

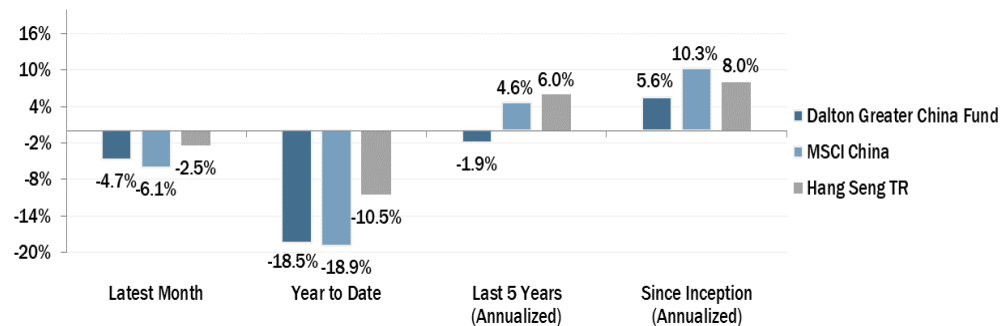
Dalton Greater China Fund

December 2018 Newsletter

Fund Description

The Dalton Greater China Fund is a long/short equity fund that targets companies benefiting from China's growth and capitalizing on inefficiencies in Greater China markets, while shorting shares of weak companies that we believe have catalysts for declines. We are value investors differentiated by our long-term mindset, emphasis on downside risk protection and capital preservation, and willingness to look outside the largest index constituents. In addition to rigorous fundamental analysis, the Fund relies on management due diligence to ensure that management teams are aligned with minority shareholders. The Fund focuses on shares listed in Hong Kong, Singapore, Taiwan, and mainland China.

Fund Performance (Net of Fees)*



Fund At A Glance*

GROWTH OF \$1,000



Cumulative Net Total Return	113.08%
Compound Annual Growth Rate	5.55%
Percentage of Up Months	53.57%
Percentage of Down Months	46.43%
Best Net Month Return	37.22%
Worst Net Month Return	-30.03%
Standard Deviation	20.05%
Sharpe Ratio	0.35
Largest Net Consecutive Gain	69.20%
Largest Net Drawdown	-63.81%

MONTHLY PERFORMANCE (%) NET OF FEES*

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	MSCI China	Hang Seng
2018	2.34%	-2.72%	-0.35%	-1.53%	2.80%	-2.17%	-4.24%	-1.44%	-4.36%	-4.40%	0.89%	-4.71%	-18.50%	-18.88%	-10.54%
2017	1.73%	1.01%	0.41%	1.12%	-1.15%	-0.09%	2.01%	-1.55%	0.38%	2.19%	-0.75%	2.44%	7.93%	54.07%	41.29%
2016	-9.44%	-1.03%	5.26%	4.14%	-0.27%	1.14%	2.22%	-0.32%	2.03%	0.63%	1.31%	-0.42%	4.59%	0.90%	4.30%
2015	0.04%	-0.75%	1.61%	10.16%	2.35%	-2.05%	-5.24%	-4.66%	0.62%	4.67%	-1.78%	0.41%	4.54%	-7.82%	-3.92%
2014	2.63%	-0.46%	-2.97%	-1.49%	-2.03%	-0.74%	3.14%	0.12%	-0.58%	-1.99%	0.66%	-1.71%	-5.46%	7.96%	5.48%

HISTORICAL CALENDAR YEAR PERFORMANCE (%) NET OF FEES (2005-2013)*

	2013	2012	2011	2010	2009	2008	2007	2006	2005
Greater China	31.94%	28.07%	-19.19%	34.97%	84.01%	-59.56%	19.07%	28.43%	11.75%
MSCI China	3.64%	22.75%	-18.41%	4.63%	62.29%	-50.83%	66.24%	82.87%	19.77%
Hang Seng	6.55%	27.44%	-17.40%	8.59%	56.66%	-46.41%	43.36%	38.97%	8.42%

FUND AT A GLANCE AS OF DECEMBER 2018

Portfolio Manager.....	James B. Rosenwald III
Co-Portfolio Manager.....	Jennifer C. Lai
Investment Style.....	Long/Short Equities
Index.....	MSCI China
Inception Date.....	Jan '05
Fund Assets (December 31).....	\$61 mil
Asian Equity Assets (December 31).....	\$3.1 bil**
Firm Assets (December 31).....	\$3.6 bil
Net Asset Value/Share (December 31).....	\$203.49
Minimum Investment	\$1 mil
Liquidity.....	Annual
High Watermark.....	Yes
Structure.....	Master-Feeder
Administrator.....	Northern Trust
Prime Broker.....	Morgan Stanley
Auditor.....	PricewaterhouseCoopers

CLASS A SHARES (closed)***

Liquidity.....	Quarterly
Management Fee/Incentive Fee.....	2%/20%

CLASS B SHARES***

Liquidity	Annual (1-yr. Lock-up)
Management Fee/Incentive Fee.....	2%/20%

CLASS C SHARES***

Liquidity	Annual (2-yr. Lock-up)
Management Fee/Incentive Fee.....	1.5%/15%

CONTACT INFORMATION

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*Past performance is no guarantee of future results. All investments involve risk including the loss of principal. Effective September 30, 2018, the Fund's primary benchmark index changed from the Hang Seng TR Index to the MSCI China Index. Please see final pages for performance and benchmark disclosures.

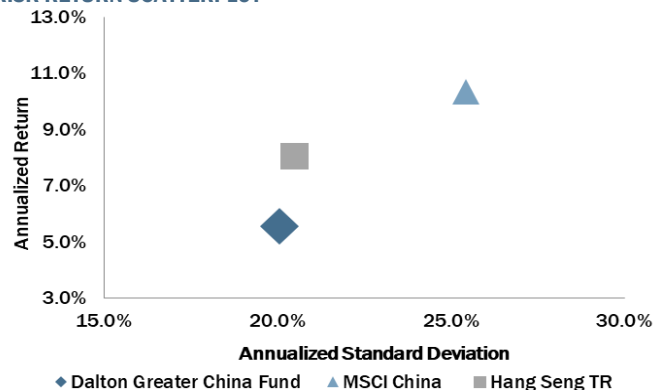
**Asian equity assets include all assets managed by James B. Rosenwald III, which include the assets from the Dalton Greater China Fund, several other Pan-Asia and Japanese separate accounts and other products.

*** There are no further issuances of Class A Shares. Please review the Fund's offering memorandum for full terms of Class A, B and C Shares.

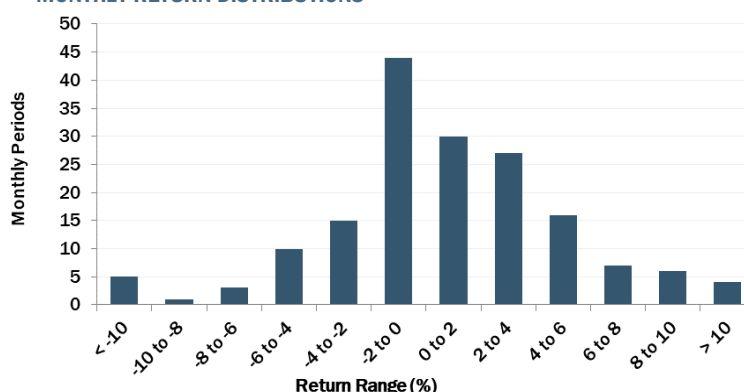
Risk Analysis (Since Inception)*

	Dalton Greater China Fund	MSCI China	Hang Seng TR
Cumulative Net Total Return	113.1%	296.0%	195.1%
Compound Annual Growth Rate	5.6%	10.3%	8.0%
Standard Deviation	20.1%	25.4%	20.5%
Largest Net Consecutive Gain	69.2%	113.8%	63.9%
Largest Net Drawdown	-63.8%	-64.8%	-57.5%
Sharpe Ratio	0.35	0.50	0.46
Correlation		1.17	0.64
Beta		0.95	0.65

RISK RETURN SCATTERPLOT



MONTHLY RETURN DISTRIBUTIONS

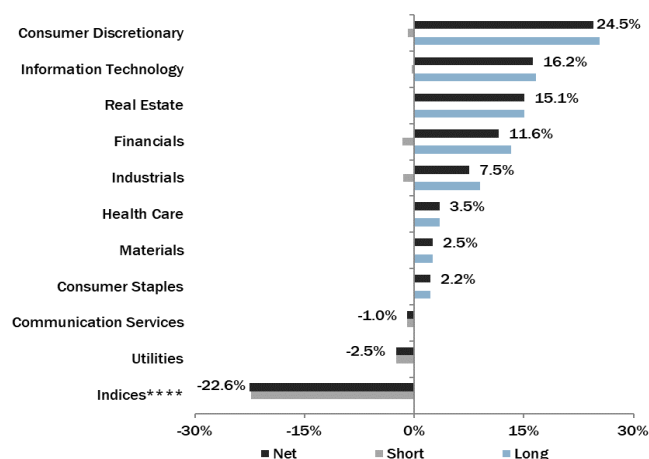


Asset Allocation and Portfolio Information**

GEOGRAPHIC BREAKDOWN

Country	Long	Short	Net
China/Hong Kong	82%	-19%	63%
Mongolia***	2%	0%	2%
South Korea	3%	0%	3%
Taiwan	0%	-3%	-3%
United States	0%	-8%	-8%

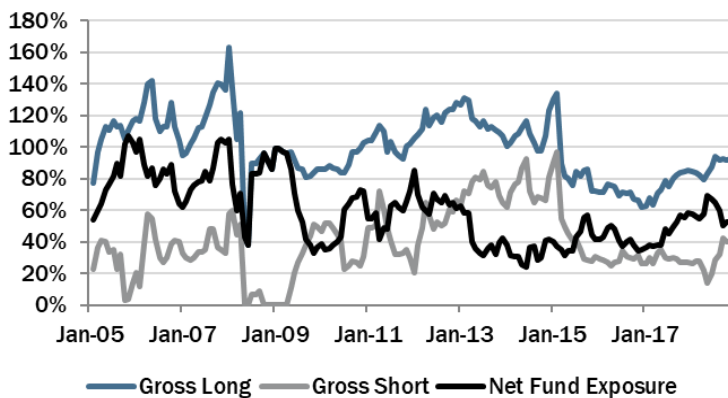
SECTOR BREAKDOWN



TOP 10 LONG POSITIONS

Company	Sectors	% Equity
Allied Group	Financials	9.4%
Csi Properties	Real Estate	5.2%
Century City Intl Hldgs	Consumer Discretionary	5.1%
21Vianet Group Inc	Information Technology	4.9%
Asia Orient Hldgs	Real Estate	4.5%
Bestway Global Holding Inc	Consumer Discretionary	4.1%
Noah Holdings Ltd	Financials	3.9%
CK Hutchison Holdings Ltd	Industrials	3.8%
China Biologic Products Holdings Inc	Health Care	3.5%
CK Asset Holdings Ltd	Real Estate	3.4%

FUND EXPOSURE



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**As of April 1, 2015, exposure information is calculated as gross notional value/net asset value, which differs from prior calculations utilizing gross notional value/gross notional value methodology. Accordingly, information presented for Top Ten Positions, Geographic Breakdown, Sector Breakdown and Gross and Net Long/Short Exposure as of April 1, 2015 going forward will differ in methodology from historical results.

***Exposure is effected through holding a Canadian mining company with large exposure to Mongolia.

****The sector "Indices" includes ETF's, index funds, and index options, which although technically in the "Financials" GICS Sector due to being financial products, are diversification tools and not companies in the financial industry.

Commentary

Performance Update (USD)*

The Dalton Greater China Fund (the “Fund”) returned -4.7% this month net of fees compared to -6.1% for the MSCI China Index and -2.5% for the Hang Seng Index. The Fund’s return for the full year was -18.5% net of fees compared to -18.9% for the MSCI China Index and -10.5% for the Hang Seng Index. The Fund’s net exposure was 57% at the end of the month.

This year saw a correction of over 30% in the MSCI China Index from the peak of the market in January to the trough in October. We believe that the correction was driven by three main factors: 1) the deleveraging campaign which slowed liquidity and investment across the economy, 2) the increased level of regulations which created uncertainty and damaged business confidence, and 3) the trade war with the U.S. which also created uncertainty and depressed investor sentiment.

We believe that the worst is likely over in terms of stock market decline because the above three drivers have started to turn around. The deleveraging campaign has reversed, with the government releasing liquidity into the system. The regulatory burden is starting to decrease, with the government delaying or reversing entirely some of the proposed regulations, including social security tax collection reform. The trade war with the U.S. seems more likely to de-escalate now that the U.S. is more willing to do a deal.

Reflecting upon 2018 performance, the Fund declined about the same as the overall market. The entrepreneur-run companies that we own were hurt

disproportionately more than the overall market by the deleveraging campaign, since non-state-owned companies have more difficulty accessing capital in China. Our exposure to the property sector and exposure to a copper miner were the largest detractors of the portfolio this year. Mitigating, but not fully offsetting, this drag was good stock selection on the long side and our short positions.

Going into 2019, our best guess is that macro data and company earnings will continue to be weak through early 2019 because the government’s counter-cyclical measures are expected to take time to work through the system. However, stock prices may rebound first to reflect the turnaround in fundamental drivers mentioned above. This leads us to be constructive on the market, and we have been adding to positions that we think offer good value at current prices.

After the substantial correction in 2018, we are excited about the outlook of the Fund’s collection of portfolio companies because we believe that the risk/reward profiles are significantly in our favor at these depressed valuations. Our goal remains to maximize long-term returns while minimizing the risk of permanent loss of capital. We will continue to focus on identifying and investing in companies with sustainable competitive advantages, run by management teams that have demonstrated the ability to compound capital at high rates of return over time, at attractive valuations. As always, we appreciate your continued trust and support.

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Disclosure

This document has been prepared for qualified investors, is provided for informational purposes only, and does not constitute a solicitation of any shares in any investment vehicle managed by Dalton Investments LLC. Such solicitations can only be made to qualified investors by means of the private placement memorandums, which describe, among other things, the risks of making an investment. Additionally, this presentation does not constitute investment advice of any kind.

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Individual portfolio account returns and holdings within a referenced Dalton composite may vary substantially for such factors including, among others, account specific restrictions – e.g. whether currency investments are permitted, timing of transactions, contributions, withdrawals, and market conditions at the time of investment.

PAST PERFORMANCE IS NOT A GUARANTEE OF FUTURE PERFORMANCE. THE VALUE OF THE INVESTMENTS AND THE INCOME FROM THEM CAN GO DOWN AS WELL AS UP AND AN INVESTOR MAY NOT GET BACK THE AMOUNT INVESTED. THESE INVESTMENTS ARE DESIGNED FOR INVESTORS WHO UNDERSTAND AND ARE WILLING TO ACCEPT THESE RISKS. PERFORMANCE MAY BE VOLATILE, AND AN INVESTOR COULD LOSE ALL OR A SUBSTANTIAL PORTION OF ITS INVESTMENT.

Please note that neither the Funds/Composites nor the Investment Manager/Investment Advisor complies with the requirements of the Alternative Investment Fund Managers Directive (“AIFMD”) of the European Union. No direct or indirect offering or placement of shares by or on behalf of the Funds/Composites or the Investment Manager may be made to or with investors in member states of the European Union in breach of either the applicable requirements under the AIFMD or the private placement regime in each relevant member state. You are receiving this presentation either because (a) you are an existing investor and we are sending you an update to discharge our obligation, or (b) you have previously requested for submission of such information. If neither of these apply to you, please kindly ignore this presentation and reply to InvestorRelations@daltoninvestments.com with the subject “AIFMD distribution list review” as soon as possible so that we can remove you from our relevant distribution list in the future.

Any specific securities referenced herein are holdings as of the date identified in the document and any performance information relates only to the period covered by this document. No inferences should be made as to the profitability of specific positions overall.

Returns present actual gross and net performance for a representative account as provided by a third party administrator. Gross-of-Fees Returns for the Fund are presented before management and performance fees, but after all trading expenses, withholding taxes, custodial fees (if applicable) and other administrative fees. The Net-of-Fees Returns are calculated by deducting the account’s actual assessed 2% management and 20% performance fees. These represent the current highest management and performance fee schedule of the Fund. These fees are accrued monthly using a representative, full highest fee paying investor. Gross-of-Fees Returns are not presented where they are not available from the applicable custodian. The Net-of-Fee Returns include reference to the Fund’s high-water mark, as applicable, assume reinvestment of all income and include subscriptions and redemptions for the representative account. Actual fees may differ due to various factors including, but not limited to, account size. Additional information regarding the Firm’s fees is available upon request and may also be found in Dalton Investments LLC’s Form ADV Part 2. Information regarding year to date and annual Performance Results is compounded. Investment results for each investor will vary from the Performance Results shown herein due to, among other factors, differing investment dates and additional contributions or withdrawals. Fund performance is expressed in US Dollars, while the secondary benchmark performance is expressed in Hong Kong Dollars, which are pegged to the US Dollar. To compute currency exchange rates, the Fund uses Bloomberg at 4PM EST close while the secondary benchmark investments are all denominated in HKD.

The Fund’s primary benchmark is the MSCI China Index (MSCI China (USD), symbol: NDEUCHF) and is compiled by Morgan Stanley Capital International, Inc. It is a total return, free float-adjusted, capitalization-weighted index that is designed to track the performance of the broader Chinese equity market. The MSCI China Index captures large and mid-cap representation across H shares, B shares, Red chips, P chips and foreign listings (e.g., ADRs). With 461 constituents, the index covers about 85% of this China equity universe. Currently, the index also includes Large Cap A shares represented at 5% of their free float adjusted market capitalization. Net total return indices reinvest dividends after the deduction of withholding taxes, using (for international indices) a tax rate applicable to non-resident institutional investors who do not benefit from double taxation treaties.

The Fund’s secondary benchmark is the Hang Seng Total Return Index (Hang Seng (HKD), which is pegged to USD), symbol: HSI 1) and is compiled by Hang Seng Indexes Company Limited. It is a total return, free-float capitalization-weighted index that is designed to track the performance of the overall Hong Kong market. The index is comprised of 50 constituent stocks, seeking to represent approximately 60% of the Hong Kong Stock Exchange. Net total return indices reinvest dividends after the deduction of withholding taxes, using (for international indices) a tax rate applicable to non-resident institutional investors who do not benefit from double taxation treaties.

Prior to September 30, 2018, the Fund’s primary benchmark was the Hang Seng Total Return Index. The primary benchmark was changed effective September 30, 2018, retroactive to the inception date of the Fund, in order to better match the benchmark to the Fund. The MSCI China Index is more similar to the Fund’s investable universe.