

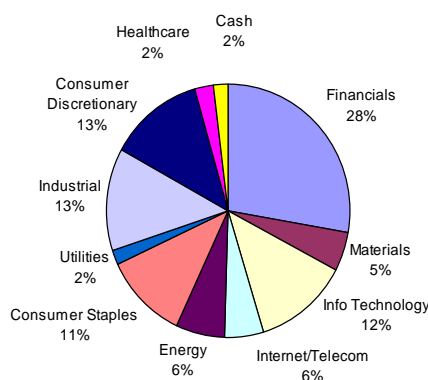
Selected Asian Portfolio

31 July 2009

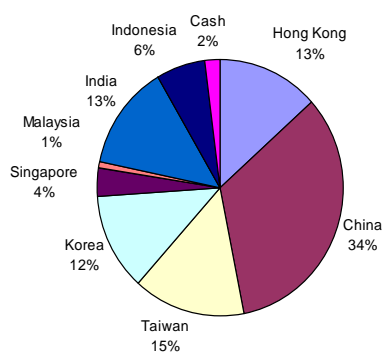
★★★
Morningstar Rating™
Source of Star Rating: Morningstar HK

Unit Price
US\$49.53

Sector Weighting



Country Weighting



Fund Details

The investment objective of the Selected Asia Portfolio is to achieve capital appreciation by investing in the shares of regional Asian companies. The Fund invests its assets in Asia.

| | |
|--------------------|------------------------|
| Launch date | 22/11/1989 |
| Authorisation | SFC |
| Bloomberg Code | HAMSAPI HK |
| Dealing | Every Wednesday |
| Investment Advisor | Hamon Asset Mgmt. Ltd. |

Important Information:

Investment involves risk. Past performance is not indicative to future performance. The fund may invest in emerging markets, smaller companies and derivative instruments and thus involve higher risk and volatility. Before investing, please refer to the offering document(s) for details, including the risk factors.

The document is issued by Hamon Investment Group and has not been reviewed by the SFC. It is not a recommendation, an offer or invitation to investment. Consult your financial advisor before making any investment decisions.

Fund in figures (NAV to NAV, with dividend reinvested)

Cumulative Performance % in US\$

(NAV in US\$)
Source: BNY Mellon, Bloomberg

| | Jul 09 | YTD | 1 yr | 3 yr | 5 yr |
|---|---------------|---------------|--------------|---------------|----------------|
| Selected Asian Portfolio | 12.62% | 78.77% | 6.81% | 55.19% | 135.39% |
| MSCI Daily TR AC FE ex-Japan ¹ | 13.54% | 51.44% | -6.80% | 25.33% | 99.29% |

1. The Fund has changed its index from MSCI AC FE Free ex-Japan to MSCI Daily TR AC FE ex-Japan Net with effect from 1 January 2007.

Calendar Year Performance % in US\$

| | 2008 | 2007 | 2006 | 2005 |
|---|----------------|---------------|---------------|---------------|
| Selected Asian Portfolio | -58.84% | 66.35% | 36.27% | 19.43% |
| MSCI Daily TR AC FE ex-Japan ¹ | -50.56% | 36.49% | 31.74% | 21.33% |

Highlights

- After a correction in early July, the Asian markets recovered strongly on improved macro data and large inflow of liquidity.
- Semi-annual reporting season has begun and positive results can be seen.
- Recovery of US economy will accelerate Asian economic growth.

Fund Review

The Asian markets rallied after experiencing a mild correction in early July. This rally is mainly driven by the large caps. Crude oil fell 16.3% during the correction but rallied to finish the month relatively flat, down 1.2% to close at \$69.45 USD per barrel. The Selected Asian Portfolio finished the month rising 12.6%, underperforming the MSCI index slightly, which gained 13.5%, due to the Fund's relative underweight position in Korea and Taiwan.

China's 2009 GDP beat market expectations, posting a 7.9% growth on improved factory output, strong bank lending, and resilient domestic consumption.

Taiwan and China may have already agreed to a general MOU between the economies, opening investment opportunities for large names in financials and securities. According to the Chung Hua Institute for Economic Research, closer links to the Mainland may boost Taiwan's GDP by 1.72%.

India's BSE index gained 7.8%, as the country seeks to borrow 4.51 trillion Rupees, equivalent to 6.8% of GDP, to ensure economic growth while also addressing rural development. Infrastructure names will continue to be biggest beneficiaries, as India plans to spend almost a trillion Rupees on telecommunications and power.

The market is expected to be volatile when a majority of the listed companies report their semi-annual earnings in August. The margin recovery will be limited throughout 1H09, largely due to the negative impact from high price raw material inventory from last year. After a consolidation, the market should return towards an upward trend again, supported by further positive guidance in second half earnings and better macroeconomic outlook. While maintaining the Fund's long term domestic themes, we believe the US market recovery will serve as an additional positive catalyst for growth.

Market Review

CHINA/HK

China's 2Q09 GDP beat market expectations, posting a 7.9% growth on improved factory output and bank lending. HK's PMI index rose to 49.9 in July following 12 months of contraction.

INDIA

India new government plans to overhaul household subsidies, hoping for at least 8% GDP growth over the next two years to boost tax revenue while reducing the budget deficit to 5.5% by March of 2011, and 4% the following year.

KOREA

The Kospi gained 16.6% in July following better than expected export growth and earnings results. Various stimulus measures, along with rising consumer sentiment, helped support Korea's 2Q09 GDP expansion of 2.3%.

INDONESIA

Indonesia rose 17.9% in July. Re-elected President Yudhoyono promises solid reform. The terrorist attack should have little effect on the stability of the economy, affecting only tourism and travel in the short-term.