

**PRUSIK ASIAN SMALLER  
COMPANIES FUND PLC**

**SEMI-ANNUAL REPORT AND  
FINANCIAL STATEMENTS**

**(Unaudited)**

**30 June 2008**

# Prusik Asian Smaller Companies Fund Plc

Semi-Annual Report and Financial Statements  
(Unaudited)

## Table of Contents

Background of the Company .....	2
Investment Manager's Report .....	4
Balance Sheet.....	6
Income Statement .....	7
Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares.....	8
Notes to the Financial Statements .....	9
Portfolio of Investments.....	22
Statements of Changes in Composition of Portfolio.....	25
Directors and Other Information.....	27

# Prusik Asian Smaller Companies Fund Plc

Semi-Annual Report and Financial Statements  
(Unaudited)

## Background of the Company

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 2006 and authorised by the Financial Regulator (the “Financial Regulator”), as an investment company pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2003, 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 Financial Regulator, may create additional Share Classes as the Directors may deem appropriate.

The Company commenced trading on 8 February 2008. Shares are available to investors in the Company as shares in Class A Dollar Non-Distributing Class, Class B Dollar Distributing Class and Class C Sterling Distributing Class. Class A Dollar Non-Distributing Class and Class B Dollar Distributing Class commenced trading on 8 February 2008. Class C Sterling Distributing Class commenced trading on 25 April 2008. Further classes of shares may be issued on advance notification to the Financial Regulator.

Citi Fund Services (Ireland), Limited (the “Administrator”) determines the net asset value per share of each Class of the Company on the first and third Friday of each calendar month (“dealing day”) providing 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 04 February 2008. There is one addendum to the Prospectus, dated 23 April 2008.

## Prusik Asian Smaller Companies Fund

The Company’s investment objective is to engineer capital growth primarily by investing in companies operating in the 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 then 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% 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 10% of its Net Asset Value.

The Company 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 (BB- or higher) or non-investment grade).

The Company may invest in both short and long term Asian and Australasian 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 Company may invest will principally 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.

# Prusik Asian Smaller Companies Fund Plc

Semi-Annual Report and Financial Statements  
(Unaudited)

## **Background of the Company (continued)**

### **Prusik Asian Smaller Companies Fund (continued)**

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 Financial Regulator. These techniques and instruments include but are not limited to futures, options, forward foreign exchange contracts, interest and exchange rate swap contracts, stocklending 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 Exchanges and in cash deposits.

Unaudited semi-annual reports and subsequent annual reports will be made available to the public at the registered office of the Company and are sent to shareholders at their registered addresses by post.

The complete statement of changes in the composition of the portfolio will be made available to shareholders on request free of charge.

# Prusik Asian Smaller Companies Fund Plc

Semi-Annual Report and Financial Statements  
(Unaudited)

## Investment Manager's Report

The Prusik Asia Smaller Companies Fund (the "Company") was born in February into a very harsh environment for smaller companies. At launch, we could already see tremendous value and opportunities in this asset class. However, even when accompanied by stable and strong earnings, this has not necessarily resulted in predictable or stable share price performances in every case.

Our aim was and is to have a fund ready to invest as attractive opportunities present themselves believing that value would continue to emerge as the year progressed. At the end of June, we felt that this plan was unfolding as expected. However, we were still in progress towards the final denouement. While many small companies we liked were already extremely cheap on any measure, what singled out this period from many others was the vicious and unpredictable nature of deleveraging.

In the first half of the year, we were therefore happy to maintain our conservative approach to illiquid holdings as we were still able to sell most of our small companies within two days and thereby not risk disturbing the price too much. We also maintained an element of caution and resisted becoming fully invested in such a randomly difficult environment. As a result, the A Class unit price (US\$) of the Company, as of the end of June, had declined by only 6.6% since inception.

Like the Prusik Asia Fund Plc, we looked in the first half of the year within the Company to build exposure to a number of our favourite themes among which were the following examples.

First, the fund had direct exposure to rising soft commodity prices via its investment in a number of the SE Asian timber companies like WTK and Ta Ann and, indirect exposure to the impact of rising agricultural prices and incomes via seed supplier, Bisi International, Indonesia's leading supplier of hybrid seeds, and China Farm Equipment, a PRC-based supplier of agricultural equipment.

Second, we continued to look for opportunities for the Company to invest in companies which we felt would benefit from Asia's need to clean up the environment and to maximize the efficient use of its limited water resources. The Company therefore invested in Sino Environment, a company with businesses exposed to the development of water treatment, dust collection and denox and toxic chemical reclamation facilities in China.

Third, we looked to build exposure to investment in electricity transmission and distribution infrastructure, notably to companies which manufactured kit able to better measure and control electricity usage. Within the Company, we therefore made an investment in Wasion, China's leading manufacturer of meters with around 35% market share. Via its recent acquisition of Hunan Weiming, Wasion was also hoping, interestingly, to develop a similar franchise for gas and water meters.

Fourth, we continued to be excited about the prospect of a surge in sales of low cost notebooks. The Company therefore invested in Ju Teng, a maker of plastic casings for laptops, including all the low cost models.

Fifth, in the first half of the year, labour costs appeared to be rising strongly in China driven upwards by rising wage inflation and more strongly enforced compliance with China's labour laws. As a result, SMEs were likely increasingly to look to automate production lines. The Company therefore held a position in Chroma ATE, a Taiwan-based manufacturer and installer of testing systems with a dominant 80% market share in Asia which should be a beneficiary.

Finally, like the Prusik Asia Fund, the Company looked to build exposure to what we still believed was a very strong regional coal story. However, rather than investing in smaller coal miners, we instead invested in Industrea, an Australian based provider of mining equipment and services. We felt that Industrea was leveraged into the expansion of mining capacity, notably coal, both in its home market, Australia, and via WADAM, in China.

We estimated that the invested portion of the Company at end June 2008 was valued on around 12.8x CY08E earnings and a very modest 8.6x CY09E earnings.

Thematically, we are very excited about the Company. In general, having access to smaller companies has widened our ability to gain access to themes such as timber, net-books, agriculture, power transmission and distribution, water, waste gas treatment and automation. For example, our recent foray to Singapore to research water treatment and other aspects of investing in the environmental clean-up in China has brought to light some really exciting companies with awesome, and we think safe, growth outlooks at attractive valuations.

# Prusik Asian Smaller Companies Fund Plc

Semi-Annual Report and Financial Statements  
(Unaudited)

## **Investment Manager's Report (Continued)**

We believe that, once the deleveraging passes and stock markets become, once again, more fundamentally driven, the share price performances of such companies, and others with similarly defensive earnings profiles which we have chosen, will start to really stand out against the more cyclical businesses. Once stock markets have settled into a more discriminating and fundamentally based investment mood, we think that the prospects for our small cap investments therefore look extremely promising.

**Prusik Investment Management LLP**  
11 August 2008

# Prusik Asian Smaller Companies Fund Plc

Semi-Annual Report and Financial Statements  
(Unaudited)

## BALANCE SHEET

	Note	As at 30 June 2008 USD
<b>Current Assets:</b>		
Financial Assets, at cost		8,397,897
Financial Assets, at fair value through profit or loss		7,514,301
Cash	5	7,224,826
Dividends and Interest receivable		5,362
Receivable for issuance of redeemable participating shares		113,982
Other Assets		52,974
<b>Total Assets:</b>		<b>14,911,445</b>
<b>Liabilities (amounts falling due within one year):</b>		
Accrued Expenses:		
Investment Management Fees	4	19,112
Equalisation Payable	4	272
Administration Fees	4	2,894
Custody Fees		9,316
Audit Fees		20,293
Directors' Fees	4	6,268
Other Fees		40,661
<b>Liabilities (excluding Net assets attributable to holders of redeemable participating shares)</b>		<b>98,816</b>
<b>Net assets attributable to holders of redeemable participating shares</b>		<b>14,812,629</b>
<b>Class A Dollar Non-Distributing Class</b>		
Net Assets		13,364,699
Outstanding redeemable participating shares		144,156
Net Asset Value per share		92.71
<b>Class B Dollar Distributing Class</b>		
Net Assets		785,265
Outstanding redeemable participating shares		8,470
Net Asset Value per share		92.71
<b>Class C Sterling Distributing Class</b>		
Net Assets		332,559
Outstanding redeemable participating shares		7,095
Net Asset Value per share		46.87

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

# Prusik Asian Smaller Companies Fund Plc

Semi-Annual Report and Financial Statements  
(Unaudited)

## INCOME STATEMENT

For the period ended 30 June 2008

	Note	30 June 2008 USD
<b>Investment Income:</b>		
Dividend Income	2	34,798
Withholding Tax		(1,530)
Interest Income		25,717
Net realised gains on Financial Assets and Liabilities at fair value through profit or loss		(78,609)
Movement in net unrealised gains on Financial Assets and Liabilities at fair value through profit or loss		(526,742)
Total Loss		<u>(546,366)</u>
<b>Expenses:</b>		
Investment Management Fees	4	81,661
Administration Fees	4	13,471
Custody Fees	4	15,397
Audit Fees		20,293
Directors' Fees	4	7,500
Legal Fees		10,669
Printing Fees		2,085
Registration Fees		1,375
Miscellaneous Fees		38,686
Transaction Costs		356,131
Total Expenses		<u>547,268</u>
<b>Net Loss</b>		<u><b>(1,093,634)</b></u>

Gains and losses arise solely from continuing operations. There were no gains or losses other than those reflected above.

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



# Prusik Asian Smaller Companies Fund Plc

Semi-Annual Report and Financial Statements  
(Unaudited)

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

For the period ended 30 June 2008

	Note	30 June 2008 USD
Net Loss		(1,093,634)
<b>Capital Share Transactions of redeemable participating shares:</b>		
Proceeds from issuance of redeemable participating shares	3	16,105,067
Equalisation on issuance of redeemable participating shares	3	(272)
Payments on redemption of redeemable participating shares	3	<u>(198,532)</u>
Net increase from capital shares transactions of redeemable participating shares		<u>15,906,263</u>
Net increase in Net assets attributable to holders of redeemable participating shares		14,812,629
Net assets attributable to holders of redeemable participating shares at the beginning of the period		-
<b>Net assets attributable to holders of redeemable participating shares at the end of the period</b>		<u><b>14,812,629</b></u>

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

# Prusik Asian Smaller Companies Fund Plc

Semi-Annual Report and Financial Statements  
(Unaudited)

## Notes to the Financial Statements

### 1. THE COMPANY

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 2006 and authorised by the Financial Regulator (the “Financial Regulator”), as an investment company pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2003, as amended (“UCITS Regulations”).

The Company commenced trading on 8 February 2008. Shares are available to investors in the Company as shares in Class A Dollar Non-Distributing Class, Class B Dollar Distributing Class and Class C Sterling Distributing Class. Class A Dollar Non-Distributing Class and Class B Dollar Distributing Class commenced trading on 8 February 2008. Class C Sterling Distributing Class commenced trading on 25 April 2008. Further classes of shares may be issued on advance notification to the Financial Regulator.

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

### 2. ACCOUNTING POLICIES

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

#### BASIS OF PRESENTATION 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 2006 and the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2003, as amended. Accounting standards generally accepted in Ireland in preparing financial statements giving a true and fair view are those published by the Institute of Chartered Accountants in Ireland and issued by the Accounting Standards Board (“ASB”).

The format and certain wordings of the financial statements have been adapted from those contained in the Companies (Amendment) Act, 1986 and FRS 3 “Reporting Financial Performance” so that, in the opinion of the Directors, they may more appropriately reflect the nature of the Company’s business as an investment fund. The Company has availed of the exemption available to open-ended investment funds under FRS 1 not to prepare a cash flow statement.

The Company has adopted FRS 29 Financial Instruments: Disclosure, which applies to entities with accounting periods commencing on or after 1 January 2007. FRS 29 has required the provision of additional information of the Company’s material risks and how the Company manages these risks and certain additional disclosure requirements to the Balance Sheet and Income Statement. Details relating to FRS29 are in note 11.

#### FINANCIAL INSTRUMENT MEASUREMENT

##### (i) *Classification*

In accordance with FRS26, the Company designated all its assets and liabilities as Financial Assets and Liabilities at fair value through profit or loss. The category of Financial Assets and Liabilities at fair value through profit or loss is further subdivided into:-

##### *Financial assets and liabilities held for trading*

These include equities 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 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.

# Prusik Asian Smaller Companies Fund Plc

Semi-Annual Report and Financial Statements  
(Unaudited)

## Notes to the Financial Statements

### 2. ACCOUNTING POLICIES (continued)

#### FINANCIAL INSTRUMENT MEASUREMENT (continued)

##### (ii) *Initial Measurement*

Purchases and sales of financial instruments are accounted for at trade date. Realised gains and losses on disposals of financial instruments are calculated using the FIFO ("first in first out") method. 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 Income Statement.

##### (iii) *Subsequent measurement*

After initial measurement, the Company measures financial instruments which are classified as 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.

If a quoted market price is not available on a recognised stock exchange or from a broker/counterparty, the fair value of the financial instruments may be estimated by the directors using valuation techniques, including use of recent arm's length market transactions, reference to the current fair value of another instrument that is substantially the same, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions.

##### *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 exchange contracts and the equity linked securities, as at 30 June 2008 the Company did not hold any derivative instruments.

##### *Forward Foreign Exchange Contracts*

Forward foreign exchange 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 a new forward contract of the same size and maturity could be undertaken. The forward foreign exchange contracts held by the Company as at 30 June 2008 are included in the Portfolio of Investments.

##### *Collective Investment Schemes*

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. As at 30 June 2008 the Company did not hold any units in collective investment schemes.

# Prusik Asian Smaller Companies Fund Plc

Semi-Annual Report and Financial Statements  
(Unaudited)

## Notes to the Financial Statements

### 2. ACCOUNTING POLICIES (continued)

#### 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 Income Statement in the period which they arise. Dividends are credited to the Income Statement on the dates on which the relevant securities are listed as “ex-dividend”. Interest income is accrued on a daily basis. Income is shown gross of non-recoverable withholding tax.

#### DISTRIBUTIONS PAYABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES

The Directors propose to distribute at least 85 per cent of the net investment income of the Class B Dollar Distributing Class and the Class C Sterling Distributing Class of the Company and intend that the Company will apply to the HM Revenue & Customs in the UK for Distributor Status, for the period ended 31<sup>st</sup> December 2008. 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 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 Income Statement as Finance Costs when paid. As at 30 June 2008 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 of its primary assets and the currency in which shareholder transactions take place (the “functional currency”). This is U.S. Dollars. The Company’s reporting currency is U.S. Dollars.

##### *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 Income Statement in determining the result for the period.

#### EXPENSES

All expenses, including Investment Management fees and Performance fees, are recognised in the Income Statement on an accrual basis.

#### 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. During the period ending 30 June 2008 the transaction costs amounted to US\$356,131.

### 3. SHARE CAPITAL

#### AUTHORISED

The authorised capital of the Company is EURO 300,000 divided into 300,000 Non-Participating Shares of no par value and 500 Billion redeemable shares of no par value.

# Prusik Asian Smaller Companies Fund Plc

Semi-Annual Report and Financial Statements  
(Unaudited)

## Notes to the Financial Statements

### 3. SHARE CAPITAL (continued)

#### NON-PARTICIPATING SHARES

There are currently 300,000 Subscriber Shares in issue. Prusik Investment Management LLP (the “Investment Manager”) and Edward Buckley (partner of the Investment Manager) hold 299,999 and 1 subscriber shares, respectively, in the Company. The Subscriber Shares do not form part of the net asset value 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 net asset value of the Company. Redeemable participating shares (“shares”) are redeemable at the shareholder’s option and are classified as Financial Liabilities under FRS 25 as they can be redeemed at the option of the shareholder.

#### REDEEMABLE PARTICIPATING SHARE TRANSACTIONS

The movement in the number of redeemable participating shares for the period ended 30 June 2008 is as follows:

	<b>Class A Dollar Non-Distributing Class</b>		<b>Class B Dollar Distributing Class</b>	
	<b>Shares</b>	<b>USD</b>	<b>Shares</b>	<b>USD</b>
At the beginning of the period	-	-	-	-
Issued	145,129	14,460,605	9,473	948,381
Equalisation	-	(331)	-	(6)
Redeemed	(973)	(98,230)	(1,003)	(100,302)
At the end of the period	<u>144,156</u>	<u>14,362,044</u>	<u>8,470</u>	<u>848,073</u>

  

	<b>Class C Sterling Distributing Class</b>	
	<b>Shares</b>	<b>USD</b>
At the beginning of the period	-	-
Issued	7,095	696,081
Equalisation	-	65
Redeemed	-	-
At the end of the period	<u>7,095</u>	<u>696,146</u>

### 3. SHARE CAPITAL (continued)

#### REDEEMABLE PARTICIPATING SHARE TRANSACTIONS (continued)

Application for redemption of 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, at the net asset value per share based on last traded prices.

Holders of Participating Shares 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 Net Asset Value per share of the Company.

### 4. SIGNIFICANT AGREEMENTS AND RELATED PARTY TRANSACTION

#### INVESTMENT MANAGEMENT FEES

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

# Prusik Asian Smaller Companies Fund Plc

Semi-Annual Report and Financial Statements  
(Unaudited)

## Notes to the Financial Statements

### 4. SIGNIFICANT AGREEMENTS AND RELATED PARTY TRANSACTION (continued)

#### INVESTMENT MANAGEMENT FEES (continued)

Each Share Class pays a management fee as below, subject to the terms and conditions of the Prospectus:

Class A Dollar Non-Distributing Class	1.50%
Class B Dollar Distributing Class	1.50%
Class C Sterling Distributing Class	1.50%

In addition, the Investment Manager shall be entitled to be reimbursed by the Company for its out-of-pocket expenses. Details of the Investment Management fees charged to the Company and payable at the end of the period are included in the Income Statement and Balance Sheet respectively.

#### PERFORMANCE FEE / EQUALISATION

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 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. The Performance Fee in respect of each Calculation Period will be calculated by reference to the Net Asset Value before deduction for any accrued Performance Fees.

Equalisation arises if shares are subscribed for at a time when the Net Asset Value per Share is greater than the Peak Net Asset Value per Share for performance fee calculation purposes, the investor will be required to pay an amount in excess of the then current Net Asset Value per Share equal to 10% of the difference between the then current Net Asset Value per Share (before accrual for the Performance Fee) and the Peak Net Asset Value per Share (an "Equalisation Credit").

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% over a calculation period.

For further details on the Performance Fee calculations and Equalisation Credits please refer to the Prospectus.

Details of the Performance Fee and Equalisation Credit charged to the Company and payable at the end of the period are included in the Income Statement, Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares and Balance Sheet, respectively.

#### ADMINISTRATOR FEES

The Company pays to the Administrator Administration Fees of 0.05% of the Net Asset Value of the Company, together with VAT, if any of such fee. The Administrator's fees shall be accrued at each Valuation Point and shall be payable monthly in arrears, subject to a monthly minimum charge of US\$8,333. Minimum fees are waived 66% for the first 6 months after launch and 33% for the second 6 months after launch. Details of the Administrator fees charged to the Company and payable at the end of the period are included in the Income Statement and Balance Sheet, respectively.

The Administrator shall also be 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.

# Prusik Asian Smaller Companies Fund Plc

Semi-Annual Report and Financial Statements  
(Unaudited)

## Notes to the Financial Statements

### 4. SIGNIFICANT AGREEMENTS AND RELATED PARTY TRANSACTIONS (continued)

#### CUSTODIAN FEES

The Company will pay Brown Brothers Harriman Trustee Services (Ireland) Limited, (the "Custodian") a trustee fee of 0.02% of the Net Asset Value of the Company. The Custodian will also receive a custody fee ranging from 0.0075% to 0.60% calculated by reference to the market value of the investments that the Company may make in each relevant market. The Custodian fees are payable monthly in arrears, subject to a minimum charge of USD12,000 per annum. Details of the Custodian fees charged to the Company and payable at the end of the period are included in the Income Statement and Balance Sheet, respectively.

#### DIRECTORS

Heather Manners is Chief Investment Officer of the Investment Manager. David Hammond is a partner in the law firm of Dillon Eustace which earned fees of USD 1,500 and a director of Bridge Consulting, which earned fees of USD 7,500 for the period, a financial services consultancy and business advisory firm.

The Directors of the Company shall be entitled to a fee in remuneration for their services at a rate determined by the Directors up to a maximum fee per Director of Euro 5,000 (plus VAT, if any) for the period. In addition the Directors may be entitled to special remuneration if called upon to perform any special or extra services to the Company. All Directors will be entitled to reimbursement by the Company of expenses properly incurred in connection with the business of the Company or the discharge of their duties. Details of the Directors fees charged to the Company and payable at the end of period are included in the Income Statement and Balance Sheet, respectively.

All transactions which the Company has entered into with related parties, Directors of the Company or any party in which a Director has a material interest has been made in the ordinary course of business and on normal commercial terms.

#### DIRECTORS & RELATED PARTIES INTERESTS

The following Directors and related parties held shares in the Company as at 30 June 2008

<b>Prusik Asia Fund</b>	<b>Shares</b>	<b>Class</b>
Heather Manners	3,069	Class B Dollar Distributing Class
Richard Hayes	764	Class A Dollar Non-Distributing Class
Edward Buckley	2,100	Class B Dollar Distributing Class

### 5. CASH AT BANK

All cash balances were held under the control of the Custodian for the period ended 30 June 2008.

### 6. 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:

- i) 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
- ii) certain exempted Irish resident investors who have provided the Company with the necessary signed statutory declarations.

# Prusik Asian Smaller Companies Fund Plc

Semi-Annual Report and Financial Statements  
(Unaudited)

## Notes to the Financial Statements

### 6. TAXATION (Continued)

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 years beginning with the acquisition of a Share by a shareholder and each subsequent period of eight years beginning immediately after the preceding relevant period.

### 7. SOFT COMMISSION ARRANGEMENTS

The Investment Manager may effect transactions by or through the agency of another person with whom the Investment Manager has an arrangement under which that party will, from time to time, provide to or procure for the Investment Manager goods, services or other benefits such as research and advisory services, specialised computer hardware or software. No direct payment may be made for such goods or services but the Investment Manager may undertake to place business with that person provided that person has agreed to provide best execution with respect to such business and the services provided must be of a type which assists in the provision of investment services to the Company.

During the period ending 30 June 2008 there were no soft commission transactions.

### 8. 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 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 2008 the Company did not hold any such instruments for the purposes of efficient portfolio management, apart from forward currency contracts held with the Custodian.

### 9. EXCHANGE RATES

The functional and reporting currency of the Company is U.S. Dollars. The Company prepares its valuation in U.S. Dollars

The following exchange rates have been used to translate assets and liabilities in currencies other than U.S. Dollar as at:

<b>30 June 2008</b>	For USD 1.00
Australian Dollar	1.0360
Great British Pound	0.5019
Hong Kong Dollar	7.7979
Indonesian Rupiah	9,222
Korean Won	1,045.65
Malaysian Ringgit	3.2700
Singapore Dollar	1.3583
Thai Baht	33.445
Taiwan Dollar	30.355



# Prusik Asian Smaller Companies Fund Plc

Semi-Annual Report and Financial Statements  
(Unaudited)

## Notes to the Financial Statements

### 10. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS

In pursuing the investment objectives set out in the Prospectus, the Company may hold a number of financial instruments. These comprise:

- Equity securities, convertible bonds, depository receipts, and warrants plus other securities such as investment grade fixed or floating rate bonds, and preference shares, issued by corporate and governmental issuers. These are held in accordance with the Company's investment objectives and policies;
- Cash, liquid resources and short-term debtors and creditors that arise directly from operations;
- Shareholders' funds which represent investors' monies which are invested on their behalf; and
- Derivative transactions, (primarily forward foreign currency contracts), the purpose of which is to manage the currency and market risks arising from the Company's investment activities.

The positions held by the Company at the period end are disclosed in the Portfolio of Investments.

### 11. RISK MANAGEMENT

In accordance with FRS29, this note details the way in which the Company manages risks associated with the use of financial instruments. Day-to-day risk management of the Company is undertaken by the Investment Manager. Investment in the Company carries with it a degree of risk including, but not limited to, the risks referred to below.

As defined by FRS29, risk can be separated into the following components: market risk, credit risk and liquidity risk. Each type of risk is discussed in turn and qualitative and quantitative analyses are provided where relevant to give the reader an understanding of the risk management methods used by the Investment Manager and Board of Directors.

#### **Market Risk**

This risk comprises of three main types of risk, Market Price Risk, Currency Risk and Interest Rate Risk.

#### *Market Price Risk*

The investments of the Company are subject to normal market fluctuations and the risks inherent in investment in various securities markets and there can be no assurances that appreciation will occur. Stock markets can be volatile and stock prices can change substantially.

The Company invests in equity securities of companies in emerging markets. Such securities involve a high degree of risk and may be considered speculative. Risks include (i) greater risk of expropriation, confiscatory taxation, nationalisation, and social, political and economic instability; (ii) the small current size of the markets for securities of emerging markets issuers and the currently low or non-existent volume of trading, resulting in lack of liquidity and in price volatility, (iii) certain national policies which may restrict the Company's investment opportunities including restrictions on investing in issuers or industries deemed sensitive to relevant national interests; and (iv) the absence of developed legal structures governing private or foreign investment and private property.

#### *Currency Risk*

Currency Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises on financial instruments that are denominated in a currency other the functional currency in which they are measured. The net asset values per share of the Company are computed in U.S. Dollars whereas the investments of the Company may be acquired, valued and disposed of in other currencies. The U.S. Dollar value of the investments of the Company designated in another currency may rise and fall due to exchange rate fluctuations in respect of the relevant currency.

#### *Interest Rate Risk*

This risk is defined as the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The value of investments in interest rate bearing securities may be subject to price volatility due to changes in interest rates. An increase in interest rates will generally reduce the value of debt securities that are issued and outstanding, while a decline in interest rates will generally increase the value of debt securities that are issued and outstanding.

The Company has no exposure to Interest Rate Risk as at 30 June 2008.

# Prusik Asian Smaller Companies Fund Plc

Semi-Annual Report and Financial Statements  
(Unaudited)

## Notes to the Financial Statements

### 11. RISK MANAGEMENT (continued)

#### Credit Risk

The Company takes on exposure to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

#### Liquidity Risk

This is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company is exposed to daily cash redemptions of redeemable participating shares. It therefore invests the majority of its assets in investments that are traded in an active market and can be readily disposed of. The Company's listed securities are considered readily realisable as they are listed on the stock exchange or dealt in on another regulated market. Some of the Recognised Exchanges in which the Company may invest may be less well regulated than those in developed markets and may prove to be illiquid, insufficiently liquid or highly volatile from time to time. This may affect the price at which the Company may liquidate positions to meet redemption requests or other funding requirements

#### Investment Manager

##### Prusik Investment Management LLP

The Company's investment objective is to engineer capital growth primarily by investing in companies operating in the Asian region including , Australia, New Zealand, Hong Kong, Taiwan, South Korea, China, India, Sri Lanka, Pakistan, Thailand, Indonesia, Malaysia, Singapore and the Philippines. The Company's objective is to focus principally on select investments in fundamentally sound businesses which the Investment Manager believes can be acquired at an attractive discount to their intrinsic value. The Company generally seeks to invest, on average, in companies which have a price to book value ratio and a price/earnings ratio below the level prevailing in the market of that sector. The Company also seeks companies which the Investment Manager believes will achieve a rising return to Shareholders over the foreseeable future. The Company pursues its investment objective primarily by taking long positions in publicly traded common stocks and other equity securities of Asian issuers.

#### Market Risk

The Investment Manager adopts a bottom up, stock selection approach when constructing the portfolio. The Investment Manager selects stocks on Asian issuers which they believe have an attractive discount to their intrinsic value.

The table below compares the annualised volatility of the Company to a number of indices for the markets to which the Company has exposure during the period ended 30 June 2008.

	30 June 2008
	%
Prusik Asian Smaller Companies Fund	10.57
MSCI AC Asia Pacific Ex-Japan	21.99
MSCI Taiwan	22.73
MSCI India	27.42
MSCI Korea	21.71
MSCI Singapore	21.56
MSCI Australia	19.90
MSCI Hong Kong	23.65
MSCI China	34.33
MSCI Indonesia	27.42
MSCI Malaysia	18.01
MSCI Pakistan	24.86
MSCI Philippines	25.09
MSCI Thailand	25.99
MSCI New Zealand	14.79

# Prusik Asian Smaller Companies Fund Plc

Semi-Annual Report and Financial Statements  
(Unaudited)

## Notes to the Financial Statements

### 11. RISK MANAGEMENT (continued)

#### Market Risk (continued)

The following table lists exchange exposure, reasonably possible market movements and their impact to the Company. This exposure can result in an equal percentage decrease.

As at 30 June 2008

<b>Exchange</b>	<b>Exchange Exposure USD</b>	<b>Reasonable % Movement in Exchange</b>	<b>Impact on Profit or Loss and Equity USD</b>
ASX	1,151,747	19.90	229,198
Hong Kong	2,011,947	23.65	475,825
Indonesia	565,608	27.42	155,090
Kuala Lumpur	865,210	18.01	155,824
Singapore	1,435,890	21.56	309,578
Taiwan	1,477,775	22.73	335,898
<b>Total</b>	<b>7,508,179</b>		<b>1,661,413</b>
<b>Net Assets Attributable to Holders of Redeemable Participating Shares</b>			<b>14,812,629</b>
<b>% Impact of reasonable movement in exchange</b>			<b>11.22</b>

Percentage movements are based on expected movements of the relevant indices. Observation that in practice, the actual trading results may differ from the sensitivity analysis above and the differences could be material.

Details of the Company's financial assets at fair value through profit or loss concentrated by geographical and industrial distribution are included in the Portfolio of Investments.

#### Currency Risk

Assets of the Company may be denominated in a currency other than the base currency of the Company and changes in the exchange rate between the base currency and the currency of the asset may lead to a depreciation of the value of the Company's assets as expressed in the base currency.

The Investment Manager does not hedge the potential foreign currency risk at an investment level as they believe that currency risk is inherent in the market price of the investment and that over time, in the long term perspective, the investments will even out respective to currency fluctuations.

# Prusik Asian Smaller Companies Fund Plc

Semi-Annual Report and Financial Statements  
(Unaudited)

## Notes to the Financial Statements

### 11. RISK MANAGEMENT (continued)

#### Currency Risk (continued)

The following sets out the total exposure to currencies other than the U.S. Dollar, possible currency movements over the course of a year and the impact of a movement of the size indicated on the net assets of the Company based on the currency exposure as at 30 June 2008

Currency	Amount in USD	Hedging USD	Net Exposure USD	Reasonable % movement in Currency	Impact to Profit and Loss and Equity USD
Australian Dollar	1,253,113	-	1,253,113	11.12	139,346
Great British Pound	481,122	697,460	1,178,582	7.13	84,033
Hong Kong Dollar	2,011,947	-	2,011,947	0.64	12,876
Indonesian Rupiah	578,224	12,724	590,948	5.45	32,207
Malaysian Ringgit	866,648	1,437	868,085	6.80	59,030
Singapore Dollar	1,435,890	323,861	1,759,751	4.94	86,932
Taiwan Dollar	1,354,258	2,827,230	4,181,488	15.88	664,020
<b>Total</b>	<b>7,981,202</b>		<b>11,843,914</b>		<b>1,078,444</b>
<b>Net Assets Attributable to Holders of Redeemable Participating Shares</b>					<b>14,812,629</b>
<b>% Impact of reasonable movement in exchange</b>					<b>7.28</b>

The following sets out the total exposure to currencies other than the U.S. Dollar, possible currency movements over the course of a year and the impact of a movement of the size indicated on the net assets of the Company based on the currency exposure as at 30 June 2008. Observation that in practice, the actual trading results may differ from the sensitivity analysis above and the differences could be material.

#### Interest Rate Risk

The Company invests in equity securities and has limited or no exposure to Interest Rate Risk.

#### Credit Risk

The Company invests in equity securities and has limited or no exposure to Credit Rate Risk. All financial assets and financial liabilities at fair value through profit or loss are held with the Custodian. All unsettled trades at period end have subsequently settled with the Custodian. Details of the Company's financial assets and financial liabilities at fair value through profit or loss are included in the Portfolio of Investments.

#### Liquidity Risk

The Company manages its liquidity risk by investing the majority of its assets in investments that are traded in an active market and can be readily disposed of. All of the Company's securities are exchanged in Regulated Markets. The Company has the ability to borrow in the short term to ensure settlement of potential daily cash redemptions of redeemable participating shares. No such borrowings have arisen during the period ending 30 June 2008.

# Prusik Asian Smaller Companies Fund Plc

Semi-Annual Report and Financial Statements  
(Unaudited)

## Notes to the Financial Statements

### 11. RISK MANAGEMENT (continued)

#### Liquidity Risk (continued)

The maturity profiles of the Company's Financial Liabilities as of 30 June 2008 are as follows:

#### Liabilities

Financial Liabilities at fair value through profit or loss	-	-	-
Investments Payable	-	-	-
Payable for redemption of redeemable participating shares	-	-	-
Other Payables	-	98,816	98,816
Redeemable Shares	14,812,629	-	14,812,629
Total Liabilities	14,812,629	98,816	14,911,445

### 12. 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 statement purposes are required by FRS 26 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 2008 the difference between the NAV required by FRS 26 and the NAV at which redeemable shares are issued and redeemed is detailed in the table below.

#### Net Asset Value reconciliation

	<b>30 June 2008</b>
	<b>USD</b>
Valuation in accordance with Prospectus	14,812,629
Adjustment for bid and offer pricing	(113,630)
Valuation in accordance with FRS26	<u>14,698,999</u>

#### Dealing NAV analysis

		<b>As at 20 June 2008</b>	
		<b>Net Assets</b>	<b>NAV per Share</b>
Class A Dollar Non-Distributing Class	USD	13,704,907	95.07
Class B Dollar Distributing Class	USD	805,170	95.06
Class C Sterling Distributing Class	GBP	241,570	48.14

# Prusik Asian Smaller Companies Fund Plc

Semi-Annual Report and Financial Statements  
(Unaudited)

## Notes to the Financial Statements

### 13. PORTFOLIO ANALYSIS

As at 30 June 2008

	<b>Market Value USD</b>	<b>% of Net Asset Value</b>
Transferable securities admitted to an official exchange listing	6,356,433	42.91
Transferable securities dealt on another regulated market	1,151,746	7.78
Financial derivative instruments dealt on regulated market	-	-
Ancillary liquid assets	6,122	0.04
<b>Total Financial Assets at fair value through profit or loss</b>	<b><u>7,514,301</u></b>	<b><u>50.73</u></b>

### 14. SUBSEQUENT EVENTS

There were no material post balance sheet events.

### 15. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved by the Directors on 19 August 2008.

# Prusik Asian Smaller Companies Fund Plc

Semi-Annual Report and Financial Statements  
(Unaudited)

## Portfolio of Investments

<b>Common Stocks &amp; Equity Linked Notes</b>	<b>Shares</b>	<b>Value USD</b>	<b>Percent of Net Assets</b>
<b>Financial Assets at fair value through profit or loss</b>			
<b>Australia</b>			
<b>Basic Materials</b>			
Sino Gold Mining Ltd.	71,400	389,392	2.63
<b>Consumer, Non-cyclical</b>			
PrimeAg Australia Ltd.	200,000	343,629	2.32
<b>Energy</b>			
Sydney Gas Ltd.	300,000	112,934	0.76
<b>Industrial</b>			
Industrea Ltd.	660,000	305,792	2.07
<b>Total Australia</b>		<b>1,151,747</b>	<b>7.78</b>
<b>Cayman Islands</b>			
<b>Consumer, Cyclical</b>			
Sunlink International Holdings Ltd.	2,800,000	247,758	1.67
Xinyu Hengdeli Holdings Ltd.	400,000	148,758	1.00
		396,516	2.67
<b>Total Cayman Islands</b>		<b>396,516</b>	<b>2.67</b>
<b>China/Hong Kong</b>			
<b>Basic Materials</b>			
Samling Global Ltd.	1,654,000	254,530	1.72
<b>Consumer, Cyclical</b>			
Texwinca Holdings Ltd.	450,000	374,524	2.53
<b>Consumer, Non-cyclical</b>			
Chaoda Modern Agriculture	238,000	300,327	2.03
<b>Industrial</b>			
China Farm Equipment Ltd.	836,000	267,731	1.80
Wasion Meters Group Ltd.	764,000	285,108	1.92
		552,839	3.72
<b>Technology</b>			
Ju Teng International Holdings Ltd.	962,000	400,941	2.71
<b>Total China/Hong Kong</b>		<b>1,883,161</b>	<b>12.71</b>

# Prusik Asian Smaller Companies Fund Plc

Semi-Annual Report and Financial Statements  
(Unaudited)

## Portfolio of Investments (continued)

<u>Common Stocks &amp; Equity Linked Notes (continued)</u>	<u>Shares</u>	<u>Value USD</u>	<u>Percent of Net Assets</u>
<b>Indonesia</b>			
<b>Basic Materials</b>			
Sumalindo Lestari Jaya Tbk PT	1,097,500	164,232	1.11
<b>Consumer, Non-cyclical</b>			
Bisi International PT	640,000	350,466	2.37
<b>Industrial</b>			
Duta Graha Indah Tbk PT	4,082,500	50,910	0.34
<b>Total Indonesia</b>		<b>565,608</b>	<b>3.82</b>
<b>Malaysia</b>			
<b>Basic Materials</b>			
Kinsteel BHD	531,100	242,000	1.63
<b>Diversified</b>			
Lion Diversified Holdings BHD	470,000	179,664	1.21
<b>Industrial</b>			
Ta Ann Holdings BHD	127,000	260,214	1.76
WTK Holdings BHD	275,000	183,333	1.24
		443,547	3.00
<b>Total Malaysia</b>		<b>865,211</b>	<b>5.84</b>
<b>Singapore</b>			
<b>Communications</b>			
Global Voice Group Ltd.	4,643,000	188,003	1.27
<b>Consumer, Non-cyclical</b>			
Del Monte Pacific Ltd.	681,000	310,844	2.10
Kingsmen Creatives Ltd.	375,000	111,813	0.75
		422,657	2.85
<b>Industrial</b>			
Asia Environment Holdings Ltd.	850,000	294,118	1.99
Sino-Environment Technology Group Ltd.	265,000	263,381	1.78
		557,499	3.77
<b>Total Singapore</b>		<b>1,168,159</b>	<b>7.89</b>
<b>Taiwan</b>			
<b>Basic Materials</b>			
Tung Ho Steel Enterprise Corp.	156,000	280,086	1.89



# Prusik Asian Smaller Companies Fund Plc

Semi-Annual Report and Financial Statements  
(Unaudited)

## Portfolio of Investments (continued)

<b>Common Stocks &amp; Equity Linked Notes (continued)</b>	<b>Shares</b>	<b>Value USD</b>	<b>Percent of Net Assets</b>
<b>Consumer, Cyclical</b>			
Sanyo Electric Taiwan Co., Ltd.	180,000	176,116	1.19
<b>Industrial</b>			
Chia Hsin Cement Corp.	280,000	199,704	1.35
Chroma ATE Inc.	90,000	185,900	1.25
Gold Circuit Electronics Ltd.	150,000	84,253	0.57
Goldsun Development & Construction Co., Ltd.	150,000	74,123	0.50
Goldsun Development & Construction Co., Ltd. - P Note *	250,000	123,518	0.84
Hannstar Board Corp.	160,000	144,161	0.97
Shihlin Electric & Engineering Corp.	180,000	209,916	1.42
		1,021,575	6.90
<b>Total Taiwan</b>		<b>1,477,777</b>	<b>9.98</b>
<b>Total Commons Stocks (Cost USD 8,397,897 )</b>		<b>7,508,179</b>	<b>50.69</b>

\* NVDR denotes Non Voting Depositary Receipt

## Forward Currency Contracts Open as of June 30, 2007

<b>Currency Purchased</b>	<b>Principal Amount</b>	<b>Currency Sold</b>	<b>Currency Market Value USD</b>	<b>Aggregate Face Value USD</b>	<b>Settle Date</b>	<b>Unrealised Gain USD</b>	<b>Percent of Net Assets</b>
GBP	241,952	USD	481,122	475,000	25-Jul-08	6,122	0.04
<b>Total</b>	<b>241,952</b>		<b>481,122</b>	<b>475,000</b>		<b>6,122</b>	<b>0.04</b>

<b>Total Financial Liabilities at fair value through profit or loss</b>	<b>7,514,301</b>	<b>50.73</b>
<b>Other assets in excess of liabilities</b>	<b>7,298,600</b>	<b>49.27</b>
<b>Net assets attributable to holders of redeemable participating shares</b>	<b>14,812,901</b>	<b>100.0</b>

# Prusik Asian Smaller Companies Fund Plc

Semi-Annual Report and Financial Statements  
(Unaudited)

## Statements of Changes in Composition of Portfolio

<b>Major Purchases for the period ended 30 June 2008</b>	<b>Shares or Principal Amount or Par</b>	<b>Cost USD</b>
Goldsun Development & Construction Co., Ltd.	998,000	635,746
Ambassador Hotel/The	341,000	539,064
Sumalindo Lestari Jaya Tbk PT	2,137,500	537,218
Polaris Securities Co., Ltd.	873,000	532,466
Sanyo Electric Taiwan Co., Ltd.	430,000	531,268
Kinsteel Bhd	1,000,000	453,735
Gujarat NRE Coke Ltd.	95,000	401,155
WTK Holdings BHD	520,000	381,891
Texwinca Holdings Ltd.	450,000	378,738
Ju Teng International Holdings Ltd.	962,000	373,027
PrimeAg Australia Ltd.	200,000	366,938
Ta Ann Holdings Bhd	168,000	364,256
Sino Gold Mining Ltd.	71,400	359,727
Del Monte Pacific Ltd.	681,000	341,698
ENE Technology, Inc.	106,000	335,495
Wasion Group Ltd.	764,000	330,972
Panoramic Resources Ltd.	70,000	323,321
Chaoda Modern Agriculture	238,000	320,652
Industrea Ltd.	660,000	315,715
Samling Global Ltd.	1,654,000	313,687
Tang Eng Iron Works Co., Ltd.	200,000	312,055
Xiwang Sugar Holdings Co., Ltd.	680,000	309,161
Sydney Gas Ltd.	1,210,949	308,722
Chroma ATE, Inc.	131,000	308,173
Tung Ho Steel Enterprise Corp.	156,000	306,719
Asia Environment Holdings Ltd.	850,000	304,835
CDL Hospitality Trusts	200,000	304,142
Bisi International PT	640,000	303,443
Global Voice Group Ltd.	4,643,000	301,528
Sunlink International Holdings Ltd.	2,800,000	298,784
Sino-Environment Technology Group Ltd.	265,000	291,991
Huaku Development Co., Ltd.	88,000	290,189
China Farm Equipment Ltd.	836,000	288,395
Highwealth Construction Corp.	262,000	280,999
Dah Sing Financial Holdings Ltd.	38,000	258,209
Shihlin Electric & Engineering Corp.	180,000	255,692
Chia Hsin Cement Corp.	280,000	253,567
Duta Graha Indah Tbk PT	12,500,000	248,507
Jaya Holdings Ltd.	250,000	247,978
Swiber Holdings Ltd.	130,000	234,430
Lion Diversified Holdings BHD	500,000	221,153
See Hup Seng Ltd.	725,000	220,290
Gold Circuit Electronics Ltd.	250,000	191,985
Xinyu Hengdeli Holdings Ltd.	400,000	191,412
Univanich Palm Oil PCL	85,000	184,604
Khon Kaen Sugar Industry PCL.	397,900	184,045
Hannstar Board Corp.	160,000	157,596

# Prusik Asian Smaller Companies Fund Plc

Semi-Annual Report and Financial Statements  
(Unaudited)

## Statements of Changes in Composition of Portfolio (continued)

<b>Major Sales for the period ended 30 June 2008</b>	<b>Shares or Principal Amount or Par</b>	<b>Proceeds USD</b>
Ambassador Hotel/The	341,000	588,192
Polaris Securities Co., Ltd.	873,000	554,491
Sydney Gas Ltd.	910,949	398,286
Goldsun Development & Construction Co., Ltd.	598,000	384,068
Highwealth Construction Corp.	262,000	373,147
Sanyo Electric Taiwan Co., Ltd.	250,000	323,150
Gujarat NRE Coke Ltd.	95,000	316,020
Panoramic Resources Ltd.	70,000	304,936
Huaku Development Co., Ltd.	88,000	287,202
CDL Hospitality Trusts	200,000	280,639
ENE Technology, Inc.	106,000	278,700
Sumalindo Lestari Jaya Tbk PT	1,040,000	269,909
Dah Sing Financial Holdings Ltd.	38,000	265,354
Xiwang Sugar Holdings Co., Ltd.	680,000	264,660
Jaya Holdings Ltd.	250,000	255,744
Kinsteel Bhd	468,900	215,336
Tang Eng Iron Works Co., Ltd.	200,000	209,500
Swiber Holdings Ltd.	130,000	188,459
Univanich Palm Oil PCL	85,000	183,660
Khon Kaen Sugar Industry PCL	397,900	167,985
See Hup Seng Ltd.	725,000	166,129
WTK Holdings BHD	245,000	162,779
Duta Graha Indah Tbk PT	8,417,500	124,707
China Everbright International Ltd.	300,000	107,410
Chroma ATE, Inc.	41,000	85,026
Ta Ann Holdings Bhd	41,000	81,084

# Prusik Asian Smaller Companies Fund Plc

Semi-Annual Report and Financial Statements  
(Unaudited)

## Directors and Other Information

### BOARD OF DIRECTORS

David Hammond  
Heather Manners  
Richard Hayes

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