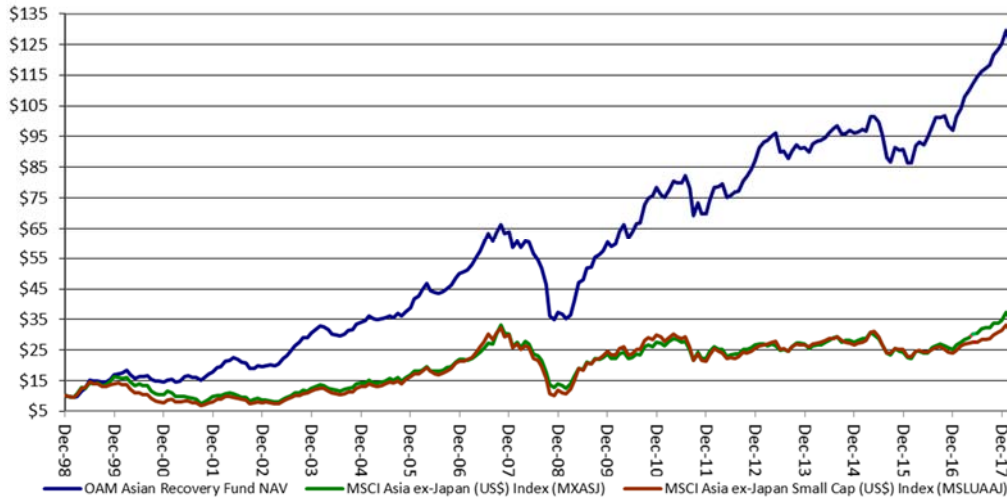


**Investment objective :** The Fund’s objective is to provide its shareholders with risk-adjusted returns which exceed the MSCI Asia free ex-Japan (US\$) index. It invests principally in other funds that are managed by boutique fund managers in Asia ex-Japan that have worked in the region for several 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.  
**Bloomberg symbol :** OAMASRI KY  
**Annualised return since inception :** Fund 14.0% Benchmark 6.7%  
**Largest peak to trough decline :** Fund -47.1% Benchmark -62.8%  
**Valuation on a look-through basis: P/E (18 EPS):** 18.1x  
**Dividend yield:** 2.7%

**Legal domicile :** Cayman Islands  
**Auditor :** KPMG  
**Size of Fund :** US\$335 million  
**Launch date & price :** 31st December 1998 at US\$10.00 /share  
**Cash in Fund :** 11% (16% on a look-through basis)

**Performance of OAM Asian Recovery Fund since launch**

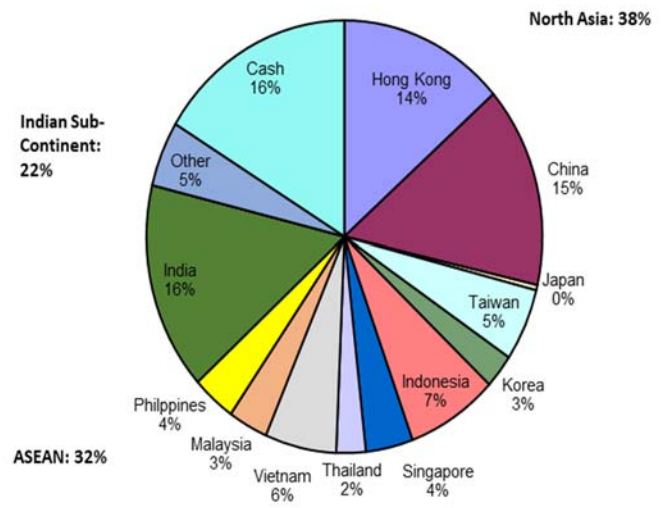


**Investment Advisor commentary:**  
 Please see overleaf.

**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%	3.4%	5.9%	28.9%
2018	0.2%				

**Country exposure**



**Investment Advisor commentary:**

The first quarter was an unusually active period for the Fund. Having been fully invested throughout last year, equity markets felt overly ebullient to us in January. As noted in the year end Chairman's statement, less than 1% of the Fund's net assets was cash which we believed was too low a buffer in what we think is an advanced stage of the global equity market cycle. We therefore redeemed \$10.5 million from 4 open-ended funds in which we have been longstanding shareholders; \$2.5 million from the balance of shares in a formerly closed-end Vietnam fund which became open-ended; and we sold \$1.2 million in shares of a closed-end Vietnam fund. This was counterbalanced with the purchase of \$1.5 million in shares of a closed-end Vietnam fund at a more than 20% discount to NAV – the fund is selling its assets and liquidating over the next 18 months. As mentioned in the Chairman's statement, we received a \$7.5 million distribution from Overlook Investments LP in February. In late January, the founder of Lynas Asia Fund, David Devine, decided to liquidate the fund, return capital to shareholders, and retire. Like Overlook, where he worked prior to founding Lynas, this has been a fabulous investment. So far, we received \$26 million from Lynas, with another \$7 million in distributions expected in the next few months. Consequently, the Fund's cash has climbed from less than \$1 million at year end to \$44 million as at 25th April, 2018. We feel comfortable having this much dry powder at this stage in the global equity market cycle in anticipation of a better opportunity to put cash to work at attractive valuations.