Prusik Asian Smaller Companies Fund

Long Only Absolute Return Investing in Asia

PRUSIK

31 October 2011

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)	78.9m
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	0.37	0.20	0.16
3 Month	-18.68	-18.92	-19.13
Year to Date	-13.66	-14.50	-14.48
Since Launch	25.79	-7.03	-7.75
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.

Fund Manager Commentary

The fund was up 0.37%. The portfolio, as you might imagine has been, and remains, defensively placed. Despite how it may look, stocks performed exactly in line with how they had been chosen – with defensive qualities – and there were no shocks or specific negative events. The additional drag on the upside came from index-future shorts. These remain a fairly large presence in the fund as it seems hard to justify why the index should have been as strong as it was during October.

The current situation and outlook remains unpleasantly familiar to us. In the latter part of 2007, there was also a furious rally with little or no underpinnings in macroeconomic stability or visibility of growth or untoward value. As it turned out, it was indeed a triumph of hope over reality. And so it is today. There is nothing about the current macroeconomic environment in Europe which says that anyone should take too much risk. The world is highly correlated on the downside and the situation is simply complex and dangerous.

In Asia, the business environment remains relatively buoyant although one or two of the more cyclical businesses are now reporting some reduction in visibility and slower orders. Companies in our themes remain very positive on their outlook, especially those benefitting from rising smartphone usage or offering entertainment type services or leisure products, such as **Gamevil** (mobile internet gaming) or **Merida** (bicycles). Healthcare, low-cost handset brands, local brands, gold, consumer essential items and now, selectively, China are well represented on the fund.

We have recently started to add some new China exposure. MSCI China is now trading 10% below its 08/09 Price/Book valuation lows and we are starting to see some small but important signs. These include lower inflation data and selective easing as the government moves to increase bank liquidity. Our new positions include domestic brands **Skyworth** and **TCL**. The latter makes low-cost smartphones which will be a hot item in the coming year in emerging markets. It has just announced excellent 3Q results with growth above expectations in and outside of China. It trades on a forward PE of 4.5x and has a dividend yield of over 8%.

All data as at 31.10.11. Source: Prusik Investment Management LLP, unless otherwise stated.

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Prusik Asian Smaller Companies Fund

Top 5 Holdings (%)

Eastern Oriental BHD	3.5
Bangkok Dusit Med Service	3.3
Gamevil Inc	3.3
Hemaraj Land Development	2.7
TTK Prestige	2.5
Total Number of Holdings	38

Futures (%)

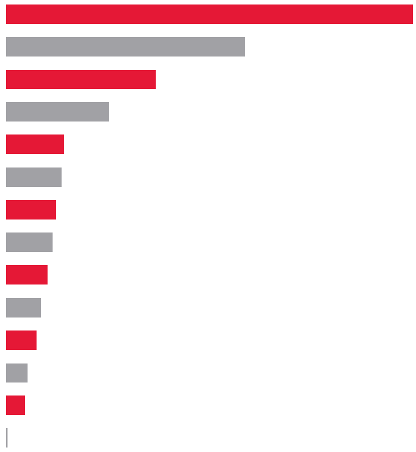
Hang Seng Index Futures (Nov 2011)	-3.5
KOSPI2 Index Futures (Dec 2011)	-2.7
MSCI Taiwan Index (Nov 2011)	-3.8
SET50 Futures (Dec 2011)	-3.3
MSCI SING IX ETS (Nov 2011)	-5.6
SPI 200 Futures (Dec 2011)	-4.9

Portfolio Financial Ratios

Predicted Price/Earnings Ratio	15.5x
Predicted Return on Equity (%)	22.1
Predicted Earnings Growth (%)	17.5

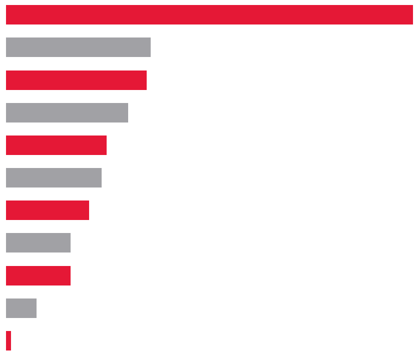
Thematic Breakdown (%)

Cash	32.4
Domestic Consumption Services	19.0
Asean Linkage/Domestic Growth	11.9
Healthcare	8.2
Gold	4.6
Singapore Office	4.4
Water	4.0
Internet	3.7
Mobile Internet	3.3
Financial Services	2.8
Tablet/Smartphones	2.4
Automation	1.7
Security	1.5
Oil Services	0.1



Geographical Breakdown (%)

Cash	32.4
India	11.5
Singapore	11.2
Australia	9.7
Malaysia	8.0
Taiwan	7.6
Thailand	6.6
Hong Kong/China	5.1
Korea	5.1
Philippines	2.4
Indonesia	0.4



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Management Fees

Annual Management Fee
1.5% p.a. Paid monthly in arrears

Performance Fee
10% of NAV appreciation with a 6% hurdle

Dealing

Dealing Line	+ 353 1 4367 200
Administrator	Citi Hedge Fund Services (Dublin)
Dealing Frequency	Weekly, Friday
Min. Initial Subscription	USD 100,000
Min. Subsequent 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	125.79
B USD	Unhedged	Distributing	B2PKN32	IE00B2PKN327	125.92
C GBP	Hedged	Distributing	B2PKN43	IE00B2PKN434	65.35
D SGD	Hedged	Distributing	B3M3HJ5	IE00B3M3HJ55	172.94

Performance fee based on individual investors' holding