

Prusik Asian Smaller Companies Fund



LONG ONLY ABSOLUTE RETURN INVESTING IN ASIA

PRUSIK

31 December 2013

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)	184.9m
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	-0.51	-0.52	-0.49
3 Month	0.85	0.77	0.82
Year to Date	7.51	7.29	7.64
Since Launch	65.37	67.71	21.33
Since Launch †	8.90	9.16	5.00

Source: Bloomberg.

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

† Annualised Since Launch Performance

Investment Process

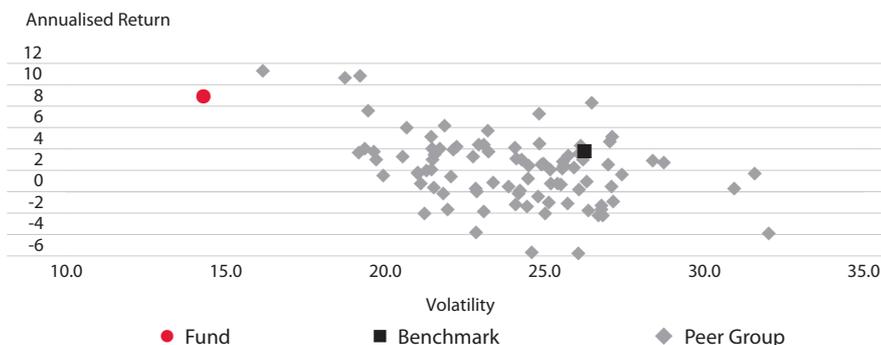
With anomalies as a start point, the investment process seeks to identify and invest in key 'themes' in the Pacific region. Our themes are driven by factors outside of the normal economic cycle and are not yet discounted by the market. Companies are identified and chosen via rigorous bottom-up analysis 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 31.12.13

Fund Manager Commentary

In 2013 smaller companies generally underperformed their larger counterparts but certain regional themes did well. December was a good example of this when the fund outperformed, propelled by stocks in our e-commerce, leisure and local brands themes. In 2014, despite some macro concerns and what index returns may tell you, Asia is brimming with dramatic change. We believe companies will need to be flexible to embrace and benefit from these changes. Smaller companies which are naturally more flexible should therefore have the edge.

A great example of one of these big changes and themes is the 'Internet of Things' (IoT). This is the next layer of connectivity as literally billions of minute devices that communicate with each other will be deployed in all walks of life. Cisco estimates that the IoT will eventually be a market worth \$19 trillion. To put this in context China's economy is worth \$14 trillion! Secondly, we expect growth this year will be scarce. However, well positioned smaller companies, especially internet companies, will see quite extraordinary growth as China's transition to an online economy hits the sweet spot. We also expect plenty of M&A in this space. Larger companies will have to scramble to keep up with the rapid changes imposed by new technology and acquisitions will therefore mean survival.

Our other favourite themes for this year include online lotteries and gaming, healthcare, software, the environment, e-commerce, logistics and tourism.

All data as at 31.12.13. Source: Prusik Investment Management LLP, unless otherwise stated.

Prusik Asian Smaller Companies Fund



Top 5 Holdings (%)

Gome Electrical	4.1
PC Home Online	3.6
Silverlake Axis	3.3
Hainan Meilan Intl	2.9
Rexlot Holdings	2.8
Total Number of Holdings	60

Portfolio Financial Ratios

Predicted Price/Earnings Ratio	13.3x
Predicted Return on Equity (%)	18.2
Predicted Earnings Growth (%)	28.7

Risk Metrics

Beta	0.56
Alpha	6.8
Sharpe Ratio	0.62
Volatility (%)	14.3
% of the portfolio which could be sold in 2 business days	81.8

Thematic Breakdown (%)

Brands	18.4	
Internet	14.5	
Telecoms/Infrastructure	13.9	
Leisure/ Tourism	12.9	
Modern Retail	8.1	
Financialisation	7.5	
Vietnam	6.3	
Energy Services	6.2	
Beauty	4.8	
Healthcare	4.0	
Cash	3.2	

Geographical Breakdown (%)

Hong Kong / China	35.6	
Korea	10.6	
Taiwan	9.8	
Singapore	9.6	
Philippines	6.4	
Vietnam	6.3	
Thailand	5.1	
Malaysia	4.2	
Cash	3.2	
Australia	2.8	
India	2.5	
Indonesia	2.5	
Sri Lanka	1.4	

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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	165.37
B USD Unhedged Distributing	B2PKN32	IE00B2PKN327	165.52
C GBP Hedged Distributing	B2PKN43	IE00B2PKN434	86.12
D SGD Hedged Distributing	B3M3HJ5	IE00B3M3HJ55	227.44
Performance fee based on individual investor's holding			
U GBP Unhedged Distributing	BBQ37T7	IE00BBQ37T77	91.57
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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