

Prusik Asian Equity Income Fund



LONG ONLY ABSOLUTE RETURN INVESTING IN ASIA

PRUSIK

31 December 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) | 866.4m |
| 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 | 0.21 | -2.74 |
| 3 Month | -2.91 | -8.82 |
| 2018 | -9.52 | -13.68 |
| Since Launch | 153.72 | 27.87 |
| Annualised [†] | 12.34 | 3.12 |

Source: Morningstar.

Launch Date: B: 31.12.10

[†]Since Launch Performance

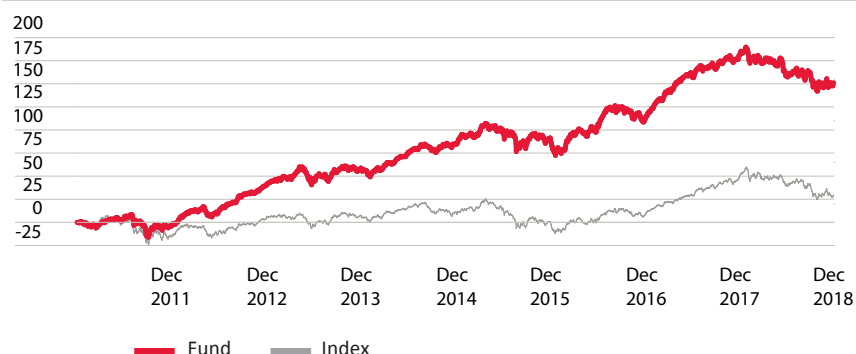
Investment Process

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 fund held up well in December helped by strong performances from our Indonesian and Indian portfolios. In addition, the cash level rose slightly as we prepared to pay the dividend in early January.

Although the fund outperformed the market by 4% in 2018, we believe we should have done far better as the market conditions were very favourable to our style of investing and our failure to capitalise on this was regrettable. We will discuss the reasons for this in more detail in the quarterly.

The portfolio appears attractively valued with a PE of 9.8x, a 5.6% dividend yield and trading at 1.1x Price to Book. We believe there is substantial upside if valuations revert to the mean. On average, since 2010, the portfolio we own today has traded at 13x P/E and our internal valuations are even higher.

All data as at 31.12.18. Source: Prusik Investment Management LLP, unless otherwise stated.

Prusik Asian Equity Income Fund



Top 5 Holdings (%)

| | |
|---------------------------------|-----|
| CK Hutchison Holdings Ltd | 5.8 |
| Power Grid Corporation of India | 5.2 |
| Zhejiang Expressway Co | 5.1 |
| Samsung Electronics Co Ltd | 4.9 |
| Swire Pacific Ltd | 4.4 |
| Total Number of Holdings | 33 |

Portfolio Financial Ratios

| | |
|--------------------------------|------|
| Predicted Price/Earnings Ratio | 9.8x |
| Predicted Dividend Yield (%) | 5.6 |

Risk Metrics

| | |
|-----------------------|-------|
| Tracking Error (% pa) | 9.33 |
| Beta | 0.77 |
| Alpha | 9.31 |
| Volatility (%) | 13.54 |
| Sharpe Ratio | 1.27 |

Thematic Breakdown (%)

| | | |
|-------------------------------|------|--|
| Transport Infrastructure | 20.5 | |
| Communications Infrastructure | 15.8 | |
| Real Estate | 13.8 | |
| Power Utilities | 12.0 | |
| Financials | 11.4 | |
| Resources | 7.6 | |
| Cheung Kong / Hutchison | 5.8 | |
| Technology | 4.9 | |
| Consumer | 4.2 | |
| Cash | 4.0 | |

Geographical Breakdown (%)

| | | |
|-------------|------|--|
| Hong Kong | 37.3 | |
| Australia | 12.4 | |
| India | 11.9 | |
| China | 11.2 | |
| Korea | 8.9 | |
| Indonesia | 5.4 | |
| Cash | 4.0 | |
| Thailand | 3.4 | |
| Philippines | 3.1 | |
| Singapore | 2.4 | |

All data as at 31.12.18. 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 | 261.00 |
| B USD Unhedged Distributing | B4QVD94 | IE00B4QVD949 | 186.58 |
| C GBP Hedged Distributing | B4Q6DB1 | IE00B4Q6DB12 | 181.14 |
| D SGD Hedged Distributing | B4NFJT1 | IE00B4NFJT16 | 177.68 |

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 | 166.68 |
| Y GBP Hedged Distributing | B4TRL17 | IE00B4TRL175 | 162.48 |
| Z SGD Hedged Distributing | B6WDYZ1 | IE00B6WDYZ18 | 164.85 |

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 | 164.82 |

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

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