

Prusik Asian Smaller Companies Fund



LONG ONLY ABSOLUTE RETURN INVESTING IN ASIA

PRUSIK

30 September 2014

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)	193.2m
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	0.32	0.48	0.41
3 Month	1.75	1.99	1.81
Year to Date	3.30	3.54	3.30
Since Launch	70.83	73.65	25.33
Since Launch [†]	8.39	8.66	4.91

Source: Bloomberg.

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

[†]Annualised Since Launch Performance

Investment Process

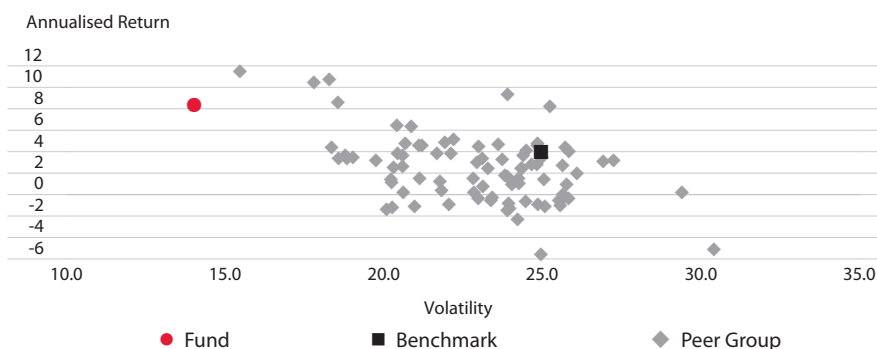
With anomalies as a start point, the investment process seeks to identify and invest in key 'themes' in the Pacific region. Our themes are driven by factors outside of the normal economic cycle and are not yet discounted by the market. Companies are identified and chosen via rigorous bottom-up analysis 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.

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 30.09.14

Fund Manager Commentary

The fund had a good relative and absolute month, rising 0.3% versus the index decline of 7.2%. The main positive contributions in absolute terms came from our weightings in Taiwan, India and Thailand, while the strong relative move was mainly down to our extreme underweight in Australia, which fell sharply. Good individual stock performance was also a highlight, and especially so in India, where tyre brand, **CEAT** did well and in Hong Kong where smart meter maker **Wasion** made a strong contribution.

The price to book ratio for the MXASJ Asia ex-Japan index has now dropped to 1.48x and the discount to global equities, according to Credit Suisse's PB/ROE model, is now 25%. It has only been this low, or lower, in 2005, the 2008-2009 global crisis and January 2014. Foreign selling has also been quite brisk. This all points to now being a very good time to buy Asia.

Meanwhile, we have just returned from visiting Thailand and Singapore. The business story in Thailand remains a very good one and companies there are expanding into Cambodia, Laos, Myanmar and Vietnam (the 'CLMV' markets) more aggressively than ever. Thematically, we feel that this area has a 5 to 10 year period of very strong growth and development and we saw many new projects ranging from infrastructure initiatives to the rolling out of domestic brands in the cosmetics and juice drink markets.

All data as at 30.09.14. Source: Prusik Investment Management LLP, unless otherwise stated.

Prusik Asian Smaller Companies Fund



Top 5 Holdings (%)

Silverlake Axis	4.7
CEAT Limited	3.8
Wasion Group	3.4
Premium Leisure	3.0
eMemory Technology Inc.	2.9
Total Number of Holdings	55

Portfolio Financial Ratios

Predicted Price/Earnings Ratio	13.6x
Predicted Return on Equity (%)	20.1
Predicted Earnings Growth (%)	25.5

Risk Metrics

Beta	0.54
Alpha	6.2
Sharpe Ratio	0.60
Volatility (%)	14.0
% of the portfolio which could be sold in 2 business days	58.2

Thematic Breakdown (%)

Leisure / Tourism	17.9	
LED / Cloud computing / Software	16.6	
Brands / Beauty	11.6	
Automation / Internet of things	9.7	
Vietnam	8.6	
Financialisation	6.3	
Local Brands	6.3	
Cash	5.8	
Telecoms / Infrastructure / Logistics	4.9	
Environment	3.6	
Healthcare	3.3	
Energy services	2.9	
Internet	2.7	

Geographical Breakdown (%)

Hong Kong / China	22.5	
India	12.5	
Korea	11.4	
Singapore	9.8	
Vietnam	8.6	
Taiwan	8.3	
Philippines	7.1	
Malaysia	6.1	
Cash	5.8	
Thailand	4.6	
Australia	2.7	
Sri Lanka	0.6	

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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 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	170.83
B USD Unhedged Distributing	B2PKN32	IE00B2PKN327	170.99
C GBP Hedged Distributing	B2PKN43	IE00B2PKN434	89.17
D SGD Hedged Distributing	B3M3HJ5	IE00B3M3HJ55	234.95

Performance fee based on individual investor's holding

U GBP Unhedged Distributing	BBQ37T7	IE00BBQ37T77	96.73
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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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