

Prusik Asian Equity Income Fund



LONG ONLY ABSOLUTE RETURN INVESTING IN ASIA

30 June 2020

Monthly Fund Fact Sheet

Investment Objective

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

Fund Facts

Fund Size (USD)	687.8m
Launch Date	31 December 2010
Fund Manager	Tom Naughton
Fund Structure	UCITS III
Domicile	Dublin
Currencies	USD (base), GBP, SGD
Index	MSCI AC Asia Pacific Ex Japan Gross Return Index (USD)

Performance - Class B USD (%)

	Fund	Index
1 Month	4.67	8.24
3 Month	14.13	18.50
Year to Date	-17.63	-6.02
Since Launch	132.51	43.60
Annualised [†]	9.29	3.88

Source: Morningstar.

Launch Date: B: 31.12.10

[†]Since Launch Performance

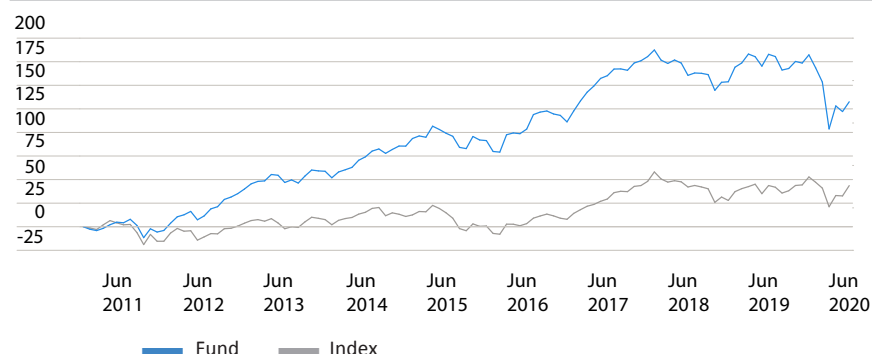
Investment Process

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

Dividend Dates

Dividends paid twice annually (January and July)

Fund Performance - Class B USD (%)



Source: Morningstar. Total return net income reinvested.

Fund Manager Commentary

We added several new positions to the portfolio this month. **China Mobile** is the largest mobile operator in the world with almost 1 billion subscribers. In the past it has been unable to benefit from its dominant market position however, the move from 4G to 5G might potentially change this as the significant increase in data packages offered means that consumers do not have an incentive to hold multiple SIM cards and therefore will gravitate towards the operator with the best coverage. Capital intensity is also falling which means cash flows could increase substantially. Trading on a 13% free cash flow yield with a net cash position equal to a third of its market cap, the risk reward is very attractive.

We also added a position in Thai Finance Company, **TISCO** (10% dividend yield), Hong Kong Infrastructure owned **NWS Holdings** (9% dividend yield) and took advantage of a placing by Blackstone to re-enter **Embassy Office Parks REIT** (7.5% dividend yield).

In general, we still find more value in out of favour stocks in traditional industries (e.g. telecoms, tobacco, real estate) which offer steady growth and stable yields as opposed to the technology and healthcare sectors which have now reached stratospheric valuations.

All data as at 30.06.20. Source: Prusik Investment Management LLP, unless otherwise stated.

Prusik Asian Equity Income Fund



Top 5 Holdings (%)

Samsung Electronics Co Ltd - Pref	6.5
Power Grid Corporation of India Ltd	6.0
CK Hutchison Holdings Ltd	5.8
CK Asset Holdings Ltd	5.4
ITC Ltd	5.2

Total Number of Holdings	41
--------------------------	----

Portfolio Financial Ratios

Price/Earnings Ratio	10.1x
Predicted Dividend Yield (%)	5.9

Risk Metrics

Tracking Error (% pa)	9.42
Beta	0.83
Alpha	5.85
Volatility (%)	15.86
Sharpe Ratio	0.83

Thematic Breakdown (%)

Consumer	19.0	
Real Estate	18.8	
Communications Infrastructure	18.7	
Power Utilities	11.0	
Transport Infrastructure	9.0	
Technology	8.9	
Financials	7.0	
Cheung Kong / Hutchison	5.8	
Cash	1.8	

Geographical Breakdown (%)

Hong Kong	31.6	
India	17.7	
China	8.5	
Korea	8.4	
Indonesia	7.3	
Macau	6.5	
Singapore	4.6	
Philippines	4.5	
Thailand	3.5	
Australia	3.1	
Cash	1.8	
Vietnam	1.2	
Malaysia	1.1	

All data as at 30.06.20. Source: Prusik Investment Management LLP, unless otherwise stated.

Management Fees

Annual Management Fee

1.0% p.a. Paid monthly in arrears

Performance Fee

Class 1: None

Class 2 and Class U: 10% of the net out-performance of the MSCI AC Asia Pacific Ex Japan Gross Return Index (USD), with a high-water mark paid quarterly.

Dealing

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

Share Class Details

Class 1		Sedol	ISIN	Month-end NAV
A	USD Unhedged Non distributing	B4MK5Q6	IE00B4MK5Q67	239.18
B	USD Unhedged Distributing	B4QVD94	IE00B4QVD949	160.65
C	GBP Hedged Distributing	B4Q6DB1	IE00B4Q6DB12	148.79
D	SGD Hedged Distributing	B4NFJT1	IE00B4NFJT16	150.10

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

Class 2		Sedol	ISIN	Month-end NAV
X	USD Unhedged Distributing	B4PYCL9	IE00B4PYCL99	143.51
Y	GBP Hedged Distributing	B4TRL17	IE00B4TRL175	133.50
Z	SGD Hedged Distributing	B6WDYZ1	IE00B6WDYZ18	139.26

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

Class U		Sedol	ISIN	Month-end NAV
U	GBP Unhedged Distributing	BBP6LK6	IE00BBP6LK66	147.40

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

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

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

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