

Appian Small Companies Opportunities Fund

Fact Sheet

DECEMBER 2015

About Appian Asset Management

Appian is an independent Irish owned asset management company. Since our establishment in 2003 our investment philosophy has been to achieve solid investment growth with the minimum of risk and volatility. Our objective is to preserve and grow capital through value investing on a sustainable, risk adjusted basis. We ignore investment fashions and do not leverage any of our investments.

Investment Team

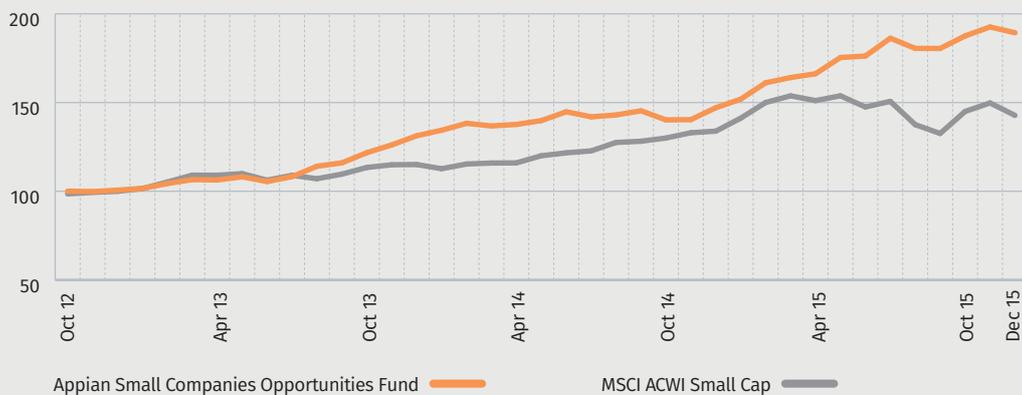
Patrick J Lawless

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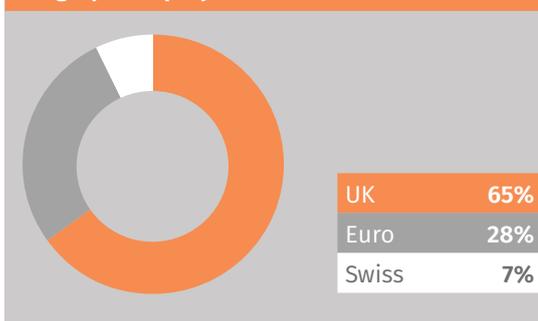
Performance of Appian Small Companies Opportunities Fund



Appian Small Companies Opportunities Fund Performance 04.01.2016

| Period | 2012 | 2013 | 2014 | Q1 2015 | Q2 2015 | Q3 2015 | Q4 2015 | 2015 |
|-------------|-------|--------|--------|---------|---------|---------|---------|--------|
| Fund Return | 0.61% | 30.50% | 12.04% | 11.58% | 7.39% | 2.42% | 4.91% | 28.75% |

Geographic Equity Distribution



Key Features

- Concentrated stock selection
- We meet and engage with management
- No entry, exit or performance fees
- Typically invest in lowly geared companies
- All stocks are publicly quoted
- Independent Trustee Custodian and Administrator

Appian Small Companies Opportunities Fund Comment for Q4 2015

The Appian Small Companies Opportunities Fund (ASCOF) concluded an excellent 2015 with a 4.91% gain in Q4 to bring the total return for the year to 28.75%. This was an exceptionally strong full-year performance in the context of global equity markets which delivered single digit returns in euro terms, much of which reflected the weakening of the euro against other major currencies over 2015. A number of concerns weighed on equity markets during the year including weakening Chinese economic growth, sluggish corporate earnings progress, another chapter in the Greek crisis, uncertainty over the timing and pace of US interest rate increases, and a steep fall in commodity and oil prices.

However, the strong full-year performance of the ASCOF can be attributed to two elements, which each approximately made a similar contribution to the Fund's return.

Firstly, M&A activity was an important positive for the ASCOF with six stocks being taken over during 2015, bringing to 12 the number of stocks owned by the Fund which have been acquired in three years. Q1 saw offers for two of our German holdings, property company Westgrund and machinery producer DMG Mori Seiki. The targets in Q2 were Dragon Oil and AGA Rangemaster, with recommended offers received in Q3 for UK sports marketing company Chime Communications and Lloyd's insurer Amlin. All of these offers were at a premium of 35% plus to the respective prices of these stocks earlier in the year.

Secondly, three individual stocks in the Fund made a material contribution to the Fund performance as they each delivered returns of 75% or more over 2015. UK retail apparel company SuperGroup, Irish travel software firm Datalex and Finnish packaging producer Powerflute (which is the Fund's largest holding) all saw their share prices rewarded for successful execution of their corporate development strategies during the year.

The Q4 gain was largely driven by a number of individual holdings, such as Micro Focus (IT), Next Fifteen Communications (PR), Patisserie Holdings (UK café chain) and Datalex.

We added two more stocks in Q4, making 9 additions for the year. We invested in Hostelworld, the Irish based online booking platform provider for hostels, attracted by its strong cash generation profile and dominant position. We also added Lavendon, a UK based supplier of powered access machinery as it sold off on broader sector concerns from which we believe it is shielded.

While 2016 presents a range of challenges for financial markets, the ASCOF's 2015 performance encourages us that our focus on well-run, high quality, cash generative companies with strategically valuable assets will continue to serve our Fund well.

Top 5 Equity Holdings 31.12.2015

| Name | Country | Sector | % |
|--------------|----------|------------|-------|
| Powerflute | UK | Packaging | 6.21% |
| UTV Media | UK | Media | 4.56% |
| Playtech | UK | Technology | 4.45% |
| Jungheinrich | Eurozone | Machinery | 4.22% |
| Supergroup | UK | Retail | 3.76% |

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Fund Facts

LAUNCH DATE

October 2012

NAME

Appian Small Companies Opportunities Fund

FUND SIZE

€35 million

PRICING FREQUENCY

Monthly

PRICING BASIS

Single Price

ANNUAL MANAGEMENT CHARGE

1.5% p.a.

FUND CUSTODIAN

BNP Paribas Securities Services

STRUCTURE

Retail Investor Alternative Investment Fund

WARNING The value of your investment may go down as well as up. Past performance is not a reliable guide to future performance. These investments may be affected by changes in currency exchange rates.