

Strategy Notes December 2017 – Reflections and Thoughts for the Year Ahead

It is only natural at this time of the year for the team to reflect on both the achievements and learnings from the 2017 year with the intention of learning and understanding the factors that have both helped and hindered overall investment returns for the period. Investing, like art, is a craft that one is always working to learn and refine (despite the knowledge that one will never come close to perfecting it).

This year, like each before it, has produced both positive outcomes and areas for further improvement. While individual stock calls and the level of conviction we have placed in these investments ultimately determines year-to-year fund performance, the outcomes of the underlying investment process itself is where we tend to place a greater emphasis on when reviewing the year's top and bottom contributors to performance.

**Stocks listed above represent the Top and Bottom 5 contributor to total portfolio return, listed in alphabetical order*

While it has been obviously pleasing to deliver 30%+ net returns to our investors this year across both the Ophir Funds, the period has not been without its missteps. To borrow from Bill Gates' observation "It's fine to celebrate success but more important to heed the lessons of failure" there are certainly a number of learnings from this year that we will carry into 2018 and beyond. Understandably, it is tempting for managers to parade their most successful stock selection outcomes during times of good performance, however we felt it maybe be of more interest investors to first review areas where we feel our process or analysis has fallen short...

The Ophir Strategy Notes content is provided exclusively to subscribers of the Ophir 'Letter to Investors'. To subscribe to receive the full monthly Letter to Investors, including Strategy Notes, please visit

<http://www.ophiram.com/newsletter>

If you would like to request a copy of this particular Strategy Notes report, please email us at ophir@ophiram.com

This document is issued by Ophir Asset Management (AFSL 420 082) in relation to the Ophir Opportunities Fund & the Ophir High Conviction Fund (the Funds) and is intended for wholesale investors only. The information provided in this document is general information only and does not constitute investment or other advice. The content of this document does not constitute an offer or solicitation to subscribe for units in the Funds. Ophir Asset Management accepts no liability for any inaccurate, incomplete or omitted information of any kind or any losses caused by using this information. Any investment decision in connection with the Funds should only be made based on the information contained in the Information Memorandum and/or Product Disclosure Statements.