

Prusik Asian Equity Income Fund

LONG ONLY ABSOLUTE RETURN INVESTING IN ASIA



30 June 2021

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)	758.1m
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	-1.42	-0.26
3 Month	2.10	4.07
Year to Date	10.16	6.95
2020	-4.96	22.75
Since Launch	195.53	100.58
Annualised†	10.87	6.86

Source: Morningstar.

Launch Date: B: 31.12.10

†Since Launch Performance

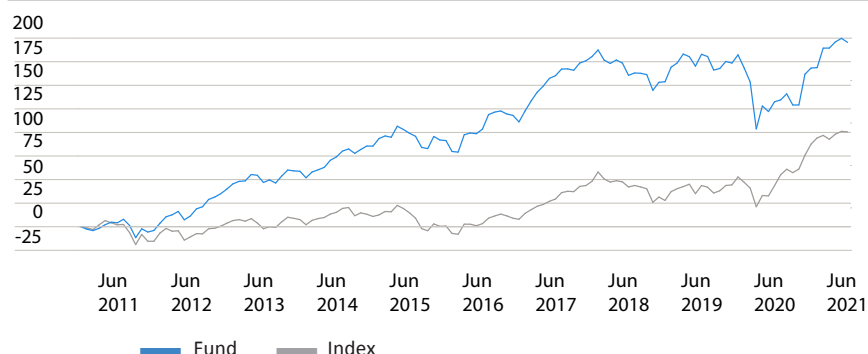
Investment Process

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

June was a challenging month for the fund's relative performance as a resurgence of Covid cases across Asia cast doubt on the pace of the "reopening" scenario. With around half of our portfolio exposed to the physical service economy (e.g. Casinos, Transport Infrastructure, Real Estate) we still believe that this normalisation of demand will occur but of course the timing remains uncertain. However, with the exception of the Macau casinos, our portfolio continues to see good upgrades to earnings and dividends as the businesses outperform expectations.

We made no changes to the portfolio during the month but were pleased to see the pace of buybacks picking up across the portfolio. In particular, we note that our largest position, **CK Hutchison**, has begun buying back shares aggressively. Given the gap between the cost of debt (their 10-year bond yields 2.3%) and cost of equity (the earnings yield is 17%) we would expect the company to continue to "arbitrage" the gap between the two.

All data as at 30.06.21. Source: Prusik Investment Management LLP, unless otherwise stated.

Signatory of:



Prusik Asian Equity Income Fund



Top 5 Holdings (%)

CK Hutchison Holdings Ltd	6.4
Power Grid Corporation of India Ltd	5.9
CK Asset Holdings Ltd	5.4
China Mobile Ltd	4.9
Zhejiang Expressway Co	4.9
Total Number of Holdings	38

Portfolio Financial Ratios

Price/Earnings Ratio	9.4x
Predicted Dividend Yield (%)	5.9

Risk Metrics

Tracking Error (% pa)	10.01
Beta	0.82
Alpha	5.05
Volatility (%)	15.78
Sharpe Ratio	0.98

Thematic Breakdown (%)

Consumer	23.7	
Communications Infrastructure	20.9	
Real Estate	19.4	
Power Utilities & Energy	19.2	
Transport Infrastructure	12.8	
Financials	2.7	
Cash	1.2	

Geographical Breakdown (%)

Hong Kong	32.6	
India	20.2	
China	16.1	
Indonesia	6.6	
Korea	4.9	
Macau	3.2	
Australia	3.0	
Thailand	2.8	
Singapore	2.8	
Philippines	2.6	
Vietnam	2.3	
Malaysia	1.7	
Cash	1.2	

All data as at 30.06.21. 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 annually.

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	304.01
B USD Unhedged Distributing	B4QVD94	IE00B4QVD949	194.76
C GBP Hedged Distributing	B4Q6DB1	IE00B4Q6DB12	179.13
D SGD Hedged Distributing	B4NFJT1	IE00B4NFJT16	181.48

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	173.98
Y GBP Hedged Distributing	B4TRL17	IE00B4TRL175	160.72
Z SGD Hedged Distributing	B6WDYZ1	IE00B6WDYZ18	168.37

Performance fee based on individual investor's holding.

Class U	Sedol	ISIN	Month-end NAV
U GBP Unhedged Distributing	BBP6LK6	IE00BBP6LK66	158.17

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.