

Prusik Asian Smaller Companies Fund



LONG ONLY ABSOLUTE RETURN INVESTING IN ASIA

PRUSIK

31 January 2014

Monthly 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)	185.3m
Launch Date	8 February 2008
Fund Manager	Heather Manners
Fund Structure	UCITS III
Domicile	Dublin
Currencies	USD (base), GBP, SGD

Performance (%)

	A USD	C GBP	D SGD
1 Month	0.21	0.20	0.24
3 Month	-1.74	-1.87	-1.66
Year to Date	0.21	0.20	0.24
Since Launch	65.71	68.04	21.62
Since Launch †	8.81	9.06	4.95

Source: Bloomberg.

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

†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.

Fund Manager Commentary

January was a good month for the Prusik Asia Smaller Companies Fund with the fund up slightly whilst the index fell 5.1%. The positive contributors to performance included the weighting in Vietnam, our holding in **Boya Interactive**, the Chinese online and mobile games company and our holding in **Interpark**, the Korean e-commerce company specialising in online ticket sales for concerts and online travel.

After 3 years of flattish returns for the MXAPJ we can understand why some investors might be persuaded to give up on the region. Indeed, the significant selling of 'index' companies in Asia in January suggested that many are. Thankfully, smaller companies were less impacted. Asia is currently on 1.5x Price/Book, or within the bottom 20% of historical valuation levels; except in times of crisis, Asia rarely trades below 1.4x. The fund's forward earnings growth is currently estimated at 34.5%. This reflects our exposure to the fastest growing themes and trends in Asia, driven by structural change rather than the economic cycle, and our ability to invest easily in the sub \$1 billion market cap range of companies.

In January we added **Bona Film**, the only listed cinema operator and movie production company in China. The Chinese government want to see the Chinese movie industry grow by over 30% pa between now and 2018. **Bona**, which has a strong movie pipeline, is well funded and confident it can meet this expansion target.

All data as at 31.01.14. Source: Prusik Investment Management LLP, unless otherwise stated.

Prusik Asian Smaller Companies Fund



Top 5 Holdings (%)

Boyya Interactive	4.0
Silverlake Axis	3.3
Rexlot Holdings	3.2
PC Home Online	3.1
Interpark Corporation	3.1
Total Number of Holdings	61

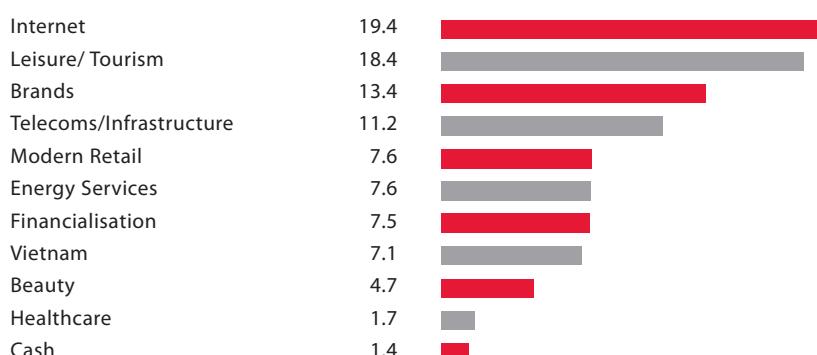
Portfolio Financial Ratios

Predicted Price/Earnings Ratio	12.6x
Predicted Return on Equity (%)	18.4
Predicted Earnings Growth (%)	34.5

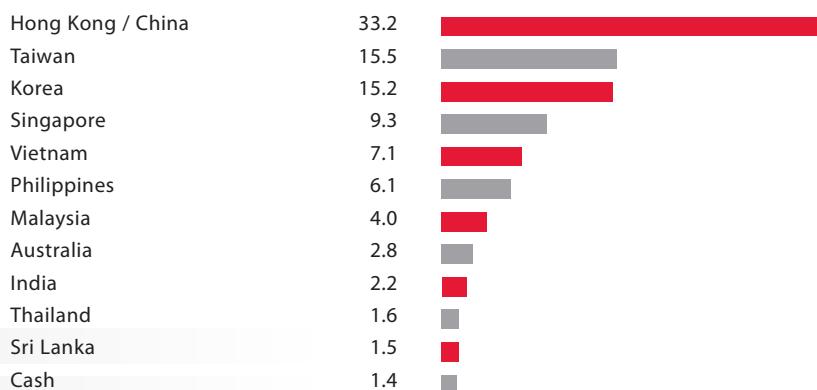
Risk Metrics

Beta	0.56
Alpha	7.2
Sharpe Ratio	0.62
Volatility (%)	14.2
% of the portfolio which could be sold in 2 business days	71.5

Thematic Breakdown (%)



Geographical Breakdown (%)



All data as at 31.01.14. Source: Prusik Investment Management LLP, unless otherwise stated.

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

Share Class Details

Share Class	Sedol	ISIN	Month-end NAV
A USD Unhedged Non distributing	B2PKN21	IE00B2PKN210	165.71
B USD Unhedged Distributing	B2PKN32	IE00B2PKN327	165.86
C GBP Hedged Distributing	B2PKN43	IE00B2PKN434	86.29
D SGD Hedged Distributing	B3M3HJ5	IE00B3M3HJ55	227.98
Performance fee based on individual investor's holding			
U GBP Unhedged Distributing	BBQ37T7	IE00BBQ37T77	92.09
Performance fee based on fund performance as a whole			

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

Dealing

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

This document is issued by Prusik Investment Management LLP and is for private circulation and information purposes only. Prusik Investment Management LLP is authorised and regulated by the Financial Conduct Authority in the United Kingdom. The information contained in this document is strictly confidential and does not constitute investment advice, nor an offer or solicitation to buy or sell any securities and or derivatives or to make any investment decision and may not be reproduced, distributed or published by any recipient for any purpose without the prior written consent of Prusik Investment Management LLP.

The value of investments and any income generated may go down as well as up and is not guaranteed. You may not get back the amount originally invested. Past performance is not a guide to, or indicative of, future results. Changes in exchange rates may have an adverse effect on the value, price, or income of investments.

The information and opinions contained in this document are for background purposes only, and do not purport to be full or complete. Please refer to the fund prospectus for more detail. The information given is not exhaustive and does not constitute legal or tax advice. Prospective investors and investors alike should consult their own professional advisers as to the implications of their subscribing for, purchasing, holding, switching or disposing of shares under the laws of the jurisdictions in which they may be subject to tax. No representation, warranty, or undertaking, express or limited, is given as to the accuracy or completeness of the information or opinions contained in this document by any of Prusik Investment Management LLP, its partners or employees and no liability is accepted by such persons for the accuracy or completeness of any such information or opinions. As such, no reliance may be placed for any purpose on the information and opinions contained in this document.