

# Prusik Asian Smaller Companies Fund



LONG ONLY ABSOLUTE RETURN INVESTING IN ASIA

PRUSIK

31 March 2015

Quarterly Fund Fact Sheet

## Investment Objective

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

## Fund Facts

|                 |                      |
|-----------------|----------------------|
| Fund Size (USD) | 141.5m               |
| Launch Date     | 8 February 2008      |
| Fund Manager    | Heather Manners      |
| Fund Structure  | UCITS III            |
| Domicile        | Dublin               |
| Currencies      | USD (base), GBP, SGD |

## Performance (%)

|                           | A USD | C GBP | D SGD |
|---------------------------|-------|-------|-------|
| 1 Month                   | -2.04 | -1.88 | -2.13 |
| 3 Month                   | -0.91 | -0.73 | -0.87 |
| Year to Date              | -0.91 | -0.73 | -0.87 |
| Since Launch              | 58.14 | 61.48 | 16.16 |
| Since Launch <sup>†</sup> | 6.62  | 6.94  | 2.92  |

Source: Bloomberg.

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

<sup>†</sup>Annualised Since Launch Performance

## Investment Process

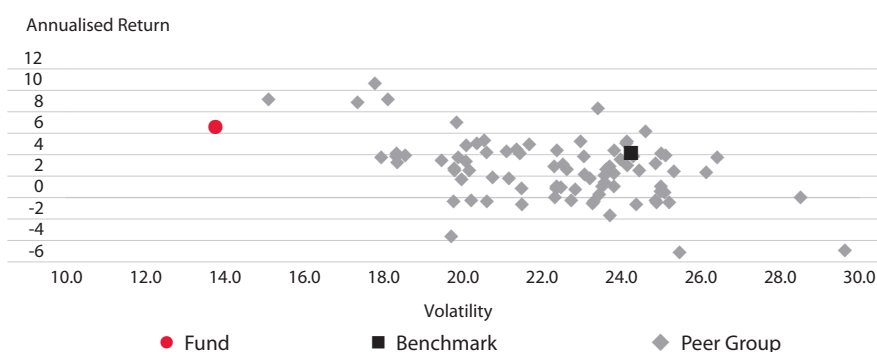
With anomalies as a start point, the investment process seeks to identify and invest in key 'themes' in the Pacific region. Our themes are driven by factors outside of the normal economic cycle and are not yet discounted by the market. Companies are identified and chosen via rigorous bottom-up analysis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

## Fund Performance - Class A USD (%)



Source: Bloomberg. Total return net of fees.

## Risk Adjusted Performance - Class A USD (%)



Source: Bloomberg. Annualised return and 1 year volatility versus the peer group (open ended offshore Asia Pacific ex Japan Equity Fund Index), 8.02.08 to 31.03.15

## Fund Manager Commentary

The fund fell 2% in March compared with the index fall of 0.2%. It has since more than made up for this shortfall during April to date, enjoying a strong rebound. This is encouraging as we are now starting to see material benefits from the restructuring of the portfolio during the first quarter.

We have considerably reduced the number of holdings in addition to reducing the number of themes; with a concentration in some of our existing favourites, such as tourism, as well as a few key new themes. Amongst these are China infrastructure, with a special emphasis on the government's big increase in spending on the electricity grid, the railways and the environment. Our key positions in this theme are subway designer **Beijing Urban Construction**, smart meter maker **Wasion**, cable maker **Jiangnan Group** and waste to energy specialists, **Dynagreen**.

We have also increased our exposure to companies benefitting from the huge demand for sensors and in particular, the increase in these electrical components in cars. Here **Innovalues** (sensor casings), **Nexteer** (steering columns), **Hana Micro** (sensor chips) and **Sitronix** (IC design for sensors) are all reporting extremely strong demand. **Nexteer** and **Sitronix** have both performed very well.

We have also added to the 'financialisation' of Asia theme, buying two platform companies set to benefit from the explosion in wealth management and investment supermarkets.

All data as at 31.03.15. Source: Prusik Investment Management LLP, unless otherwise stated.

# Prusik Asian Smaller Companies Fund



## Top 5 Holdings (%)

|                          |     |
|--------------------------|-----|
| Innovalues               | 4.6 |
| Wasion Group             | 4.3 |
| iFAST Corporation        | 3.9 |
| Nexteer Automotive       | 3.6 |
| Dat Xanh Real Estate     | 3.6 |
| Total Number of Holdings | 43  |

## Portfolio Financial Ratios

|                                |      |
|--------------------------------|------|
| Predicted Price/Earnings Ratio | 12.3 |
| Predicted Return on Equity (%) | 21.2 |
| Predicted Earnings Growth (%)  | 22.6 |

## Risk Metrics

|   |      |
|---|------|
| Beta  | 0.54 |
| Alpha   | 4.4  |
| Sharpe Ratio  | 0.48 |
| Volatility (%)  | 13.8 |
| % of the portfolio which could be sold in 2 business days | 34.0 |

## Thematic Breakdown (%)

|                                       |      |             |
|---------------------------------------|------|-------------|
| Automation / Internet of Things       | 15.6 | <div></div> |
| Software / Smartphones                | 15.3 | <div></div> |
| Telecoms / Infrastructure / Logistics | 14.3 | <div></div> |
| Leisure / Tourism                     | 12.0 | <div></div> |
| Vietnam                               | 10.1 | <div></div> |
| Financialisation                      | 9.4  | <div></div> |
| Brands / Beauty                       | 6.1  | <div></div> |
| Environment                           | 5.2  | <div></div> |
| Healthcare                            | 3.4  | <div></div> |
| Smart Textiles                        | 3.0  | <div></div> |
| Local Brands                          | 2.9  | <div></div> |
| Cash                                  | 2.7  | <div></div> |

## Geographical Breakdown (%)

|                   |      |             |
|-------------------|------|-------------|
| Hong Kong / China | 22.1 | <div></div> |
| Singapore         | 17.3 | <div></div> |
| Vietnam           | 12.5 | <div></div> |
| India             | 10.6 | <div></div> |
| Philippines       | 10.0 | <div></div> |
| Thailand          | 8.5  | <div></div> |
| Taiwan            | 5.3  | <div></div> |
| Korea             | 5.2  | <div></div> |
| Indonesia         | 2.9  | <div></div> |
| Cash              | 2.7  | <div></div> |
| Malaysia          | 1.6  | <div></div> |
| Sri Lanka         | 0.9  | <div></div> |
| Australia         | 0.2  | <div></div> |

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## Management Fees

### Annual Management Fee

1.5% p.a. Paid monthly in arrears

### Performance Fee

All Classes except Class U: 10% NAV appreciation with a 6% hurdle annually

Class U: 10% NAV appreciation with a 1.5% hurdle, quarterly

## Dealing

|                           |                                     |
|---------------------------|-------------------------------------|
| Dealing Line              | +353 1 603 6490                     |
| Administrator             | Brown Brothers<br>Harriman (Dublin) |
| Dealing Frequency         | Weekly, Friday                      |
| Min. Initial Subscription | USD 10,000                          |
| Subscription Notice       | 2 business days                     |
| Redemption Notice         | 2 business days                     |

## Share Class Details

| Share Class                     | Sedol   | ISIN         | Month-end NAV |
|---------------------------------|---------|--------------|---------------|
| A USD Unhedged Non distributing | B2PKN21 | IE00B2PKN210 | 158.14        |
| B USD Unhedged Distributing     | B2PKN32 | IE00B2PKN327 | 158.29        |
| C GBP Hedged Distributing       | B2PKN43 | IE00B2PKN434 | 82.92         |
| D SGD Hedged Distributing       | B3M3HJ5 | IE00B3M3HJ55 | 217.75        |

Performance fee based on individual investor's holding

|                             |         |              |       |
|-----------------------------|---------|--------------|-------|
| U GBP Unhedged Distributing | BBQ37T7 | IE00BBQ37T77 | 97.88 |
|-----------------------------|---------|--------------|-------|

Performance fee based on fund performance as a whole

All share classes are closed to new investors as of 30th September 2013.

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