

Prusik Asian Equity Income Fund



LONG ONLY ABSOLUTE RETURN INVESTING IN ASIA

PRUSIK

30 December 2011

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 the time. The fund aims to out-perform the MSCI Asia Pacific ex-Japan index by 5-10% annually whilst growing its dividend over time.

Fund Facts

Fund Size (USD)	31.4m
Launch Date	31 December 2010
Fund Manager	Tom Naughton
Fund Structure	UCITS III
Domicile	Dublin
Currencies	USD (base), GBP, SGD

Performance (%)

	B USD	C GBP	D SGD
1 Month	1.79	1.83	1.58
3 Month	8.65	8.63	8.16
Year to Date	-3.96	-3.60	-6.73
Since Launch	-3.96	-3.60	-6.73

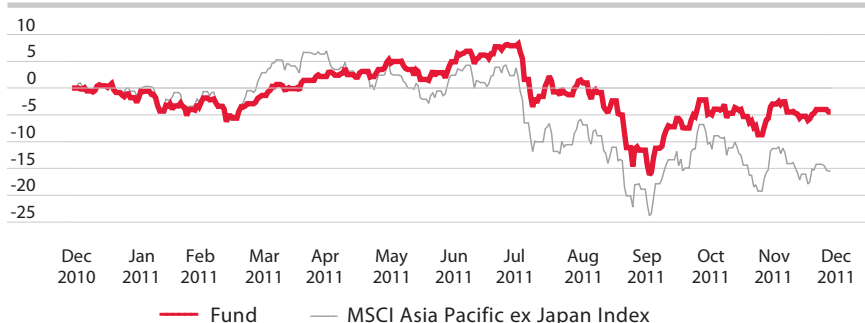
Source: Bloomberg.

*Launch Date: B: 31.12.10, C: 21.01.11, D: 31.12.10

Investment Process

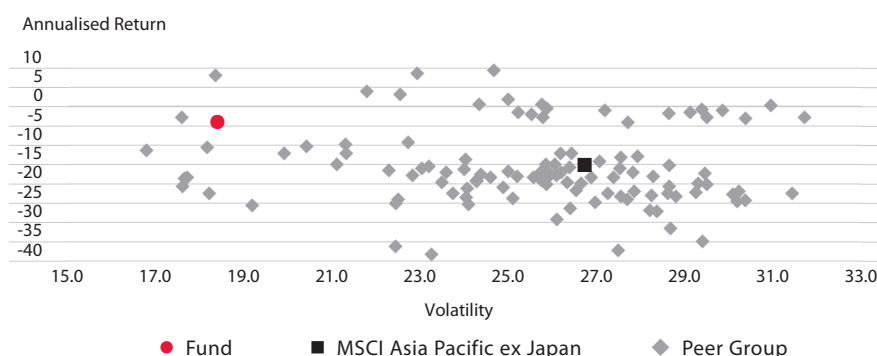
The process is both quantitative and qualitative with the latter dominating. The universe is screened for those high dividend stocks which have the greatest ability to sustain and grow their dividends over time. A particular emphasis is placed on identifying those companies with exceptional franchises,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

Fund Performance - Class B USD (%)



Source: Bloomberg. Total return net income reinvested. Since launch: 31.12.10

Risk Adjusted Performance - Class B USD (%)



Source: Bloomberg. Annualised return and 1 year volatility versus the peer group (open ended offshore Asia Pacific ex Japan Equity Index Fund), 31.12.10 to 30.12.11.

Fund Manager Commentary

The fund returned 1.8% in December compared to the market return of 0.1%. Contributors to performance include **Fortune REIT** (Hong Kong property malls), **Sunway Real Estate** (Malaysian property malls) and **BEC World** (Thai TV operator). Detractors included Hite Jinro (Korean brewer), **Merida Industries** (Taiwan bicycle manufacturer) and **Rural Electrification** (Indian power financing).

This month saw the continued "upgrading" of the portfolio with the addition of several new names which have very predictable earnings streams but for various reasons are disliked by the market and are therefore available at attractive prices. These include **Thai Beverages** (Thai liquor and beer producer), **Guangdong Investment** (Hong Kong/China water utility) and **Mapletree Commercial Trust** (Singapore property mall). These were funded in part by sales of companies that have either reached our target price and therefore do not offer sufficient upside (e.g. **BEC World** and **Guinness Anchor**). This recycling of capital is crucial to ensure that we generate attractive total returns at an acceptable level of risk. Although the stocks we sold are wonderful businesses, they do not offer sufficient upside for inclusion in the portfolio and therefore do not qualify as wonderful investments.

More detail about the current portfolio and performance will be provided in the upcoming quarterly fact sheet.

All data as at 30.12.11. Source: Prusik Investment Management LLP, unless otherwise stated.

Prusik Asian Equity Income Fund



Top 5 Holdings (%)

Anhui Expressway Co Ltd	4.1
Television Broadcasts Ltd	4.0
Power Assets Holdings Ltd	4.0
Merida Industry Co Ltd	4.0
KT&G Corp	3.9
Total Number of Holdings	34

Portfolio Financial Ratios

Predicted Price/Earnings Ratio	12.1x
Predicted Return on Equity (%)	18.7
Predicted Dividend Yield (%)	6.2

Thematic Breakdown (%)

Asian Consumer	33.5	
Core Infrastructure	33.0	
Retail Shopping Mall	13.8	
Asian Export Brand	6.8	
Real Estate Services	5.5	
Cash	3.1	
Quality Financials	2.3	
Niche Tech	2.0	

Geographical Breakdown (%)

Hong Kong/China	37.7	
Singapore	19.6	
Korea	8.7	
Thailand	8.7	
Malaysia	8.2	
Taiwan	6.0	
Australia	4.6	
Philippines	3.2	
Cash	3.1	

All data as at 30.12.11. 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

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	98.80
B USD Unhedged Distributing	B4QVD94	IE00B4QVD949	96.04
C GBP Hedged Distributing	B4Q6DB1	IE00B4Q6DB12	96.40
D SGD Hedged Distributing	B4NFJT1	IE00B4NFJT16	93.27

^{*}Class 1 will remain open to investors until the fund reaches USD50m. It will then soft close (to new investors) remaining open for current investors until the fund is USD100m. A new share class (Class 2) will be launched when Class 1 is approximately USD50m. This will carry a 1% AMC with a 10% performance fee, relative to the index.

Dividend Dates

Ex. Dividend: Interim 1 January, Final 1 July
Distribution: Interim end February, Final 31 August

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