

PRUSIK ASIAN SMALLER COMPANIES FUND PLC

(An open-ended investment company with variable capital incorporated with limited liability and established as a UCITS under the law of Ireland)

**Condensed Semi-Annual Report and Unaudited Financial Statements
For the Period Ended 30 June, 2013**

TABLE OF CONTENTS

	Page
GENERAL INFORMATION	2
INVESTMENT MANAGER'S REPORT	4
SCHEDULE OF INVESTMENTS	6
BALANCE SHEET	10
PROFIT AND LOSS ACCOUNT	12
STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES	13
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	14
NOTES TO THE FINANCIAL STATEMENTS	18
STATEMENT OF CHANGES IN THE COMPOSITION OF PORTFOLIO	25
MANAGEMENT AND ADMINISTRATION	27

GENERAL INFORMATION

Prusik Asian Smaller Companies Fund plc (the “Company”) is a public limited liability investment company with variable capital, incorporated on 11 January 2008 in Ireland pursuant to the Companies Acts, 1963 to 2012 and authorised by the Central Bank of Ireland (the “Central Bank”), as an investment company pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011, (as amended) (the “UCITS Regulations”).

Except where the context otherwise requires, defined terms shall bear the meaning given to them in the Prospectus of the Company.

The Company, with the prior approval of the Central Bank, may create additional Share Classes as the Directors may deem appropriate.

The Company commenced trading on 8 February 2008. There are six share classes available to investors in the Company:

- Class A Dollar Non-Distributing Class (first issued on 8 February 2008)
- Class B Dollar Distributing Class (first issued on 8 February 2008)
- Class C Sterling Distributing Class (first issued on 25 April 2008)
- Class D Singapore Dollar Distributing Class (first issued on 22 December 2009)
- Class E Singapore Dollar Class (first issued on 21 September 2011)
- Class U Sterling (Unhedged) Distributing Class (first issued on 1 July 2013)

Brown Brothers Harriman Fund Administration Services (Ireland), Limited (the “Administrator”) determines the Net Asset Value (“NAV”) per Share of each Class of the Company every Friday of each calendar month (“Dealing Day”) provided that Dealing Day is a business day, or if such day is not a business day, on the following business day. The valuation point is 11.00 am (Irish time) on each Dealing Day.

The most recent Prospectus of the Company is dated 11 January 2011.

Investment Objective

The investment objective of the Company is to engineer capital growth primarily by investing in companies operating in the Asian and Australasian region.

In pursuit of its investment objective the Company invests in emerging companies operating in Asia including Australia, New Zealand, Hong Kong, Taiwan, South Korea, China, India, Sri Lanka, Pakistan, Thailand, Indonesia, Malaysia, Singapore and the Philippines and generally seeks to invest, on average, in companies which have a price to book value ratio and a price/earnings ratio below the level than prevailing in the market of that sector. The Company pursues its investment objective primarily by taking short and long positions in publicly traded common stocks and other equity securities of Asian issuers and Australasian issuers. In addition, the Company’s investments are likely to include situations where an event has triggered a change in the market’s perception of the future outlook for a specific company or industry. The Policy will also enable the Company to invest in equity securities of issuers in Recognised Markets outside of Asia and Australasia and in debt and other fixed-income securities of Asian and Australasian and other issuers in Recognised Markets.

The Company has the ability to hold up to 100% of the NAV in cash for any period of time Prusik Investment Management LLP (the “Investment Manager”) deems this prudent. The Company limits its investment in other Collective Investment Schemes to a maximum of 10% of its NAV.

The Fund may invest in American depository receipts and global depository receipts and other equity related securities and instruments, which may be over-the-counter (“OTC”) or listed, including convertible bonds, depository receipts and warrants as well as other securities such as bonds and preference shares issued by corporate and governmental issuers (and which may be fixed or floating, and of both investment grade (B or higher) or non-investment grade).

GENERAL INFORMATION (CONTINUED)

Investment Objective (continued)

The Company may invest in both short and long term Asian and foreign debt securities (such as fixed and/or floating rate bonds and notes) of corporate issuers and government entities. The debt and other fixed income securities in which the Fund may invest will be of investment grade.

The Company may, however, invest on a very limited basis in debt and fixed income securities which are not required to satisfy any minimum rating standard. Such securities may include instruments that are considered to be of poor standing and which have predominantly speculative characteristics with respect to capacity to pay interest and repay principal.

The Company may utilise techniques for efficient portfolio management and/or to protect against exchange risks, subject to the conditions and within the limits laid down by the Central Bank. These techniques and instruments include but are not limited to futures, options, forward foreign exchange contracts, interest and exchange rate swap contracts, stock lending and repurchase and reverse repurchase agreements.

The Company may also invest in currency forwards such as non-deliverable forwards (“NDF”) in order to manage currency exposure.

Pending investment of the proceeds of a placing or offer of Shares or where market or other factors so warrant, the Company’s assets may be invested in money market instruments, including but not limited to certificates of deposit, floating rate notes and fixed or variable rate commercial paper listed or traded on Recognised Markets and in cash deposits.

The annual report and audited financial statements, and unaudited half-yearly financial statements are available to the public at the registered office of the Company and are sent to shareholders.

INVESTMENT MANAGERS' REPORT

The first five months of 2013 saw a rise in Asian stock markets, albeit a modest one in relation to the US, whilst June saw a sharp correction which brought the regions MXAPJ index to a 6 months tally of (5.6%). The Prusik Asian Smaller Companies fund rose 7.7% over the same period.

The significant drivers for the fund remained the ASEAN markets, some of which have posted impressive gains so far this year, most notably Vietnam. Importantly, we have also seen good activity in some of our main themes. Aside from Vietnam, the regional brands and consumer companies have been strongly re-rated. We have also seen a growing appreciation of the explosion in regional tourism. Infrastructure spending has been a steady driver across the region and this sector did well too. Overall, it has been particularly interesting to observe how many more investors are finally appreciating the ASEAN story and are now enthusiastically discussing the impact and meaning of the upcoming ASEAN Economic Community in 2015.

We made very few alterations to the fund during the first quarter. However, over the second quarter the weighting in Thailand did get very high and we subsequently took some profits and redistributed the funds to Malaysia post the election and Korea where a multitude of companies in some of our newer themes, such as entertainment, culture and leisure, sit. Our cash position remains very low, reflecting the many opportunities we are still finding at attractive valuations. We do not expect this to change much in the short term.

Indeed, assuming no international disaster to throw things off track in Asia or financial markets in general, we remain constructive on ASEAN and suggest that investors keep the faith despite the recent correction. On a ten year view it will be very difficult to match the macro environment, demographics and growth rates seen in ASEAN elsewhere in the world; anecdotally, our client meetings suggest that very few are overweight this part of the region. Moreover, the domestic demand for equities in Asia is rising and we have seen some local pension funds, notably in Korea, which has the third largest pension fund in the world, announce an increased interest in adding to positions in mid and smaller sized companies.

In the short term cycles will occur but we shouldn't be too afraid of these! Nonetheless, the formation of the ASEAN Economic Community in 2015 may be an invisible line in the sand which marks a sensible near term investment horizon. Past this point some countries at a more advanced stage in the cycle, such as Thailand and Singapore, may see a proper cycle correction. However, as the old stock market adage goes, 'it's better to travel than arrive', thus we believe we have time and distance still to go and that despite a few expensive names we believe these markets are still not that widely held.

Looking at the Asian region as a whole we saw incrementally larger earnings upgrades in the first quarter of 2013 which was very encouraging. Further, since the stock markets started correcting in late May we have met with the management of many of our holdings and few have reported any material changes to their operating environment or outlook. We have, however, recently seen some steep falls in the region's currencies, the consequences of which are likely to become clearer during the next reporting season.

The recent correction has been accompanied by multiple concerns. These include a loss of confidence in the predictability of China's progression owing to its banking issues and fears that bad debts may soar to unmanageable levels. At this stage, while it is impossible to tell the full magnitude of the bad debt problems, the probability that these problems are severe is reasonably high. That said, optically, China is one of the cheapest and unloved stock markets in the region. Owing to this we expect that any progress made by the government to address these issues could be met with a powerful recovery in the stock market, something which might catch many off guard. We do acknowledge though that there is a good chance things could get much worse in China before they get better.

We also note that concerns have been raised about consumption growth in Emerging Markets, which we believe, so far, are unfounded. Another point of debate has been the sustainability of economic recovery in the West.

To our minds, perhaps the most worrying phenomenon during this recent correction has been the shift in expectations towards rising interest rates across the region and questions as to whether the cost of capital in much of Asia is appropriate. However, encouragingly, at the time of writing interest rates in much of ASEAN have now risen to levels much closer to what reflects the perceived risks in these economies and we believe that much of this is now reflected in share prices. We do not think that debt levels in the region are out of hand either.

INVESTMENT MANAGERS' REPORT (CONTINUED)

Crucially, Asia's price to book ratio has now fallen to 1.4 times EPS. The MXAPJ's price to book ratio has only been lower 5 times in the past 20 years and so past experience suggests these fears have just generated a very attractive entry point. These kinds of valuations rarely, if ever, exist at the peak of the cycle.

We would like to sincerely thank our investors for their tremendous support over the half year.

Prusik Investment Management LLP
July 2013

Prusik Asian Smaller Companies Fund plc

SCHEDULE OF INVESTMENTS

Country	Holding	Security Description	Cost USD	Value USD	% of Net Assets
Common Stock - 88.84% (31 December 2012: 98.40%)					
Australia - 0.95% (31 December 2012: 2.78%)					
	2,000,000	Northern Star Resources Ltd.	2,278,423	1,072,710	0.73%
	2,846,478	Phosphagenics Ltd.	448,782	329,035	0.22%
			<u>2,727,205</u>	<u>1,401,745</u>	<u>0.95%</u>
China - 5.98% (31 December 2012: 7.05%)					
	5,900,000	China Wireless Technologies Ltd.	2,633,576	2,228,496	1.52%
	4,000,000	Hilong Holding Ltd.	869,068	2,351,349	1.60%
	4,150,000	Sino Grandness Food Industry Group Ltd.	2,415,446	4,200,206	2.86%
			<u>5,918,090</u>	<u>8,780,051</u>	<u>5.98%</u>
Hong Kong - 3.30% (31 December 2012: 4.50%)					
	4,020,000	Magic Holdings International Ltd.	2,488,880	2,487,479	1.69%
	3,050,000	Xinyi Glass Holdings Ltd.	2,371,201	2,366,947	1.61%
			<u>4,860,081</u>	<u>4,854,426</u>	<u>3.30%</u>
India - 2.03% (31 December 2012: 3.29%)					
	472,159	Bharti Infratel Ltd.	1,885,037	1,214,851	0.83%
	325,000	PVR Ltd.	1,818,525	1,765,649	1.20%
			<u>3,703,562</u>	<u>2,980,500</u>	<u>2.03%</u>
Indonesia - 3.62% (31 December 2012: 4.17%)					
	3,104,000	Jasa Marga Persero Tbk PT	1,433,296	1,876,474	1.28%
	10,000,000	Surya Semesta Internusa Tbk PT	1,574,125	1,299,748	0.89%
	4,180,000	Tower Bersama Infrastructure Tbk PT	2,045,649	2,126,851	1.45%
			<u>5,053,070</u>	<u>5,303,073</u>	<u>3.62%</u>
Malaysia - 12.79% (31 December 2012: 6.02%)					
	641,300	Cocoaland Holdings Bhd.	481,126	470,902	0.32%
	8,100,000	Glomac Bhd.	2,924,071	3,076,436	2.10%
	3,350,000	KSL Holdings Bhd.	2,465,912	2,109,986	1.44%
	3,130,000	Mah Sing Group Bhd.	3,174,262	2,872,923	1.96%
	1,750,000	Naim Holdings Bhd.	1,191,503	2,187,846	1.49%
	6,670,000	Silverlake Axis Ltd.	3,425,511	3,929,114	2.68%
	637,300	Syarikat Takaful Malaysia Bhd.	1,248,167	1,522,904	1.04%
	4,400,000	Tune Ins Holdings Bhd.	2,368,264	2,576,357	1.76%
			<u>17,278,816</u>	<u>18,746,468</u>	<u>12.79%</u>
Philippines - 10.89% (31 December 2012: 18.10%)					
	7,090,500	EEI Corp.	1,217,228	2,172,339	1.48%
	2,857,800	Holcim Philippines, Inc.	885,627	896,746	0.61%
	580,000	International Container Terminal Services, Inc.	863,254	1,143,198	0.78%
	3,887,399	Lafarge Republic, Inc.	854,698	1,000,003	0.68%
	14,334,000	Pepsi-Cola Products Philippines, Inc.	1,074,578	1,903,449	1.30%
	1,034,630	Philippine Seven Corp.	1,092,572	2,157,977	1.47%
	3,095,500	Puregold Price Club, Inc.	1,271,667	2,596,920	1.77%
	12,064,000	RFM Corp.	1,053,999	1,386,731	0.94%
	411,260	Security Bank Corp.	1,178,118	1,441,078	0.98%

Prusik Asian Smaller Companies Fund plc

SCHEDULE OF INVESTMENTS (CONTINUED)

Country	Holding	Security Description	Cost USD	Value USD	% of Net Assets
Common Stock - 88.84% (31 December 2012: 98.40%) (continued)					
Philippines - 10.89% (31 December 2012: 18.10%) (continued)					
	10,000,000	Vista Land & Lifescapes, Inc.	881,279	1,297,798	0.88%
			10,373,020	15,996,239	10.89%
Singapore - 8.90% (31 December 2012: 13.46%)					
	3,880,000	Courts Asia Ltd.	3,411,606	2,761,129	1.88%
	1,250,000	Ezion Holdings Ltd.	1,379,480	2,075,591	1.41%
	3,866,000	Kreuz Holdings Ltd.	1,298,050	1,986,953	1.35%
	4,694,000	Lian Beng Group Ltd.	1,509,425	1,930,007	1.31%
	46,000,000	MDR Ltd.	491,419	509,212	0.35%
	1,059,000	Super Group Ltd.	1,489,319	3,684,352	2.51%
	227,000	Triyards holdings Ltd.	119,971	124,745	0.09%
			9,699,270	13,071,989	8.90%
South Korea - 15.34% (31 December 2012: 5.27%)					
	36,000	CJ CGV Co. Ltd.	1,844,451	1,574,937	1.07%
	77,000	Cosmax, Inc.	3,075,777	3,081,996	2.10%
	92,000	Duksan Hi-Metal Co. Ltd.	2,338,782	2,046,665	1.39%
	7,005	Global Display Co. Ltd.	116,169	123,012	0.08%
	455,000	Interpark Corp.	3,496,442	3,407,240	2.32%
	302,000	KCP Co. Ltd.	3,360,961	3,478,227	2.37%
	182,200	Kolao Holdings	1,939,450	4,691,599	3.20%
	480,280	Ktis Corp.	2,195,469	1,796,170	1.22%
	92,000	Osstem Implant Co. Ltd.	2,410,974	2,336,743	1.59%
			20,778,475	22,536,589	15.34%
Sri Lanka - 2.00% (31 December 2012: 0.00%)					
	1,438,822	Cargills Ceylon Plc.	2,046,203	1,875,381	1.28%
	710,000	Distilleries Co. of Sri Lanka Plc.	1,091,496	1,051,247	0.72%
			3,137,699	2,926,628	2.00%
Taiwan - 1.98% (31 December 2012: 0.00%)					
	888,000	Senao International Co. Ltd.	3,099,265	2,898,954	1.98%
			3,099,265	2,898,954	1.98%
Thailand - 16.80% (31 December 2012: 29.58%)					
	600,000	Airports of Thailand PCL	1,101,206	3,248,993	2.21%
	3,650,000	Asia Sermkij Leasing PCL	2,812,327	2,600,000	1.77%
	3,900,000	DSG International Thailand PCL-Foreign	1,269,316	1,370,185	0.93%
	26,050,000	Hemaraj Land & Development PCL	1,544,038	2,905,173	1.98%
	3,100,000	Karmarts PCL	1,192,133	724,416	0.49%
	4,000,000	LPN Development PCL	1,847,536	3,107,172	2.12%
	30,000,000	Raimon Land PCL	1,842,117	1,315,068	0.90%
	600,000	Sino Thai Engineering & Construction PCL-Foreign	350,848	377,115	0.26%
	2,420,000	Sriracha Construction PCL	4,120,571	3,139,565	2.14%
	1,966,000	Srithai Superware PCL-Foreign	1,819,794	1,368,754	0.93%
	375,000	STP & I PCL	1,179,070	915,592	0.62%

Prusik Asian Smaller Companies Fund plc

SCHEDULE OF INVESTMENTS (CONTINUED)

Country	Holding	Security Description	Cost USD	Value USD	% of Net Assets		
Common Stock - 88.84% (31 December 2012: 98.40%) (continued)							
Thailand - 16.80% (31 December 2012: 29.58%) (continued)							
	11,048,700	Thai Tap Water Supply PCL-Foreign	2,175,481	3,596,837	2.45%		
			21,254,437	24,668,870	16.80%		
Vietnam - 4.26% (31 December 2012: 4.18%)							
	360,000	Danang Rubber JSC	163,895	643,433	0.44%		
	95,000	Dong Phu Rubber JSC	199,152	210,564	0.14%		
	1,380,000	HAGL JSC	1,156,794	1,347,135	0.92%		
	700,000	Hoa Sen Group	508,856	1,360,057	0.93%		
	3	Military Commercial Joint Stock Bank	2	2	0.00%		
	1,800,000	Refrigeration Electrical Engineering Corp.	1,211,613	2,062,721	1.41%		
	336,000	Southern Rubber Industry JSC	250,927	617,967	0.42%		
			3,491,239	6,241,879	4.26%		
		Total Common Stock	111,374,229	130,407,411	88.84%		
Real Estate Investment Trusts - 1.41% (31 December 2012: 2.15%)							
Singapore - 1.41% (31 December 2012: 2.15%)							
	2,377,006	Mapletree Logistics Trust	1,456,986	2,067,452	1.41%		
			1,456,986	2,067,452	1.41%		
		Total Real Estate Investment Trusts	1,456,986	2,067,452	1.41%		
Warrant - 0.03% (31 December 2012: 0.00%)							
Thailand - 0.03% (31 December 2012: 0.00%)							
	310,000	Karmarts PCL 07/05/2014	–	50,959	0.03%		
			–	50,959	0.03%		
		Total Warrants	–	50,959	0.03%		
		Total Fair Value of Investments	112,831,215	132,525,822	90.28%		
Forward Foreign Currency Contracts - (0.82%) (31 December 2012: 0.01%)							
Currency Bought	Amount Bought	Currency Sold	Amount Sold	Maturity Date	Counterparty	Unrealised Gain	% of Net Assets
USD	125,050	SGD	(157,000)	09/07/2013	Brown Brothers Harriman	907	0.00%
USD	846,450	GBP	(550,000)	09/07/2013	Brown Brothers Harriman	7,715	0.01%
USD	643,604	SGD	(800,000)	09/07/2013	Brown Brothers Harriman	11,028	0.01%
USD	737,853	GBP	(470,000)	09/07/2013	Brown Brothers Harriman	21,115	0.01%
						40,765	0.03%
						132,566,587	90.31%

Prusik Asian Smaller Companies Fund plc

SCHEDULE OF INVESTMENTS (CONTINUED)

Forward Foreign Currency Contracts - (0.82%) (31 December 2012: 0.01%) (continued)

Currency Bought	Amount Bought	Currency Sold	Amount Sold	Maturity Date	Counterparty	Unrealised (Loss)	% of Net Assets
SGD	36,397,100	USD	(29,500,000)	09/07/2013	Brown Brothers Harriman	(720,081)	(0.49%)
SGD	9,779,645	USD	(7,897,000)	09/07/2013	Brown Brothers Harriman	(164,038)	(0.11%)
GBP	5,734,536	USD	(8,900,000)	09/07/2013	Brown Brothers Harriman	(154,983)	(0.11%)
SGD	20,780,100	USD	(16,500,000)	09/07/2013	Brown Brothers Harriman	(68,757)	(0.05%)
SGD	2,174,244	USD	(1,772,000)	09/07/2013	Brown Brothers Harriman	(52,782)	(0.04%)
SGD	987,040	USD	(800,000)	09/07/2013	Brown Brothers Harriman	(19,528)	(0.01%)
USD	2,108,481	SGD	(2,690,000)	09/07/2013	Brown Brothers Harriman	(18,556)	(0.01%)
GBP	286,478	USD	(450,000)	09/07/2013	Brown Brothers Harriman	(13,128)	(0.01%)
SGD	2,944,890	USD	(2,340,000)	09/07/2013	Brown Brothers Harriman	(11,416)	(0.01%)
GBP	1,652,731	USD	(2,530,000)	09/07/2013	Brown Brothers Harriman	(9,629)	(0.01%)
GBP	236,089	USD	(367,000)	09/07/2013	Brown Brothers Harriman	(6,971)	0.00%
SGD	754,320	USD	(600,000)	09/07/2013	Brown Brothers Harriman	(3,544)	0.00%
GBP	34,584	USD	(53,000)	09/07/2013	Brown Brothers Harriman	(261)	0.00%
Total unrealized loss on Forward Foreign Currency Contracts						(1,243,674)	(0.85%)
Total Financial Liabilities at Fair Value through Profit or Loss						(1,243,674)	(0.85%)
						Value USD	% of Net Assets
Cash						22,040,957	15.02%
Other Net Liabilities						(6,581,529)	(4.48%)
Net Assets Attributable to Holders of Redeemable Participating Shares						146,782,341	100.00%

BALANCE SHEET

	Notes	As at 30 June 2013 USD	As at 31 December 2012 USD
Assets			
Financial assets, at cost		112,831,215	80,195,428
Financial assets at fair value through profit or loss			
- Transferable securities		130,407,411	99,616,656
- Collective investment schemes		2,067,452	2,177,906
- Warrants		50,959	-
- Financial derivative instruments		40,765	48,030
Cash		22,040,957	5,737,209
Margin cash due from broker		1,119	424
Receivable for investments sold		2,833,469	344,373
Dividends receivable		285,233	74,295
Other assets		14,187	21,797
Total assets		157,741,552	108,020,690
Liabilities			
Financial liabilities at fair value through profit or loss			
- Financial derivative instruments		1,243,674	40,993
Payable for investments purchased		7,953,570	5,456,707
Redemptions payable		-	308,310
Investment management fees	2	170,594	116,639
Administration fees	3	21,192	32,950
Custody fees	4	19,115	26,283
Trustee fees	4	4,904	4,506
Directors' fees	5	7,482	-
Audit fees		15,846	30,697
Performance fees	2	1,434,686	707,371
Professional fees		41,113	44,447
Other liabilities		47,035	18,333
Total liabilities		10,959,211	6,787,236
Net Assets Attributable to Holders of Redeemable Participating Shares (for financial statement purposes)		146,782,341	101,233,454

The accompanying notes form an integral part of the financial statements.

BALANCE SHEET (CONTINUED)

	Notes	As at 30 June 2013	As at 31 December 2012
Class A Dollar Non-Distributing Class			
Net Assets (for financial statement purposes)		USD 57,091,200	USD 51,085,194
Outstanding Redeemable Participating Shares	1	345,756	333,682
Net Asset Value per Share		USD 165.12	USD 153.10
Class B Dollar Distributing Class			
Net Assets (for financial statement purposes)		USD 19,954,889	USD 18,626,828
Outstanding Redeemable Participating Shares	1	120,733	121,556
Net Asset Value per Share		USD 165.28	USD 153.24
Class C Sterling Distributing Class			
Net Assets (for financial statement purposes)		GBP 7,270,804	GBP 6,712,733
Outstanding Redeemable Participating Shares	1	84,114	84,024
Net Asset Value per Share		GBP 86.44	GBP 79.89
Class D Singapore Dollar Distributing Class			
Net Assets (for financial statement purposes)		SGD 73,221,801	SGD 24,573,686
Outstanding Redeemable Participating Shares	1	321,785	116,852
Net Asset Value per Share		SGD 227.55	SGD 210.30
Class E Singapore Dollar Distributing Class			
Net Assets (for financial statement purposes)		SGD 949,867	SGD 665,423
Outstanding Redeemable Participating Shares	1	7,056	5,487
Net Asset Value per Share		SGD 134.62	SGD 121.27

The accompanying notes form an integral part of the financial statements.

PROFIT AND LOSS

	Notes	For the period ended 30 June 2013 USD	For the year ended 31 December 2012 USD	For the period ended 30 June 2012 USD
Investment income				
Dividend income		1,740,990	2,373,352	1,442,646
Interest income		364	1,443	–
Other income		14,350	1,567	–
Net realised gain on financial assets and liabilities at fair value through profit or loss		6,073,200	3,319,216	4,067,245
Movement in net unrealised (loss)/gain on financial assets and liabilities at fair value through profit or loss		(3,163,059)	20,474,490	5,624,226
Total income		4,665,845	26,170,068	11,134,117
Expenses				
Investment management fees	2	892,791	1,237,091	583,251
Administration fees	3	68,161	124,821	32,948
Custody fees	4	37,722	8,475	(28,015)
Trustee fees	4	12,557	15,707	7,804
Directors' fees	5	21,271	41,582	24,218
Audit fees		18,607	41,792	13,751
Professional fees		56,810	136,292	19,733
Performance fees	2	1,498,014	662,858	1,418
Transaction costs		455,573	520,659	229,783
Other expenses		6,466	3,428	44,532
Total expenses		3,067,972	2,792,705	929,423
Net income before finance costs		1,597,873	23,377,363	10,204,694
Finance costs				
Overdraft interest		(443)	(21,203)	(4,721)
Total finance costs		(443)	(21,203)	(4,721)
Withholding tax on dividends		(166,030)	(188,356)	(115,705)
Change in Net Assets Attributable to Holders of Redeemable Participating Shares from Operations		1,431,400	23,167,804	10,084,268

Gains and losses arise solely from continuing operations. There were no recognised gains or losses other than those reflected above and therefore, no statement of total recognised gains and losses has been presented.

The accompanying notes form an integral part of the financial statements.

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES

		For the period ended 30 June 2013 USD	For the year ended 31 December 2012 USD	For the period ended 30 June 2012 USD
Change in Net Assets Attributable to Holders of Redeemable Participating Shares from Operations		1,431,400	23,167,804	10,084,268
Capital Share Transactions of Redeemable Participating Shares				
Proceeds from issuance of Redeemable Participating Shares	1	65,018,742	67,040,846	29,837,663
Payments on redemption of Redeemable Participating Shares	1	(20,901,255)	(60,214,364)	(29,357,065)
Recontribution due to additional performance fee	2	-	244,647	-
Net increase from Capital Share Transactions of Redeemable Participating Shares		<u>44,117,487</u>	<u>7,071,129</u>	<u>480,598</u>
Change in Net Assets Attributable to Holders of Redeemable Participating Shares		45,548,887	30,238,933	10,564,866
Net Assets Attributable to Holders of Redeemable Participating Shares at the beginning of the period/year		101,233,454	70,994,521	70,994,521
Net Assets Attributable to Holders of Redeemable Participating Shares at the end of the period		<u>146,782,341</u>	<u>101,233,454</u>	<u>81,559,387</u>

The accompanying notes form an integral part of the financial statements.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and estimation techniques adopted by the Company are as follows:

Basis of Preparation of Financial Statements

The financial statements have been prepared in accordance with accounting standards generally accepted in Ireland and Irish statute comprising the Companies Acts, 1963 to 2012 and the UCITS Regulations. The financial statements are prepared in accordance with generally accepted accounting principles under the historical cost convention, as modified by the reduction of financial assets and financial liabilities at fair value through profit or loss and comply with accounting standards issued by the Financial Reporting Council, as promulgated by the Institute of Chartered Accountants in Ireland.

The information required by FRS 3: “Reporting Financial Performance”, to be included in a statement of total recognised gains and losses and a reconciliation of movement in Shareholders’ funds, is in the opinion of the Directors contained in the Profit and Loss Account and Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares on pages 12 and 13.

The Company has availed of the exemption available to open-ended investment funds under FRS 1 “Cash Flow Statements”, not to prepare a cash flow statement.

Financial Assets and Financial Liabilities at Fair Value through Profit or Loss

(i) Classification

In accordance with FRS 26 “Financial Instruments: Recognition and Measurement”(“FRS 26”), the Company designated all its assets and liabilities as Financial Assets and Financial Liabilities at fair value through profit or loss. The category of Financial Assets and Financial Liabilities at fair value through profit or loss is further subdivided into:

Financial assets and financial liabilities held for trading

These include equities and forward foreign currency contracts held by the Company. These instruments are acquired or incurred principally for the purpose of generating a profit from short-term fluctuation in price. All the Company’s assets and liabilities are held for the purpose of being traded or are expected to be realised within one year.

Financial instruments designated as at fair value through profit or loss upon initial recognition

These include Financial Assets or Financial Liabilities that are not held for trading. These financial instruments are designated on the basis that their fair value can be reliably measured and their performance has been evaluated on a fair value basis in accordance with the risk management and/or investment strategy as set out in the Company’s Prospectus. There were no such financial instruments designated as at fair value through profit or loss upon initial recognition held by the Company at the period end.

(ii) Recognition

All regular purchases and sales of financial instruments are recognised on the trade date, subject to receipt before agreed cut-off time, which is the date that the Company commits to purchase or sell an asset. Regular way purchase or sales of financial instruments that require delivery of assets within the period generally established by regulation or convention in the market place.

Gains and losses arising from changes in the fair value of the financial assets or financial liabilities at fair value through profit or loss are included in the Profit and Loss Account in the period which they arise. Dividends are credited to the Profit and Loss Account on the dates on which the relevant securities are listed as “ex-dividend”.

(iii) Derecognition

A financial asset (or, where applicable a part of a financial asset or part of group of similar assets) is derecognised where

- The rights to receive cash flows from the assets have expired; or
- The Company transferred its rights to receive cash flows from the assets or has assumed an obligation to pay the received cash flows in full without material delay to a third party under “pass through” arrangements; or
- Either (a) the Company has transferred substantially all the risks and rewards of the assets, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the assets, but has transferred control of the asset.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Assets and Financial Liabilities at Fair Value through Profit or Loss (continued)

(iii) Derecognition (continued)

When the Company has transferred its right to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Company's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

The Company derecognises a financial liability when the obligation specified in the contract is discharged, cancelled or expires.

(iv) Initial Measurement

Financial instruments categorised at fair value through profit or loss are measured initially at fair value, with transaction costs for such instruments being recognised directly in the Profit and Loss Account.

Financial liabilities, other than those classified as at fair value through profit and loss are recognised initially at fair value plus transaction costs that are directly attributable to their acquisition or issue.

Components of hybrid financial instruments are measured in accordance with the above policies based on their classification.

(v) Subsequent Measurement

After initial measurement, the Fund measures financial instruments classified as financial assets at fair value through profit or loss at their fair values. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Securities which are quoted, listed or traded on a Recognised Exchange will be valued at last bid prices at the Valuation Point. The value of any security which is not quoted, listed or dealt in on a Recognised Exchange or which is so quoted, listed or dealt but for which no such quotation or value is available or the available quotation or value is not representative of the fair market value shall be the probable realisation value as estimated with care and good faith by the Directors or by a competent person, firm or corporation appointed for such purpose by the Custodian.

Cash and other Liquid Assets

Cash comprises current deposits with banks. Cash and other liquid assets will be valued at their face value with accrued interest on interest bearing accounts as at the close of business on each valuation date.

Derivative Instruments

Derivative instruments traded on a regulated market shall be valued at the settlement price as determined by the market. If the settlement price is not available, the value shall be the probable realisation value estimated with care and in good faith by (i) the Directors or the Investment Manager or (ii) a competent person, firm or corporation selected by the Directors and approved for the purpose by the Custodian or (iii) any other means provided that the value is approved by a competent person (such competent person having been approved for the purpose by the Custodian). Derivative contracts which are not traded on a regulated market including without limitation swap contracts will be valued on the basis of a quotation provided daily by the relevant counterparty and verified or approved at least weekly by a party independent of the counterparty, including the Investment Manager, or another independent party which is approved for such purpose by the Custodian. Apart from forward foreign currency contracts as at 30 June 2013 and 31 December 2012 the Company did not hold any derivative instruments.

Forward Foreign Currency Contracts

Forward foreign currency contracts shall be valued in the same manner as derivatives contracts which are not traded in a regulated market or by reference to the price at the Valuation Point at which new forward contract of the same size and maturity could be undertaken. The forward foreign currency contracts held by the Company as at 30 June 2013 are included in the Schedule of Investments.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Assets and Financial Liabilities at Fair Value through Profit or Loss (continued)

Futures Contracts

A futures contract is an agreement between two parties to buy and sell a security, index or currency at a specific price or rate at a future date. Upon entering into a futures contract, the Company is required to deposit with a broker an amount of cash or cash equivalents equal to a certain percentage of the contract amount. This is known as 'initial cash margin'. Subsequent payments ('variation margin') are made or received by the Company each day, depending upon the daily fluctuation in the value of the contract. The daily changes in contract value are recorded as unrealised gains or losses and the Company recognises a realised gain or loss when the contract is closed. Realised and unrealised gains and losses on futures contracts are recognised in the Profit and Loss Account. As at 30 June 2013 and 31 December 2012 the Company did not hold any futures contracts.

Collective Investment Schemes and Real Estate Investment Trusts

Units in collective investment schemes shall be valued at the latest available net asset value per unit or bid price as published by the relevant collective investment scheme or, if listed or traded on a Recognised Exchange, in accordance with listed securities above. The collective investment schemes held by the Company as at 30 June 2013 are included in the Schedule of Investments.

Distributions Payable to Holders of Redeemable Participating Shares

The Company received Reporting Fund Status from HMRC with effect from the 1st January 2010 (the Company previously had been registered as having distributor status for the year ended 31 December 2009). The Directors, at their discretion, can propose to distribute any of the net investment income of the Class B Dollar Distributing Class and the Class C Sterling Distributing Class of the Company. In the event that a dividend is paid it will be paid out of the net investment income and/or net realised and unrealised capital gains (i.e. realised and unrealised gains net of realised and unrealised losses) of the Company. It is currently anticipated that, if there is net income to distribute, a dividend will be declared in April of each year, and will be paid within four months of declaration. However, the Directors may at their discretion determine the frequency at which a dividend is paid. Shareholders will be notified of any change in the frequency of the payment of dividends. Distributions to holders of redeemable participating shares are recorded in the Profit and Loss Account as finance costs when paid. As at 30 June 2013 and 31 December 2012 no distributions were paid or payable from the Company.

Foreign Exchange Translation

Functional and Presentation Currency

Items included in the Company's financial statements are measured using the currency in which Shareholder transactions take place (the "functional currency") which is US Dollars ("USD"). The Fund's reporting currency is also USD.

Transactions and Balances

Assets and liabilities denominated in currencies other than the functional currency are translated into the functional currency at the exchange rates ruling at the balance sheet date. Transactions in currencies other than the functional currency are translated into the functional currency at the exchange rates ruling at the dates of the transactions. Gains and losses on foreign exchange transactions are recognised in the Profit and Loss Account in determining the result for the period.

Investment Transactions and Investment Income

Investment transactions are accounted for as at the date purchased or sold. Gains and losses arising from changes in the fair value of the Financial Assets at fair value through profit or loss are included in the Profit and Loss account in the period in which they arise.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Interest Income and Interest Expenses

Interest income and interest expenses are recognised on an accruals basis in line with the contractual terms. Interest is accrued on a daily basis.

Dividend Income

Dividends are credited to the Profit and Loss Account on the dates on which the relevant securities are listed as “ex-dividend”. Income is shown gross of any non-recoverable withholding taxes and net of any tax credits. Withholding tax is shown as a finance cost in the Profit and Loss Account.

Transaction Costs

Transaction costs include fees and commissions paid to agents (including employees acting as selling agents), advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. Transaction costs do not include debt premiums or discounts, financing costs or internal administrative or holding costs. Transaction costs are recognised in the Profit and Loss Account as an expense.

Expenses

Expenses are recognised in the Profit and Loss Account on an accruals basis.

NOTES TO THE FINANCIAL STATEMENTS

1. Share Capital

Authorised

The authorised capital of the Company is Euro (“EUR”) 300,000 divided into 300,000 non-participating Shares of no par value and 500 billion Redeemable Participating Shares of no par value.

Non-Participating Shares

There are currently 300,000 redeemable non-participating Shares authorised, with two in issue. The non-participating Shares do not form part of the NAV of the Company and are thus disclosed in the financial statements by way of this note only. In the opinion of the Directors, this disclosure reflects the nature of the Company’s business as an investment fund.

Redeemable Participating Shares

The net assets attributable to holders of Redeemable Participating Shares are at all times equal to the NAV of the Company. Redeemable Participating Shares are redeemable at the Shareholder’s option and are classified as Financial Liabilities under FRS 25 “Financial Instruments: Disclosure and Presentation” (“FRS 25”) as they can be redeemed at the option of the Shareholder. Net Assets Attributable to Holders of Redeemable Participating Shares represent a liability in the Balance Sheet, carried at the redemption amount that would be payable at the balance sheet date if a Shareholder exercised the right to redeem. Consequently the differences adjust the carrying amount of Net Assets Attributable to Holders of Redeemable Participating Shares and are recognised in the Profit and Loss Account.

The movement in the number of redeemable participating shares for the period ended 30 June 2013 is as follows:

	Class A Dollar Non-Distributing Class Shares	Class B Dollar Distributing Class Shares	Class C Sterling Distributing Class Shares
At the beginning of the period	333,682	121,556	84,024
Redeemable Participating Shares issued	107,523	3,019	22,413
Redeemable Participating Shares redeemed	(95,449)	(3,842)	(22,323)
At the end of the period	345,756	120,733	84,114

	Class D Singapore Dollar Distributing Class Shares	Class E Singapore Dollar Distributing Class Shares
At the beginning of the period	116,852	5,487
Redeemable Participating Shares issued	205,552	1,569
Redeemable Participating Shares redeemed	(619)	–
At the end of the period	321,785	7,056

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1. Share Capital (continued)

The movement in the number of redeemable participating shares for the year ended 31 December 2012 is as follows:

	Class A Dollar Non-Distributing Class Shares	Class B Dollar Distributing Class Shares	Class C Sterling Distributing Class Shares
At the beginning of the year	290,611	96,894	102,799
Redeemable Participating Shares issued	430,274	32,059	16,803
Redeemable Participating Shares redeemed	(387,203)	(7,397)	(35,578)
At the end of the year	333,682	121,556	84,024
	Class D Singapore Dollar Distributing Class Shares	Class E Singapore Dollar Distributing Class Shares	
At the beginning of the year	126,086	3,423	
Redeemable Participating Shares issued	2,768	2,064	
Redeemable Participating Shares redeemed	(12,002)	–	
At the end of the year	116,852	5,487	

The movement in the number of redeemable participating shares for the period ended 30 June 2012 is as follows:

	Class A Dollar Non-Distributing Class Shares	Class B Dollar Distributing Class Shares	Class C Sterling Distributing Class Shares
At the beginning of the period	290,611	96,894	102,799
Redeemable Participating Shares issued	184,986	29,509	4,002
Redeemable Participating Shares redeemed	(185,889)	(5,304)	(19,370)
At the end of the period	289,708	121,099	87,431
	Class D Singapore Dollar Distributing Class Shares	Class E Singapore Dollar Distributing Class Shares	
At the beginning of the period	126,086	3,423	
Redeemable Participating Shares issued	2,197	–	
Redeemable Participating Shares redeemed	(8,719)	–	
At the end of the period	119,564	3,423	

Application for redemption of Redeemable Participating Shares may be submitted prior to 5.00pm Irish time two calendar days before any Dealing Day (the “dealing deadline”) or such other time as the Board of Directors may determine, provided that the dealing deadline is no later than the valuation point for the Company. Shares will be issued at the NAV per Share based on last traded prices.

Holders of the Distributing Class are entitled to receive all dividends declared and paid by the Company. Upon winding up, the holders are entitled to a return of capital based on the NAV per Share of the Company.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. Investment Management Fees

The Company has entered into an Investment Management Agreement with Prusik Investment Management LLP (the "Investment Manager") pursuant to which the Investment Manager manages the Company's investments on a discretionary basis.

The Investment Manager receives from the Company a fee in relation to the Fund of 1.5% per annum of the NAV of the Company together with Value Added Tax ("VAT"), if any on such fee for all share classes with the exception of the Class E Singapore Dollar Distributing Class which does not charge a management fee. Fees payable to the Investment Manager shall be accrued at each Valuation Point and shall be payable monthly in arrears. The Company shall bear the cost of any VAT applicable to any fees or other amounts payable to or by such nominee in the performance of their respective duties.

The Investment Manager earned a fee of USD892,791 during the period ended 30 June 2013 (USD1,237,091: 31 December 2012, USD583,251: 30 June 2012), of which USD170,594 is outstanding at the period end (USD116,639: 31 December 2012).

Performance fee and equalisation

For further details on the Performance Fee calculations and Equalisation Credits please refer to the Prospectus. The Investment Manager may, at its sole discretion, agree with any Shareholder, to rebate, return and or remit any part of the Management and Performance Fee which are paid or payable to the Investment Manager. Details of the Performance fees and Equalisation fees charged to the Company and payable at the end of the year are included in the Profit and Loss Account and Balance Sheet, respectively. The class E Singapore Dollar Distributing Class will not be charged a Performance Fee.

In relation to Classes A, B, C and D, the Investment Manager also receives a Performance Fee out of the assets of the Company. The Performance Fee is calculated in respect of each twelve month period ending on 31 December respectively in each year (a "Calculation Period") for Classes A, B, C and D. For each Calculation Period, the Performance Fee in respect of each Share will be equal to 10% of the appreciation in the Net Asset Value per Share during that Calculation Period above the base Net Asset Value per Share. The base Net Asset Value per Share is the greater of the Net Asset Value per Share at the time of issue of that Share and the highest Net Asset Value per Share achieved as at the end of any previous Calculation Period (if any) during which such Share was in issue.

In the case of Classes A, B, C and D there is a further calculation, which is intended to ensure the performance fee for these classes is based on the performance of each individual shareholding, and the result of this calculation is that certain shareholders may benefit from a credit against future performance fees referred to as an equalisation credit. Other shareholders may be required to pay additional amounts of performance fee if they have subscribed for shares at a time when the Net Asset Value per Share of the relevant class is less than that when a performance fee was last paid for that class. The Investment Manager will not charge the Holders of Participating Shares of the Company a performance fee if the Net Asset Value does not appreciate by more than 6% per annum for all classes.

A Performance Fee of USD1,498,014 was earned during the period ended 30 June 2013 (USD662,858: 31 December 2012, USD1,418: 30 June 2012), which does not include any recontribution due to additional performance fees (USD244,647: 31 December 2012, USDNil: 30 June 2012). The performance fee outstanding at the period end was USD1,434,686 (USD707,371: 31 December 2012) which does not include any additional performance fee (USD707,371: 31 December 2012).

3. Administration Fees

With effect from 1 January 2012, the Company pays Brown Brothers Harriman Fund Administration Services (Ireland) Limited (the "Administrator") in the amount of 0.04% of the NAV of the Company if the NAV is less than USD200,000,000, 0.03% of any increment greater than USD200,000,000 and less than USD400,000,000, and 0.02% of any increment greater than USD400,000,000 (plus VAT, if any). For a period of eighteen months from 1 June 2012 until the 1 December 2013 the Administrator's fees will be subject to a minimum monthly charge of USD7,335. Thereafter, this monthly minimum charge will revert to USD4,000. The Administrator is also entitled to receive registration fees and transaction and reporting charges at normal commercial rates which shall accrue daily and be paid monthly in arrears.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3. Administration Fees (continued)

The Administrator is also entitled to be repaid out of the assets of the Company all of its reasonable out-of-pocket expenses incurred on behalf of the Company which shall include legal fees, couriers' fees and telecommunication costs and expenses together with VAT, if any, thereon.

The Administrator earned a fee of USD68,161 during the period ended 30 June 2013 (USD124,821: 31 December 2012, USD32,948: 30 June 2012) of which USD21,192 is outstanding at the period end (USD32,950: 31 December 2012).

4. Custodian Fees

The Company pays Brown Brothers Harriman Fund Administration Services (Ireland) Limited (the "Custodian") a trustee fee of 0.02% of the NAV of the Fund. The Custodian also receives a custody fee ranging from 0.0075% to 0.60% of the NAV of the investments that each fund makes in each relevant market. The Custodian fees are payable monthly in arrears, subject to a minimum charge of USD36,000 per Fund per annum.

The Custodian shall also be entitled to be repaid all of its disbursements out of the assets of the Company, including legal fees, couriers' fees and telecommunication costs and expenses and the fees, transaction charges and expenses of any sub-custodian appointed by it which shall be at normal commercial rates together with VAT, if any, thereon.

The Custodian earned a fee of USD37,722 during the period ended 30 June 2013 (USD8,475: 31 December 2012, USD(28,015): 30 June 2012), of which USD19,115 is outstanding at the period end (USD26,283: 31 December 2012).

The Trustee earned a fee of USD12,557 during the period ended 30 June 2013 (USD15,707: 31 December 2012, USD7,804: 30 June 2012), of which USD4,904 is outstanding at the period end (USD4,506: 31 December 2012).

5. Directors' Fees

The Directors of the Company are entitled to a fee in remuneration for their services of EUR15,000 each (plus VAT, if any) per annum. In addition the Directors are entitled to special remuneration if called upon to perform any special or extra services to the Company. All Directors are entitled to reimbursement by the Company of expenses properly incurred in connection with the business of the Company or the discharge of their duties.

The Directors earned a fee of USD21,271 during the period ended 30 June 2013 (USD41,582: 31 December 2012, USD24,218: 30 June 2012), of which USD7,482 is outstanding at the period end (USDNil: 31 December 2012).

6. Related Parties

Directors

Heather Manners is Chief Investment Officer of the Investment Manager and has waived her fees for the period ended 30 June 2013.

Anthony Morris (an alternate Director) is Chief Operating Officer and Head of Trading of the Investment Manager and has waived his fees for the period ended 30 June 2013.

David Hammond is a Director of Bridge Consulting, a financial services consultancy and business advisory firm which provided services relating to the Company's governance requirements under the UCITS Regulations. Bridge Consulting earned a fee of USD22,417 for the period ended 30 June 2013 (USD17,756: 31 December 2012, USD19,733: 30 June 2012), none of which is outstanding at the period end (USDNil: 31 December 2012).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

6. Related Parties (continued)

The following Directors and related parties held Shares in the Company as at 30 June 2013:

Related Party	Shares held	Share Class
Heather Manners (Director & Partner of the Investment Manager)	2,950	Class D SGD\$ Distributing Class
Prusik Investment Management LLP	83	Class E SGD\$ Distributing Class
Prusik Investment Management Singapore Private Limited	98	Class E SGD\$ Distributing Class
Anthony Morris (Partner of the Investment Manager)	1,772	Class E SGD\$ Distributing Class
Thomas Naughton (Partner of the Investment Manager)	2,731	Class E SGD\$ Distributing Class
Richard Hayes (Director)	2,752	Class E SGD\$ Distributing Class
Vanessa Hayes (wife of Richard Hayes)	250	Class B USD\$ Distributing Class

The following Directors and related parties held Shares in the Company as at 31 December 2012:

Related Party	Shares held	Share Class
Heather Manners (Director & Partner of the Investment Manager)	2,950	Class D SGD\$ Distributing Class
Prusik Investment Management Singapore Private Limited	88	Class E SGD\$ Distributing Class
Thomas Naughton (Partner of the Investment Manager)	2,731	Class E SGD\$ Distributing Class
Richard Hayes (Director)	1,282	Class E SGD\$ Distributing Class

7. Taxation

The Company qualifies as an investment undertaking as defined in Section 739B of the Taxes Consolidation Act, 1997 (as amended). It is not chargeable to Irish tax on its income and gains.

Tax may arise on the happening of a chargeable event. A chargeable event includes any distribution payments to Shareholders or any encashment, redemption or transfer of Shares. No tax will arise on the Company in respect of chargeable events in respect of:

- a Shareholder who is not Irish resident and not ordinarily resident in Ireland at the time of the chargeable event, provided the necessary signed statutory declarations are held by the Company; and
- certain exempted Irish tax Shareholders investors who have provided the Company with the necessary signed statutory declarations.

Dividend income and interest received by the Company may be subject to non-recoverable withholding tax in the countries of origin.

Following legislative changes in the Finance Act 2006, the holding of Shares at the end of a Relevant Period will, in respect of Irish Resident investors, also constitute a chargeable event. To the extent that any tax issues arise on such a chargeable event, such tax will be allowed as a credit against any tax payable on the subsequent encashment, redemption, cancellation or transfer of the relevant Shares.

Relevant Period is defined as a period of eight periods beginning with the acquisition of a Share by a Shareholder at each subsequent period of eight periods beginning immediately after the preceding relevant period.

8. Soft Commission Agreements

During the period ended 30 June 2013, the Investment Manager entered into soft commission arrangements with brokers/dealers in respect of which certain goods and services used to support the investment decision process were received. The Investment Manager does not make direct payment for these services but does transact an agreed amount of business with the brokers on behalf of the Company and commission is paid on these transactions.

The goods and services utilized for the Company include computer hardware and software used for economic and political analysis, portfolio analysis including valuation and performance measurement, market analysis, data and quotation services and investment related publications.

The Investment Manager considers these arrangements are to the benefit of the Company and has satisfied itself that it obtains best execution on behalf of the Company and the brokerage rates are not in excess of the customary institutional full service brokerage rates.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8. Soft Commission Agreements (continued)

These arrangements do not affect a broker's duty to provide best execution.

9. Efficient Portfolio Management

The Company may employ techniques and instruments relating to transferable securities and money market instruments, for the purposes of efficient portfolio management including but not limited to futures, options, swaps, warrants, and forward foreign currency contracts. Such techniques and instruments may include foreign exchange transactions which alter the currency characteristics of transferable securities held by the Company. The Company may also employ techniques and instruments intended to provide protection against exchange risk in the context of the management of its assets and liabilities. As at 30 June 2013 and 31 December 2012 the Company did not hold any such instruments for the purposes of efficient portfolio management.

Forward foreign currency contracts entered into by the Company represent a firm commitment to buy or sell an underlying asset, or currency at a specified value and point in time based upon an agreed or contracted quantity. The realised/unrealised gain or loss is equal to the difference between the value of the contract at the onset and the value of the contract at settlement date and is included in the Profit and Loss Account.

10. Exchange Rates

The following exchange rates have been used to translate assets and liabilities in currencies other than USD:

	30 June 2013	31 December 2012
Australian Dollar	1.0814	0.9635
Euro	0.7659	0.7581
Hong Kong Dollar	7.7573	7.7506
Indian Rupee	59.2700	54.7900
Indonesian Rupiah	9,925.0000	9,637.5000
Malaysian Ringgit	3.1595	3.0580
Philippine Peso	43.1500	41.0050
Pound Sterling	0.6557	0.6183
Singapore Dollar	1.2647	1.2214
South Korean Won	1,141.7600	1,063.6400
Sri Lankan Rupee	130.3500	127.3545
Taiwan Dollar	30.1110	29.0490
Thailand Baht	31.0250	30.5600
Vietnamese Dong	21,205.0000	20,840.0000

11. Net Asset Comparison

In accordance with the provisions of the Company's Prospectus, marketable investment securities are valued at last traded prices at the valuation point. Marketable investment securities for financial reporting purposes are required by FRS 26, (Financial Instruments: recognition and measurement) to be valued based on last bid prices at the valuation point. The difference between the two valuation methods may result in a difference between the NAV per Share shown in the financial statements and the NAV per Share at which Redeemable Participating Shares are issued and redeemed.

As at 30 June 2013 and 31 December 2012, the difference between the NAV for financial reporting purposes as required by FRS 26 and the NAV at which Redeemable Participating Shares are issued and redeemed is detailed in the table below and below:

Net Asset Value reconciliation	30 June 2013
	USD
Net Asset attributable to holders of redeemable participating shares (for shareholder dealing purposes)	147,296,977
Adjustment for bid and offer pricing	(514,636)
Net Asset attributable to holders of redeemable participating shares (for financial reporting purposes)	<u>146,782,341</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

11. Net Asset Comparison (continued)

Net Assets and NAV per share for dealing purposes		30 June 2013		30 June 2013
		Net Assets		NAV per Share
Class A Dollar Non-Distributing Class	USD	57,291,368	USD	165.70
Class B Dollar Distributing Class	USD	20,024,853	USD	165.86
Class C Sterling Distributing Class	GBP	7,296,297	GBP	86.74
Class D Singapore Dollar Distributing Class	SGD	73,478,525	SGD	228.35
Class E Singapore Dollar Distributing Class	SGD	953,197	SGD	135.09

Net Asset Value reconciliation

31 December 2012
USD

Net Asset attributable to holders of redeemable participating shares (for shareholder dealing purposes)	101,714,346
Adjustment for bid and offer pricing	(480,892)
Net Asset attributable to holders of redeemable participating shares (for financial reporting purposes)	<u>101,233,454</u>

Net Assets and NAV per share for dealing purposes		31 December 2012		31 December 2012
		Net Assets		NAV per Share
Class A Dollar Non-Distributing Class	USD	51,327,867	USD	153.82
Class B Dollar Distributing Class	USD	18,715,311	USD	153.96
Class C Sterling Distributing Class	GBP	6,744,463	GBP	80.27
Class D Singapore Dollar Distributing Class	SGD	24,691,430	SGD	211.29
Class E Singapore Dollar Distributing Class	SGD	668,612	SGD	121.84

12. Comparatives

The comparative figures are for the year ended 31 December 2012 and six months ended 30 June 2012 for the Condensed Profit and Loss account and condensed Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares and as at 31 December 2012 for the Condensed Balance Sheet.

13. Significant Events during the Period

There were no significant events during the period that had a material effect on the unaudited condensed financial statements.

14. Events since the Period End

A fourth addendum to the Prospectus was noted by the Central Bank on 28 June 2013 to incorporate the launch of the Class U Sterling (Unhedged) Distributing Share Class.

15. Approval of Financial Statements

The report and unaudited condensed financial statements were approved by the Board of Directors on 22 August 2013.

STATEMENT OF CHANGES IN THE COMPOSITION OF PORTFOLIO

In accordance with the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (as amended), a statement of changes in the composition of the portfolio during the reporting period is provided to ensure that Shareholders can identify changes in the investments held by the Company. These statements present the aggregate purchases and sales of transferable securities exceeding 1% of the total value of purchases and sales for the period. At a minimum the largest 20 purchases and 20 sales must be given.

Major Purchases for the period ended 30 June 2013

Security Description	Acquisitions Nominal	Cost USD
Interpark Corp.	455,000	3,487,723
Courts Asia Ltd.	3,880,000	3,401,835
KCP Co Ltd.	302,000	3,352,580
Mah Sing Group Bhd.	3,130,000	3,165,553
Sriracha Construction PCL	1,670,000	3,124,993
Senao International Co. Ltd.	888,000	3,091,536
Cosmax, Inc.	77,000	3,068,106
Silverlake Axis Ltd.	5,100,000	2,957,346
Glomac Bhd.	8,100,000	2,915,580
China Wireless Technologies Ltd.	5,900,000	2,623,151
Magic Holdings International Ltd.	4,020,000	2,480,503
KSL Holdings Bhd.	3,350,000	2,458,760
Osstem Implant Co. Ltd.	92,000	2,404,962
Xinyi Glass Holdings Ltd.	3,050,000	2,362,043
Tune Ins Holdings Bhd.	4,400,000	2,361,596
Duksan Hi-Metal Co. Ltd.	92,000	2,334,114
Northern Star Resources Ltd.	2,000,000	2,273,875
Unique Engineering & Co.	13,500,000	2,255,110
KTIS Corp.	480,280	2,189,994
Beadell Resources Ltd.	2,081,022	2,035,524
Cargills Ceylon Plc.	1,438,822	2,027,700
Prince Frog International Holdings Ltd.	3,500,000	2,000,430
China Lilang Ltd.	2,900,000	1,991,708
Bioland Ltd.	110,000	1,874,149
CJ CGV Co. Ltd.	36,000	1,839,851
Asia Sermkij Leasing PCL	1,900,000	1,668,663
Surya Semesta Internusa Tbk PT	10,000,000	1,567,011
Karmarts PCL	3,100,000	1,188,994
Naim Holdings Bhd.	1,750,000	1,188,047
STP & I PCL	375,000	1,174,209
Syarikat Takaful Malaysia Bhd.	520,000	1,136,777
Distilleries Co. of Sri Lanka Plc.	710,000	1,081,222
Sino Grandness Food Industry Group Ltd.	850,000	1,047,638
Sriracha Construction PCL	750,000	983,258

STATEMENT OF CHANGES IN THE COMPOSITION OF PORTFOLIO (CONTINUED)

Major Sales for the period ended 30 June 2013

Security Description	Disposals Nominal	Proceeds USD
Sino Thai Engineering & Construction PCL-Foreign	4,700,000	4,390,492
Unique Engineering & Co.	13,500,000	3,372,966
Oldtown Bhd.	3,987,100	3,317,033
Bangkok Expressway PCL-Foreign	2,500,000	3,140,744
ARAR Asset Management Ltd.	1,887,000	2,840,947
MCOT PCL	1,465,000	2,446,666
Bangchak Petroleum PCL	2,022,600	2,394,533
Airports of Thailand PCL	429,200	2,269,332
Prince Frog International Holdings Ltd.	3,500,000	2,262,863
Ezra Holdings Ltd.	2,281,000	2,127,359
Alliance Financial Group Bhd.	1,277,300	1,822,967
Tibet 5100 Water Resources Holdings Ltd.	6,600,000	1,805,991
China Lilang Ltd.	2,900,000	1,721,520
Bioland Ltd.	110,000	1,629,780
Hopefluent Group Holdings Ltd.	4,520,000	1,289,316
Tianneng Power International Ltd.	2,000,000	1,241,161
Daum Communications Corp.	14,000	1,225,506
Super Group Ltd.	400,000	1,224,302
Zhaojin Mining Industry Co. Ltd.	1,600,000	1,224,186
Beadell Resources Ltd.	2,081,022	1,173,709
First Gen Corp.	2,360,000	1,122,376
International Container Terminal Services, Inc.	596,820	1,114,948
Gamevil, Inc.	10,500	998,110
Bosideng International Holdings Ltd.	3,866,000	949,040
LPN Development PCL	909,700	761,426
Blackthorn Resources Ltd.	743,500	755,668
Perseus Mining Ltd.	570,000	551,557

MANAGEMENT AND ADMINISTRATION

BOARD OF DIRECTORS

David Hammond* (Irish)
Heather Manners (British)
Anthony Morris (British)(Alternate Director)
Richard Hayes* (Irish)
All the directors are non-executive directors.
*Independent of the Investment Manager

COMPANY NAME AND REGISTERED OFFICE

Prusik Asian Smaller Companies Fund plc
33 Sir John Rogerson's Quay
Dublin 2
Ireland

**PROMOTER , INVESTMENT MANAGER
AND DISTRIBUTOR**

Prusik Investment Management LLP
1st Floor
46 Hays Mews
London W1J 5QD
United Kingdom

ADMINISTRATOR

Brown Brothers Harriman Fund Administration
Services (Ireland) Limited
Styne House
Upper Hatch Street
Dublin 2
Ireland

INDEPENDENT AUDITOR

Ernst & Young
Harcourt Street
Dublin 2
Ireland

CUSTODIAN

Brown Brothers Harriman Trustee
Services (Ireland) Limited
Styne House
Upper Hatch Street
Dublin 2
Ireland

**LEGAL ADVISERS UNITED
KINGDOM**

Simmons & Simmons
One Ropemaker Street
London EC2Y 9SS
United Kingdom

LEGAL ADVISERS IRELAND

Dillon Eustace
33 Sir John Rogerson's Quay
Dublin 2
Ireland

COMPANY SECRETARY

Tudor Trust Limited
33 Sir John Rogerson's Quay
Dublin 2
Ireland

GOVERNANCE SERVICES PROVIDER

Bridge Consulting
33 Sir John Rogerson's Quay
Dublin 2
Ireland