

**Eschler Recovery Fund SP**
**OVERVIEW:** September 2016

Eschler Asset Management LLP is an independent asset management company headquartered in London, UK specializing in equity investing. Eschler Recovery fund invests in a concentrated portfolio of special situations with strong recovery potential. Recovery Fund SP is a segregated portfolio of Eschler Global Fund SPC

**PERFORMANCE**

USD B Share Class Lead Series	Jan	Feb	Mar	Apr	May	June	Jul	Aug	Sept	Oct	Nov	Dec	YTD
<b>2012</b>										1.20%	-0.18%	6.96%	<b>8.05%</b>
<b>2013</b>	9.71%	-2.74%	1.22%	-7.45%	4.96%	-6.60%	3.46%	2.63%	-6.23%	2.50%	-1.72%	2.16%	<b>0.42%</b>
<b>2014</b>	8.57%	5.93%	-0.05%	2.89%	-2.55%	5.85%	-0.43%	-0.18%	-7.15%	-7.56%	1.88%	0.93%	<b>7.00%</b>
<b>2015</b>	3.51%	-2.12%	-7.45%	3.18%	-2.67%	-4.13%	-10.52%	-0.17%	-9.26%	28.80%	-10.60%	-0.52%	<b>-16.18%</b>
<b>2016</b>	-9.33%	16.92%	6.62%	14.64%	-1.66%	5.04%	-2.57%	5.65%	5.08%				<b>44.81%</b>

**RISK-RETURN ANALYSIS** (fund information accurate as of September 30th, 2016)

September 2016 Return (USD)*	5.1%
Inception-to-date return (October 8 2012)	40.9%
Inception-to-date Annualized Return	9.0%
Predicted Volatility (daily, annualized, % of NAV)	22.0%
% Days up	50.0%
% Days down	50.0%

**PORTFOLIO EXPOSURE** (as % of NAV)

Long equity	78%
Short equity	-45%
Gross	123%
Net	33%

**REGIONAL EXPOSURE** (as % of NAV)

	Long	Short	Gross	Net
Americas	67%	-45%	112%	22%
Europe	10%	0%	10%	10%
<b>Total</b>	<b>78%</b>	<b>-45%</b>	<b>123%</b>	<b>33%</b>

**SECTOR EXPOSURE** (as % of NAV)

	Long	Short	Gross	Net
Financial/Property/HoldCo	16%	0%	16%	16%
Energy	12%	0%	12%	12%
Materials	22%	-11%	33%	12%
Consumer Staples	7%	-1%	8%	6%
Healthcare	6%	0%	6%	6%
TMT	9%	-2%	11%	6%
Consumer Discretionary	5%	-1%	6%	5%
Utilities	0%	0%	0%	0%
Index Options	0%	0%	0%	0%
Industrials	0%	-1%	2%	-1%
Country	0%	-29%	29%	-29%

**TOP TEN EQUITY POSITIONS** (as % of NAV)

Position	% NAV
Precious Metals	22.2
E-Commerce	8.7
Financial Services	8.6
Household Products	6.9
For-Profit Education	5.5
Insurance	4.7
Oil Services	3.4
Exploration & Production	2.5
Exploration & Production	2.2
Consulting	1.8

**CONTACT INFORMATION**

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**PORTFOLIO CHARACTERISTICS**

Number of Long Equity Positions*	19
Number of Short Equity Positions	9
Top 10 Longs as % Equity	66%
Top 10 Shorts as % Equity	-31%

\*One position is a stock basket

**MARKET CAP EXPOSURE**

	Long	Short	Gross	Net
Large (>\$2 Bil)	17%	-34%	51%	-18%
Mid (\$400m - \$2 Bil)	17%	-10%	28%	7%
Small (<\$400m)	44%	0%	44%	43%
<b>Total</b>	<b>78%</b>	<b>-45%</b>	<b>123%</b>	<b>33%</b>

**REGIONAL ATTRIBUTION** (Ranked contribution to quarterly total return)

	Best to worst
Europe	1
Americas	2
Shorts	3

**SECTOR ATTRIBUTION** (Ranked contribution to quarterly total return)

	Best to Worst
TMT	1
Consumer Staples	2
Financial/Property/HoldCo	3
Industrials	4
Materials	5
Healthcare	6
Energy	7
Consumer Discretionary	8

**STOCK ATTRIBUTION: TOP & BOTTOM 5** (contribution to quarterly total return)

	Best
Long E-Commerce (UK)	1
Long Household Products (North America)	2
Long Financial Services (North America)	3
Long Precious Metals Developer (Canada)	4
Long Oil Services (North America)	5
Worst	
Long Precious Metals Developer (North America)	1
Long For-Profit Education (North America)	2
Long Exploration & Production (North America)	3
Long Exploration & Production (North America)	4
	5

**TERMS**

Management/Incentive Fees **B:** 0% & 25% over 6%, **A:** 1% & 15% over 3%  
 Liquidity Quarterly, 30 Days / Monthly Subscriptions  
 Prime Broker Global Prime Partners  
 Custodian Global Prime Partners  
 Administrator Trinity (Cayman)  
 Auditor Baker Tilly (Cayman)  
 Domicile Cayman Islands  
 Legal Counsel Ogier

\*Past performance is not necessarily indicative of future results. Certain performance information presented herein contains unaudited estimates which will be adjusted when final. The foregoing should not be deemed an offer to sell or a solicitation of an offer to buy an interest in Eschler Recovery Fund SP.

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