

Fund Category	Asian Frontier Countries Public Equities
Country Focus	Bangladesh, Cambodia, Iraq, Laos, Maldives, Mongolia, Myanmar, Pakistan, Papua New Guinea, Sri Lanka, Vietnam
Subscriptions	Monthly at NAV (five business days before month end)
Redemptions	Monthly at NAV 90 days notice for Class A 180 days notice for Class B
Benchmark	MSCI Frontier Markets Asia Index
Fund Manager	Thomas Hugger
Investment Manager	Asia Frontier Capital Ltd., Cayman Islands
Investment Advisor	Asia Frontier Investments Ltd., Hong Kong
Fund Base Currencies	USD, EUR, CHF
Minimum Investment	USD 50,000 or EUR 50,000 or CHF 50,000
Subsequent Investments	USD/EUR/CHF 10,000
Management Fee	1.8% p.a. of NAV for class A shares 1.5% p.a. of NAV for class B shares
Performance Fee Class A Shares	10% NAV appreciation above 3 month USD LIBOR +2% and high water mark
Performance Fee Class B Shares	8% NAV appreciation above 3 month USD LIBOR +2% and high water mark
Fund Size	USD 18.7 million
Fund Domicile	Cayman Islands
Launch Date	30 March 2012
Main Custodian Banks	Deutsche Bank, Singapore / DBS, Hong Kong
Auditor	Ernst & Young, Hong Kong
Administrator	Custom House, Singapore
Legal Advisor	Ogier, Hong Kong
US Tax Advisor	Morgan, Lewis & Bockius LLP, Boston

Contact Information

Asia Frontier Capital Ltd.
www.asiafrontiercapital.com
Mr. Thomas Hugger
Tel: +852 3904 1015, Fax: +852 3904 1017
th@asiafrontiercapital.com

Registered Office:

c/o Elian Fiduciary Services (Cayman) Limited,
89 Nexus Way, Camana Bay, Grand Cayman,
KY1-9007, Cayman Islands

Hong Kong Office:

Asia Frontier Investments Limited
905, 9th Floor, Loon Kee Building
267-275 Des Voeux Road Central
Hong Kong

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For Professional Investors

**No 1 Top Performing Frontier
Markets Equity Manager**

26 Nov 2015 – 36 Months

Investment Objective

Achieve long-term capital appreciation by investing in listed equities of companies that have their principal business activities in high-growth Asian frontier markets. The fund focuses primarily on investments in consumer related stocks, financials and infrastructure.

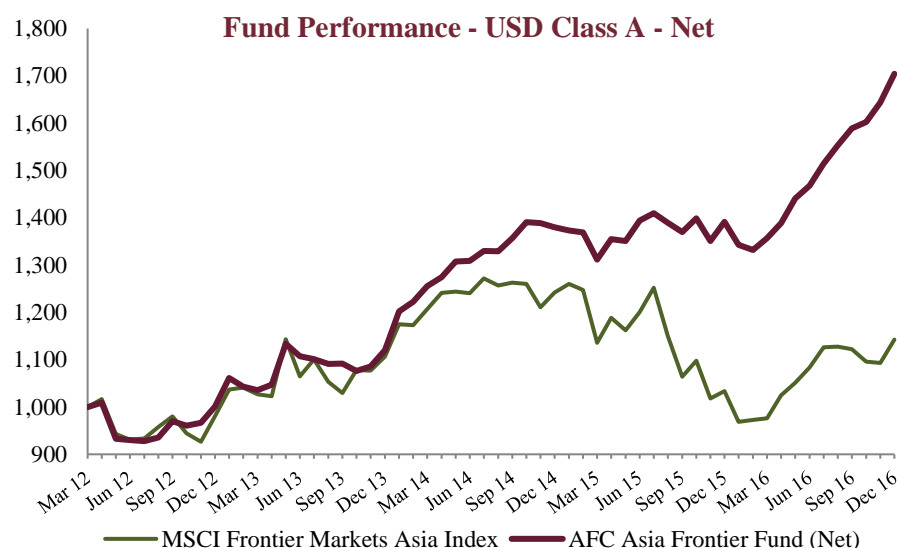
Fund Manager Comment

The AFC Asia Frontier Fund (AAFF) USD A-shares gained +3.7% in December 2016. The fund outperformed the MSCI Frontier Markets Index (+2.7%) and the MSCI World Index (+2.3%) but underperformed the MSCI Frontier Markets Asia Index which was up +4.5%. The USD A shares achieved a NAV of USD 1,704.18 which is a new all-time high (the previous high was in November 2016 with USD 1,643.60). The performance of the AFC Asia Frontier Fund A-shares since inception on 31st March 2012 now stands at +70.4% versus the MSCI Frontier Markets Asia Index which is up +14.2% and MSCI Frontier Index (+2.8%) during the same time period. The fund's annualized performance since inception is +11.9% p.a. while its YTD performance stands at +22.5%. The broad diversification of the fund's portfolio has resulted in lower risk with an annualised volatility of 9.19%, a Sharpe ratio of 1.28 and a correlation of the fund versus the MSCI World Index USD of 0.34, all based on monthly observations since inception.

The best performing indexes in the AAFF universe in December were Mongolia (+12.3%), Cambodia (+11.4%), and Pakistan (+11.0%). The poorest performing markets were Laos (-1.2%) and Vietnam (-0.6%). The top-performing portfolio stocks were all from Mongolia: a gold exploration company (+52.2%), a construction materials company (+51.7%), a coal mining company (+44.0%), and an oil exploration company (+36.6%).

In December we added to existing positions in Mongolia, Pakistan and Vietnam and partially sold a Mongolian consumer company. We newly added a Mongolian department store and sold a Pakistani meat distributor, a Vietnamese truck producer, and a Mongolian coal company.

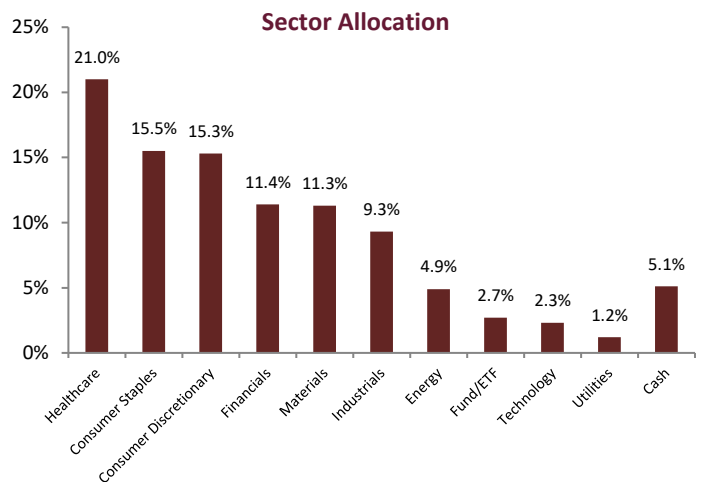
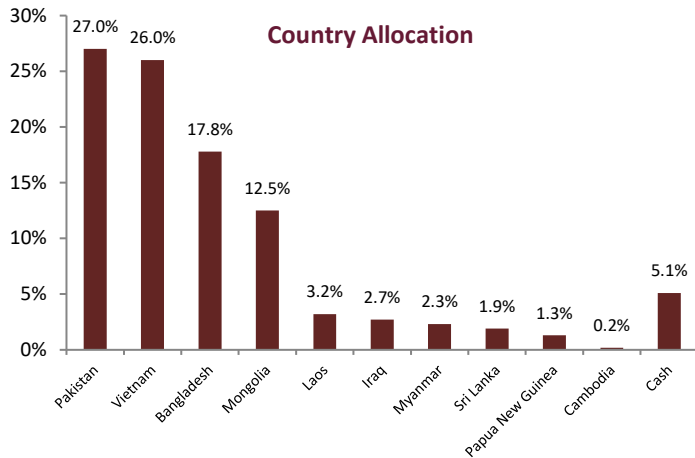
As of 31st December 2016, the portfolio was invested in 105 companies, 1 fund and held 5.1% in cash. The two biggest stock positions were a pharmaceutical company in Bangladesh (8.7%) and a Pakistani pharmaceutical company (6.4%). The countries with the largest asset allocation include Pakistan (27.0%), Vietnam (26.0%) and Bangladesh (17.8%). The sectors with the largest allocation of assets are consumer goods (30.8%) and healthcare (21.0%). The estimated weighted average trailing portfolio P/E ratio (only companies with profit) was 23.99x, the estimated weighted average P/B ratio was 3.91x and the estimated portfolio dividend yield was 3.11%.



NAV as of 31st December 2016

	USD-A	USD-B	CHF-A	CHF-B	EUR-A	EUR-B
NAV	1,704.18	1,742.48	1,815.83	1,565.95	1,608.47	1,525.67
Since Inception	+70.42%	+74.25%	+81.58%	+56.60%	+60.85%	+52.57%
Inception Date	30/03/2012	30/03/2012	30/03/2012	31/01/2014	31/01/2014	31/07/2014

* All MSCI Index numbers and performance comparisons are versus the respective price index calculations



Monthly Performances AFC Asia Frontier Fund Class A

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2012	USD				+0.91%	-7.56%	-0.27%	-0.26%	+0.85%	+3.64%	-0.96%	+0.62%	+3.62%	+0.15%
2013	USD	+5.99%	-1.75%	-0.70%	+1.12%	+8.25%	-2.33%	-0.54%	-0.90%	+0.06%	-1.45%	+0.86%	+3.18%	+11.83%
2014	USD	+7.34%	+1.67%	+2.72%	+1.53%	+2.60%	+0.07%	+1.59%	-0.05%	+2.10%	+2.52%	-0.15%	-0.62%	+23.24%
2015	USD	-0.49%	-0.33%	-4.16%	+3.28%	-0.32%	+3.24%	+1.09%	-1.43%	-1.42%	+2.14%	-3.42%	+2.97%	+0.80%
2016	USD	-3.51%	-0.77%	+1.89%	+2.30%	+3.79%	+1.85%	+3.19%	+2.54%	+2.33%	+0.84%	+2.57%	+3.69%	+22.50%

2012	CHF				-0.29%	-1.18%	-2.62%	+1.62%	-1.40%	+1.92%	-1.82%	+0.24%	+2.26%	-1.39%
2013	CHF	+5.65%	+0.84%	+0.62%	-0.96%	+11.36%	-3.46%	-2.54%	-0.52%	-2.64%	-1.20%	+0.78%	+1.60%	+8.97%
2014	CHF	+9.64%	-1.12%	+3.22%	+1.05%	+4.19%	-0.76%	+3.89%	+0.92%	+5.82%	+3.35%	+0.09%	+2.08%	+36.98%
2015	CHF	-7.83%	+3.33%	-2.36%	-0.80%	+0.19%	+2.38%	+4.39%	-1.23%	-0.21%	+2.98%	+0.94%	+0.01%	+1.20%
2016	CHF	-0.85%	-3.33%	-2.24%	+2.20%	+7.13%	+0.18%	+2.05%	+3.68%	+0.83%	+2.59%	+5.08%	+3.15%	+21.90%

2014	EUR		-3.62%	+2.81%	+0.86%	+3.69%	-0.33%	+3.50%	+1.76%	+5.69%	+3.24%	+0.38%	+2.02%	+21.56%
2015	EUR	+6.07%	+0.46%	+0.78%	-1.80%	+1.88%	+1.11%	+2.24%	-3.04%	-0.73%	+3.11%	+1.12%	-0.45%	+10.96%
2016	EUR	-2.57%	-1.06%	-3.06%	+1.40%	+6.16%	+2.15%	+1.85%	+2.37%	+0.98%	+2.47%	+4.33%	+3.10%	+19.25%

Monthly Performances AFC Asia Frontier Fund Class B

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2012	USD				+0.94%	-7.55%	-0.24%	-0.23%	+0.88%	+3.67%	-0.94%	+0.64%	+3.65%	+0.37%
2013	USD	+6.09%	-1.77%	-0.70%	+1.17%	+8.45%	-2.36%	-0.52%	-0.87%	+0.09%	-1.43%	+0.89%	+3.19%	+12.30%
2014	USD	+7.53%	+1.72%	+2.79%	+1.58%	+2.67%	+0.09%	+1.65%	-0.03%	+2.16%	+2.59%	-0.13%	-0.62%	+24.07%
2015	USD	-0.47%	-0.31%	-4.13%	+3.31%	-0.30%	+3.27%	+1.12%	-1.41%	-1.40%	+2.16%	-3.39%	+2.99%	+1.10%
2016	USD	-3.49%	-0.75%	+1.91%	+2.32%	+3.82%	+1.91%	+3.28%	+2.61%	+2.40%	+0.87%	+2.65%	+3.78%	+23.25%

2014	CHF		-1.23%	+3.42%	+1.10%	+4.30%	-0.76%	+4.00%	+0.95%	+5.97%	+3.44%	+0.11%	+2.14%	+25.78%
2015	CHF	-7.81%	+3.35%	-2.34%	-0.77%	+0.21%	+2.41%	+4.41%	-1.21%	-0.18%	+3.01%	+0.96%	+0.03%	+1.51%
2016	CHF	-0.83%	-3.31%	-2.22%	+2.22%	+7.15%	+0.20%	+2.12%	+3.77%	+0.86%	+2.67%	+5.21%	+3.23%	+22.65%

2014	EUR								+1.82%	+5.82%	+3.33%	+0.40%	+2.08%	+14.10%
2015	EUR	+6.22%	+0.49%	+0.81%	-1.78%	+1.91%	+1.15%	+2.31%	-3.06%	-0.71%	+3.14%	+1.17%	-0.44%	+11.46%
2016	EUR	-2.55%	-1.03%	-3.04%	+1.43%	+6.18%	+2.20%	+1.91%	+2.44%	+1.02%	+2.55%	+4.44%	+3.19%	+19.96%

Security Numbers for each of the Share Classes

	USD-A	USD-B	CHF-A	CHF-B	EUR-A	EUR-B
ISIN	KYG0132A1013	KYG0132A1195	KYG0132A1435	KYG0132A1500	KYG0132A1278	KYG0132A1351
CUSIP	G0132A 101	G0132A 119	G0132A 143	G0132A 150	G0132A 127	G0132A 135
Bloomberg	LEASFAA KY	LEASFAB KY	LEASFAC KY	LEASFBC KY	LEASFAE KY	LEASFBE KY
Valoren	22307796	22307803	22307802	22307805	22307800	22307804

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