Ophir Global Opportunities Fund

FIGURES AS AT 31 MARCH 2021

DATE OF ISSUE: 14 APRIL 2021

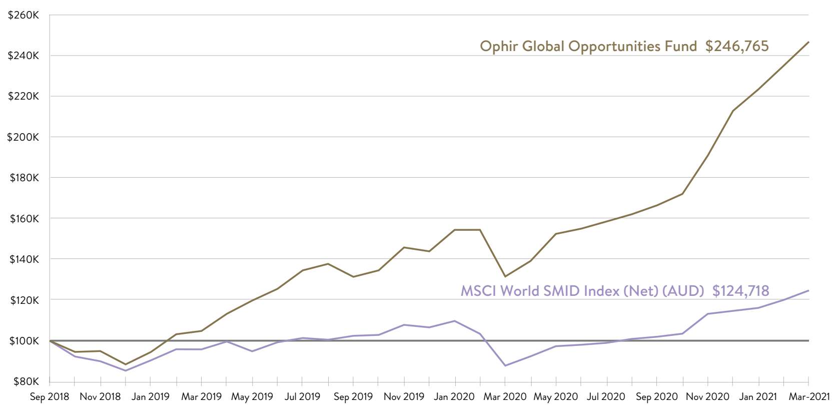
ABOUT THE FUND

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.

Unit Price (31 March)	Net Return Since Inception p.a.	Value Add (Gross) Since Inception p.a.	Fund Status
$2.1680	**43.5%**	**46.6%**	**Enquire**

OPHIR ASSET MANAGEMENT

- Privately owned investment management business 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 distributions reinvested. Please note past performance is not a reliable indicator of future performance.
*All monthly performance figures since inception have been audited figures except Mar 2021 which are unaudited estimates.

	Since inception p.a.	1 Year	6 Months	3 Months	1 month
Ophir Global Opportunities Fund^	**55.8%**	**104.4%**	**55.8%**	**17.6%**	**5.4%**
Benchmark*	9.2%	38.7%	22.3%	8.8%	3.9%
Value Add (Gross)	46.6%	65.7%	33.5%	8.8%	1.5%
Fund Return (Net)^^	43.5%	88.0%	48.1%	15.5%	5.0%

* 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

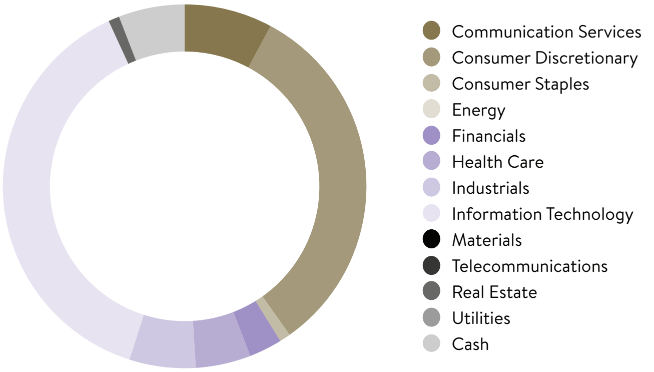
20+ years experience in financial markets, previously Paradice Investment Management and ING Investment Management

KEY INFORMATION

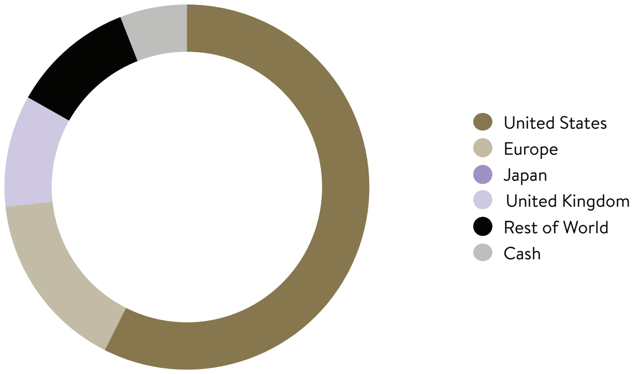
Responsible Entity & Manager	Ophir Asset Management Pty Ltd
Fund Inception	October 2018
Min Investment Amount	$100,000
Number of Stocks	20-50
Cash Distributions	Annually
Redemptions	Monthly
Investment Objective	Outperform benchmark (after fees) over long term (5+ yrs)

ALLOCATION OF INVESTMENTS (as at 31 March 2021)

PORTFOLIO SECTOR EXPOSURES



GEOGRAPHIC EXPOSURES



PORTFOLIO CHARACTERISTICS (as at 31 March 2021)

Number of Equity Holdings	48
Cash	5.5%
Avg. Market Cap	$1,707m

PORTFOLIO METRICS (as at 31 March 2021)

Price / Earnings	28.3x
EPS Growth	34%
Net Debt / EBITDA	0.6

*Numbers are sourced from Bloomberg. PE and EPS Growth is weighted average with a collar of 0 to 50 and Net Debt/EBITDA is weighted average with a collar of 0 to 10.

MARKET COMMENTARY

Equity markets didn't suffer any indigestion in March, comfortably 'swallowing' the rapid increase in US bond yields, or what our friend Hasan Tevfik at MST Marquee has dubbed the "Bondcano". This saw sizable gains across most equity market regions and countries. The US share market continued its charge, hitting new highs courtesy of the Federal Reserve, who during the month was quite happy peddling their lower for longer interest rate mantra that has whipped markets into a frenzy since March last year. President Biden's enormous U$1.9tril stimulus plan, that was approved during the month, will also be like a shot of adrenaline into the veins of the US consumer, and this was not lost on investors last month. In fact, as a result many economists have recently revised up output forecasts this year for the US economy to incredibly ABOVE its predicted trajectory pre-COVID! Talk about governments not wasting a crisis.

The US sharemarket performance though (S&P500 +4.2%) was particularly impressive in light of US 10 year treasury yields increasing sharply again by 0.34% over March to 1.74%. The equivalent Australian government bond yield actually took a breather during March, falling -0.13% to 1.79% as the RBA sped up its QE program to smooth volatile trading in bond markets and to put some more downward pressure on the AUD. This almost totally wiped out the difference between US and Australian 10 year rates by month end. We still see long term bond yields likely have further to climb as growth and inflation improves throughout developed economies in 2021, with pre-COVID cyclical highs of 2.5-3% potentially tested over the next couple of years for Australian and US 10 year yields.

For now though, equity investors are loving the combination of reopening economies courtesy of vaccine distribution, pent up consumer demand, lower for longer central bank policy rates and loose 'war time' sized fiscal policy. This has seen a record-breaking amount of inflows into equity funds globally over the March quarter, reversing all the outflows that occurred over the last 1-2 years.

PORTFOLIO COMMENTARY

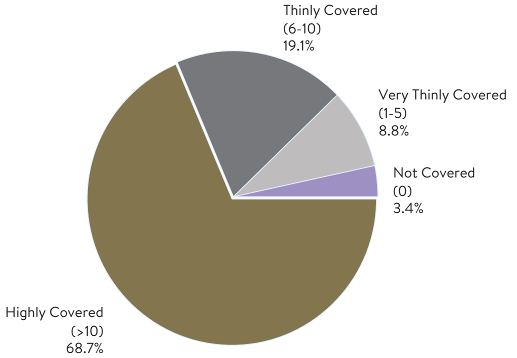
During March, the Ophir Global Opportunities Fund rose 5.0% (net of fees) versus the index which rose 3.9%. Since its inception in October 2018, the Fund has returned 43.5% pa (net of fees) while the index has increased 9.2% p.a.

The Fund has now outperformed for the last 15 consecutive months, proving resilience to the varying array of different styles or 'factors' that have been in vogue at different points over that period.

There have been three key tailwinds that come to mind which have helped achieve this outcome:

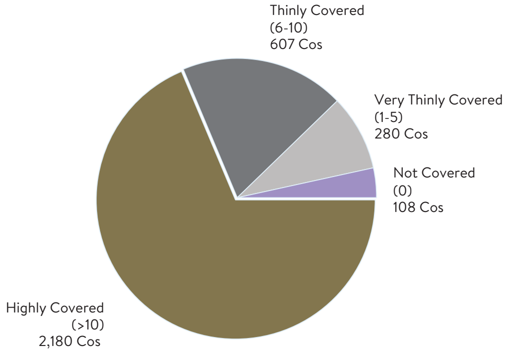
1. Firstly, the universe of global mid and small caps is under researched compared to its large cap peers. This can be seen below where the percentage of "Not Covered" or "Very Thinly" covered companies by broker analysts is 82.6% (17,253 companies) of the global small and mid-cap universe whilst its only 12.2% (388 companies) of the large cap universe. This reminds us of the Warren Buffett quote "I don't look to jump over 7-foot bars: I look around for 1-foot bars that I can step over". We think this rings true in the global small and mid-caps universe where less analysts looking for an edge on a company means it's comparatively easier for us to find one.
2. Our approach of looking for companies that are growing at above market rates, whilst having a strict focus on not overpaying for that growth, helps ensure that Growth or Value style preferences by the market haven't created too big a headwind for us.

Global Large-Caps by Coverage (# of Brokers) - % of Stocks



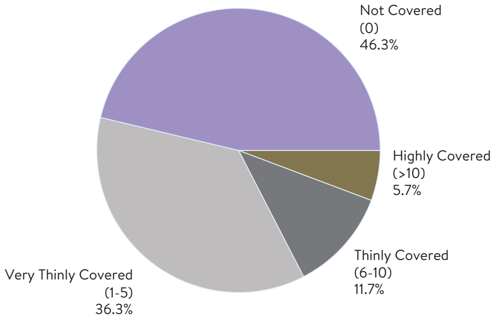
Source: Bloomberg Finance L.P., Factset and J.P. Morgan

Global Large-Caps by Coverage (# of Brokers) - # of Stocks



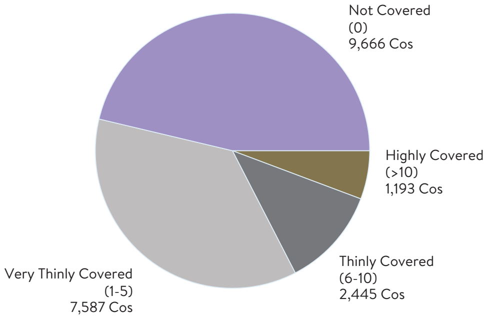
Source: Bloomberg Finance L.P., Factset and J.P. Morgan

Global SMid-Caps by Coverage (# of Brokers) - % of Stocks



Source: Bloomberg Finance L.P., Factset and J.P. Morgan

Global SMid-Caps by Coverage (# of Brokers) - # of Stocks



Source: Bloomberg Finance L.P., Factset and J.P. Morgan

3. By limiting the capacity of the Fund, and with a huge universe of companies to choose from right along the value chain in industries, it has enabled us to nimbly reposition the portfolio for the changing market dynamics over 2020/21.

The part of the universe that we are more cautious on though at present is the highest valued 'growth' and 'tech' names, particularly where their earnings are only likely to come in line with expectations or register small 'beats', and they are still trading near the top of their valuation bands. These are the types of companies that are unlikely to find favour in a reflationary and rising bond yield environment.

If you're going to invest in high growth businesses at present and expect the market to reward you, we think you need two conditions to be met: 1. The earnings 'beats' need to be big; and 2. Valuations still need to have some meaningful headroom to the top of their trading bands. These are your reasonably valued growth business. These tend to be your growth businesses with lower so called 'PEG' ratios – those with lower price-to-earnings ratios divided by its earnings growth.

The top holdings in the Fund have been relatively steady over the month with the exception of one recent addition to the portfolio which was also a top contributor during the month. The company is a digital marketing platform provider providing tailored marketing to consumers based on prior and forecast shopping preferences. The company is benefiting from consumer goods retailers accelerating the move to digital forms of marketing as economies reopen. This sticks with our theme of looking for businesses where COVID-19 has been an 'accelerator into the future', rather than simply 'borrowing growth from the future'.

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 $2.0bn in capital across three investment strategies on behalf of institutional superannuation funds, family offices, private wealth groups and individual investors.

The investment team comprises 12 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 and the Ophir High Conviction Fund which have both delivered exceptional long term returns since inception.

KEY INVESTOR CONTACTS

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