

Ophir Global Opportunities Fund



FIGURES AS AT 31 DECEMBER 2019

This information has been prepared for wholesale clients only.

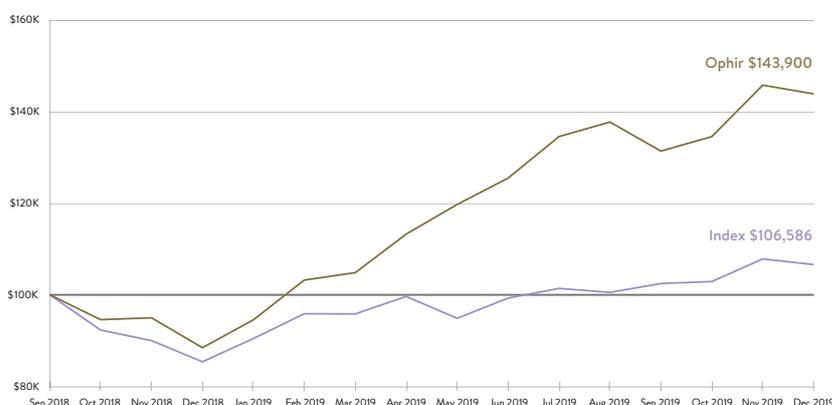
ABOUT THE FUND

The Ophir Global Opportunities Fund seeks to provide investors with concentrated exposure to high quality small and mid-cap companies globally. Employing an extensive investment process that combines a rigorous company visitation schedule and fundamental bottom-up analysis, the Fund aims to identify businesses operating within structural growth sectors with the ability to deliver ongoing positive earnings revisions. With a bias toward cash generative businesses with sound balance sheets and high quality management teams, the Fund seeks to identify those opportunities early in a Company's investment life cycle, when the listed equity is typically under-researched and under-valued by the broader investment market.

| Net Return Since Inception p.a. | Value Add (Gross) Since Inception p.a. | Fund Status |
|---------------------------------|----------------------------------------|----------------|
| 33.8% | 38.4% | Enquire |

OPHIR ASSET MANAGEMENT

- Privately owned investment management businesses co-founded by Senior Portfolio Managers in March 2012
- Fundamental bottom-up research approach combining rigorous company visitation and detailed proprietary analysis
- Strict management of Fund capacity in order to protect performance
- Highly experienced investment team with extensive track record of high performance through all market cycles
- Complete alignment of interests - Senior Portfolio Managers are substantial investors in the Fund



* Chart represents net value of \$100,000 invested since inception and assumes dividends reinvested. Please note past performance is not a reliable indicator of future performance.

**All monthly performance figures since inception have been audited figures except Dec 2019 which are unaudited estimates.

| | Since inception p.a. | 1 Year | 6 Months | 3 Months | 1 month |
|----------------------------------------------------|----------------------|--------------|--------------|--------------|--------------|
| Ophir Global Opportunities Fund[^] | 43.7% | 75.7% | 17.1% | 10.7% | -1.2% |
| Benchmark* | 5.2% | 24.9% | 7.4% | 4.0% | -1.1% |
| Value Add (Gross) | 38.4% | 50.8% | 9.7% | 6.7% | -0.1% |
| Fund Return (Net)^{^^} | 33.8% | 62.7% | 14.7% | 9.5% | -1.3% |

* MSCI World SMID Index (Net) (AUD) [^]Gross Performance (pre all fees) assuming all distributions re-invested from inception. ^{^^} Net Return after all Fees

SENIOR PORTFOLIO MANAGERS



Andrew Mitchell B Ec (Hons), MAppFin
Portfolio Manager
15+ years experience in financial markets, previously Paradice Investment Management and Commonwealth Treasury Department



Steven Ng B Acc, CFA
Portfolio Manager
20+ years experience in financial markets, previously Paradice Investment Management and ING Investment Management

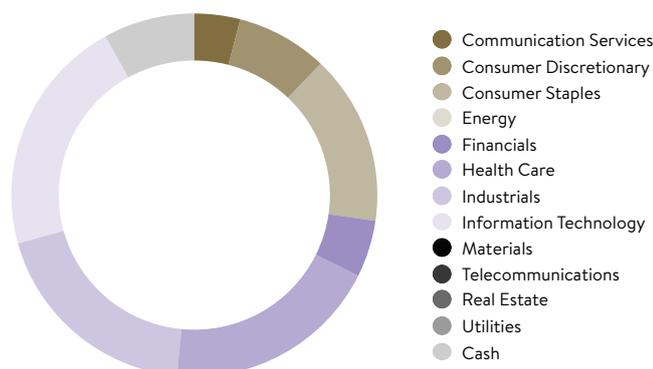
KEY INFORMATION

| | |
|-----------------------------------------|--------------------------------|
| Responsible Entity & Manager | Ophir Asset Management Pty Ltd |
| Fund Inception | October 2018 |
| Min Investment Amount | \$100,000 |
| Number of Stocks | 20-50 |
| Cash Distributions | Annually |
| Redemptions | Monthly |

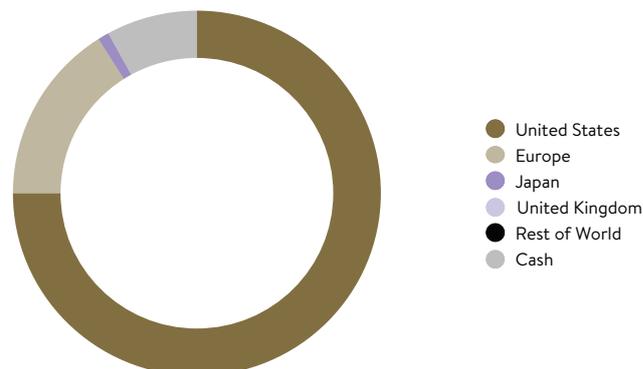
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ALLOCATION OF INVESTMENTS (as at 31 December 2019)

PORTFOLIO SECTOR EXPOSURES



GEOGRAPHIC EXPOSURES



PORTFOLIO CHARACTERISTICS (as at 31 December 2019)

| | |
|---------------------------|----------|
| Number of Equity Holdings | 27 |
| Cash | 8.05% |
| Avg. Market Cap | \$1,226m |

PORTFOLIO METRICS (as at 31 December 2019)

| | |
|-------------------|------|
| Price / Earnings | 18.9 |
| EPS Growth | 24% |
| Net Debt / EBITDA | 0.1 |

PORTFOLIO COMMENTARY

During December, the Ophir Global Opportunities Fund fell 1.3% (net of fees) versus the index which fell 1.1%. Since its inception in October 2018, the Fund has returned 44.3% (net of fees).

The month of December was reasonably positive for major equity indices across the globe, however absolute equity gains in the Fund were more than offset by a strengthening Australian Dollar, which rose ~3.5% against the US Dollar and returned to 6-month highs against most major currencies.

The Fund continues to look for opportunities across the globe that provide attractive risk-adjusted returns for our investors. As always, we focus on cash generative businesses with structural or secular growth opportunities and strong balance sheets that trade on reasonable valuations. December is a particularly critical month of due diligence at Ophir, as we focus on solidifying confidence in both end-of-year operations and forward-year outlooks for our portfolio companies, as well as searching for new stars that could be set to break-out in the year ahead.

We came away from our company interactions during the month less bearish on the year ahead than we were going in. While we continue to expect subdued economic conditions, meetings with US consumer and manufacturing exposed companies generally showed no further deterioration in end markets after the broad mid-year slowdown. In addition, most European companies noted that while they expect the first half of 2020 to continue to be slow, they are starting to lap easier comps from the Eurozone slowdown which occurred in late 2018. As was the case this year, with the global economy potentially set to experience slow growth we continue to be conservatively positioned in companies we believe can grow

through a weak economic cycle. Pleasingly, we continued to find a handful of new investment opportunities with defensive business models and clean balance sheets at attractive valuations that we believe can outperform irrespective of the economic cycle.

STOCK COMMENTARY

The year 2019 marked the first full calendar year for the Fund, delivering 62.7% (net of fees) versus the index of 24.9%. Despite many pundits touting this year as a classic bull market, the reality is the index actually delivered a negative return in one out of every three months during the year, with almost half the index's performance (~12.3%) coming in January and February alone and most major Small-Mid cap indices remain below levels reached in 2018.

Since the Fund's inception, these turbulent markets have been a baptism of fire, with our index producing negative absolute returns in seven out of the first fifteen months since inception. Operating through this kind of volatility has only reinforced our process and reminds us that trying to time the market is likely more costly than beneficial. With balanced exposures across geographies, sectors and styles we can help reduce our volatility against the index, however we remain acutely aware that the best source of downside protection has come from owning concentrated positions in companies that outperformed market expectations. We are particularly proud that the Fund was able to generate positive absolute returns in three of the four months the index was negative during 2019, as well as generating positive performance in each major continent and having almost 30 stocks from a broad range of industries contribute over 1% to our performance.

That said, we see several areas of improvement in our process that we are eager to implement in the coming year. For example, despite investing in companies that ultimately

upgraded earnings expectations, several of our investments have fallen in the subsequent months post-upgrade as either market expectations were higher, or the composition of the upgrade was lower quality than expected.

We have also noticed that while the depth of global markets should prove to be a long-term blessing for investors in The Fund, it can also be a short-term curse. Companies that are performing well can stay cheaper for longer in a deep market and often need larger catalysts to re-rate than just consistent performance. This reflects what we believe is a combination of less truly active fund managers per investable company and less broker coverage in global small-mid cap equities than in Australia.

Finally, almost half our top ten poorest performers rebounded to above our initial purchase prices within six months of

us selling our position, indicating we are either too early in our investment or potentially too harsh or quick to exit our positions. However, our process values quick decisive action and we have often redeployed that capital and research effort to other companies that have delivered returns to our investors. So while we won't change our decisive actioning, we think our initial investment decision process and timing can be improved. Upon reflection, we think we can refine these areas of our investment process as we grow our networks globally and focus on better understanding each individual market's expectations.

We remain focused delivering the effort and process required to best position the Fund over the medium term and look forward to the coming years ahead.

INVESTMENT PHILOSOPHY

INVESTMENT PROCESS

Ophir employs a fundamental, bottom-up research approach aimed at identifying businesses with the ability to meaningfully grow and compound earnings over time. Typically, the investment process will look to uncover businesses that are operating within, or about to enter, a period of structural growth and are generating cash or have a clearly identifiable pathway toward free cash flow generation. In order to identify these opportunities, the Ophir investment team spend a considerable amount of time understanding the quality of the business and the environment in which it operates.

ABOUT OPHIR ASSET MANAGEMENT

Ophir Asset Management is a specialist small and mid-cap equities investment manager established by founders Andrew Mitchell and Steven Ng in 2012. The business currently manages approximately \$1.2bn in capital across three investment strategies on behalf of institutional superannuation funds, family offices, private wealth groups and individual investors.

The investment team comprises 9 investment professionals drawn from a diverse range of backgrounds working across all Ophir funds.

ABOUT THE PORTFOLIO MANAGERS

Senior Portfolio Managers Andrew Mitchell and Steven Ng co-founded Ophir Asset Management in 2012 after previously managing capital together at Paradice Investment Management. Under their stewardship, the fund managed by Andrew and Steven at Paradice was the top performing equities fund in Australia from 2007-2011 versus the fund manager surveys (inclusive of the GFC). At Ophir, Andrew and Steven are Senior Portfolio Managers for the Ophir Opportunities Fund (having returned 26.7% p.a. since inception after fees) and the Ophir High Conviction Fund (returning 20.5% p.a. since inception after fees).

KEY INVESTOR CONTACTS

INVESTOR SERVICES

Link Fund Solutions

T: 02 9547 4311

E: LFS_registry@linkgroup.com

INVESTMENT ENQUIRIES

George Chirakis (Chief Executive)

T: 02 8006 5476

E: george.chirakis@ophiram.com



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