

Ophir Global Opportunities Fund



FIGURES AS AT 30 JUNE 2021

DATE OF ISSUE: 13 JULY 2021

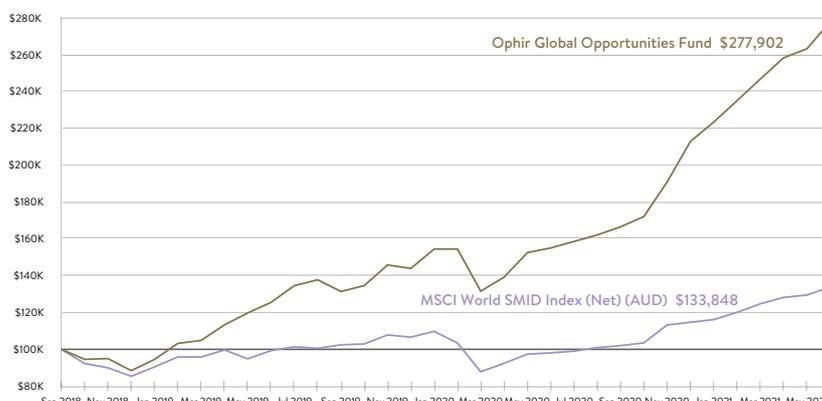
ABOUT THE FUND

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 (30 June) | Net Return Since Inception p.a. | Value Add (Gross) Since Inception p.a. | Fund Status |
|----------------------|---------------------------------|--|----------------|
| \$2.4415 | 45.1% | 45.9% | 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 June 2021 which are unaudited estimates.

| | Since inception p.a. | 1 Year | 6 Months | 3 Months | 1 month |
|--|----------------------|--------------|--------------|--------------|-------------|
| Ophir Global Opportunities Fund[^] | 57.1% | 93.5% | 34.2% | 14.1% | 6.1% |
| Benchmark* | 11.2% | 35.6% | 16.7% | 7.3% | 3.4% |
| Value Add (Gross) | 45.9% | 57.9% | 17.5% | 6.8% | 2.7% |
| Fund Return (Net)^{^^} | 45.1% | 79.1% | 30.1% | 12.6% | 5.6% |

* 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



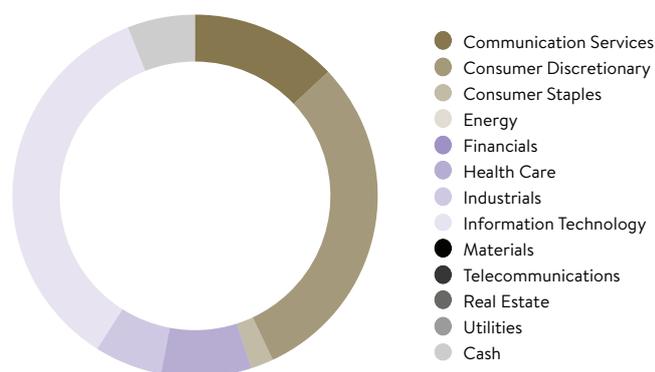
Steven Ng B Acc, CFA
Portfolio Manager
20+ years experience in financial markets, previously Paradise Investment Management and ING Investment Management

KEY INFORMATION

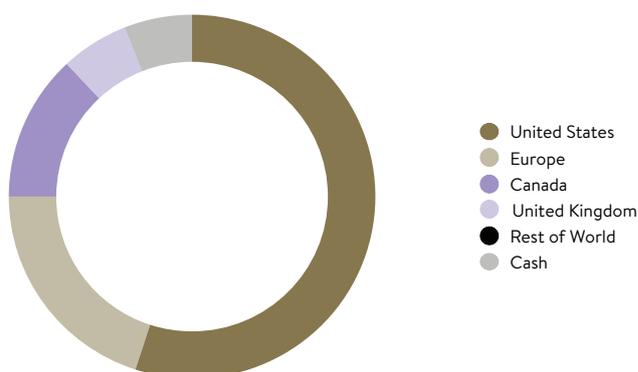
| | |
|---|---|
| Responsible Entity & Manager | Ophir Asset Management Pty Ltd |
| Fund Inception | October 2018 |
| Min Investment Amount | \$100,000 |
| Number of Stocks | 20-50 |
| Cash Distributions | Annually |
| Redemptions | Monthly |
| Investment Objective | Outperform benchmark (after fees)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

ALLOCATION OF INVESTMENTS (as at 30 June 2021)

PORTFOLIO SECTOR EXPOSURES



GEOGRAPHIC EXPOSURES



PORTFOLIO CHARACTERISTICS (as at 30 June 2021)

| | |
|---------------------------|----------|
| Number of Equity Holdings | 50 |
| Cash | 6.1% |
| Avg. Market Cap | \$1,839m |

PORTFOLIO METRICS (as at 30 June 2021)

| | |
|-------------------|-------|
| Price / Earnings | 30.7x |
| EPS Growth | 36.4% |
| Net Debt / EBITDA | 2.0 |

*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

The news of the month in June was the 'hawkish' stance the US Federal Reserve took in its interest rate outlook. This no doubt put the noses out of joint for monetary policy 'doves' – that is, those that have been crying out for lower for longer interest rates. Better than expected growth and employment outcomes saw the Fed bring forward their expectation for interest rate 'lift-off' to 2023 from 2024. This saw 'flattening' in the US yield curve with 2-year interest rates rising and 10-year yields declining, reflecting the impact of earlier than expected interest rate increases as well as lower long term inflation outcomes.

Equity markets generally took this in their stride though with the Nasdaq (+5.6%), ASX Small Ords (+3.1%), ASX200 (+2.3%), S&P 500 (+2.3%), Russell 2000 (+1.9%) and MSCI Europe (+1.7%) all generating above average results for June.

As expected, the US dollar rose as investors bought the currency to take advantage of the higher short term interest rates on offer. The USD rose +3.0% against the Australian dollar and a similar +2.9% (DXY) against a basket of major currencies. The commodity with the largest sensitivity to the USD – gold – was hit the hardest, falling -7.8% on the month.

As we've mentioned previously, markets over the last 6-9 months have generally seen 'Value' styles of investing outperform 'Growth' as expected economic growth and inflation have improved. That rotation to Value though stopped and rotated back to Growth in June as long-term interest rates fell in the US as inflation expectations eased.

The Value underperformance during the month was most pronounced in the U.S., but was seen across the board, including Europe and Australia.

PORTFOLIO COMMENTARY

During June, the Ophir Global Opportunities Fund rose +5.6% (net of fees) versus the index which rose +3.4%. Since its inception in October 2018, the Fund has returned +45.1% pa (net of fees) while the index has increased +11.2% pa since inception.

We remain comfortable with the core and high conviction holdings within the portfolio which has seen little change in the names at the top of the Fund. We are cognisant that whilst Growth style businesses got a shot in the arm in June, high growth/multiple businesses might not have as big a tailwind as their cheaper counterparts. Our hurdle for including high growth/multiple businesses remain elevated and we must have high conviction of earnings 'beats' to include them in the Fund.

The main themes coming from our company meetings over June have been: 1. The elevated levels of input price inflation; and 2. The sharp rebound in services spending that is starting to come through in certain geographies (particularly the U.S.) that have high vaccination rates and are reopening.

Whilst we are not in a position to disagree with the U.S. Fed that the surge in consumer price inflation is likely to be "temporary", we are keeping a keen focus on ensuring portfolio companies have pricing power to pass on those higher costs. Where input price rises are coming from supply chain issues, such as for semiconductors, we have noticed it pays to be one of the leaders in your industry as suppliers ration goods, providing an 'unfair share' to their biggest and most stable customers in the supply chain.

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 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

INVESTOR SERVICES

Automic Group

T: 02 8072 1478

E: ophir@automicgroup.com.au

INVESTMENT ENQUIRIES

George Chirakis (Chief Executive)

T: 02 8006 5476

E: george.chirakis@ophiram.com



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.