
Hutchison Whampoa Ltd.	230,000	2,172,400
Kangwon Land, Inc.	90,000	1,983,896
Cathay Pacific Airways	1,000,000	1,882,256
BEC World PCL	1,320,000	1,782,620
Green Cross Corp.	14,000	1,734,034
Jiangsu Exprsswy Co. Ltd.	1,800,000	1,724,893
Anhui Expressway Co. Ltd.	3,000,000	1,687,493
Shun Tak Holdings	4,620,000	1,665,248
Visual Photonics Epitaxy Co. Ltd.	740,000	1,391,546
Neowiz Games Corp.	54,000	1,377,064
KT&G Corp.	20,000	1,362,285
Japan Vietnam Medical Instrument JSC	1,138,090	1,246,882
Win Semiconductors Corp.	700,000	1,122,849
BDO Unibank, Inc.	730,000	1,082,654
GT Capital Holdings Inc.	100,000	1,078,902
HTC Corp.	70,000	1,067,696
MediaTek Inc.	120,000	1,041,926
China Mobile Ltd.	100,000	1,014,640
Jasmine Internationl PCL	10,000,000	994,945
Universal Robina Corp.	655,000	988,241
Great Eagle Holdings Ltd.	325,000	914,214

MANAGEMENT AND ADMINISTRATION

BOARD OF DIRECTORS

David Hammond* (Irish)

Heather Manners* (British)

Anthony Morris (British)

Richard Hayes* (Irish)

All the directors are non-executive directors

**Independent of the investment manager

PROMOTOR, INVESTMENT MANAGER AND DISTRIBUTOR

Prusik Investment Management LLP

1st 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

Styne House

Upper Hatch Street

Dublin 2

Ireland

CUSTODIAN

Brown Brothers Harriman Trustee

Services (Ireland) Limited

Styne House

Upper Hatch 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