



Pangolin Investment Management

Pangolin Asia Fund announces month end NAV – June 2007

As of the 29th of June 2007, the NAV of the Class A shares of Pangolin Asia Fund was US\$159.36, net of all fees and expenses, up 0.92% from US\$157.90 in May.

At the end of June the fund was about 92% invested, split approximately as follows:

Indonesia	44%
Malaysia	29%
Singapore	27%

Details of the individual holdings are available to investors on request.

Overview

The stocks in which we are invested continued to perform well (most of them) although the regional currencies were all a bit weaker last month. The fund has now had 12 months of consecutive gains. This kind of a run is enjoyable, but of course unsustainable, and at Pangolin we are more concerned by the long term than the immediate.

I meet and talk to a lot of investors, many of whom want to know what has changed in Malaysia in recent years. Countries actually don't change a lot and the overall spirit, while not set in stone, is hard to alter. Government policy has improved and we have lots of shiny new buildings and great restaurants but the underlying character of the place changes at a snail's pace. For those wanting a better understanding of Malaysia I recommend reading May 13 by Kua Kia Soong which deals with the 1969 race riots and how subsequent policy has shaped the country. It is a biased view and frustratingly scant on a lot of detail, but as there is so little published on this subject (much is shrouded by the Official secrets Act in Malaysia) it is by default the best account available.

As the holiday season nears I will suggest two other books: the first is Capitalism's Achilles Heel: Dirty Money and How to Renew the Free-Market System by Raymond Baker. I admit I recommended this last year but books with such boring titles require extra pushing. It is not nearly as dull as it sounds and its call for fairness is especially relevant in developing nations where very often individuals' rights are subjugated in the name of development.

The final book is Ian McEwan's Saturday which makes the list largely on the back of one sentence uttered by an 18 year old boy to his father when he states: "the bigger you think, the crappier it looks". He goes on to explain that when one worries about the big stuff like global warming and politics it all depressing, but if one concentrates on the important stuff such as where to meet your girlfriend or the music you like, things look great. It is also so uncannily true of Pangolin's investment approach that I suspect you will be hearing that line rather a lot from me in the future.

James Hay

13th July 2007

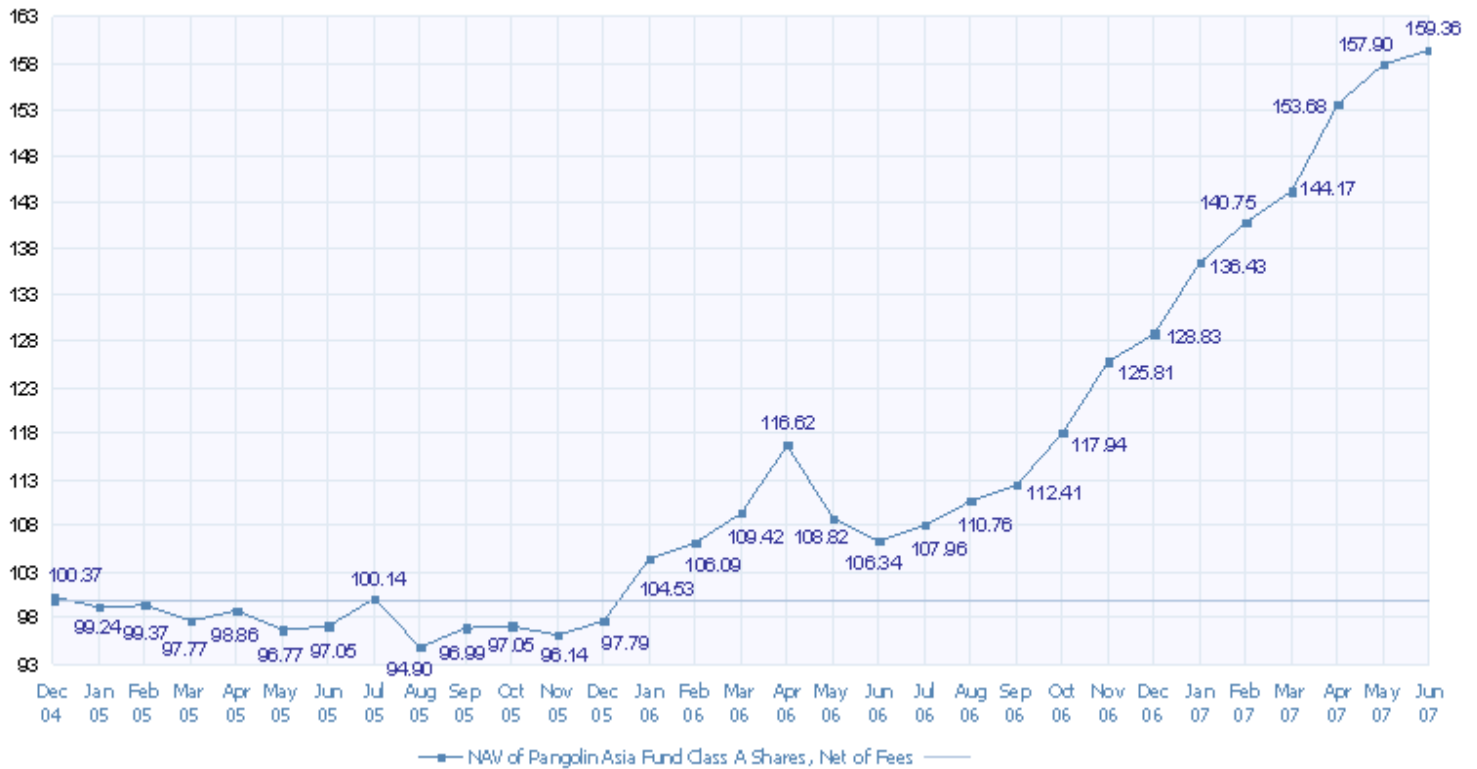
More details concerning the fund's investments are always available to shareholders in the fund on request.

Further information can be found at www.pangolinfund.com.



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NAV Computation Report - 1st Dec 2004 to 29th Jun 2007



— NAV of Pangolin Asia Fund Class A Shares, Net of Fees —

YEAR	DETAILS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2007	Nav	136.43	140.75	144.17	153.68	157.90	159.36						
	% chg	5.90%	3.17%	2.43%	6.60%	2.75%	0.92%						
2006	Nav	104.53	106.09	109.42	116.62	108.82	106.34	107.96	110.76	112.41	117.94	125.81	128.83
	% chg	6.89%	1.49%	3.14%	6.58%	-6.69%	-2.28%	1.52%	2.59%	1.49%	4.92%	6.67%	2.40%
2005	Nav	99.24	99.37	97.77	98.86	96.77	97.05	100.14	94.90	96.99	97.05	96.14	97.79
	% chg	-1.13%	0.13%	-1.61%	1.11%	-2.11%	0.29%	3.18%	-5.23%	2.20%	0.06%	-0.94%	1.72%
2004	Nav												100.37
	% chg												0.37%

2005 return	-2.57%	Return since inception	59.36%
2006 return	31.74%	Maximum drawdown	-8.81%
2007 return	23.70%	% of positive months	77.42%
Average monthly return	1.57%	Standard deviation	3.27%
Average return (annualized)	18.79%	Standard deviation (annualized)	11.33%
Best monthly return	6.89%	Semi deviation	2.37%
Worst monthly return	-6.69%	Semi deviation (annualized)	8.21%
		Sharpe ratio	1.31