

Prusik Asian Equity Income Fund



LONG ONLY ABSOLUTE RETURN INVESTING IN ASIA

PRUSIK

29 June 2018

Monthly Fund Fact Sheet

Investment Objective

To select a portfolio of equity investments in the Asia Pacific ex-Japan region with above average dividend yields and which have the ability to grow their dividends over time. The fund aims to outperform the MSCI Asia Pacific ex-Japan index by 5-10% annually whilst growing its dividend over time.

Fund Facts

Fund size (USD)	929.0m
Launch date	31 December 2010
Fund Manager	Tom Naughton
Fund Structure	UCITS III
Domicile	Dublin
Currencies	USD (base), GBP, SGD
Index	MSCI Asia Pacific ex Japan Index

Performance - Class B USD (%)

	Fund	Index
1 Month	-4.76	-3.69
3 Month	-4.62	-3.52
Year to Date	-7.09	-4.05
Since Launch	160.54	42.14
Annualised [†]	13.63	4.80

Source: Morningstar.

Launch Date: B: 31.12.10

[†]Since Launch Performance

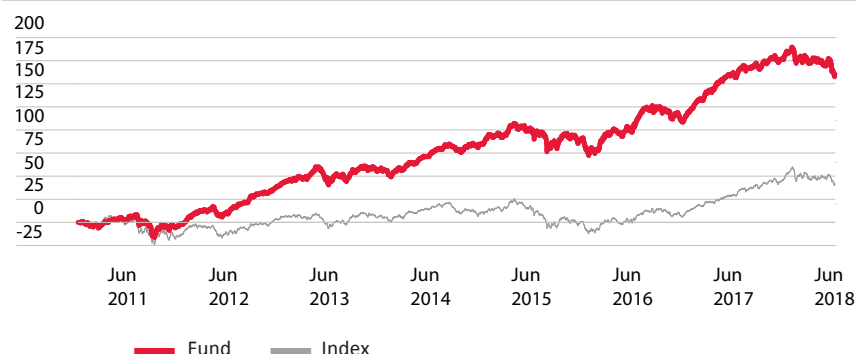
Investment Process

The process is both quantitative and qualitative with the latter dominating. The universe is screened for those high dividend stocks which have the greatest ability to sustain and grow their dividends over time. A particular emphasis is placed on identifying those companies with exceptional franchises, annuity like cash flows and pricing power which are trading at significant discounts to intrinsic value.

Dividend Dates

Dividends paid twice annually (January and July)

Fund Performance - Class B USD (%)



Source: Morningstar. Total return net income reinvested.

Fund Manager Commentary

The reason for the poor performance of the fund in June was primarily due to a large fall in the price of **Beijing Capital Airport** which fell by 29% and detracted 155bps. The Ministry of Finance informed the company that, from October this year, it will no longer be entitled to receive a share of the Airport Construction Fee passenger tax which represented approximately 20% of the company's cash flows and accounted for 15% of our valuation. We continue to believe that the stock is deeply undervalued and will benefit from the increasing proportion of international flights as domestic flights shift to the new airport which will open next year. The stock trades on 6.5x EV/EBITDA (on revised estimates) compared to regional airports on 15-20x EV/EBITDA.

The fund will go ex-dividend on 2 July paying US 4.61 per share which is up 18% on the same period last year, reflecting both the higher yield of the portfolio as well as the lower cash position.

All data as at 29.06.18. Source: Prusik Investment Management LLP, unless otherwise stated.

Prusik Asian Equity Income Fund



Top 5 Holdings (%)

CK Hutchison Holdings Ltd	5.7
Samsung Electronics Co Ltd - Pref	5.5
Power Grid Corporation of India	4.8
Zhejiang Expressway	4.8
Beijing Capital International Airport	4.5
Total Number of Holdings	33

Portfolio Financial Ratios

Predicted Price/Earnings Ratio	11.2x
Predicted Return on Equity (%)	15.0
Predicted Dividend Yield (%)	5.3

Risk Metrics

Tracking Error (% pa)	9.38
Beta	0.78
Alpha	9.21
Volatility (%)	13.45
Sharpe ratio	1.41

Thematic Breakdown (%)

Transport Infrastructure	28.3	
Communications Infrastructure	18.9	
Power Utilities	13.3	
Financials	10.7	
Real Estate	7.8	
Cheung Kong / Hutchison	5.7	
Technology	5.5	
Consumer	5.1	
Cash	4.8	

Geographical Breakdown (%)

Hong Kong	25.0	
China	15.3	
Australia	10.6	
India	10.6	
Korea	9.6	
Thailand	6.5	
New Zealand	6.1	
Indonesia	5.3	
Cash	4.8	
Singapore	2.6	
Philippines	2.3	
Pakistan	1.4	

All data as at 29.06.18. Source: Prusik Investment Management LLP, unless otherwise stated.

Management Fees

Annual Management Fee

1.0% p.a. Paid monthly in arrears

Performance Fee

Class 1: None

Class 2 and Class U: 10% of the net out-performance of the MSCI Asia Pacific ex-Japan Index, with a high-water mark paid quarterly.

Temporary Front End Charge:

3% introduced on 2nd December 2013 paid to the benefit of the fund.

Dealing

Dealing Line	+353 1 603 6490
Administrator	Brown Brothers Harriman (Dublin)
Dealing Frequency	Daily
Valuation Point	11am UK time
Dealing Cut-off	5pm UK time
Min. Initial Subscription	USD 10,000
Min. Subsequent Subscription	USD 5,000

Share Class Details

Class 1	Sedol	ISIN	Month-end NAV
A USD Unhedged Non distributing	B4MK5Q6	IE00B4MK5Q67	268.02
B USD Unhedged Distributing	B4QVD94	IE00B4QVD949	196.22
C GBP Hedged Distributing	B4Q6DB1	IE00B4Q6DB12	192.47
D SGD Hedged Distributing	B4NFJT1	IE00B4NFJT16	187.92

Class 1 shares were closed to further investment on 30th November 2012.

Class 2	Sedol	ISIN	Month-end NAV
X USD Unhedged Distributing	B4PYCL9	IE00B4PYCL99	175.29
Y GBP Hedged Distributing	B4TRL17	IE00B4TRL175	172.64
Z SGD Hedged Distributing	B6WDYZ1	IE00B6WDYZ18	174.35

Class 2 shares were soft closed to new investors as of 30th November 2012. Performance fee based on individual investor's holding.

Class U	Sedol	ISIN	Month-end NAV
U GBP Unhedged Distributing	BBP6LK6	IE00BBP6LK66	167.95

Class U shares are open to current investors only. Performance fee based on fund performance as a whole.

This document is issued by Prusik Investment Management LLP and is for private circulation and information purposes only. Prusik Investment Management LLP is authorised and regulated by the Financial Conduct Authority in the United Kingdom and in the United States of America by the Securities and Exchange Commission as an Exempt Reporting Adviser. The information contained in this document is strictly confidential and does not constitute investment advice, nor an offer or solicitation to buy or sell any securities and or derivatives or to make any investment decision and may not be reproduced, distributed or published by any recipient for any purpose without the prior written consent of Prusik Investment Management LLP.

The value of investments and any income generated may go down as well as up and is not guaranteed. You may not get back the amount originally invested. Past performance is not a guide to, or indicative of, future results. Changes in exchange rates may have an adverse effect on the value, price, or income of investments.

The information and opinions contained in this document are for background purposes only, and do not purport to be full or complete. Please refer to the fund prospectus for more detail. The information given is not exhaustive and does not constitute legal or tax advice. Prospective investors and investors alike should consult their own professional advisers as to the implications of their subscribing for, purchasing, holding, switching or disposing of shares under the laws of the jurisdictions in which they may be subject to tax. No representation, warranty, or undertaking, express or limited, is given as to the accuracy or completeness of the information or opinions contained in this document by any of Prusik Investment Management LLP, its partners or employees and no liability is accepted by such persons for the accuracy or completeness of any such information or opinions. As such, no reliance may be placed for any purpose on the information and opinions contained in this document.