

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 25,000 or EUR 25,000 or CHF 25,000
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	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

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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.

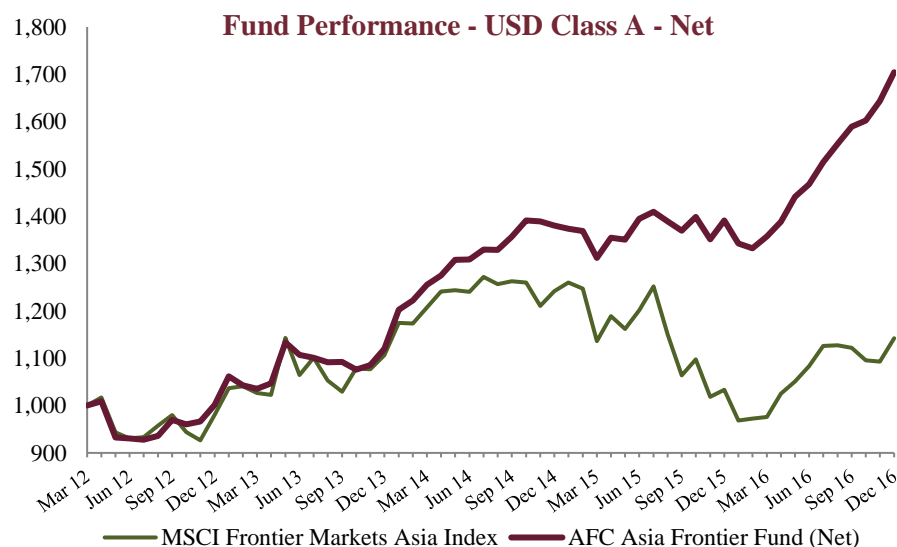
Fund Manager Comment

The AFC Asia Frontier Fund (Non-US) (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 1,704.05 which is a new all-time high (the previous high was in November 2016 with USD 1,643.48). 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%.

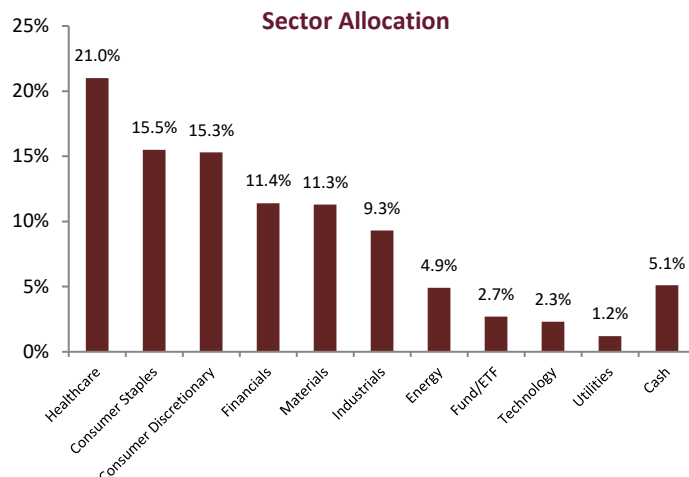
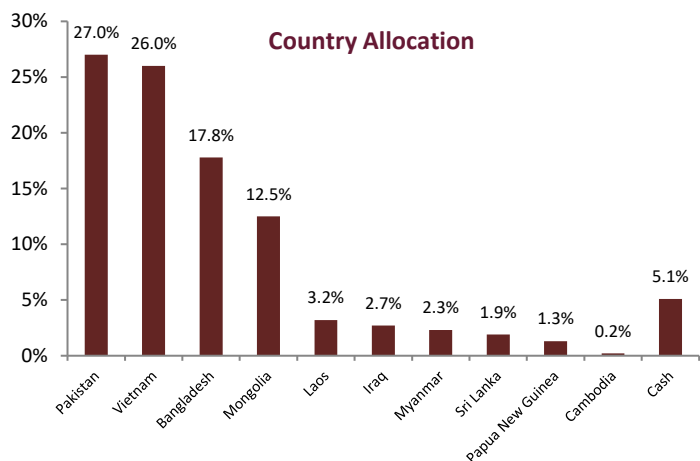


NAV as of 31st December 2016

	USD-A	USD-B	CHF-A	CHF-B	EUR-A	EUR-B
NAV	1,704.05	1,742.32	1,815.83	1,565.95	1,608.47	1,525.68
Since Inception	+70.41%	+74.23%	+81.58%	+56.60%	+60.85%	+52.57%
Inception Date	30/03/12	30/03/12	30/03/12	31/01/14	31/01/14	31/07/14

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

** The representative of the Fund in Switzerland is Hugo Fund Services SA, 6 Cours de Rive, 1204 Geneva. The distribution of Shares in Switzerland must exclusively be made to qualified investors. The place of performance and jurisdiction for Shares in the Fund distributed in Switzerland are at the registered office of the Representative.



Monthly Performances AFC Asia Frontier Fund (non-US) Class A

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2012	USD				+0.90%	-7.56%	-0.27%	-0.26%	+0.85%	+3.64%	-0.96%	+0.61%	+3.62%	+0.14%
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%	-0.34%	-4.15%	+3.28%	-0.32%	+3.24%	+1.09%	-1.43%	-1.42%	+2.14%	-3.42%	+2.96%	+0.79%
2016	USD	-3.51%	-0.77%	+1.89%	+2.30%	+3.80%	+1.85%	+3.19%	+2.54%	+2.33%	+0.84%	+2.57%	+3.69%	+22.51%

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 (non-US) 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%	+0.36%
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%	+12.29%
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%	+1.09%
2016	USD	-3.49%	-0.75%	+1.91%	+2.32%	+3.83%	+1.91%	+3.28%	+2.61%	+2.40%	+0.87%	+2.65%	+3.78%	+23.26%

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%	+4.42%	-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	KYG0133A1004	KYG0133A1186	KYG0133A1426	KYG0133A1590	KYG0133A1269	KYG0133A1343
CUSIP	G0133A 100	G0133A 118	G0133A 142	G0133A 159	G0133A 126	G0133A 134
Bloomberg	LAFNUAU KY	LAFNUBU KY	LAFNUAS KY	LAFNUBS KY	LAFNUAE KY	LAFNUBE KY
Valoren	21182352	22307835	22307834	22307838	22307831	22307836

**Asia Frontier Capital manages funds for both US investors and non-US investors. This factsheet is for non-US investors only. If you are a US investor, please refer to the fact sheet for the fund called "AFC Asia Frontier Fund". By accessing information contained herein, users are deemed to be representing and warranting that they are either a Hong Kong Professional Investor or are observing the applicable laws and regulations of their relevant jurisdictions. The fund is authorized for distribution to professional investors in Hong Kong, Japan, Singapore and the UK.*

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