

Prusik Asian Smaller Companies Fund



LONG ONLY ABSOLUTE RETURN INVESTING IN ASIA

PRUSIK

28 February 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)	191.7m
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	3.58	3.48	3.55
3 Month	3.26	3.14	3.29
Year to Date	3.79	3.68	3.79
Since Launch	71.64	73.89	25.93
Since Launch †	9.32	9.56	5.75

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

After the extreme bearishness and intense foreign selling of Asia in January it is hardly surprising that Asia was strong in February, rising 4.6%. The fund marginally lagged this rise, owing to our exposure to China which was a poor performer and our extreme underweight in Australia, which did well. On the positive side, smaller companies have generally avoided the big selloff from foreign investors so far this year. Additionally, many of our themes have continued to provide strong performance, notably many of our China internet names and Vietnam.

When looking for general trends we notice that so far this year high growth stocks have done best in Asia. Since growth is increasingly a rarity, this trend may prevail and indeed intensify, led by the fast pace of change in technology and the disruptions and benefits of new and powerful business models this creates.

Our recent visit to China and Taiwan focussed on companies operating in the internet, cloud computing and servers, LED, leisure and tourism and the 'Internet of Things' themes. Our additions in these areas, which we made in January, have already done well, most notably **Bona Film** and Korean tourism play, **Hanjin Kal**. We have also gently rationalised out Vietnam portfolio, buying new exposure to infrastructure and property as the cycle there gathers upward pace.

All data as at 28.02.14. Source: Prusik Investment Management LLP, unless otherwise stated.

Prusik Asian Smaller Companies Fund



Top 5 Holdings (%)

Boyaa Interactive	4.1
Silverlake Axis	3.3
Rexlot Holdings	2.9
Interpark Corporation	2.8
Gome Electrical	2.7
Total Number of Holdings	58

Portfolio Financial Ratios

Predicted Price/Earnings Ratio	13.5x
Predicted Return on Equity (%)	18.1
Predicted Earnings Growth (%)	30.7

Risk Metrics

Beta	0.56
Alpha	7.4
Sharpe Ratio	0.66
Volatility (%)	14.2
% of the portfolio which could be sold in 2 business days	74.7

Thematic Breakdown (%)

Brands / Beauty	24.8	
Leisure / Tourism	21.4	
LED / Cloud computing / Software	12.0	
Telecoms / Infrastructure / Logistics	11.1	
Internet	9.4	
Vietnam	9.0	
Cash	7.7	
Financialisation	2.4	
Energy services	1.4	
Healthcare	0.8	

Geographical Breakdown (%)

Hong Kong / China	30.0	
Korea	14.9	
Taiwan	12.9	
Vietnam	9.0	
Cash	7.7	
Singapore	7.2	
Philippines	6.2	
Malaysia	3.9	
Australia	3.1	
India	2.2	
Thailand	1.5	
Sri Lanka	1.3	

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

Share Class Details

Share Class	Sedol	ISIN	Month-end NAV
A USD Unhedged Non distributing	B2PKN21	IE00B2PKN210	171.64
B USD Unhedged Distributing	B2PKN32	IE00B2PKN327	171.79
C GBP Hedged Distributing	B2PKN43	IE00B2PKN434	89.29
D SGD Hedged Distributing	B3M3HJ5	IE00B3M3HJ55	236.07

Performance fee based on individual investor's holding

U GBP Unhedged Distributing	BBQ37T7	IE00BBQ37T77	94.20
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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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