PRUSIK UMBRELLA UCITS FUND PLC

(An open-ended investment company with variable capital established as an umbrella fund with segregated liability between sub-funds and established as a UCITS under the law of Ireland)

Prusik Asian Equity Income Fund

Annual Report and Audited Financial Statements
For the Financial Year Ended 31 December, 2015

Registered Number: 491099

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GENERAL INFORMATION

Prusik Umbrella UCITS Fund plc (the "Company") is an open-ended umbrella investment company with variable capital and segregated liability between sub-funds, incorporated on 5 November 2010 in Ireland pursuant to Part 24 of the Companies Act 2014 and authorized by the Central Bank (Supervision and Enforcement) Act 2013 (section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 (S.I. No. 420 of 2015) (the "Central Bank 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.

There is one Fund in existence as at 31 December 2015, the Prusik Asian Equity Income Fund (the "Fund") which was launched on 22 December 2010 as a sub-fund of the Company.

There are nine share classes available to investors of the Company:

- Class 2 X US Dollar Distributing Class (first issued on 30 March 2012)
- Class 2 Y Sterling Distributing Class (first issued on 30 March 2012)
- Class 2 Z Singapore Dollar Distributing Class (first issued on 30 March 2012)
- Class A US Dollar Non-Distributing Class (first issued on 25 March 2012)
- Class B US Dollar Distributing Class (first issued on 31 December 2010)
- Class C Sterling Distributing Class (first issued on 21 January 2011)
- Class D Singapore Dollar Distributing Class (first issued on 31 December 2010)
- Class E Singapore Dollar Distributing Class (first issued on 23 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 daily ("Dealing Day"). The valuation point is 11.00 am (Irish time) on each Dealing Day.

The most recent Prospectus of the Company is dated 18 July 2014.

Investment Objective

The investment objective of the Fund is to generate a combination of income and capital growth primarily by investing in equities and other securities of companies operating in, and governmental issuers located in the Asian region and elsewhere.

In pursuit of its investment objective the Fund invests in 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 in companies that can be bought at an attractive discount to their intrinsic value and generate income above average dividend yields. The Fund pursues its investment objective primarily by taking long positions in publicly traded common stocks and other equity securities of Asian issuers.

The Fund 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 Fund 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 (subject to a maximum of 10% of the NAV in unlisted securities), 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 Fund may invest in both short and long term Asian and foreign debt securities (such as fixed and/or floating rate bonds, notes and convertible bonds) of corporate issuers and government entities. The debt and other fixed income securities in which the Fund may invest will be of investment grade.

GENERAL INFORMATION (CONTINUED)

Investment Objective (continued)

The Fund may also invest in certain securities or markets, using forms of indirect investment including, participation notes on the underlying securities and Real Estate Investment Trusts ("REITS"), where such investment represents a more practical, efficient or less costly way of gaining exposure to the relevant security or market.

The Fund may utilize 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.

Pending investment of the proceeds of a placing or offer of Shares or where market or other factors so warrant, the Fund'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 Recognized 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.

DIRECTORS' REPORT

The Directors have pleasure in submitting their annual report together with the audited financial statements for Prusik Umbrella UCITS Fund plc (the "Company") for the financial year ended 31 December 2015.

The Company is organised in the form of an umbrella fund with segregated liability between sub-funds and currently has one sub-fund, the Prusik Asian Equity Income Fund (the "Fund"), in existence at the year end.

Directors' Responsibility Statement

Irish company law requires the Directors to prepare financial statements for each financial year that give a true and fair view of the assets, liabilities and financial position of the Company and of the profit or loss of the Company for that year. Under that law, the Directors have elected to prepare the financial statements in accordance with Generally Accepted Accounting Practice in Ireland, comprising applicable law and the accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland.

In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

In preparing financial statements, the Directors confirm that:

- there is no relevant audit information of which the Company's statutory auditors are unaware; and
- the Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's statutory auditors are aware of that information.

The Directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Company, and to enable them to ensure that the financial statements are prepared in accordance with accounting standards generally accepted in Ireland, and comply with the Irish Companies Act, 2014 (the "Companies Act") and the Central Bank (Supervision and Enforcement) Act 2013 (section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 (S.I. No. 420 of 2015) (the "Central Bank UCITS Regulations"). They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Under the Central Bank UCITS Regulations, the Directors are required to entrust the assets of the Company to the Custodian for safe-keeping. In carrying out this duty, the Company has delegated custody of the Company's assets to Brown Brothers Harriman Trustee Services (Ireland) Limited (the "Custodian").

Accounting Records

The measures taken by the Directors to secure compliance with the Company's obligation to keep adequate accounting records are the use of appropriate systems and procedures and employment of competent persons. The accounting records are kept at Brown Brothers Harriman Fund Administration Services (Ireland) Limited, 30 Herbert Street, Dublin 2, Ireland.

Directors

The names of the persons who were Directors at any time during the year to 31 December 2015 are set out below.

Heather Manners
David Hammond
Richard Hayes
Anthony Morris (Alternate Director)

DIRECTORS' REPORT (CONTINUED)

Directors' and Secretary's Interests

The following Directors held Shares in the Company as at 31 December 2015:

Heather Manners (Director)	241	Class E Singapore Dollar Distributing Class
Heather Manners (Director)	2,187	Class C Sterling Distributing Class

Other than those disclosed above, none of the Directors, the Secretary, nor their families hold or held any beneficial interests in the Company at 31 December 2015 or during the year.

Connected Parties

In accordance with the Central Bank UCITS Regulations 41(1), any transaction carried out with the Company by the Investment Manager, the Custodian and/or associated or group companies of these entities ("connected parties") must be carried out as if negotiated at arm's length. Such transactions must be in the best interest of the shareholders of the Company.

The Board of Directors of the Company is satisfied that (i) there are arrangements (evidenced by written procedures) in place to ensure that the obligations set out above are applied to all transactions with connected parties; and (ii) transactions with connected parties entered into during the year complied with these obligations.

Results, Activities and Future Developments

A review of the principal activities is included in the Investment Manager's Report.

Details of the assets, liabilities and financial position of the Company and results for the year ended 31 December 2015 are set out on pages 25 to 27. The Net Assets Attributable to Holders of Redeemable Participating Shares (for financial statement purposes) as at 31 December 2015 was US Dollar ("USD") 797,388,345 (USD 844,870,793*: 31 December 2014).

The Company will continue to pursue its objectives as set out in detail in the Prospectus.

Dividend and Distributions

The Directors have discretion from time to time to declare such distributions as may appear to them to be justified out of the net income accruing to the Fund in respect of each class of Shares of the Fund. The Fund has been granted reporting fund status by Her Majesty's Revenue and Customs ("HMRC"). As a consequence of the investment management fees and expenses being charged to the capital of the Fund, the capital may be eroded and the income of the Fund shall be achieved by foregoing the potential for future capital growth. Distributions made during the life of the Fund must therefore be understood as a type of capital reimbursement. Distributions paid during the year ended 31 December 2015 amounted to USD31,449,150 (37,869,588: 31 December 2014).

Risk Management

The risks defined by Financial Reporting Standard FRS 102 "Financial Instruments: Disclosures" ("FRS 102"), arising from the Company's financial instruments are market risk (including market price risk, currency risk and interest rate risk), credit risk and liquidity risk. Details of these risks and how they are monitored, and where possible, managed by the Company, are set out in Note 14 "Financial Risk Management" on pages 40 to 46.

*Prior year figures have been restated to comply with recent updates to accounting standards. Refer to summary of significant accounting policies for further information.

DIRECTORS' REPORT (CONTINUED)

Segregated Liability

The Company was established as an open-ended umbrella type investment company with variable capital and segregated liability between sub-funds.

Independent Auditors

The independent auditors, Ernst & Young Chartered Accountants, have indicated their willingness to continue in office in accordance with section 383(2) of the Companies Act, 2014.

Events during the Year

There were no events during the year that had a material effect on the financial statements.

Events since the Year End

In order to present performance data of the Fund in a more transparent manner, from 31 March 2016, a change has been made in the Performance Index used in the calculation of performance data from MXAPJ to the MSCI Asia Pacific ex-Japan Gross Return USD Index ("M2APJ").

Corporate Governance Statement

The Company is subject to and complies with Irish statute comprising the Companies Act, the Central Bank UCITS Regulations as applicable to investment funds. The Board of Directors (the "Board") voluntarily adopted the Corporate Governance Code for Irish Domiciled Collective Investment Schemes as published by the Irish Funds (the "IF Code") which came into effect on 1 January 2012. The Board has assessed the measures included in the IF Code as being consistent with its corporate governance practices and procedures for the financial year and there are no exceptions to be noted. Each of the service providers engaged by the Company is subject to their own corporate governance requirements.

Financial Reporting Process - Description of Main Features
The Board is responsible for establishing and maintaining adequate internal control and risk management systems of the Company in relation to the financial reporting process. Such systems are designed to manage rather than eliminate the risk of failure to achieve the Company's financial reporting objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board has established processes regarding internal control and risk management systems to ensure its effective oversight of the financial reporting process. These include appointing the Administrator to maintain the books and records. The Administrator is authorised and regulated by the Central Bank and must comply with the rules imposed by the Central Bank. The Administrator is also contractually obliged to prepare, for review and approval by the Board, the annual report, including financial statements intended to give a true and fair view, and the half yearly financial statements.

The Board evaluates and discusses significant accounting and reporting issues as the need arises. From time to time the Board may also examine and evaluate the Administrator's financial accounting and reporting routines while the Administrator has the responsibility in respect of monitoring the internal controls in relation to the financial reporting process.

Risk Assessment
The Board is responsible for assessing the risk of irregularities whether caused by fraud or error in financial reporting and ensuring the processes are in place for the timely identification of internal and external matters with a potential effect on financial reporting. The Board relies on the Administrator to identify changes in accounting rules and recommendations and to ensure that these changes are accurately reflected in the Company's financial statements.

Corporate Governance Statement (continued)

Control Activities
The Administrator maintains control structures to manage the risks over financial reporting. These control structures include appropriate division of responsibilities and specific control activities aimed at detecting or preventing the risk of significant deficiencies in financial reporting for every significant account in the financial statements and the related notes in the Company's annual report. Examples of control activities exercised by the Administrator include analytical review procedures, reconciliations and automated controls over IT systems.

Information and Communication
The Company's policies and the Board's consideration of areas of relevance for financial reporting on an annual basis are updated and communicated via appropriate channels, such as e-mail, correspondence and meetings to ensure that all financial reporting information requirements are met in a complete and accurate manner.

Monitoring
The Board receives regular presentations and reviews reports from the Custodian, Investment Manager and Administrator. The Board relies on the Administrator's process to ensure that appropriate measures are taken to consider and address the shortcomings identified and measures recommended by the Auditors.

Capital Structure
No person has any special rights of control over the Company's share capital.

There are no restrictions on voting rights.

Powers of the Directors
With regard to the appointment and replacement of Directors, the Company is governed by its Articles of Association, Irish statute comprising the Companies Act and the Central Bank UCITS Regulations as applicable to investment funds. The Articles of Association themselves may be amended by special resolution of the Shareholders.

The Board is responsible for managing the business affairs of the Company in accordance with the Articles of Association. The Directors may delegate certain functions to the Investment Manager and other parties, subject to the supervision and direction by the Directors. The Directors have delegated the day-to-day administration of the Company and the investment management and distribution functions to the Investment Manager, which has in turn delegated these functions to the Administrator and Investment Adviser, respectively. Consequently none of the Directors is an Executive Director.

Shareholder Meetings
The Annual General Meeting of the Company will usually be held in Ireland, normally within six months of the end of each financial year. Notice convening the Annual General Meeting in each year at which the audited financial statements of the Company will be presented (together with the Directors' and Independent Auditors' Reports of the Company) will be sent to Shareholders at their registered addresses not less than 21 clear days before the date fixed for the meeting. Other general meetings may be convened from time to time by the Directors in such manner as provided by Irish law.

Each of the Shares entitles the holder to attend and vote at meetings of the Company represented by those Shares. Matters may be determined by a meeting of Shareholders on a show of hands unless a poll is requested by any Shareholder having the right to vote at the meeting or unless the chairman of the meeting requests a poll.

No class of shares confers on the holder thereof any preferential or pre-emptive rights or any rights to participate in the profits and dividends of any other share class or any voting rights in relation to matters relating solely to any other share class.

DIRECTORS' REPORT (CONTINUED)

Corporate Governance Statement (continued)

Any resolution to alter the class rights of the Shares requires the approval of three quarters of the holders of the Shares represented or present and voting at a general meeting of the class. The quorum for any general meeting of the class convened to consider any alteration to the class rights of the Shares shall be such number of Shareholders being two or more persons whose holdings comprise one third of the Shares.

Each of the Shares other than Subscriber Shares entitles the Shareholder to participate equally on a pro-rata basis in the dividends and net assets of the Fund in respect of which the Shares have been issued, save in the case of dividends declared prior to becoming a Shareholder.

Subscriber Shares entitle the Shareholders holding them to attend and vote at all general meetings of the Company but do not entitle the holders to participate in the dividends or net assets of the Company.

Composition and Operation of Board and Committees
There are currently three Directors and one alternate Director, all of whom are Non-Executive Directors and two of whom are independent of the Investment Manager as required by the Irish Stock Exchange Listing Rules for investment funds. The Directors may be removed by the shareholders by ordinary resolution in accordance with the procedures established under the Companies Act. The Board meets at least quarterly. There are no sub-committees of the Board.

On behalf of the Board of Directors

Richard Hayes	**David Hammond**
Director	**Director**
25 April 2016	

INVESTMENT MANAGER'S REPORT

2015 Review

The fund returned 3.2% in 2015 compared to an 8.8% fall in the market. The biggest contributors were **Hutchison Whampoa**, **Indiabulls Housing Finance** and **Beijing Capital Airport**. The biggest detractors were **SK Telecom**, **Premium Leisure** and **Cheung Kong Property Holdings**.

5 year review

December 31st marked the 5 year anniversary of the fund. During that time the fund has returned 13.9% on an annualised basis compared to MSCI Asia Pacific ex-Japan which has returned 0.5%. This is above our target of 5-10% outperformance and so we are pleased with the performance over this time. Currency weakness (vs the US dollar) has detracted a little over 100bps on an annualised basis from these returns and so our local currency returns are close to the 15% absolute return level that we also target.

Overall we are happy with the performance of the fund. Of course, there are plenty of things that we could have improved on but also there are no doubt large amounts of good fortune involved as well. We can't predict what will happen to Asia over the next several years and without doubt the outlook is, shall we say, cloudy. All we can do is continue to try and improve the investment process (which I believe we have done since launch) and try and minimise the number of mistakes we make. I have confidence that the opportunity set is still attractive enough for us to generate similar returns in the next five years as we have done in the previous five. We are grateful to all our investors for their support and look forward to the next five years of partnership.

Evolution of the fund

Part of the challenge of running a fund is how to evolve the strategy whilst keeping the integrity and purpose of the fund intact. The key strength of our investment process is identifying companies that have below average risk, above average return potential and generating strong cash flows with minimal cyclical risk. At first, we were able to find many stocks that had those characteristics but in addition had above average dividend yields. As time went on, the price of many of these stocks got bid up and our choice was either to "chase yield" and sacrifice total returns or else accept lower yields and better return potential. We have always indicated that we would choose the latter course and fortunately our investors have backed that decision. Over time, we would expect that gap to increase and it is important for investors to note that we will ALWAYS trade "tens of basis points" of upfront dividend yield for "hundreds of basis points" of total return potential. Ultimately, our expertise is trying to generate attractive total returns from selecting stocks with the following characteristics

- High margins and return on capital
- Minimal economic cyclicality
- Appropriately geared balance sheets
- Excellent cash generation
- Management and owners that are competent "stewards" of the assets
- "Real" businesses (inflation protection) that are easy to understand
- Annuity like earnings
- Attractive dividend yield **or** high rate of return on reinvested capital
- Limited downside if we are "wrong" versus significant upside if we are "right"

These tenets, rather than a slavish desire to maximise dividend yield, will remain the tenets of the fund.

Mistakes

As readers will know, our view is that fund management is much more to do with how many mistakes you make and how you deal with those mistakes rather than dealing with the "winning" stocks.

We have performed a thorough review of the last 5 years to see what the biggest mistakes have been and how we can learn from them. We tried to find any common factors in what went wrong and we came up with the following characteristics:

- **Cyclical –** did the business do poorly as it was too tied into the economic cycle?
- **Balance sheet** – did the investment do badly because company had debt that was too high?
- **Valuation risk** – did we pay too high a price for the stock and lose because the valuation compressed (even if business didn't do too badly)
- **Earnings risk –** did investment do poorly because earnings were below expectations?
- **Foreseeable –** Is this something I could have predicted had I done better research/due diligence?
- **Regulation risk** – did I lose money because government changed regulations or didn't honour terms of existing regulatory framework?
- **Poor capital allocation** – was this a good business ruined because the company allocated the cash flows poorly?

We then looked at all the mistakes and classified them into one (or more) of the above categories

Conclusions:

- The biggest reason for losing money turned out to be earnings risk, usually combined with a cyclical component.
- Balance sheet, valuation or regulatory issues were rarely an issue
- In most cases I believe the risk was foreseeable and we could have avoided it with better analysis, better discipline. This has both positive and negative implications!
- Poor capital allocation was sometimes an issue
- Overall lesson is pay more attention to earnings risk – although bearing in mind that if the economy in Asia turns up then this might make us too risk averse

New positions during 2015

Power Grid

During the 4th quarter we continued to increase our weighting in India due largely to the addition of a new holding in **Power Grid**. Power Grid is a government owned power transmission company operating in India. Electricity transmission connects power producers to the local distribution companies. The company benefits from both the growth in power demand in India as well as the growing connectivity of the grid. Over 90% of their projects are guaranteed a 15.5% return on equity by the government which gives the earnings a high degree of predictability. Trading at 10x earnings with a 2% dividend yield we believe the upside potential is significant. The business can be valued in two parts. The existing projects we can assume continue to earn a 15.5% return on equity and can be valued as a zero growth, perpetual government bond. Then there is a value for the future business that they are expected to win as they have historically grown their assets by 10-15% annually.

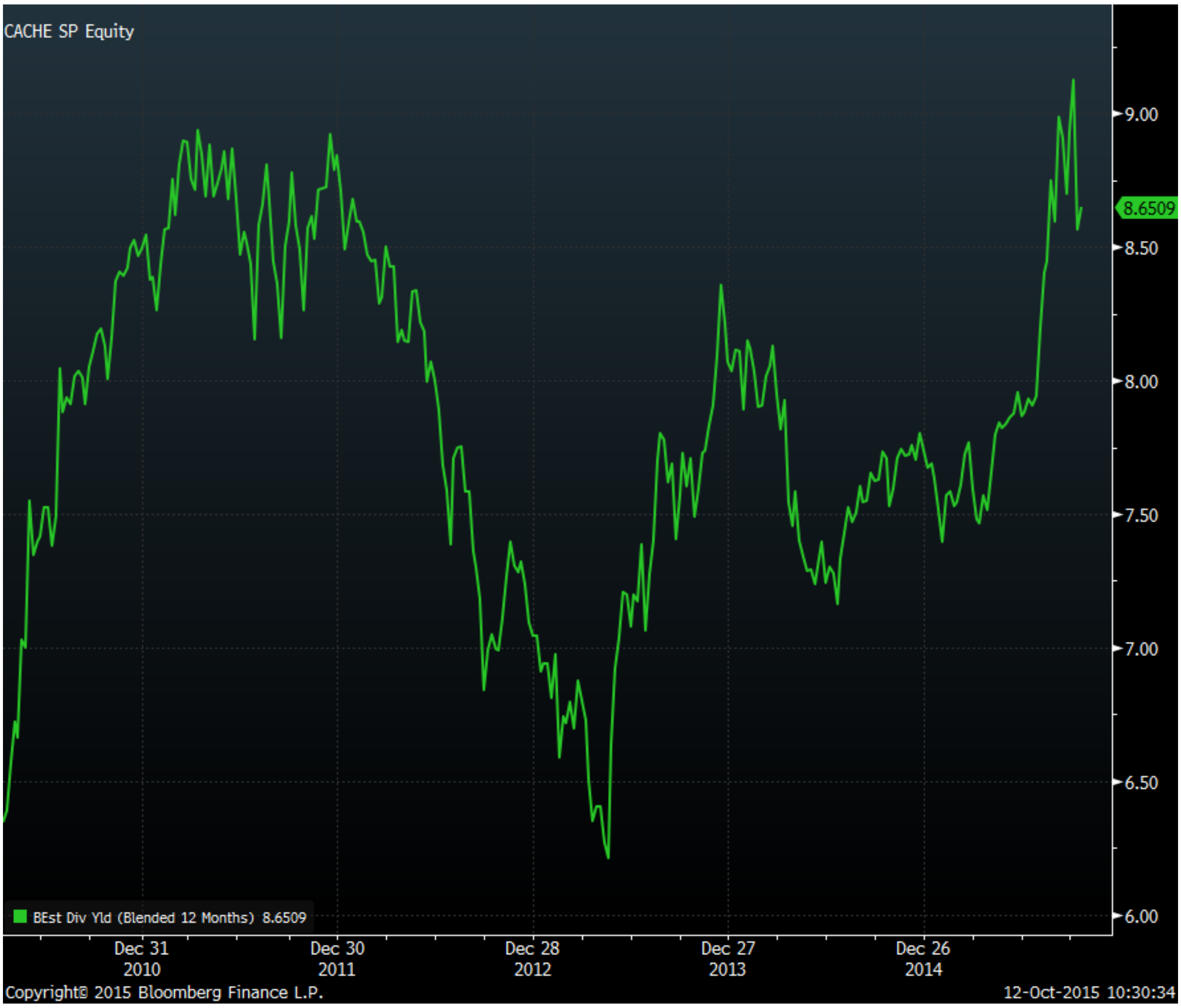
Glow Energy

We have owned Glow Energy twice in the past already but took advantage of the recent weakness to initiate a position here for the third time. Recall that Glow is an Independent power producer in Thailand. Around 2/3 of its capacity is sold to EGAT (the state power company) on a "take or pay basis" and the earnings are highly secure as they are paid regardless of how much power is actually consumed and are allowed to pass through changes in energy price and also exchange rate movements. Over the twenty years that these power purchase agreements have been in existence there has never been any issues with payment – even during the Asian financial crisis. In addition to this, the company also sells electricity and steam (from the cogeneration plans) to industrial customers under 15-20 year contracts.

The company is 70% owned by French Power Giant **Engie** (formerly GDF Suez) who tightly control the company's investment plans. Stiff return targets and a tight geographical remit have ensured that the company has been extremely efficient with its reinvestment of cash flow and currently achieves a 20% return on equity. A recent decision by the company not to invest in any more coal based projects was taken negatively by the market as most of their plants are coal fired. However, our view is more positive. Given the increased competition in the IPP market, it was not clear that they would be able to find any profitable expansion opportunities and therefore it was likely they would not find new projects in any case. Given Engie's desire to upstream cash and the fact that their balance sheet was rapidly de-gearing due to a lack of investment opportunities, it is highly likely that the company will increase the dividend substantially.

Cache Logistics

Cache Logistics Trust is a Singapore listed REIT which owns a portfolio of logistics warehouses in Singapore and Australia. It is a relatively simple and straightforward company with a relatively long lease expiry profile, high occupancy and rental step ups in the 3-3.5% range. The stock had been weak due to some concern that controlling shareholder of one of the sponsors was seeking to exit their position and the market was concerned that this would lead to a lower pipeline of new acquisitions. As a result, the dividend yield had risen to almost 9% - the highest level in the past 5 years – which we felt provided an attractive entry point.

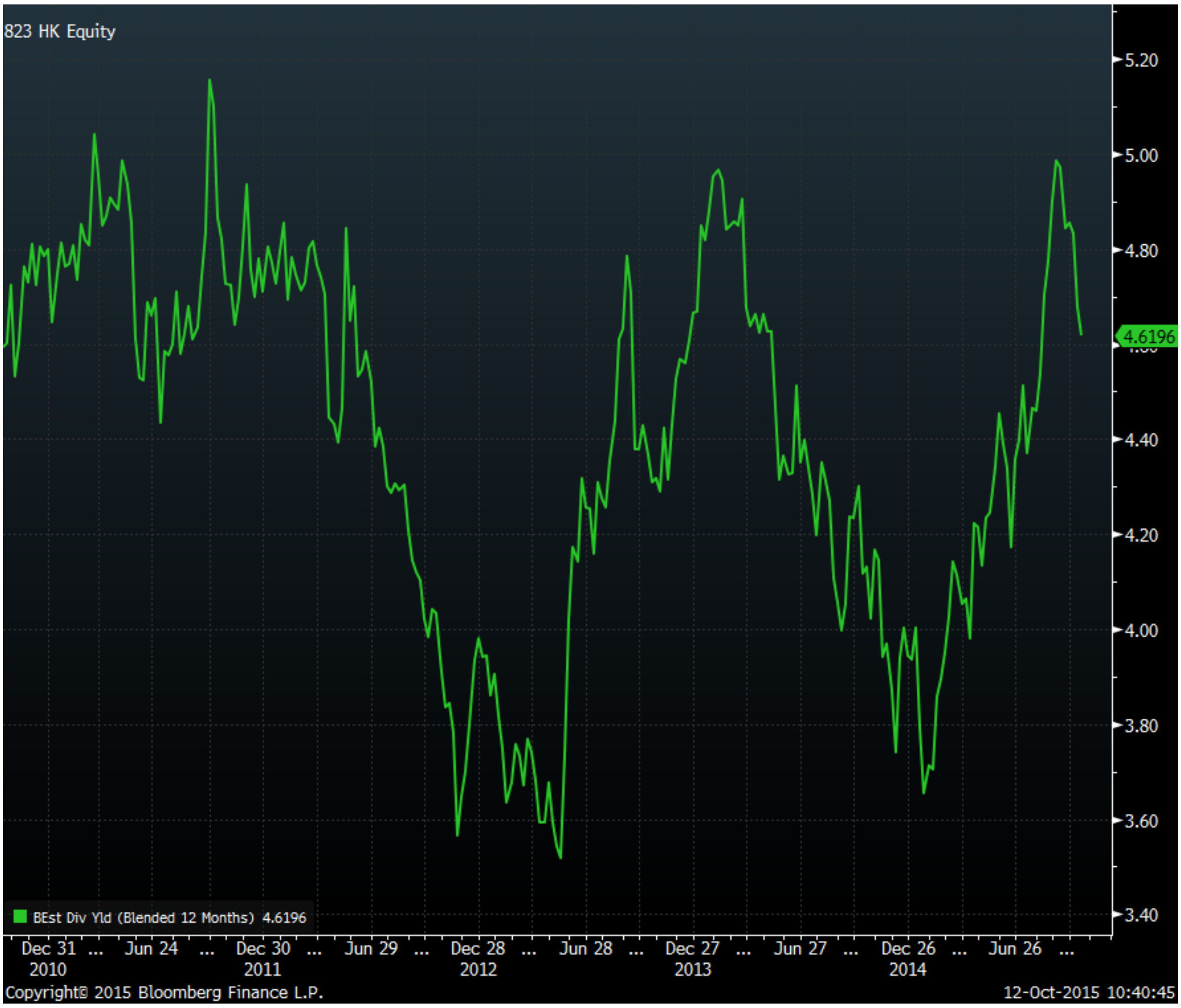


INVESTMENT MANAGER'S REPORT (CONTINUED)

Link REIT

Link has an attractive market position in Hong Kong where it is the dominant, low end mass market shopping mall operator. Initially a government owned company, it was listed in 2005 and has since dramatically increased the profitability of its malls. During that time it has increased its dividend by 13% annually and generated annualised returns to unit holders of 19% compared to the Hong Kong real estate sector which has generated just 8% annual returns. Despite that track record it struggles to attract interest in a market which still is focused on residential property development and the ownership of high end shopping malls which target (or used to target) high spending Chinese visitors.

Although not immune from the twin concerns of lower retail spending and higher interest rates on this sector it is less affected than many of its competitors. Partly because it targets every day spending with 62% of their revenues coming from food related trades. And partly because a large proportion of its shoppers live in public rental housing and therefore are not affected by higher mortgage rates. The company does have borrowings but 60% of these are fixed and they have termed up the maturity of these debts to 5.2 years.



INVESTMENT MANAGER'S REPORT (CONTINUED)

One simple example of an asset enhancement at their Tai Wo Plaza

Before

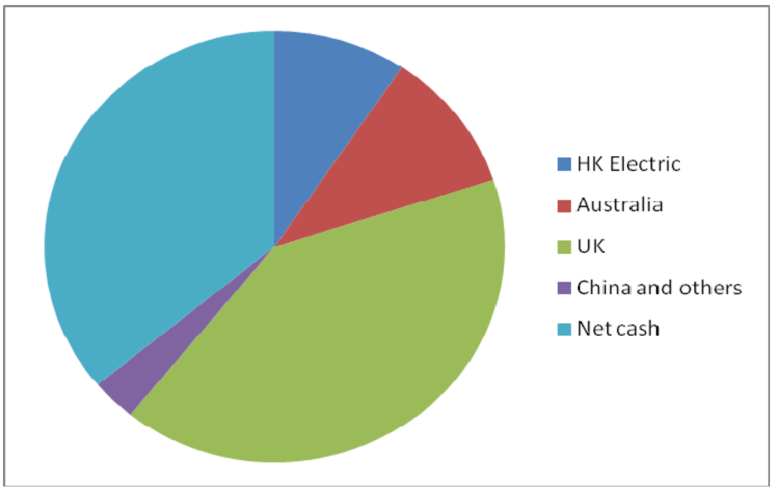
After

Source: Link REIT

There is one significant downside risk to the business which is that the company has decided to pursue investments in both Hong Kong Property and China retail properties. In general, we believe both of these investments are a mistake and will lower the quality of the franchise. However, on balance, they are not big enough to prevent the bullish case on the stock (They are 7% of total revenue) as we believe they are fully discounted by the market. They are a good example of the type of risk premium that we like to try and pick up. Specific risk, unrelated to cyclical concerns that cause the market to trade at a discount.

Power Assets

Power Assets owns a portfolio of power generation and distribution assets in UK, Hong Kong and Australia. Over the past several years Power Assets has been in a process of selling down its Hong Kong assets as the market returns are declining due to the falling regulated returns (which as recently as 2008 offered a staggering 13.5 to 15% return on (ungeared) assets!) and reinvesting in global power businesses. The most recent chapter in this story was the listing of Hong Kong Electric which reduced their exposure to the Hong Kong market to just 9% of total assets and increased their net cash position to 36% of the total business. If their holding In Hong Kong Electric and the cash position are stripped out then the stock trades on just a 10x multiple on their UK and Australian businesses.



Source: Company, Prusik.

We believe there are several reasons for the stock's cheap valuation:

- Although Hong Kong represents only 9% of their valuation, it is still perceived as being a "Hong Kong Utility" and therefore hit by the negative sentiment towards the declining returns in this market
- The P/E of the stock appears high as they have a large cash position which generates virtually no income
- It is a UK/Australian power company listed in Hong Kong and covered by Hong Kong analysts who are not familiar with those regions

What attracted us to the stock was the cheap valuation combined with upside optionality. Part of this upside optionality was due to the cash on the balance sheet which might either be paid back to shareholders or used to make an accretive acquisition. Due to the unique way that the Cheung Kong group is set up combined with Hong Kong's treatment of interest income means that Power Assets is able to structure highly tax effective deals which allow it to pay more for assets than its competitors whilst still achieving the same post tax returns. Although this is not guaranteed to continue as governments seek to reduce these loop holes, for the time being it is a significant advantage for the company.

The second source of upside optionality comes from the potential restructuring of the Cheung Kong Group's infrastructure holdings. After the restructuring of the Cheung Kong/Hutchison Group earlier in the year (and covered in previous reports) there was some speculation that the group would look to simplify its infrastructure holdings. Both Power Assets and its parent Cheung Kong Infrastructure both invest in almost identical assets and so there is little reason for them to exist separately. CK Hutchison Holdings owns 76% of Cheung Kong Infrastructure which in turn owns 39% of Power Assets. It seemed logical at some point that CK Hutchison would seek to merge the two companies.

Shortly after we had built an initial position in the company, Cheung Kong Infrastructure announced a merger proposal with Power Assets. Although this led to a short term increase in the share price, we still believe that the offer undervalues Power Assets and think it is unlikely that it will be successful if it is not improved.

Jasmine Broadband Internet Infrastructure Fund

During the year we initiated a position in the infrastructure fund, **Jasmine Broadband Internet Infrastructure Fund** (**JASIF**)**,** which was spun off by and is controlled by the group. **Jasmine Group** is a Thai telecom operator offering broadband internet services to households in Thailand. The broadband internet market in Thailand is still immature with penetration rates of just 25%. It has 30-35% market share and is growing subscribers at 10-15% per year.

JASIF yields 9.5% and should grow at inflation, so it provides a high yield, low growth stream of cash flows, which we believe is undervalued by the market.

Hong Kong Telecom

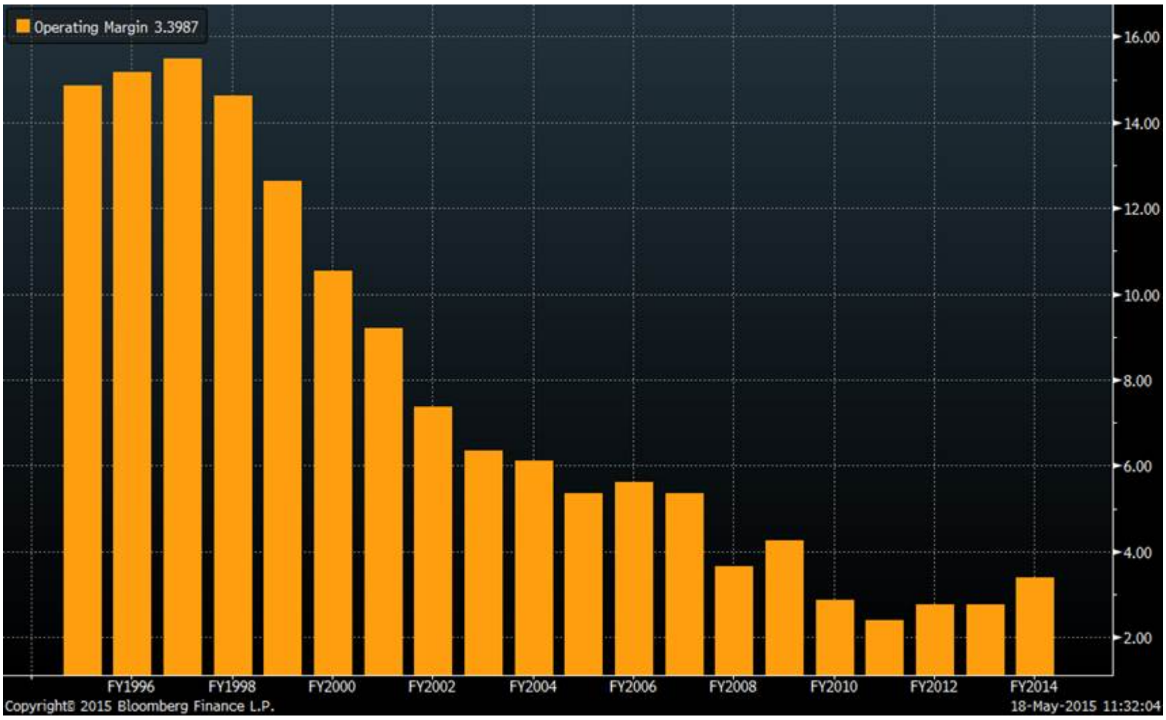
The Prusik Asia Equity Income Fund already has exposure to **Hong Kong Telecom** via its parent company **PCCW**. However, during the year we decided to invest in **PCCW's** subsidiary, **Hong Kong Telecom**, directly.

Hong Kong Telecom is the largest telecom service provider in Hong Kong. As well as mobile and fixed line services, it also offers broadband, mobile and cable TV. As we see it, there are two key attractions to the stock. Firstly, the company has acquired one of its competitors in the mobile market, thus reducing the number of players in the market from four to three and increasing its market share to 40%. This has led to higher pricing power as the competitive intensity of the market has declined. **Hong Kong Telecom's** recent results which showed its margins increase from 41.4% to 46.5% attest to this. The acquisition also creates the opportunity for cost cutting led synergies. Management have guided for a 10-15% reduction in costs but it is possible that they will exceed this. Secondly, since the listing of **Hong Kong Broadband**, **Hong Kong Telecom's** only competitor in the Hong Kong broadband market, both companies have committed to paying out 100% of free cash flow as dividends. This significantly reduces the potential for competition intensifying in the broadband market as it reduces the amount of cash flow available for investment. Pricing in **Hong Kong Telecom's** broadband business is also improving as consumers move to higher download speeds on the 100% fibre network. From next quarter, the highest speed broadband service in the world – 10GB – will be available in Hong Kong.

Hong Kong Telecom has a market capitalisation of US$9.2 billion, net debt of US$4.2 billion and produces free cash flow of US$800 million per year and dividends of US$550 million year, placing it on a dividend yield of just under 6%. We would expect the company to grow its dividends between 10% and 15% for the next few years before settling down to a 5% annual growth rate. While we would not claim that the stock offers extreme value, we believe the risk-return is attractive given what we perceive to be the low risk nature of the business and total returns in the range of 15-20% being perfectly possible.

Hon Hai Precision Industry

Over the past 15 years, **Hon Hai Precision Industry's** (**Hon Hai's**) profit margins have been falling steadily owing to rising labour costs in China, a weaker US dollar and a more aggressive competitive environment, which Apple has expertly exploited in order to keep its cost base low.

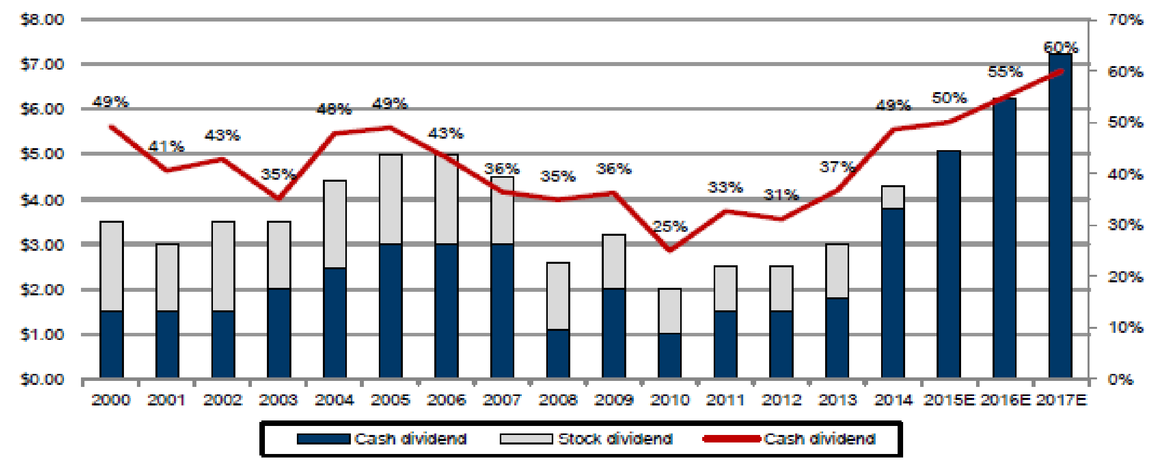


Source: Hon Hai Operating margins - Bloomberg

So what has changed?

Importantly, operating margins for **Hon Hai** appear not only to have bottomed, but also to be expanding once again. The company's 1Q15 results revealed that **Hon Hai's** operating margins have now increased to a 6 year high of 3.8%.

Figure 6: **Highest cash pay-out ever (43%); ten-year high total pay-out (49%)**
In NT$ / total pay-out % on earnings



Source: Company data, Credit Suisse estimates

The consensus view on **Hon Hai** is that post the Apple iPhone 6 product cycle sales are likely to slow considerably, or even fall. It is also widely perceived that **Hon Hai** is losing market share to the likes of Quanta Computer and Pegatron Corp. Although we have no particular edge in analysing the Apple iPhone product cycle and its short term consequences, we would take issue with the view that **Hon Hai's** competitive position is weak and/or weakening. Recently, Quanta Computer has been having problems ramping up the production of the iWatch. And the solution to this? **Hon Hai** has been asked to step in and assist Quanta Computer in solving the issue. Moreover, **Hon Hai's** enormous size relative to its competitors (**Hon Hai** has sales 5x larger than its nearest competitor), means the company has huge economy of scale advantages. Finally, **Hon Hai** has much more experience compared to its peers in working to Apple's demanding quality standards.

The stock's valuation is very attractive, particularly if one considers that it has the equivalent of 25% of its market capitalisation on its balance sheet in net cash. In addition, capital spending is running at substantially less than depreciation and so the company's earnings understate its cash flow generation. With a US$46 billion market cap and net cash of US$11.3 billion, **Hon Hai** produces annual free cash flow of around US$4.5-5 billion. From this cash flow, management plan to pay out around U$1.8 billion in dividends this year. Importantly, this means that while the dividend yield for the stock is just under 4%, the free cash flow yield for the company, post stripping out the net cash from the market value, is 12-14%! Not only does this point to the stock being very attractively valued, it also highlights how much scope there is for management to increase the dividend. Indeed, in the recent results, management announced an increase in the payout ratio to 49%. On more traditional valuation measures **Hon Hai** trades on 9.9x earnings, which places it in the cheapest quintile of stocks in Asia.

Exited positions

Genesis Energy

The weakness in the oil price pressures the company's ability to pay dividends as 25% of their cash flows come from their stake in the Kupe oil field.

SCentre Group

The company reached fair value and so was sold. This is a high quality asset and we would be keen to buy back on any pull back.

MTR Corp

This position was sold as the position was approaching fair value. Also, after a meeting with management in Hong Kong we felt the core business growth potential was slightly lower than we had originally thought. This remains a high quality.

Power Assets

We had purchased this shortly before Cheung Kong Infrastructure announced a bid for the company. Shortly before the vote, we calculated that the risk reward was no longer attractive and our sense was that investors were overestimating the likelihood that the deal terms would be increased and underestimating the likelihood that, if the deal terms were not increased, the deal would be voted down. We therefore exited the position and, shortly afterwards, the deal was voted down after the deal terms were not improved.

CapitaLand Mall Trust

We exited this stock for two main reasons. Firstly, a rally in the share price meant the stock was close to our assessment of its fair value. Secondly, rising bond yields worked to reduce the margin of safety for the stock.

Travelsky Technology Ltd

In common with many Hong Kong mid-cap stocks in April and May, **Travelsky Technology** attracted the attention of retail investors seeking Chinese companies listed in Hong Kong. After a 50% rally in April (yes, that is correct), we exited the position as the stock had reached our assessment of its fair value.

Daqin Railway Co Ltd

Daqin Railway's core business – transporting coal across China – has been faced with a tough operating environment in the past couple of years. Despite this, the company's stock price has doubled over the past 12 months. While optically the shares did not look expensive, the stock's margin of safety was no longer sufficient to justify continuing to hold this stock.

Bangkok Expressway

Reached our target price after announcing merger with mass transit operator **Bangkok Metro**. We like the strategic nature of the deal, but the merger terms are not favourable to **Bangkok Expressway** and so it reduces our valuation.

Pact Group

We exited this position after the stock reached our target price.

Zhejiang Expressway

The stock price reached our target price partly due to the announcement that the company was planning to list its securities business on the A-share market (yes, we agree it's unusual for a toll road company to own a securities business).

Huaneng Power

Although still cheap we have exited this position as we believe that the risk of a profit squeeze is underestimated by the market. As we come towards the end of the collapse in coal prices, the company faces the prospect of rising fuel costs combined with tariff cuts. Combined with a highly geared balance sheet and sensitivity to a devaluation in the Remnimbi, we no longer feel the risk/reward is favourable.

Anhui Expressway

The stock had approached our target price. As an illiquid holding with exposure to the more cyclical region of Anhui, we have exited our position to improve overall portfolio liquidity.

Korea Electric Power

The reasons for exiting were similar to those of **Huaneng Power**. The company faces the prospect of fuel costs that are no longer falling combined with pressure on tariffs which, when combined with the high level of gearing, make for a less attractive risk/return prospect. The company is very exposed to a weaker Korean Won.

Hyundai Motor Preference Shares

As noted in the January factsheet, our patience with this company was wearing thin and we have decided to exit the position. A combination of a weaker Japanese Yen (and now Euro) versus the Korean Won is not only pressuring the current profitability of the company, but also presents longer term challenges for the company. Given the huge investment in technology that is now required for companies to address the increased automation of vehicles, the European and Japanese manufacturers are now able to reinvest the windfall profits of weaker exchange rates in R&D in a way that **Hyundai** is not. The valuation argument remains intact, but the strategic challenges mean that the risk/reward no longer seems attractive.

Berjaya Sports Toto and Magnum

Although arguably a year too late, we are finally exiting these two Malaysian lottery positions following a review of their competitive positions.

REPORT OF THE CUSTODIAN TO THE SHAREHOLDERS

We have enquired into the conduct of Prusik Umbrella UCITS Fund plc (the "Company") for the year ended 31 December 2015, in our capacity as Custodian to the Company.

This report including the opinion has been prepared for and solely for the Shareholders in the Company as a body, in accordance with Part 5 of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended, ("the UCITS Regulations"), and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown.

Responsibilities of the Custodian

Our duties and responsibilities are outlined in Part 5 of the UCITS Regulations. One of those duties is to enquire into the conduct of the Company in each annual accounting period and report thereon to the shareholders.

Our report shall state whether, in our opinion, the Company has been managed in that period in accordance with the provisions of the Company's Memorandum and Articles of Association and the UCITS Regulations. It is the overall responsibility of the Company to comply with these provisions. If the Company has not so complied, we as Custodian must state why this is the case and outline the steps which we have taken to rectify the situation.

Basis of Custodian Opinion

The Custodian conducts such reviews as it, in its reasonable opinion, considers necessary in order to comply with its duties as outlined in Part 5 of the UCITS Regulations and to ensure that, in all material respects, the Company has been managed

(i) in accordance with the limitations imposed on its investment and borrowing powers by the provisions of the constitutional documentation and the appropriate regulations and

(ii) otherwise in accordance with the Company's constitutional documentation and the appropriate regulations.

Opinion

In our opinion, the Company has been managed during the year, in all material respects:

(i) in accordance with the limitations imposed on the investment and borrowing powers of the Company by the Memorandum & Articles of Association, the UCITS Regulations and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 ("the Central Bank UCITS Regulations"); and

(ii) otherwise in accordance with the provisions of the Memorandum & Articles of Association, the UCITS Regulations and the Central Bank UCITS Regulations.

Brian Giblin

Brown Brothers Harriman Trustee Services (Ireland) Limited
30 Herbert Street
Dublin 2
Ireland

25 April 2016

INDEPENDENT AUDITOR’S REPORT

We have audited the financial statements of Prusik Umbrella UCITS Fund plc for the year ended 31 December 2015 which comprise the Profit and Loss Account, the Balance Sheet, Statement of Changes in Net Assets Attributable to holders of redeemable participating shares and the related notes 1 to 20. The financial reporting framework that has been applied in their preparation is the Companies Act 2014, and the European Communities (Undertaking for Collective Investment in Transferable Securities) Regulations, 2011 (as amended).

This report is made solely to the Company's members, as a body, in accordance with section 391 of the Companies Act 2014 and the Central Bank UCITS Regulations, and for no other purpose. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Directors and Auditors

As explained more fully in the Directors’ Responsibility Statement set out on page 4 the directors are responsible for the preparation of the financial statements giving a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board’s Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company’s circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Director’s Report, Investment Manger’s Report and the Report of the Custodian to the Shareholders to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland of the assets, liabilities and financial position of the company as at 31 December 2015 and of its profit for the year then ended; and

- have been properly prepared in accordance with the requirements of the Companies Act 2014 and the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (as amended).

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

- In our opinion adequate accounting records have been kept by the Company.

- The financial statements are in agreement with the accounting records.

- In our opinion the information given in the Directors’ Report is consistent with the financial statements.

INDEPENDENT AUDITOR’S REPORT (CONTINUED)

Matters on which we are required to report by exception

We have nothing to report in respect of the provisions in the Companies Act 2014 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.

Gareth Harman
Partner

For and on behalf of Ernst & Young
Chartered Accountants and Registered Auditors
Dublin 2

25 April 2016

SCHEDULE OF INVESTMENTS

Country	Holding	Security Description	Cost USD	Value USD	% of Net Assets
Common Stock (31 December 2014: 73.93%)					
Australia (31 December 2014: 0.83%)					
	2,808,826	IOOF Holdings Ltd.	18,828,428	19,558,988	2.45%
			18,828,428	19,558,988	2.45%
China (31 December 2014: 11.59%)					
	25,420,000	Beijing Capital International Airport Co. Ltd.	18,094,088	27,450,412	3.44%
	16,962,000	Jiangsu Expressway Co. Ltd.	18,482,977	22,890,570	2.87%
			36,577,065	50,340,982	6.31%
Hong Kong (31 December 2014: 23.75%)					
	3,797,000	AIA Group Ltd.	21,443,181	22,828,343	2.86%
	5,341,500	Cheung Kong Property Holdings Ltd.	34,050,721	34,974,148	4.39%
	4,388,000	CK Hutchison Holdings Ltd.	51,567,910	59,103,743	7.41%
	8,933,000	HKBN Ltd.	9,735,108	11,525,113	1.45%
	17,500,000	HKT Trust & HKT Ltd.	22,641,558	22,352,243	2.80%
	21,755,200	Man Wah Holdings Ltd.	18,418,177	25,597,985	3.21%
	52,071,000	PCCW Ltd.	27,109,617	30,567,166	3.83%
	4,250,000	Television Broadcasts Ltd.	28,613,377	17,518,933	2.20%
			213,579,649	224,467,674	28.15%
India (31 December 2014: 0.00%)					
	323,888	Indiabulls Housing Finance Ltd.	3,025,946	3,583,796	0.45%
	10,889,836	Power Grid Corp. of India Ltd.	22,076,289	23,333,599	2.93%
	869,725	Sun TV Network Ltd.	5,029,451	5,590,009	0.70%
			30,131,686	32,507,404	4.08%
Philippines (31 December 2014: 1.71%)					
	448,540,000	Premium Leisure Corp.	16,347,303	6,126,811	0.77%
			16,347,303	6,126,811	0.77%
Singapore (31 December 2014: 4.20%)					
	19,143,716	ARA Asset Management Ltd.	21,612,546	15,920,353	2.00%
	47,330,000	Asian Pay Television Trust	26,675,563	21,439,026	2.69%
			48,288,109	37,359,379	4.69%
South Korea (31 December 2014: 14.80%)					
	5,000,000	Macquarie Korea Infrastructure Fund	31,333,389	34,129,838	4.28%
	57,500	Samsung Electronics Co. Ltd.	52,880,285	53,326,278	6.69%
	1,300,000	SK Telecom Co. Ltd.	30,692,544	26,403,000	3.31%
			114,906,218	113,859,116	14.28%
Taiwan (31 December 2014: 2.63%)					
	6,500,000	Hon Hai Precision Industry Co. Ltd.	19,777,108	15,975,423	2.00%
	4,940,000	Taiwan Semiconductor Manufacturing Co. Ltd.	21,491,459	21,487,734	2.69%
			41,268,567	37,463,157	4.69%
Thailand (31 December 2014: 10.80%)					
	72,500,000	BTS Rail Mass Transit Growth Infrastructure Fund	20,236,882	20,530,261	2.57%

SCHEDULE OF INVESTMENTS (CONTINUED)

Country	Holding	Security Description	Cost USD	Value USD	% of Net Assets
Common Stock (31 December 2014: 73.93%) (continued)					
Thailand (31 December 2014: 10.80%) (continued)					
	40,000,000	CPN Retail Growth Leasehold Property Fund	19,238,215	18,989,450	2.38%
	65,000,000	Digital Telecommunications Infrastructure Fund	20,333,490	22,376,458	2.81%
	1,099,900	Glow Energy PCL	2,273,714	2,259,650	0.28%
	8,041,600	Glow Energy PCL - Foreign	17,794,589	16,520,777	2.07%
	42,867,700	Jasmine Broadband Internet Infrastructure Fund	12,045,818	10,889,491	1.36%
	20,000,000	Samui Airport Property Fund Leasehold	10,314,948	11,049,417	1.39%
	20,215,300	SPCG PCL	16,466,028	12,010,201	1.51%
			118,703,684	114,625,705	14.37%
		Total Common Stock	**638,630,709**	**636,309,216**	**79.79%**
Real Estate Investment Trusts (31 December 2014: 7.57%)					
Hong Kong (31 December 2014: 0.00%)					
	3,000,000	Link REIT	16,780,776	18,017,263	2.26%
			16,780,776	18,017,263	2.26%
Singapore (31 December 2014: 4.90%)					
	13,500,000	Cache Logistics Trust	9,869,639	8,694,883	1.09%
	26,000,000	Fortune Real Estate Investment Trust (Hong Kong)	22,708,291	26,701,415	3.35%
			32,577,930	35,396,298	4.44%
		Total Real Estate Investment Trusts	**49,358,706**	**53,413,561**	**6.70%**
Warrant (31 December 2014: 7.92%)					
China (31 December 2014: 2.91%)					
	1,964,643	Gree Electric Appliances Inc. of Zhuhai 26/08/2016	5,601,231	6,764,403	0.85%
	2,035,280	Gree Electric Appliances Inc. of Zhuhai 09/01/2020	8,251,299	7,007,612	0.88%
			13,852,530	13,772,015	1.73%
India (31 December 2014: 2.83%)					
	1,606,267	Indiabulls Housing Finance Ltd. 13/07/2018	16,015,862	17,888,803	2.24%
	500,000	Sun TV Network Ltd. 25/11/2019	12,029,483	9,955,020	1.25%
	500,000	Sun TV Network Ltd. 30/01/2020	4,429,777	5,568,440	0.70%
	3,280,275	Sun TV Network Ltd. 16/06/2020	15,518,339	21,148,491	2.65%
			47,993,461	54,560,754	6.84%
Pakistan (31 December 2014: 2.18%)					
	5,000,000	Hub Power Co. Ltd. 24/04/2017	3,504,909	4,898,050	0.62%
	1,000,000	Hub Power Co. Ltd. 16/07/2019	929,586	979,610	0.12%
	7,028,100	United Bank Ltd. 13/07/2018	11,234,200	10,397,582	1.30%

SCHEDULE OF INVESTMENTS (CONTINUED)

Country	Holding	Security Description	Cost USD	Value USD	% of Net Assets
Warrant (31 December 2014: 7.92%) (continued)					
Pakistan (31 December 2014: 2.18%) (continued)					
	750,000	United Bank Ltd. 16/07/2019	1,259,784	1,109,572	0.14%
			16,928,479	17,384,814	2.18%
		Total Warrants	**78,774,470**	**85,717,583**	**10.75%**
		Total Fair Value of Investments	**766,763,885**	**775,440,360**	**97.24%**

Forward Foreign Currency Contracts (31 December 2014: (0.28%))

Currency Bought	Amount Bought	Currency Sold	Amount Sold	Maturity Date	Counterparty	Unrealised Gain/(Loss)	% of Net Assets
USD	67,355	SGD	(95,065)	20/01/2016	Brown Brothers Harriman	108	0.00%
USD	686,089	SGD	(969,444)	20/01/2016	Brown Brothers Harriman	328	0.00%
USD	260,456	SGD	(367,608)	20/01/2016	Brown Brothers Harriman	419	0.00%
SGD	2,626,330	USD	(1,837,909)	20/01/2016	Brown Brothers Harriman	19,894	0.00%
SGD	6,314,647	USD	(4,418,998)	20/01/2016	Brown Brothers Harriman	47,832	0.01%
USD	2,639,599	GBP	(1,740,988)	20/01/2016	Brown Brothers Harriman	60,144	0.01%
USD	5,130,095	GBP	(3,383,633)	20/01/2016	Brown Brothers Harriman	116,890	0.01%
	Total unrealized gains on Forward Foreign Currency Contracts					**245,615**	**0.03%**
	Total Financial Assets at Fair Value through Profit or Loss					**775,685,975**	**97.27%**
GBP	53,327,113	USD	(81,029,642)	20/01/2016	Brown Brothers Harriman	(2,019,957)	(0.25%)
GBP	92,787,510	USD	(140,989,044)	20/01/2016	Brown Brothers Harriman	(3,514,661)	(0.44%)
	Total unrealized losses on Forward Foreign Currency Contracts					**(5,534,618)**	**(0.69%)**
	Total Financial Liabilities at Fair Value through Profit or Loss					**(5,534,618)**	**(0.69%)**

	Value USD	% of Net Assets
Cash	27,036,821	3.39%
Other Net Assets	200,167	0.03%
Net Assets Attributable to Holders of Redeemable Participating Shares	**797,388,345**	**100.00%**

BALANCE SHEET

	Notes	As at 31 December 2015 USD	As at 31 December 2014* USD
Assets			
Financial assets, at cost		766,763,885	692,039,282
Financial assets at fair value through profit or loss			
- Transferable securities		636,309,216	626,803,879
- Warrants		85,717,583	66,908,632
- Collective investment schemes		53,413,561	64,214,058
- Financial derivative instruments		245,615	–
Cash	9	27,036,821	91,639,654
Receivable for investments sold		977,953	3,950,685
Dividends receivable		2,902,652	2,569,894
Subscriptions receivable		348,155	91,307
Other assets		2,350	16,223
Total assets		**806,953,906**	**856,194,332**
Liabilities			
Financial liabilities at fair value through profit or loss			
- Financial derivative instruments		5,534,618	2,351,129
Bank overdraft		–	1,359,833
Payable for investments purchased		2,276,081	1,247,692
Redemptions payable		257,415	92,720
Investment management fees	3	681,587	765,954
Administration fees	4	111,181	103,580
Custody fees	5	142,318	92,171
Directors' fees	6	11,341	11,379
Audit fees	7	8,035	11,668
Performance fees	3	19,139	2,666,545
Professional fees		157,564	129,868
Organizational expenses		10,888	10,888
Other liabilities		355,394	37,386
Total liabilities		**9,565,561**	**8,880,813**
Net Assets Attributable to Holders of Redeemable Participating Shares		**797,388,345**	**847,313,519**

*Prior year figures have been restated to comply with recent updates to accounting standards. Refer to summary of significant accounting policies and Note 16 for further information.

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

BALANCE SHEET (CONTINUED)

	Notes	As at 31 December 2015	As at 31 December 2014*
Class 2 X US Dollar Distributing Class			
Net Assets	2	USD 400,970,635	USD 417,324,390
Outstanding Redeemable Participating Shares	1,2	2,825,213	2,884,829
Net Asset Value per Share	2	USD 141.93	USD 144.66
Class 2 Y Sterling Distributing Class			
Net Assets	2	GBP 54,780,006	GBP 59,761,702
Outstanding Redeemable Participating Shares	1,2	380,827	409,425
Net Asset Value per Share	2	GBP 143,84	GBP 145.96
Class 2 Z Singapore Distributing Class			
Net Assets	2	SGD 2,690,220	SGD 3,312,731
Outstanding Redeemable Participating Shares	1,2	18,815	22,928
Net Asset Value per Share	2	SGD 142.98	SGD 144.48
Class A US Dollar Non-Distributing Class			
Net Assets	2	USD 5,992,458	USD 5,773,013
Outstanding Redeemable Participating Shares	1,2	30,457	30,257
Net Asset Value per Share	2	USD 196.75	USD 190.80
Class B US Dollar Distributing Class			
Net Assets	2	USD 88,877,447	USD 89,086,716
Outstanding Redeemable Participating Shares	1,2	562,611	560,162
Net Asset Value per Share	2	USD 157.97	USD 159.04
Class C Sterling Distributing Class			
Net Assets	2	GBP 94,934,362	GBP 103,123,891
Outstanding Redeemable Participating Shares	1,2	594,548	644,535
Net Asset Value per Share	2	GBP 159.67	GBP 160.00
Class D Singapore Dollar Distributing Class			
Net Assets	2	SGD 5,287,314	SGD 9,267,027
Outstanding Redeemable Participating Shares	1,2	34,505	60,700
Net Asset Value per Share	2	SGD 153.24	SGD 152.67
Class E Singapore Dollar Distributing Class			
Net Assets	2	SGD 12,704,579	SGD 10,231,731
Outstanding Redeemable Participating Shares	1,2	53,381	47,874
Net Asset Value per Share	2	SGD 238.00	SGD 213.72
Class U Sterling Unhedged Distributing Class			
Net Assets	2	GBP 43,940,755	GBP 40,974,109
Outstanding Redeemable Participating Shares	1,2	364,163	350,760
Net Asset Value per Share	2	GBP 120.66	GBP 116.82

*Prior year figures have been restated to comply with recent updates to accounting standards. Refer to summary of significant accounting policies for further information.

For and on behalf of the Board of Directors of Prusik Umbrella UCITS Fund plc

Richard Hayes	**David Hammond**
Director	**Director**
25 April 2016	

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

PROFIT AND LOSS ACCOUNT

	Notes	For the year ended 31 December 2015 USD	For the year ended 31 December 2014* USD
Investment income			
Dividend income		34,864,766	43,436,848
Interest income		19,453	21,868
Miscellaneous income		20,505	89,879
Net realised gain on financial assets and liabilities at fair value through profit or loss		54,736,470	59,821,554
Movement in net unrealised gain on financial assets and liabilities at fair value through profit or loss		(60,172,577)	20,533,676
Total income		**29,468,617**	**123,903,825**
Expenses			
Investment management fees	3	8,328,555	8,238,273
Administration fees	4	411,412	587,423
Custody fees	5	503,125	535,460
Directors' fees	6	33,484	38,303
Audit fees	7	20,135	31,884
Professional fees		99,679	184,204
Performance fees	3	7,047,282	5,903,066
Transaction costs		2,170,828	4,263,448
Other expenses		105,959	85,916
Total expenses		**18,720,459**	**19,867,977**
Net income before finance costs		**10,748,158**	**104,035,848**
Finance costs			
Overdraft interest		(751)	(154)
Distributions paid		(31,449,150)	(37,869,588)
Total finance costs		**(31,449,901)**	**(37,869,742)**
Withholding tax on dividends		(2,005,070)	(1,962,395)
Change in Net Assets Attributable to Holders of Redeemable Participating Shares from Operations		**(22,706,813)**	**64,203,711**

*Prior year figures have been restated to comply with recent updates to accounting standards. Refer to summary of significant accounting policies for further information.

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 these financial statements.

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

	Notes	For the year ended 31 December 2015 USD	For the year ended 31 December 2014* USD
Change in Net Assets Attributable to Holders of Redeemable Participating Shares from Operations		(22,706,813)	64,203,711
Capital Share Transactions of Redeemable Participating Shares			
Proceeds from issuance of Redeemable Participating Shares	1	70,324,205	27,544,756
Payments on redemption of Redeemable Participating Shares	1	(97,555,060)	(157,588,275)
Issuance of Redeemable Participating Shares in exchange for cancellation of performance fee equalisation credits	3	12,494	168,824
Net decrease from Capital Share Transactions of Redeemable Participating Shares		(27,218,361)	(129,874,695)
Change in Net Assets Attributable to Holders of Redeemable Participating Shares		(49,925,174)	(65,670,984)
Net Assets Attributable to Holders of Redeemable Participating Shares at the beginning of the year		847,313,519	912,984,503
Net Assets Attributable to Holders of Redeemable Participating Shares at the end of the year		**797,388,345**	**847,313,519**

*Prior year figures have been restated to comply with recent updates to accounting standards. Refer to summary of significant accounting policies for further information.

The accompanying notes form an integral part of these 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 Act, 2014 and the Central Bank (Supervision and Enforcement) Act 2013 (section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 (S.I. No. 420 of 2015) (the "Central Bank 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 they comply with accounting standards issued by the Financial Reporting Council (FRC), as promulgated by the Institute of Chartered Accountants in Ireland. Financial statements are prepared on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The financial reporting standard applicable in the UK and Republic of Ireland ("FRS 102") is effective for accounting periods beginning on or after 1 January 2015 and replaces the accounting standards under which the financial statements of the Company were previously prepared. The transition to FRS 102 has resulted in a number of changes in accounting policies and certain reclassifications have been made to previously reported amounts to conform with current year presentation. The main change was to remove the bid adjustment as it is not required under FRS 102. These reclassifications have had no impact on reported shareholder dealing net assets.

The information required to be included in the Statement of Total Recognised Gains and Losses and a Reconciliation of Movements in Shareholders Funds, is, in the opinion of the Directors contained in the Profit and Loss account and the Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares on pages 27 and 28, respectively.

The Company has availed of the exemption available to open-ended investment funds under FRS 102 not to prepare a cash flow statement.

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

(i) Classification
The Company has chosen to apply the recognition and measurement provisions of International Accounting Standard 39: 'Financial Instruments: Recognition and Measurement' ("IAS 39"), (as adopted for use in the European Union) and the disclosure and presentation requirement of FRS 102 to account for all the financial instruments. The Company has designated all of its investments into financial assets or financial liabilities at fair value through profit or loss.

Financial assets and financial liabilities held for trading
These include equities, warrants 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 year 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 purchases or sales are purchases 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 in 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".

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

(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 has 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.

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. 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.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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 31 December 2015 and 31 December 2014 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 31 December 2015 are included in the Schedule of Investments.

Collective Investment Schemes and Real Estate Investment Trusts
Units in real estate investment trusts shall be valued at the latest available net asset value per unit or bid price as published by the relevant real estate investment trusts or, if traded on a Recognised Exchange, in accordance with listed securities above. The real estate investment trusts held by the Company as at 31 December 2015 are included in the Schedule of Investments.

Warrants
The Company may invest in warrants. Warrants which are fully paid up and have a zero strike price exhibit the identical risk and return characteristics as in the case where the Company had acquired the underlying equity directly. Such warrants are valued at the last bid price for the underlying equity quoted on the stock exchange or principal market on which it is listed or, if the bid price is unavailable or unrepresentative, the last available mid price on such stock exchange or market. The warrants held by the Company as at 31 December 2015 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 31 December 2010. In the event that a distribution 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 Fund. The Directors have discretion from time to time to declare such dividends as may appear to them to be justified out of the net income accruing to the Fund in respect of each class of Shares of the Fund. As a consequence of the investment management fees and expenses being charged to the capital of the Fund, the capital may be eroded and the income of the Fund shall be achieved by foregoing the potential of future capital growth. Distributions made during the life of the Fund must therefore be understood as a type of capital reimbursement.

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 year.

SUMMARY OF SIGNIFICANT 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 Profit and Loss account in the year in which they arise.

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 recognised 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 redeemable non-participating Shares of EUR1 each and 500 billion Redeemable Participating Shares of no par value.

Non-Participating Shares
There are currently 300,000 redeemable non-participating Shares authorized, with two in issue. The redeemable 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 102 "Financial Instruments: Disclosure and Presentation" ("FRS 102") 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 year ended 31 December 2015 is as follows:

	Class 2 X US Dollar Distributing Class Shares	**Class 2 Y Sterling Distributing Class Shares**	**Class 2 Z Singapore Distributing Class Shares**
At the beginning of the year	2,884,829	409,425	22,928
Redeemable Participating Shares issued	321,300	29,720	384
Redeemable Participating Shares redeemed	(380,916)	(58,318)	(4,497)
At the end of the year	2,825,213	380,827	18,815

	Class A US Dollar Non-Distributing Class Shares	**Class B US Dollar Distributing Class Shares**	**Class C Sterling Distributing Class Shares**
At the beginning of the year	30,257	560,162	644,535
Redeemable Participating Shares issued	703	26,141	16,233
Redeemable Participating Shares redeemed	(503)	(23,692)	(66,220)
At the end of the year	30,457	562,611	594,548

	Class D Singapore Dollar Distributing Class Shares	**Class E Singapore Dollar Distributing Class Shares**	**Class U Sterling Unhedged Distributing Class Shares**
At the beginning of the year	60,700	47,874	350,760
Redeemable Participating Shares issued	–	5,507	33,877
Redeemable Participating Shares redeemed	(26,195)	–	(20,474)
At the end of the year	34,505	53,381	364,163

1. Share Capital (continued)

Redeemable Participating Shares (continued)
The movement in the number of redeemable participating shares for the year ended 31 December 2014 is as follows:

	Class 2 X US Dollar Distributing Class Shares	Class 2 Y Sterling Distributing Class Shares	Class 2 Z Singapore Distributing Class Shares
At the beginning of the year	3,602,122	444,563	28,932
Redeemable Participating Shares issued	126,530	16,763	601
Redeemable Participating Shares redeemed	(843,823)	(51,901)	(6,605)
At the end of the year	2,884,829	409,425	22,928

	Class A US Dollar Non-Distributing Class Shares	Class B US Dollar Distributing Class Shares	Class C Sterling Distributing Class Shares
At the beginning of the year	93,076	573,426	731,912
Redeemable Participating Shares issued	–	10,189	1,171
Redeemable Participating Shares redeemed	(62,819)	(23,453)	(88,548)
At the end of the year	30,257	560,162	644,535

	Class D Singapore Dollar Distributing Class Shares	Class E Singapore Dollar Distributing Class Shares	Class U Sterling Unhedged Distributing Class Shares
At the beginning of the year	61,185	47,597	360,918
Redeemable Participating Shares issued	355	277	21,368
Redeemable Participating Shares redeemed	(840)	–	(31,526)
At the end of the year	60,700	47,874	350,760

Application for redemption of Redeemable Participating Shares may be submitted prior to 5.00pm Irish time one calendar day 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 Classes are entitled to receive all dividends declared and paid to the Company. Upon winding up, the holders are entitled to a return of capital based on the NAV per share of the Company.

2. Net Asset Value per Redeemable Participating Share Reconciliation

For the audited financial statements for the year ended 31 December 2014, securities which were quoted, listed or traded on a recognised exchange were valued for financial reporting purposes at last bid prices at the Valuation Point.The difference between the two valuation methods resulted in a difference between the NAV per Share shown in the financial statements and the NAV per Share at which Redeemable Participating Shares were issued and redeemed.

For the year ended 31 December 2014, an adjustment to the carrying amount of the Net Assets attributable to holders of Redeemable Participating Shares (for Shareholder dealing purposes) of USD2,442,726 has been reflected in accordance with FRS 26 to reflect the bid price at the valuation point.

For the year ended 31 December 2015, no adjustment is applicable to the carrying amount of the Net Assets attributable to holders of Redeemable Participating Shares (for Shareholder dealing purposes) as the securities are valued at last traded price at the Valuation Point in accordance with IAS 39.

2. Net Asset Value per Redeemable Participating Share Reconciliation (continued)

The table below shows the Net Asset Value per Redeemable Participating Share Reconciliation for the year ended 31 December 2014:

	Class 2 X US Dollar Distributing Class	Class 2 Y Sterling Distributing Class	Class 2 Z Singapore Dollar Distributing Class	Class A US Dollar Non-Distributing Class	Class B US Dollar Distributing Class
	USD	USD	USD	USD	USD
Dealing NAV	417,324,390	93,183,433	2,506,701	5,773,013	89,086,716
Deduct: FRS 26 valuation adjustment	1,203,108	268,639	7,227	16,643	256,829
Total NAV (for financial reporting purposes)	416,121,282	92,914,794	2,499,474	5,756,370	88,829,887
Shares Outstanding	2,884,829	409,425	22,928	30,257	560,162
For financial reporting purposes:					
NAV per Redeemable Participating Share (USD)	144.24	226.94	109.01	190.25	158.58
NAV per Redeemable Participating Share (local currency of share class)	144.24	145.54	144.07	190.25	158.58
For shareholder dealing purposes:					
NAV per Redeemable Participating Share (USD)	144.66	227.60	109.33	190.80	159.04
NAV per Redeemable Participating Share (local currency of share class)	144.66	145.96	144.48	190.80	159.04

	Class C Sterling Distributing Class	Class D Singapore Dollar Distributing Class	Class E Singapore Dollar Distributing Class	Class U Sterling (Unhedged) Distributing Class	Total
	USD	USD	USD	USD	USD
Dealing NAV	160,795,925	7,012,241	7,742,221	63,888,879	847,313,519
Deduct: FRS 26 valuation adjustment	463,558	20,216	22,320	184,186	2,442,726
Total NAV (for financial reporting purposes)	160,332,367	6,992,025	7,719,901	63,704,693	844,870,793
Shares Outstanding	644,535	60,700	47,874	350,760	
For financial reporting purposes:					
NAV per Redeemable Participating Share (USD)	248.76	115.19	161.26	181.62	
NAV per Redeemable Participating Share (local currency of share class)	159.54	152.23	213.11	116.48	
For shareholder dealing purposes:					
NAV per Redeemable Participating Share (USD)	249.48	115.52	161.72	182.14	
NAV per Redeemable Participating Share (local currency of share class)	160.00	152.67	213.72	116.82	

3. 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 of 1% per annum of the NAV of the Fund together with Value Added Tax ("VAT"), if any, on such 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. Class E Singapore Dollar Distributing Shares are not charged an Investment Management Fee.

The Investment Manager earned a fee of USD8,328,555 during the year ended 31 December 2015 (USD8,238,273: 31 December 2014), of which USD681,587 is outstanding at the year end (USD765,954: 31 December 2014).

Performance fee and equalization

The Investment Manager will also be entitled to receive a performance fee (the "Performance Fee") out of the assets of the Fund as set forth below. The Performance Fee will be calculated in respect of each calendar quarter (a "Calculation Period"). The Performance Fee in respect of each share class will be equal to 10% of the net percentage outperformance by the relevant share class to the index performance during the Calculation Period.

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 Fee. The Performance Fee will normally be payable to the Investment Manager in arrears within 14 days of the end of each Calculation Period. However, in the case of Shares redeemed during a Calculation Period, the accrued Performance Fee in respect of those Shares will be payable within 14 days after the date of redemption**.**

If the Investment Management Agreement is terminated during a Calculation Period, the Performance Fee in respect of the current Calculation Period will be calculated and paid as though the date of termination were the end of the relevant Calculation Period. The Performance Fee will be calculated on a Share-by-Share basis so that each Share is charged a Performance Fee which equates precisely with that Share's performance.

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 is 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 period are included in the Profit and Loss Account and Balance Sheet, respectively.

A Performance Fee of USD7,047,282 was earned during the year ended 31 December 2015 (USD5,903,066: 31 December 2014), which includes USD12,494 due to the issuance of redeemable participating shares in exchange for cancellation of performance fee equalisation credits (USD168,824: 31 December 2014). The performance fee outstanding at the end of the year was USD19,139 (USD2,666,545: 31 December 2014).

4. Administration Fees

The Company pays Brown Brothers Harriman Fund Administration Services (Ireland) Limited (the "Administrator") a fee 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), subject to a minimum monthly charge of USD4,000. Additional Classes in excess of two Classes per Fund shall be charged at USD500 per month. 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.

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 USD411,412 during the year ended 31 December 2015 (USD587,423: 31 December 2014) of which USD111,181 is outstanding at the year end (USD103,580: 31 December 2014).

5. Custodian Fees

The Company pays Brown Brothers Harriman Trustee Services (Ireland) Limited (the “Custodian”) a trustee fee of 0.02% of the NAV of the Fund. The Company shall also pay the fees and reasonable transaction charges (charged at normal commercial rates) of any sub-custodian appointed by the Custodian. 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 USD503,125 during the year ended 31 December 2015 (USD535,460: 31 December 2014), of which USD142,318 is outstanding at the year end (USD92,171: 31 December 2014).

6. 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. Heather Manners and Anthony Morris have waived their entitlement to Directors fees (as disclosed in Note 8).

Directors’ fees and expenses charged during the year were:
- David Hammond: USD$16,742 (2014: USD$19,151)
- Richard Hayes: USD$16,742 (2014: USD$19.151)

The Directors in aggregate earned fees of USD33,484 for the year ended 31 December 2015 (USD38,303: 31 December 2014), of which USD11,341 is outstanding at the year end (USD11,379: 31 December 2014).

7. Auditors Remuneration

Audit fees charged to the Profit and Loss Account for the year ended 31 December 2015 amounted to USD20,135 (USD31,884: 31 December 2014) of which USD8,035 is outstanding at the year ended 31 December 2015 (USD11,668: 31 December 2014). This represents remuneration for work carried out for the Company for statutory audit of financial statements. There were no other fees paid to statutory auditor other than the audit fee.

Remuneration for work carried out for the Company by its statutory audit firm for the year ended 31 December 2015 and 31 December 2014 was as follows:

	Year ended 31 December 2015 USD	**Year ended 31 December 2014 USD**
Statutory audit fees	20,135	31,884

8. Related Parties

Directors
Heather Manners, a director of the Company, is Chief Investment Officer of the Investment Manager and has not been paid a fee for the year ended 31 December 2015.

Anthony Morris, alternate director for Heather Manners, is also a partner and is Chief Operating Officer and Head of Trading of the Investment Manager. As an alternate director, he is not entitled to receive a director’s fee from the Company.

8. Related Parties (continued)

The following Directors and related parties held Shares in the Company as at 31 December 2015:

Related Party	Shares held	Share Class
Thomas Naughton (Partner of the Investment Manager)	45,324	Class E Singapore Dollar Distributing Class
Heather Manners	2,187	Class C Sterling Distributing Class
Heather Manners	241	Class E Singapore Dollar Distributing Class
Mark Dwerryhouse (Spouse) – Prusik Investment Management LLP	534	Class E Singapore Dollar Distributing Class
Tony Morris	7,000	Class E Singapore Dollar Distributing Class
Tony Morris (Spouse)	265	Class E Singapore Dollar Distributing Class

The following Directors and related parties held Shares in the Company as at 31 December 2014:

Related Party	Shares held	Share Class
Thomas Naughton (Partner of the Investment Manager)	40,945	Class E Singapore Dollar Distributing Class
Heather Manners	2,187	Class C Sterling Distributing Class
Heather Manners	241	Class E Singapore Dollar Distributing Class
Anthony Morris	5,904	Class E Singapore Dollar Distributing Class
Prusik Investment Management Singapore PTE Ltd	140	Class E Singapore Dollar Distributing Class

Connected Parties
In accordance with the Central Bank UCITS Regulation 41 (1), any transaction carried out with the Company by the Investment Manager, the Custodian and/or associated or group companies of these entities ("connected parties") must be carried out as if negotiated at arm's length. Such transactions must be in the best interest of the shareholders of the Company. The Board of Directors of the Company is satisfied that (i) there are arrangements (evidenced by written procedures) in place to ensure that the obligations set out above are applied to all transactions with connected parties; and (ii)transactions with connected parties entered into during the period complied with these obligations.

9. Cash

	31 December 2015 USD	31 December 2014 USD
Brown Brothers Harriman & Co.	4,279	8,976,579*
Citibank	25,657,947	80,702,157
HSBC Bank Plc	1,374,595	601,085
	27,036,821	90,279,821

* Net of bank overdraft of USD1,359,833.

Cash balances are held with the sub-custodian and other eligible institutions on overnight deposits as part of the Custodian Agreement. The Custodian performs oversight in respect of the sub-custodian's appointment and conducts an annual due diligence review.

10. 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 investors who have provided the Company with the necessary signed statutory declarations.

10. Taxation (continued)

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.

A 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.

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

11. Soft Commission Agreements

During the year ended 31 December 2015, the Investment Manager entered into soft commission arrangements with brokers/dealers in respect of which certain 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 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.

These arrangements do not affect the Investment Manager’s obligation to obtain best execution on investment transactions undertaken for the Company.

12. Efficient Portfolio Management

During the year ended 31 December 2015 the Company did not hold any instruments for the purposes of efficient portfolio management (31 December 2014: None).

13. Exchange Rates

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

	31 December 2015	**31 December 2014**
Australian Dollar	1.3671	1.2197
British Pound Sterling	0.6750	0.6413
Chinese Yuan	-	6.2061
Hong Kong Dollar	7.7509	7.7546
Indonesian Rupiah	66.1550	-
Malaysian Ringgit	4.2935	3.4965
New Zealand Dollar	1.4594	1.2759
Philippine Peso	46.8540	44.8200
Singapore Dollar	1.4129	1.3216
South Korean Won	1,176.3900	1,088.3200
Taiwan Dollar	32.8755	31.6550
Thailand Baht	36.0200	32.8800

14. Financial Risk Management

In pursuing its investment objective, the Company is exposed to a variety of financial risks as defined in FRS 102 including: market risk (including market price risk, currency risk and interest rate risk), credit risk and liquidity risk, that could result in a reduction in the Company's NAV. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance. The Prospectus provides further details on the treatment of risk factors affecting the Fund.

The Company uses the "commitment approach" to calculate the derivatives exposure of the Company, if any, in accordance with the requirements of the Central Bank.

The commitment approach is based on calculating derivatives exposure by adding together the current values of the underlying assets the derivatives are based on (delta-adjusted in the case of options and warrants), the total of which should not exceed 100% of the Company's NAV.

The Directors' approach to the management of the above risks are as follows:

a) Market Risk

This risk comprises of three main types of risk: market price risk, currency risk and interest risk.

(i) Market Price Risk

Market price risk is defined in FRS 102 as the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices.

The following sensitivity analysis assumes a change in the market price of investments while holding all other variables constant. In practice this is unlikely to occur, and changes in some of the variables may be correlated. In addition, as the sensitivity analysis uses historical data as a basis for determining future events, it does not encompass all possible scenarios, particularly those that are of an extreme nature. The Investment Manager deems the percentage used applicable for the Company analysis.

A 5% increase or decrease in the market price of investments at 31 December 2015, with all other variables held constant, would have increased or decreased the Net Assets Attributable to Holders of Redeemable Participating Shares of the Company by approximately 5% or USD38,507,568 (USD37,778,772*: 31 December 2014).

The Fund's concentration of equity price risk by geographical distribution can be seen in the Schedule of Investments, on pages 22 to 24.

*Prior year figures have been restated to comply with recent updates to accounting standards. Refer to summary of significant accounting policies for further information.

14. Financial Risk Management (continued)

a) Market Risk (continued)

(ii) Currency Risk

Currency risk is defined in FRS 102 as the risk that the fair value of 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 than the functional currency in which they are measured. The net asset values per share of the Company are computed in USD whereas the investments of the Company may be acquired, valued and disposed of in other currencies. The USD 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.

In accordance with the Company's policy, the Investment Manager monitors the Company's currency position on a daily basis and the Board of Directors rely upon the Investment Manager to keep it informed of any material event.

The table below sets out the Company's total exposure to foreign currency at the year ended 31 December 2015, including sensitivity analysis.

	Cash	Non-Cash	Total USD	Effect on Net Assets of 5% Change in Foreign Exchange Rate (stated in USD)
Australian Dollar	916	19,558,988	19,559,904	977,995
British Pound Sterling	44,790	208,802,160	208,846,950	10,442,348
Hong Kong Dollar	1,329,825	319,527,336	320,857,161	16,042,858
Indian Rupee	-	32,507,404	32,507,404	1,625,370
Malaysian Ringgit	192	-	192	10
New Zealand Dollar	553	-	553	28
Philippine Peso	-	6,126,811	6,126,811	306,341
Singapore Dollar	7	51,365,851	51,365,858	2,568,293
South Korean Won	-	89,331,220	89,331,220	4,466,561
Taiwan Dollar	-	37,463,156	37,463,156	1,873,158
Thailand Baht	526	113,327,803	113,328,329	5,666,416

The table below sets out the Company's total exposure to foreign currency at the year ended 31 December 2014, including sensitivity analysis.

	Cash	Non-Cash	Total USD	Effect on Net Assets of 5% Change in Foreign Exchange Rate (stated in USD)
Australian Dollar	853	29,523,235	29,524,088	1,476,204
British Pound Sterling	3,485	241,079,338	241,082,823	12,054,141
Chinese Yuan	3,813	–	3,813	191
Hong Kong Dollar	141	326,965,319	326,965,460	16,348,273
Malaysian Ringgit	235	15,461,757	15,461,992	773,100
New Zealand Dollar	351	15,130,292	15,130,643	756,532
Philippine Peso	–	14,481,085	14,481,085	724,054
Singapore Dollar	601,087	61,447,654	62,048,741	3,102,437
South Korean Won	–	98,622,846	98,622,846	4,931,142
Taiwan Dollar	8,810,676	22,192,387	31,003,063	1,550,153
Thailand Baht	125,272	90,026,545	90,151,817	4,507,591

14. Financial Risk Management (continued)

a) Market Risk (continued)

(iii) Interest Rate Risk

Interest rate risk is defined in FRS 102 as the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in relevant 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 majority of the assets and liabilities of the Fund are invested in non-interest bearing securities. As a result, the Fund is not subject to significant amounts of risk due to fluctuation in the prevailing levels of market interest rates.

b) Credit Risk

Credit risk is the risk that a counterparty or an issuer will be unable to pay amounts in full when due. There can be no assurance that the issuers of securities or other instruments in which the Company may invest will not be subject to credit difficulties, leading to either the downgrading of such securities or instruments, or to the loss of some or all of the sums invested in such securities or instruments or payments due on such securities or investments. The Company may also be exposed to a credit risk in relation to the counterparties with whom they transact or place margin or collateral in respect of transactions in financial derivative instruments and may bear the risk of counterparty default.

When the Company invests in a security or other instruments which is guaranteed by a bank or another type of financial institution there can be no assurance that such guarantor will not itself be subject to credit difficulties, which may lead to the downgrading of such securities or instruments, or to the loss of some or all of the sums invested in such securities or instruments, or payments due on such securities or instruments.

All transactions in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

The Company’s assets are held on a fiduciary basis by the Custodian. These assets are held in segregated accounts on the books and records of the Custodian. Depending on the requirement of the jurisdictions in which the investments of the Fund are listed, the Custodian may use the service of one or more sub-custodians.

The credit ratings are outlined below for the following institutions:

	Moody’s 31 December 2015	**Moody’s 31 December 2014**
Brown Brothers Harriman & Co.	F1*	F1*
Citibank	Baa1	A2
HSBC Bank Plc	A1	Aa3

*Fitch rating.

For cash accounts, funds deposited are liabilities of the banks, creating a debtor-creditor relationship between the bank and the Company. Cash accounts opened on the books of Brown Brothers Harriman & Co. are obligations of Brown Brothers Harriman & Co. while cash accounts opened on the books of a sub-custodian (agency accounts) are obligations of the sub-custodian.

Accordingly, while Brown Brothers Harriman & Co. is responsible for exercising reasonable care in the administration of agency cash accounts, it is not liable for their repayment in the event the sub-custodian, by reason of its bankruptcy, insolvency or otherwise, fails to make repayment.

14. Financial Risk Management (continued)

b) Credit Risk (continued)

The Company invests in equity securities and has limited or no exposure to credit risk on its investments. However the Company has exposure to credit risk on any cash balances and forward foreign exchange positions held for share class currency hedging purposes. The notional amount as at 31 December 2015 was USD236,881,299 (USD250,129,037: 31 December 2014).

c) Liquidity Risk

Liquidity risk is the risk that an entity 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 a 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.

The tables below and overleaf analyse the Company's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts in the tables below and overleaf are the contractual undiscounted cash flows.

31 December 2015

	Less than or equal to 1 month USD	**More than 1 month USD**	**Total USD**
Payable for Investments Purchased	2,276,081	–	2,276,081
Redemptions payable	257,415	–	257,415
Other Payables	–	1,497,447	1,497,447
Redeemable Participating Shares	797,388,345	–	797,388,345
Total	799,921,841	1,497,447	801,419,288
Forward foreign currency exchange contracts			
Payables	231,592,296	–	231,592,296
Receivables	(236,881,299)	–	(236,881,299)
Net	(5,289,003)	–	(5,289,003)
Total	794,632,838	1,497,447	796,130,285

14. Financial Risk Management (continued)

c) Liquidity Risk (continued)

31 December 2014*

	Less than or equal to 1 month USD	Due within 3 months USD	Total USD
Bank overdraft	1,359,833	–	1,359,833
Payable for Investments Purchased	1,247,692	–	1,247,692
Redemptions payable	92,720	–	92,720
Other Payables	–	3,829,439	3,829,439
Redeemable Participating Shares	847,313,519	–	847,313,519
Total	850,013,764	3,829,439	853,843,203
Forward foreign currency exchange contracts			
Payables	–	252,480,166	252,480,166
Receivables	–	(250,129,037)	(250,129,037)
Net	–	2,351,129	2,351,129
Total	847,571,038	6,180,568	856,194,332

*Prior year figures have been restated to comply with recent updates to accounting standards. Refer to summary of significant accounting policies for further information.

d) Fair Value Estimation

FRS 102 Section 11.27 on "Fair Value: Disclosure" requires disclosure relating to the fair value hierarchy in which fair value measurements are categorised for assets and liabilities. The disclosures are based on a three level fair value hierarchy for the inputs used in valuation techniques to measure fair value. In March 2016 amendments were made to paragraphs 34.22 and 34.42 of this FRS, revising the disclosure requirements for financial institutions and retirement benefit plans. An entity shall apply these amendments for accounting periods beginning on or after 1 January 2017. Early application is permitted. This amendment has been early adopted in the preparation of these financial statements.

The fair value hierarchy has the following levels:

(i) Level 1: Investments, whose values are based on quoted market prices in active markets, and therefore are classified within Level 1, include active listed equities. Quoted prices for these instruments are not adjusted.

(ii) Level 2: Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. These include warrants. As Level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

(iii) Level 3: Investments classified within Level 3 have significant unobservable inputs, as they trade infrequently. Pricing inputs are unobservable for the investment and includes situations where there is little, if any, market activity for the instrument. The inputs into the determination of fair value require significant management judgement or estimation. As observable prices are not available for these securities, a Fund would use valuation techniques to derive the fair value.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the financial asset or liability.

The determination of what constitutes "observable" requires significant judgement by the Directors in consultation with the Investment Manager. The Directors consider observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

14. Financial Risk Management (continued)

d) Fair Value Estimation (continued)

When fair values of listed equity as well as publicly traded derivatives at the reporting date are based on quoted market prices or binding dealer price quotations (bid price for long position and ask price of short positions), without any deduction for transaction cost, the instruments are included within level 1 of the hierarchy.

The fair values of forward currency exchange contracts are calculated by reference to the current exchange rates for contract with similar maturity risk profile.

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The tables below provide an analysis within the fair value hierarchy of the Company's financial assets and liabilities measured at fair value at 31 December 2015 and 31 December 2014:

As at 31 December 2015

Financial Assets at Fair Value Through Profit or Loss	**Level 1 USD**	**Level 2 USD**	**Level 3 USD**	**Total USD**
Common Stock	636,309,216	–	–	636,309,216
Real Estate Investment Trusts	53,413,561	–	–	53,413,561
Warrants	–	85,717,583	–	85,717,583
Forward Foreign Currency Contracts	–	245,615	–	245,615
Total Assets	689,722,777	85,963,198	–	775,685,975
Financial Liabilities at Fair Value Through Profit or Loss				
Forward foreign currency contracts	–	(5,534,618)	–	(5,534,618)
Total Liabilities	–	(5,534,618)	–	(5,534,618)

As at 31 December 2014*

Financial Assets at Fair Value Through Profit or Loss	**Level 1 USD**	**Level 2 USD**	**Level 3 USD**	**Total USD**
Common Stock	626,803,879	–	–	626,803,879
Real Estate Investment Trusts	64,214,058	–	–	64,214,058
Warrants	–	66,908,632	–	66,908,632
Total Assets	691,017,937	66,908,632	–	757,926,569
Financial Liabilities at Fair Value Through Profit or Loss				
Forward foreign currency contracts	–	(2,351,129)	–	(2,351,129)
Total Liabilities	–	(2,351,129)	–	(2,351,129)

*Prior year figures have been restated to comply with recent updates to accounting standards. Refer to summary of significant accounting policies for further information.

There were no transfers between levels for the investments held at 31 December 2015 and 31 December 2014.

The Fund held no Level 3 investments as at the year ended 31 December 2015 (Nil: 31 December 2014).

14. Financial Risk Management (continued)

e) Capital Management

As a result of the ability to issue, repurchase and resell shares, the capital of the Company can vary depending on the demand for redemptions and subscriptions to the Company. The Company is not subject to externally imposed capital requirements and has no restrictions on the issue, repurchase or resale of redeemable shares.

15. Portfolio Analysis

As at 31 December 2015	**Market Value USD**	**% of Total Assets**
Transferable securities admitted to an official exchange listing or dealt on another regulated market	689,722,777	85.48
Warrants	85,717,583	10.62
Financial derivative instruments (Forward Contracts)	(5,289,003)	(0.66)
Net financial assets at fair value through profit or loss	770,151,357	95.44

As at 31 December 2014*	**Market Value USD**	**% of Total Assets**
Transferable securities admitted to an official exchange listing or dealt on another regulated market	691,017,937	80.71
Warrants	66,908,632	7.81
Financial derivative instruments (Forward Contracts)	(2,351,129)	(0.27)
Net financial assets at fair value through profit or loss	755,575,440	88.25

*Prior year figures have been restated to comply with recent updates to accounting standards. Refer to summary of significant accounting policies for further information.

16. 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. For reporting periods prior to 1 January 2015 (and the introduction of FRS 102) marketable investment securities for financial reporting purposes were required by FRS 26 to be valued based on bid prices at the Valuation Point. The difference between the two valuation methods resulted in a difference between the NAV per Share shown in the financial statements and the NAV per Share at which Redeemable Participating Shares were issued and redeemed.

As at 31 December 2014, the difference between the NAV for financial reporting purposes as required by FRS 26 and the NAV at which Redeemable Participating Shares were issued and redeemed is detailed in the table below.

Net Asset Value reconciliation	**31 December 2014 USD**
Net Asset attributable to holders of redeemable participating shares (for shareholder dealing purposes)	847,313,519
Adjustment for bid and offer pricing	(2,442,726)
Net Asset attributable to holders of redeemable participating shares (for financial reporting purposes)	844,870,793

16. Net Asset Comparison (continued)

The comparative financial statements have been restated to represent the net assets attributable to holders of redeemable participating shares for shareholder dealing purposes at last traded price in accordance with FRS 102. The following table represents the financial reporting Net Assets and NAV per Share which were presented in the Balance Sheet as at 31 December 2014.

Net Assets and NAV per share for financial reporting purposes		**31 December 2014 Net Assets**		**31 December 2014 NAV per Share**
Class 2 X USD Distributing Class	USD	416,121,282	USD	144.24
Class 2 Y Sterling Distributing Class	GBP	59,589,415	GBP	145.54
Class 2 Z Singapore Distributing Class	SGD	3,303,181	SGD	144.07
Class A US Dollar Non-Distributing Class	USD	5,756,370	USD	190.25
Class B US Dollar Distributing Class	USD	88,829,887	USD	158.58
Class C Sterling Distributing Class	GBP	102,826,594	GBP	159.54
Class D Singapore Dollar Distributing Class	SGD	9,240,311	SGD	152.23
Class E Singapore Dollar Distributing Class	SGD	10,202,235	SGD	213.11
Class U Sterling (Unhedged) Distributing Class	GBP	40,855,985	GBP	116.48

17. Comparatives

The comparative figures are for the year ended 31 December 2014 for the Condensed Profit and Loss Account and the Condensed Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares, and as at 31 December 2014 for the Condensed Balance Sheet. Prior year figures have been restated to comply with recent updates to accounting standards.

18. Significant Events during the Year

There are no events during the year ended that had a material effect on the financial statements.

19. Events since the Year End

In order to present performance data of the Fund in a more transparent manner, from 31 March 2016, a change has been made in the Performance Index used in the calculation of performance data from MXAPJ to the MSCI Asia Pacific ex-Japan Gross Return USD Index (“M2APJ”).

20. Approval of Financial Statements

The report and audited financial statements were approved by the Directors on 25 April 2016.

STATEMENT OF SIGNIFICANT CHANGES IN THE COMPOSITION OF PORTFOLIO

In accordance with the Central Bank (Supervision and Enforcement) Act 2013 (section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 (S.I. No. 420 of 2015) (the "Central Bank UCITS Regulations") 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 year. At a minimum the largest 20 purchases and 20 sales must be given.

Major Purchases for the year ended 31 December 2015

Security Description	Acquisitions Nominal	Cost USD
Samsung Electronics Co. Ltd.	33,616	32,975,239
Hon Hai Precision Industry Co. Ltd.	10,000,000	32,045,958
HKT Trust & HKT Ltd.	20,000,000	25,900,179
Power Grid Corp. of India Ltd.	10,889,836	22,003,909
Glow Energy PCL -NVDR	9,625,400	21,230,249
IOOF Holdings Ltd.	2,808,826	18,790,847
Link REIT/The	3,000,000	16,729,299
CK Hutchison Holdings Ltd.	742,000	14,860,474
PCCW Ltd.	24,121,000	14,769,676
SK Telecom Co. Ltd.	500,000	13,315,730
HKBN Ltd.	11,653,000	12,860,957
Jasmine International PCL	75,000,000	12,829,443
Jasmine Broadband Internet Infrastructure Fund	42,867,700	12,020,095
AIA Group Ltd.	1,797,000	11,158,964
Power Assets Holdings Ltd.	1,294,000	10,933,385
Cheung Kong Property Holdings Ltd.	1,284,500	10,542,138
Cache Logistics Trust	13,500,000	9,846,648
Scentre Group	3,117,955	9,386,210
Taiwan Semiconductor Manufacturing Co. Ltd.	2,000,000	9,046,151
Huaneng Power International, Inc.	5,388,000	6,505,810
SPCG PCL NVDR	7,492,900	6,259,779
Asian Pay Television Trust	12,330,000	6,248,792
Macquarie Korea Infrastructure Fund	782,288	5,481,156
Sun TV Network Ltd.	869,725	5,012,971
Premium Leisure Corp.	142,388,000	4,996,959
Man Wah Holdings Ltd.	4,684,000	4,731,722
Fortune Real Estate Investment Trust (Hong Kong)	4,137,000	4,336,345

STATEMENT OF SIGNIFICANT CHANGES IN THE COMPOSITION OF PORTFOLIO (CONTINUED)

Major Sales for the year ended 31 December 2015

Security Description	Disposals Nominal	Proceeds USD
MTR Corp. Ltd.	7,000,000	33,517,232
Scentre Group	11,000,000	32,313,070
Power Assets Holdings Ltd.	2,950,000	29,529,930
Korea Electric Power Corp.	700,000	26,476,924
Huaneng Power International, Inc.	20,312,000	23,849,132
Hyundai Motor Co.	200,000	20,669,643
CapitaLandMall Trust	11,000,000	18,145,864
TravelSky Technology Ltd.	11,175,000	18,008,867
Bangkok Expressway PCL-Foreign	11,458,400	16,087,652
Beijing Capital International Airport Co. Ltd.	12,580,000	12,981,866
Genesis Energy Ltd.	10,000,000	12,247,113
Jasmine International PCL	75,000,000	11,747,695
Hon Hai Precision Industry Co. Ltd.	4,000,000	10,322,844
Taiwan Semiconductor Manufacturing Co. Ltd.	2,060,000	8,804,939
Cheung Kong Infrastructure Holdings Ltd.	1,117,000	8,716,280
Anhui Expressway Co. Ltd.	11,526,000	8,234,829
Berjaya Sports Toto Bhd.	8,042,790	7,550,692
Pact Group Holdings Ltd.	2,000,000	7,372,332
Magnum Bhd.	9,497,000	7,325,639
AIA Group Ltd.	1,000,000	6,957,865
Hutchison Whampoa Ltd.	498,000	6,859,797
Jiangsu Expressway Co. Ltd.	4,246,000	5,738,130
Zhejiang Expressway Co. Ltd.	4,300,000	5,347,795
SK Telecom Co. Ltd.	200,000	4,928,720
Cheung Kong Property Holdings Ltd.	581,000	4,852,862

MANAGEMENT AND ADMINISTRATION

BOARD OF DIRECTORS
David Hammond* (Irish)
Heather Manners (British)
Anthony Morris (British) (Alternate Director)
Richard Hayes* (Irish)
*Independent of the Investment Manager

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Until 12 April 2015
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