

NEWS RELEASE

CAAN SETS SIGHTS ON THE DRAGON FOR THE 'YEAR OF THE TIGER'

February 19 2010: Caan's INSYNERGY joins forces with GAM for China Fund launch. Long/short strategy employed to increase 'predictability'

INSYNERGY confirmed today that it has chosen to partner with GAM, one of the world's leading investment houses, in launching the INSYNERGY Absolute China Fund. The Company will offer exclusive access to the long/short talents of the exceptional Michael Lai, for the very first time. Lai has hitherto been available only to the hedge fund community, and the new Fund has been designed to share many of his hedge fund's winning characteristics.

Commenting on the launch, Spike Hughes, CEO and Founder of INSYNERGY said, "China presents an exciting growth opportunity on a '5 years plus' outlook. Few would deny this, but there are those who say we are entering a market bubble. We would say to those looking to participate in a robust growth opportunity, who are looking for double-digit return potential, to diversify away from bankrupt Western economies and to recoup investment losses, that the question they should be asking themselves is not whether this is necessarily the perfect time to be investing in the Chinese market, but whether they can afford to be out of China on any long-term view?"

"Investor concern over volatility and market timing is understandable, but the notion that we are somehow living with one large homogenous bubble is alarmist and to misunderstand the Chinese market. Many Chinese provinces are larger than the entire UK, each with its own dialects, each presenting its own very individual opportunities. We do expect to see volatility in the region, and we have therefore opted for a (long biased) long/short investment strategy. We believe a long-only investment strategy, run by other existing funds and the preferred choice of some new market entrants, to be an inappropriate strategy for running money in this region. By shorting stocks or the market we will increase predictability, and we would encourage investors to park their fears and to invest with confidence."

The Fund gives Lai maximum investment flexibility, to identify and profit not only from those companies set to be the winners on China's relentless growth path, but its losers too. In giving Lai the power to synthetically short stocks, he has the tools to outperform across the market, to smooth some of the bumps along the way, and to deliver outstanding performance. GAM and INSYNERGY are keen to preserve Lai's 'alpha' generating ability, and the new Fund has therefore been limited to \$250m.

Lai will identify top-down regional themes and overlay them with rigorous bottom-up company research and stock selection, an investment strategy that has delivered outstanding returns on the unregulated 'GAM Greater China Equity Hedge Fund'.

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This Fund has delivered a return of 156.98% from launch (31 July 2006) to 29 January 2010, comparing favorably with a 49.96% return from the MSCI Zhong Hua index. The new Fund is targeting a risk-adjusted absolute return over the market cycle in the region of 20-25% per annum. Lai will manage the Fund with a completely unconstrained mandate (subject to UCITS regulations).

GAM is known to place great importance on remaining close to Chinese society, culture and the businesses in which they invest. Michael Lai has known the senior managers of many of GAM's investee companies for several years, in some cases since launch and/or flotation and, unlike some fickle followers of fashion, GAM has remained committed to the Chinese market through thick and through thin, and for the long-term. It believes strongly in a local market presence.

The GAM team has lived up to its task, delivering outstanding performance by recognising that China is a vast and diverse country and that the companies that are most likely to thrive are those which are able to focus on one niche, one province even, rather than chasing the entire market.

Hughes is naturally excited about the new Fund and the investment opportunity. "I am delighted that we have been able to secure exclusive access to the services of one of the world's most sought after managers. People often talk about 'missing the elephant in the room', but for the UK fund management industry to have offered so few ways to invest in China over the years smacks of missing the trumpet playing, unicycle riding elephant in the room."

James Caan, Chairman of INSYNERGY said, "We launched the Company with one specific objective in mind - to identify the 'unmet wants and needs' of investors and find truly world class solutions to address them. Through GAM we have discovered a true hidden gem. Their long-term commitment to China and the work of their deeply experienced investment team makes GAM and Michael Lai perfect partners for INSYNERGY and its investors. This is a great addition to our INSYNERGY Odey Fund, managed by the legendary Crispin Odey."

Commenting on the new launch, Craig Wallis, Group Head of Institutional & Fund Distribution of GAM said, "We are thrilled to be partnering with INSYNERGY. It is refreshing to work with an investment business so focused on meeting unmet investor needs."

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NOTES TO EDITORS

1. INSYNERGY Absolute China Fund

Whether measured by population, land mass or GDP, China is one of the biggest countries in the world. Economic growth has averaged 9% per annum for three decades now – and during even the darkest days of 2008 the Chinese economy expanded by around 8%, a faster rate of growth than most western economies experience during a boom.

The INSYNERGY Absolute China Fund will invest primarily in securities issued by companies with either assets in or revenues derived from the People's Republic of China, and Hong Kong, and which are listed or traded on, or dealt in Regulated Markets in the People's Republic of China, Hong Kong, Taiwan, the U.S. and Singapore, or in a member state of the OECD.

Key facts

- Domicile: Dublin UCITS
- Classes: GBP (£)
- Number of holdings: typically 15-70 positions in total (Long Portfolio 15-60 stocks/Short Portfolio 0-20 stocks)
- Minimum investment: £2,500
- Initial Charge: 5.0%
- Annual Management Charge: 1.25%
- Performance Fee: 20%
- Hurdle rate: 3 month LIBOR
- Daily Price, Daily Dealing
- Launch mid-April

INSYNERGY Funds PLC is a Variable Capital Investment Company established in the Republic of Ireland. INSYNERGY Funds PLC is regulated by the Irish Financial Services Regulatory Authority, which has authorized the Company as an Undertaking for Collective Investment in Transferable Securities (UCITS). The Fund prospectus is available upon request to INSYNERGY. Investors must read the prospectus carefully in considering investment into the Fund.

The Fund is not currently available for marketing to UK retail investors. FSMA 264 application has been made to the UK Financial Services Authority for authorization.

2. INSYNERGY

INSYNERGY Investment Management Limited ("INSYNERGY") launched to the UK retail funds marketplace in October 2008. Established by Spike Hughes, previously of Skandia Investment Management and Hargreaves Lansdown, the Company is backed amongst others by *Dragons' Den* star and serial entrepreneur James Caan who is also INSYNERGY Chairman.

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Industry and ex-Skandia veteran Jim Roberts, joined INSYNERGY in May 2009, and heads the Company's Investment Committee.

INSYNERGY is committed to outsourced investment partnerships, searching globally to identify world-class investment opportunities and investment teams, not normally available to retail investors or their advisers, and to bring these talents to retail investors on an exclusive basis. The Company seeks to deliver funds which behave very differently to the traditional asset management model, funds which can sit at the heart of investors' portfolios as well as funds focusing on specialist opportunities - uncorrelated sources of investment returns and innovative asset classes.

www.INSYNERGYim.com

Registered office: 25 Moorgate, London, EC2R. 6AY. INSYNERGY Investment Management Limited is authorised and regulated by the Financial Services Authority.

3. GAM

GAM delivers active investment management to private clients, institutions and intermediaries. Its goal is to produce outstanding results for clients by providing access to great investment talent throughout the world. All of GAM's fund managers, whether employed by GAM or contracted to GAM, are unconstrained in their investment management process and decisions. As well as active management within funds, GAM uses active asset allocation to combine funds in managed portfolios that meet clients' diverse needs.

GAM's funds and strategies cover a broad range of asset classes, currencies and market conditions. The Company has long experience of hedge funds and funds of hedge funds. With rigorous attention to detail and client-friendly technology, GAM provides excellent service to its clients. It manages some CHF 52 billion¹ of clients' assets from 10 offices around the world.

¹ Data as at 31 October 2009.

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