

Ophir Global Opportunities Fund



FIGURES AS AT 31 MAY 2021

DATE OF ISSUE: 09 JUNE 2021

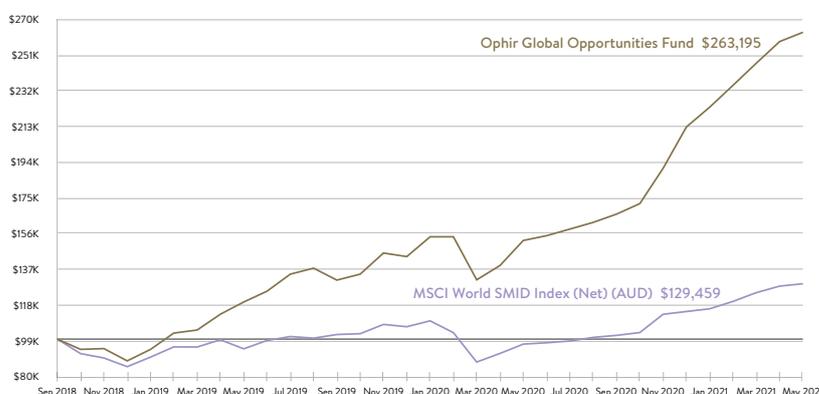
ABOUT THE FUND

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 May)	Net Return Since Inception p.a.	Value Add (Gross) Since Inception p.a.	Fund Status
\$2.3123	43.8%	45.6%	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 May 2021 which are unaudited estimates.

	Since inception p.a.	1 Year	6 Months	3 Months	1 month
Ophir Global Opportunities Fund [^]	55.8%	87.8%	44.2%	13.4%	2.2%
Benchmark*	10.2%	29.5%	14.3%	7.8%	1.0%
Value Add (Gross)	45.6%	58.3%	29.9%	5.6%	1.2%
Fund Return (Net) ^{^^}	43.8%	73.1%	37.4%	12.0%	1.9%

* 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 Paradise Investment Management and Commonwealth Treasury Department



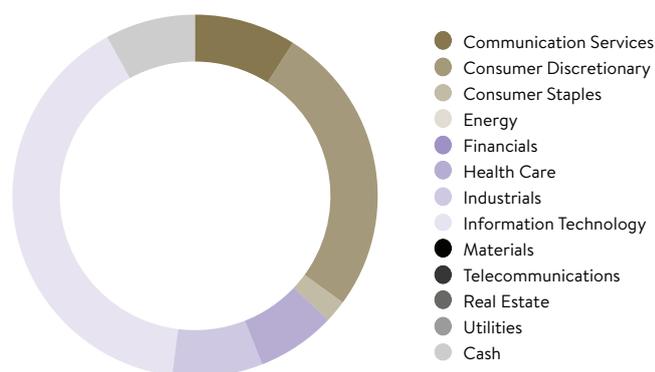
Steven Ng B Acc, CFA
Portfolio Manager
20+ years experience in financial markets, previously Paradise Investment Management and ING Investment Management

KEY INFORMATION

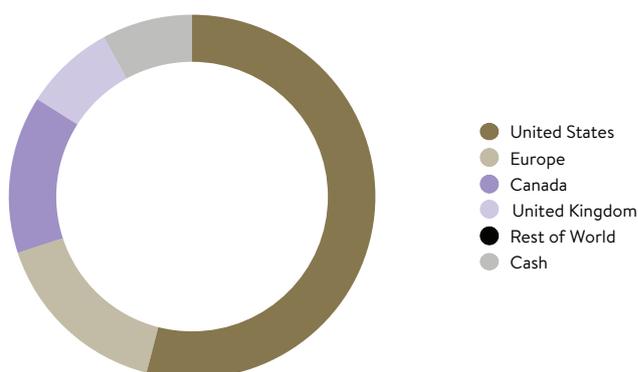
Responsible Entity & Manager	Ophir Asset Management Pty Ltd
Fund Inception	October 2018
Min Investment Amount	\$100,000
Number of Stocks	20-50
Cash Distributions	Annually
Redemptions	Monthly
Investment Objective	Outperform benchmark (after fees) over long term (5+ yrs)

ALLOCATION OF INVESTMENTS (as at 31 May2021)

PORTFOLIO SECTOR EXPOSURES



GEOGRAPHIC EXPOSURES



PORTFOLIO CHARACTERISTICS (as at 31 May2021)

Number of Equity Holdings	50
Cash	7.4%
Avg. Market Cap	\$1,664m

PORTFOLIO METRICS (as at 31 May2021)

Price / Earnings	29.0x
EPS Growth	34.7%
Net Debt / EBITDA	1.2

*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

Share markets backed up April's big gains with further rises in May led by Australia (MSCI Australia +3.3%), but also elsewhere, though the gains were more muted, including in the US (S&P500 +0.7%) and Japan (Nikkei +0.2%).

Vaccine rollout news kept markets chugging along with drops in infections in India, and the US potentially getting towards herd immunity, keeping investors buoyant. Macro forecasters and business owners alike have been struck by how quickly the economic recovery has generally been globally from COVID-19, with only a few exceptions. Much of this we think stems from being conditioned to slower recoveries from global economic downturns that are caused by a drop off in demand, as opposed to the current episode which is essentially a stop-start of the supply side of the economy due to mobility restrictions.

Another key difference this time is the scale of the fiscal response from governments – including Australia with its 'spendathon' Federal budget in May. For the last few decades monetary policy was relied on primarily to stimulate economies during a downturn, but this time, with interest rates rapidly hitting or nearing their "zero lower bound", governments have played a primary role with fiscal transfers to those most impacted.

The scale of the fiscal response though has been truly historic and has generally only been matched by that seen during World War 2. Historically 'Keynesian' counter cyclical spending by governments during downturns was to soften the blow and fill the gap created by the exiting of private demand.

There was wide divergence between Growth and Value styles during the month in the small cap part of the market with the Russell 2000 Growth index down -2.9% whilst its Value counterpart was up 3.1% for May. This occurred despite US 10yr bond yields retracing slightly during the month.

April headline and core CPI readings in the US were much hotter than expected, with headline CPI increasing +4.2% over the year. One of the key reasons for this move was a record 10% spike in used-car prices. US Fed vice chair Richard Clarida advised he was surprised by the report but noted it is "one data point" and that the jump in inflation is temporary. This was backed up by the Fed's Lael Brainard who predicted that pricing pressure will subside as supply bottlenecks loosen.

PORTFOLIO COMMENTARY

During May, the Ophir Global Opportunities Fund rose +1.9% (net of fees) versus the index which rose +1.0%. Since its inception in October 2018, the Fund has returned +43.8% pa (net of fees) while the index has increased +10.2% pa since inception.

The differences in the rotations between Growth and Value styles of investing since the COVID-19 crisis began in US Large compared to Small Caps has been staggering. Since February 2020, the Growth style in Large Caps is still outperforming by around 20%, whilst in Small Caps it has basically evaporated, only outperforming by around 1%.

Our investing style at Ophir can mostly closely be approximately by Growth At a Reasonable Price (GARP) which means we are looking for companies growing faster than the market but we have a very keen eye on valuations and making sure we are not overpaying for that growth. Overall, on net this sees us generally having a small growth bias.

We have been pleased by the fact that we have continued outperform throughout this very significant rotation in the types of companies that have been leading the market. This highlights that our "style bias" is not so big that our bottom up stock selection process, which is ultimately about finding companies that are going "beat" their earnings guidance and

“raise” their earnings outlook, is ultimately the primary driver of performance.

Stability has been the name of the game over *May* with only one new holding entering the top 10 positions during the month – and even then this company was a top 15 holding in April. We remain quite active though in topping up and trimming position weights based on further due diligence and our level of conviction.

The leading contributor to performance during the month was a Canadian IT & cloud solutions provider that we bought at a 5x EV/EBITDA multiple last year and continues to improve margins through the introduction of higher margin services such as application and cloud management solutions. We believe the market is still underestimating its growth trajectory and it remains a top 5 position in the Fund.

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 \$2.5bn 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 Paradise Investment Management. Under their stewardship, the fund managed by Andrew and Steven at Paradise 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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The Trust Company (RE Services) Limited ABN 45 003 278 831 AFSL 235150 (Responsible Entity) is the responsible entity of Ophir Global Opportunities Fund (the Fund). This document has been prepared by Ophir Asset Management Pty Ltd ABN 88 156 146 717 AFSL 420 082 (Ophir), the investment manager of the Fund and is authorised for release by The Trust Company (RE Services) Limited as responsible entity and the issuer of units in the Trust.. The information is of general nature only and has been prepared without taking into your account your objectives, financial situation or needs. Before making an investment decision, you should consider obtaining professional investment advice that takes into account your personal circumstances and should read the current product disclosure statement (PDS) of the Fund. Neither the Responsible Entity nor Ophir guarantees repayment of capital or any particular rate of return from the Fund. All opinions and estimates included in this document constitute judgements of Ophir as at the date of the document and are subject to change without notice. Past performance is not a reliable indicator of future performance. Ophir accepts no liability for any inaccurate, incomplete or omitted information of any kind or any losses by using this information.