

Prusik Asian Smaller Companies Fund



LONG ONLY ABSOLUTE RETURN INVESTING IN ASIA

PRUSIK

28 September 2012

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)	86.6m
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	5.40	5.28	5.24
3 Month	7.09	6.90	6.83
Year to Date	21.85	21.34	21.08
Since Launch†	43.29	49.18	4.43
2011	-19.28	-19.86	-20.04
2010	16.43	16.90	7.90
2009	59.70	56.10	-
2008	-21.60	-18.40	-

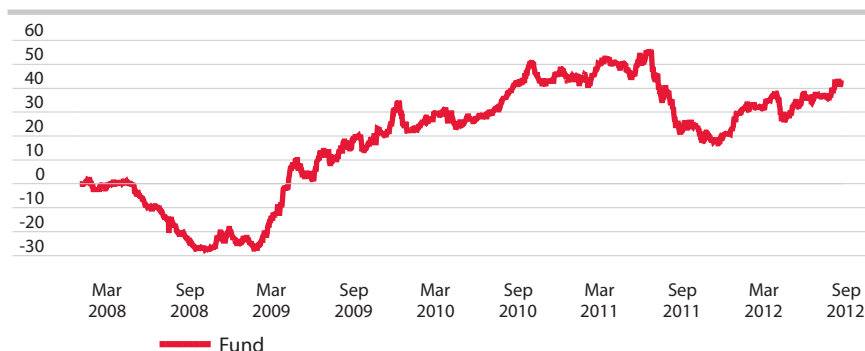
Source: Bloomberg.

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

Investment Process

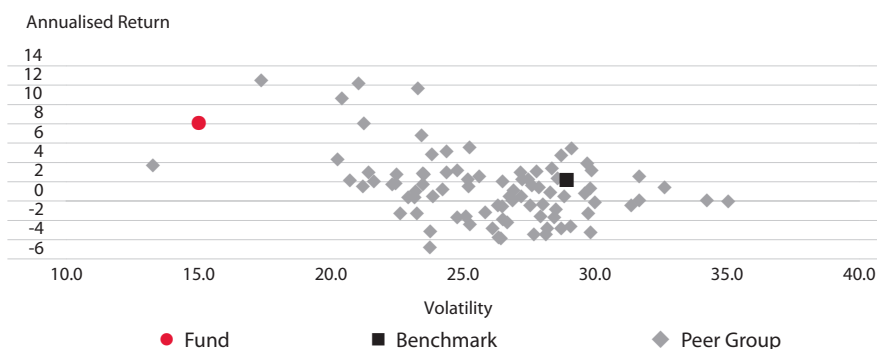
With anomalies as a start point, the investment process seeks to identify and invest in key 'themes' in the Pacific region. Our themes are driven by factors outside of the normal economic cycle and are not yet discounted by the market. Companies are identified and chosen via rigorous bottom-up analysis 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. Since launch: 08.02.08

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 28.09.12

Fund Manager Commentary

The fund was up 5.4% in September as Asia's stock markets took up, with enthusiasm, moves by Western governments to increase money supply. Our exposure to gold mining companies plus Thai airport operator, **Airports of Thailand**, and construction company, **Sino Thai Engineering**, were positive contributors. On the negative side, Vietnam continues to be weak following the banking sector corruption scandal. Overall, ASEAN markets, especially Thailand which is becoming the epicentre of the ASEAN story, continued to produce strong returns. We expect this trend to strengthen and thus have a c.70% weighting in ASEAN.

A new theme which we are adding to is oil services. In Asia we are seeing a disproportionately large pick up in capex driven by ageing rigs and vessels and more offshore drilling. Subsea infrastructure services companies such as **Ezra** are witnessing 50%+ order growth and this momentum will only strengthen. The fund has 6% in this theme. Elsewhere in ASEAN we have added Indonesian telecom tower landlord, **Towers Bersama**, and Thai manufacturer of branded diapers, **DSG International**.

We are very positive on the outlook for Asian smaller companies. Many small businesses are better insulated from global affairs, especially when protected by a theme which is driving growth for reasons unconnected to the economic cycle. Valuations also remain supportive.

Heather is travelling over the next two weeks to Korea, Taiwan, Hong Kong, Cambodia and Vietnam. Her quarterly report will follow at the end of the month.

All data as at 28.09.12. Source: Prusik Investment Management LLP, unless otherwise stated.

Prusik Asian Smaller Companies Fund



Top 5 Holdings (%)

Daum Communications Corp	3.4
LPN Development	3.3
Zhaojin Mining Industry	3.3
Sino Thai Engineering & Construction	3.3
Hemaraj Land Development	3.0
Total Number of Holdings	58

Portfolio Financial Ratios

Predicted Price/Earnings Ratio	16.3x
Predicted Return on Equity (%)	20.2
Predicted Earnings Growth (%)	20.5

Thematic Breakdown (%)

ASEAN Linkage/Domestic Growth	26.2	
Domestic Consumption Services	17.8	
Vietnam	9.1	
Gold	7.1	
Oil Services	6.7	
Cash	6.7	
Mobile Gaming	5.6	
Singapore Office	5.1	
Other	4.2	
Financial Services	3.9	
Water	2.8	
IT Services	2.7	
Domestic Infrastructure	2.0	

Geographical Breakdown (%)

Thailand	18.9	
Philippines	17.2	
Singapore	16.2	
Korea	9.3	
Hong Kong/China	9.1	
Vietnam	9.1	
Cash	6.7	
Australia	4.4	
Malaysia	3.7	
Indonesia	3.0	
Taiwan	2.3	

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Management Fees

Annual Management Fee
1.5% p.a. Paid monthly in arrears
Performance Fee
10% NAV appreciation with a 6% hurdle

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	143.29
B USD Unhedged Distributing	B2PKN32	IE00B2PKN327	143.43
C GBP Hedged Distributing	B2PKN43	IE00B2PKN434	74.32
D SGD Hedged Distributing	B3M3HJ5	IE00B3M3HJ55	195.76

Performance fee based on individual investors' holding

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