

Cephei Capital Absolute Return Strategy

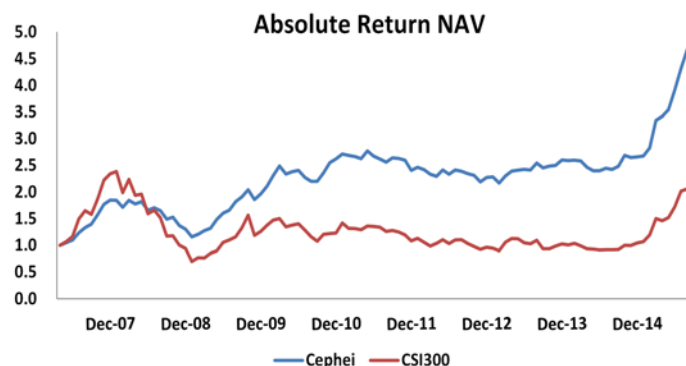
Investment Strategy

Cephei Capital adopts value and contrarian oriented investment philosophy. Our investment decisions are driven with disciplined and rigorous bottom-up fundamental analysis of securities and top-down analysis of sectors. The strategy invests primarily in China A-share markets with multi-sector focus and a bias on mid to large market cap companies. We manage a concentrated liquid portfolio with low turnover and long term horizon. The key differentiator of us is the long term successful experience of absolute return generation with the skillful use of multiple financial instruments including stocks, convertible bonds, private placement, block trades, and IPOs etc.

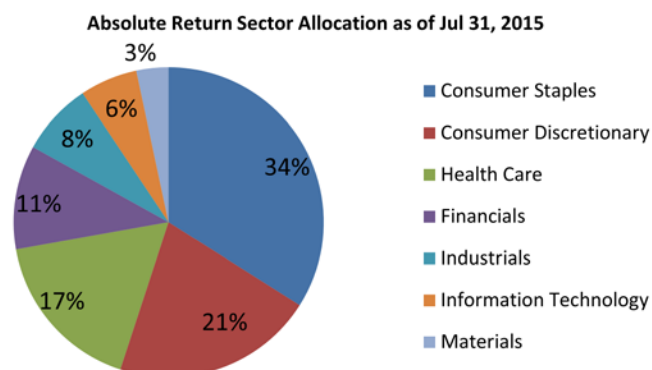
Investment Objective

The strategy is to achieve mid double digit annualized on three year rolling basis with lower than market volatility. The 8 year track record shows that the strategy has strong characteristics of capital preservation with much lower draw down in bear market, double digit outperformance in consolidated market and slight underperformance in bull market.

CEPHEI Absolute Return	Inception date	AUM (USD mn)	6 Month	1 Year
NAV	2006 Dec	1,302	26.49%	60.75%
CEPHEI Absolute Return	2 Year	3 Year	5 Year	YTD
NAV	73.84%	86.96%	83.23%	29.15%



As of July 31, 2015	Absolute Return
Inception date	2006 Dec
Return Since Inception	346.59%
Annualized Return	19.05%
Benchmark Annualized Return	7.74%
Standard Deviation	19.23%
Benchmark Annualized Standard Deviation	34.60%



Principles

Li Gang (Chief Executive Officer) – Prior to founding Cephei in 2006, Li was the Managing Director and Head of China International Capital Corporation's Sales & Trading department. He was responsible for creating and building CICC's distribution capabilities into the country's most highly regarded sales & trading desk. From 1992 to 1997, Li worked at the Federal Home Loan Mortgage Corporation's Corporate Finance department and became the head of Freddie Mac's portfolio analytical team in 1993. He was a top performer and managed the analytical support team for Freddie Mac's US\$1.5 Trillion MBS portfolio. Li received his Ph.D. and M.S. in Operations Research from Case Western Reserve University.

Min Yu (Chief Investment Officer) - Prior to joining Cephei in 2006, Min was the Chief Investment Officer at Changsheng Fund Management Company Limited, which is one of China's largest mutual fund companies. From 2002 to 2005, Min was the fund manager of the Tongzhi Fund, one of Changsheng's best performing funds, and he was awarded "Best Portfolio Manager Award" in 2004 and 2005 by the China Securities Journal. Min joined Changsheng in 1999 and obtained his Trader Qualification of China National Inter-Bank Market and Professional Qualifications of Securities, Investment Funds and Futures within his first two years there. Min has experience managing close-ended, open-ended, equity, and bond funds. Min received his M.S. in Economics from the Capital University of Economics and Business, and a B.S. in Economics from Peking University.