

Prusik Asian Equity Income Fund



LONG ONLY ABSOLUTE RETURN INVESTING IN ASIA

30 November 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) | 685.8m |
| 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 | 14.24 | 9.10 |
| 3 Month | 8.64 | 9.20 |
| Year to Date | -7.28 | 15.06 |
| Since Launch | 161.75 | 75.79 |
| Annualised [†] | 10.19 | 5.85 |

Source: Morningstar.

Launch Date: B: 31.12.10

[†]Since Launch Performance

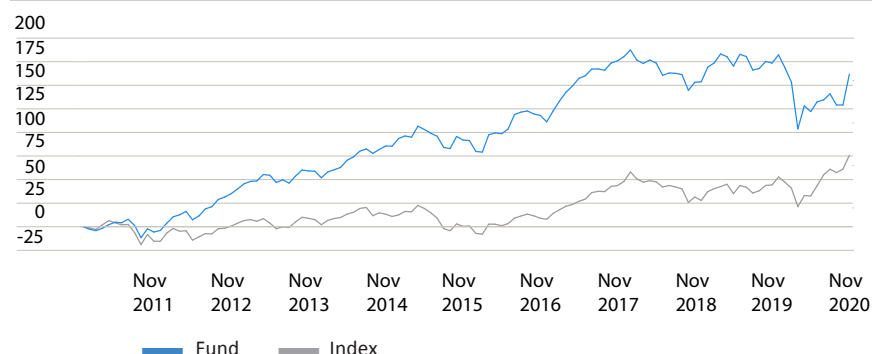
Investment Process

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

Perhaps unsurprisingly, given how the fund is positioned, the performance attribution this month was the exact opposite of the 12 months that preceded it. The fund's outperformance was driven by an equal mix of our underweight position in China and our overweight position in Hong Kong, as well as an underweight position in the China Internet stocks and an overweight position in "physical" businesses which rely on people not being locked down.

Although this has reduced our underperformance deficit this year, the valuation argument hasn't really changed and we still see significant potential upside to our portfolio if the vaccine allows a return to "normal" at some point in 2021. The P/E of our portfolio is still at a 40% discount to the market which we think is excessive given the quality of our holdings and their ability to grow dividends in line or faster than the market.

Although we are hesitant to talk about "catalysts", and this seems to be an overly simplistic statement, we do believe that the quicker and more confidently the world returns to normal, the faster the closing of the gap between market prices and intrinsic valuation will occur.

All data as at 30.11.20. Source: Prusik Investment Management LLP, unless otherwise stated.

Prusik Asian Equity Income Fund



Top 5 Holdings (%)

| | |
|-------------------------------------|-----|
| CK Hutchison Holdings Ltd | 6.6 |
| Power Grid Corporation of India Ltd | 6.4 |
| ITC Ltd | 5.3 |
| China Mobile Ltd | 4.8 |
| CK Asset Holdings Ltd | 4.8 |
| Total Number of Holdings | 40 |

Portfolio Financial Ratios

| | |
|------------------------------|------|
| Price/Earnings Ratio | 9.5x |
| Predicted Dividend Yield (%) | 5.6 |

Risk Metrics

| | |
|-----------------------|-------|
| Tracking Error (% pa) | 9.73 |
| Beta | 0.83 |
| Alpha | 5.14 |
| Volatility (%) | 15.91 |
| Sharpe Ratio | 0.91 |

Thematic Breakdown (%)

| | | |
|-------------------------------|------|--|
| Consumer | 25.3 | |
| Power Utilities & Energy | 17.3 | |
| Real Estate | 17.0 | |
| Communications Infrastructure | 16.3 | |
| Transport Infrastructure | 11.1 | |
| Financials | 8.2 | |
| Technology | 3.6 | |
| Cash | 1.2 | |

Geographical Breakdown (%)

| | | |
|-------------|------|--|
| Hong Kong | 36.3 | |
| India | 19.2 | |
| Singapore | 9.6 | |
| China | 6.5 | |
| Indonesia | 6.2 | |
| Korea | 5.6 | |
| Macau | 4.0 | |
| Thailand | 3.9 | |
| Philippines | 3.0 | |
| Vietnam | 2.2 | |
| Malaysia | 1.2 | |
| Cash | 1.2 | |
| Australia | 1.0 | |

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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 | 269.26 |
| B | USD Unhedged Distributing | B4QVD94 | IE00B4QVD949 | 175.74 |
| C | GBP Hedged Distributing | B4Q6DB1 | IE00B4Q6DB12 | 162.15 |
| D | SGD Hedged Distributing | B4NFJT1 | IE00B4NFJT16 | 163.93 |

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 | 157.00 |
| Y | GBP Hedged Distributing | B4TRL17 | IE00B4TRL175 | 145.51 |
| Z | SGD Hedged Distributing | B6WDYZ1 | IE00B6WDYZ18 | 152.09 |

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 | 148.36 |

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

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