

Investment objective : The Fund’s objective is to provide its shareholders with risk-adjusted returns which exceed the MSCI Asia free ex-Japan (US\$) index. It invests principally in other funds that are managed by boutique fund managers in Asia ex-Japan that have worked in the region for several years and have in-depth knowledge of companies in the region, who employ a bottom-up, value investing style, and who generally have limited assets under management. The Fund’s underlying holdings have a bias towards small and medium capitalization equities and companies serving the burgeoning Asian consumer sector. The benchmark figures used for comparison do not include dividends. We estimate that if dividends, net of withholding taxes, are included in the benchmark returns, the benchmark returns would increase by around 2 ½ percentage points per annum. The performance of the Fund does not include fees charged in clients' segregated accounts.

Investment Advisor : Overseas Asset Management (Cayman) Ltd.

Legal domicile : Cayman Islands

Bloomberg symbol : OAMASRI KY

Auditor : KPMG

Annualised return since inception : Fund 14.1% Benchmark 6.2%

Size of Fund : US\$320 million

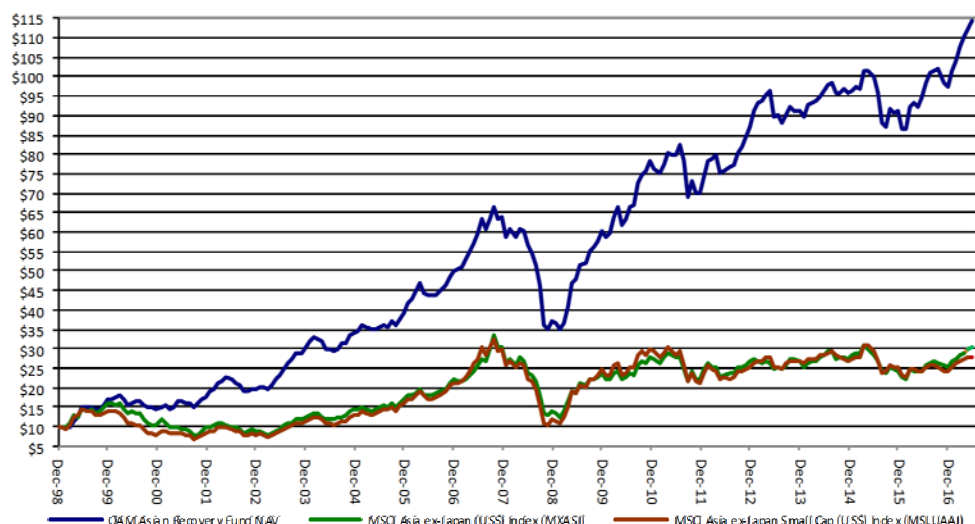
Largest peak to trough decline : Fund -47.1% Benchmark -62.8%

Launch date & price : 31st December 1998 at US\$10.00 /share

Valuation on a look-through basis: P/E (17 EPS): 16.5x **Dividend yield:** 3.0%

Cash in Fund: 1% Balance of cash held by underlying funds

Performance of OAM Asian Recovery Fund since launch



Investment Advisor commentary:

During the first half of the year, the Fund’s NAV/share increased by 17.7% compared to an increase in its benchmark of 21.6%. Over the long-term, the Fund handsomely beat its benchmark, but periodically there will be periods of underperformance. Historically, the Fund’s NAV per share has lagged its benchmark during very strong periods of Asian equity performance such as we saw in the first half. There was another specific reason for the Fund’s underperformance in the first half. As in the case of US equities, Asian market returns were driven by very strong returns by technology stocks which now comprise a worryingly high proportion of the index. For instance, Samsung Electronics, Tencent and Alibaba comprise 14% of the MSCI Asia free ex Japan index and their share prices in USD terms increased by 39%, 46% and 60% respectively during the first half. The Fund has little exposure to these three companies.

Quarterly performance since launch

Year	Mar	Jun	Sept	Dec	Annual
1999	-0.3%	52.8%	-4.9%	17.2%	69.7%
2000	7.6%	-11.0%	-5.7%	-5.7%	-14.8%
2001	0.6%	14.7%	-10.0%	18.6%	23.3%
2002	19.1%	4.0%	-13.4%	1.8%	9.2%
2003	1.6%	17.8%	18.1%	11.4%	57.6%
2004	6.6%	-8.6%	4.8%	9.4%	11.7%
2005	3.3%	0.5%	4.4%	5.0%	13.8%
2006	14.5%	-1.9%	0.7%	13.7%	28.7%
2007	5.9%	13.0%	6.0%	0.5%	27.6%
2008	-8.4%	-3.2%	-19.3%	-18.3%	-41.5%
2009	-2.2%	30.9%	15.5%	9.1%	61.3%
2010	6.1%	-0.6%	14.7%	7.8%	30.3%
2011	-1.5%	3.2%	-13.4%	1.0%	-11.0%
2012	12.6%	-3.7%	6.1%	7.9%	24.3%
2013	8.2%	-4.3%	0.5%	1.1%	5.2%
2014	2.3%	2.9%	-0.2%	0.0%	5.1%
2015	0.8%	3.2%	-13.0%	4.8%	-5.2%
2016	1.2%	2.7%	7.1%	-4.1%	6.8%
2017	11.1%	6.0%			

Country exposure

