

LISTED INVESTMENT COMPANIES AND TRUSTS.

BELL POTTER

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ABRIDGED

Opinion Piece: Income Investing

Inside this edition we discuss the all-important income return, finding that LICs broadly provide a higher and more consistent level of distributions over time, which to some degree is predictable; and can even be lucrative when purchasing the right investment at a material discount to its underlying Net Tangible Asset (NTA) value per share.

(continued on page 3).

Top Investment Picks

As at the end of the Quarter, our key picks across pre-tax NTA and share price performance, distribution yield (based on the previous 12 months and including Special Dividends) and valuation were as follows. Please note that historical performance is no guarantee of future performance.

Table 1: Quarter Highlights

Pre-Tax NTA Performance (p.a.)

30-Sep-22	Large	Large/Mid	Mid/Small	International	Alternative
(%)	AFI	WLE	MIR	PGF	RF1
1 Year	-11.9	-0.8	-28.0	-6.5	-2.6
3 Years	3.3	8.4	5.3	8.2	22.8
5 Years	6.4	8.4	7.2	7.5	-

Share Price Performance (p.a.)

30-Sep-22	Large	Large/Mid	Mid/Small	International	Alternative
(%)	AFI	WLE	MIR	PGF	RF1
1 Year	-10.3	1.2	-24.0	4.7	-18.0
3 Years	8.2	13.3	8.4	17.2	24.1
5 Years	8.8	11.4	6.9	10.8	-

Distribution

30-Sep-22	Large	Large/Mid	Mid/Small	International	Alternative
(%)	AUI	WLE	WAM	PGF	BTI
Net Yield	3.9	5.1	9.0	6.6	5.1
Franking	100.0	100.0	100.0	100.0	100.0
Gross Yield	5.6	7.3	12.9	9.4	7.3

Valuation

21-Nov-22	Large	Large/Mid	Mid/Small	International	Alternative
(%)	AUI	PIC	FOR	MFF	PE1
Current Prem/(Disc)	-7.3	-6.5	-14.9	-19.7	-11.8
1 Year Average	-4.4	-0.5	-9.2	-15.9	-3.4
1 Year St.Dev.	2.3	1.6	3.7	2.5	8.4
Z Score (#)	-1.3	-3.8	-1.5	-1.5	-1.0
3 Year Average	-4.2	-3.8	-12.3	-10.0	0.3
3 Year St.Dev.	2.1	4.6	3.5	6.1	9.8
Z Score (#)	-1.5	-0.6	-0.7	-1.6	-1.2

SOURCE: COMPANY DATA, IRESS & BELL POTTER.

It is important that clients are aware that the share price of a LIC is impacted by the oscillation of the discount or premium to NTA, which should be taken into consideration when investing in LICs. We therefore advise clients to view this report in conjunction with the Bell Potter Weekly Indicative NTA. For further information please speak to your Bell Potter

Inside this edition

- Opinion Piece
- Market Update
- LIC/LIT Sector Summary

Index

Opinion Piece	3
Market Update	9
Summary	
Domestic Equity	15
Global Equity	19
Alternative Strategy	21
Premium/Discount to NTA	23
Liquidity	29
Appendix	
Appendix A: Glossary of Terms	31
Appendix B: Performance	33
Appendix C: Disclosures	35

Table of Contents

Opinion Piece	3
Market Update	9
Summary	
Domestic Equity	15
Global Equity	19
Alternative Strategy	21
Premium/Discount to NTA	23
Liquidity	29
Appendix	
Appendix A: Glossary of Terms	31
Appendix B: Legend to Performance Measures	33
Appendix C: Disclosures	35

Attractive and consistent through-the-cycle income

It has been well documented that the Company structure, in contrast to that of a Unit Trust, is far superior in delivering and managing a smoother income. This tends to be much more predictable and consistent in providing a fuller level of franking.

The two illustrations below juxtapose the income profile for Australian Foundation Investment Company (ASX:AFI) and SPDR S&P/ASX 200 ETF (ASX:STW).

Figure 1 - AFI vs STW yield and change

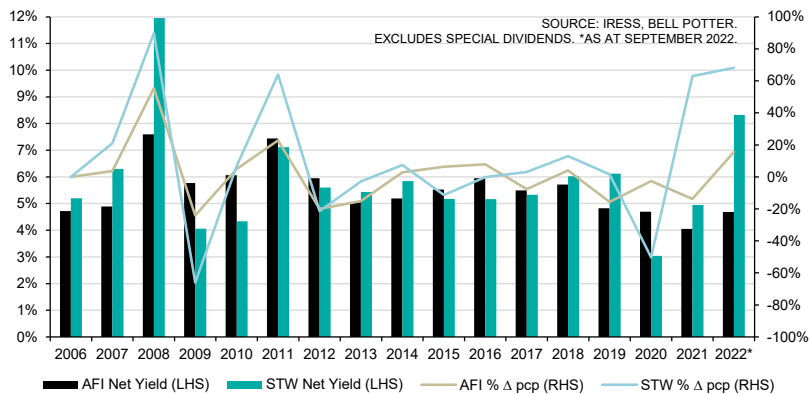
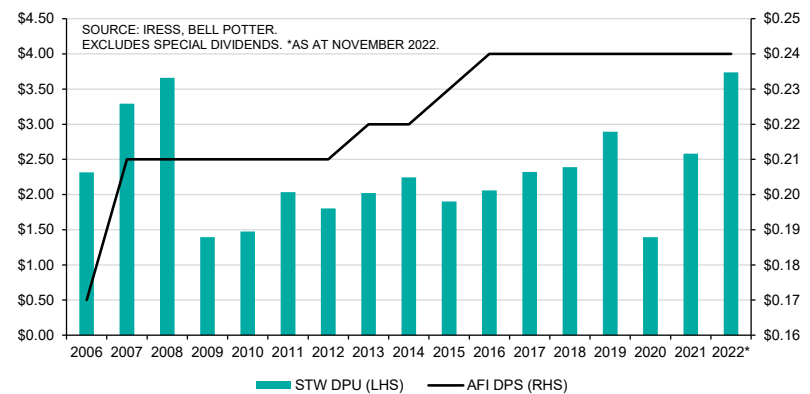


Figure 2 - AFI vs STW dividend per unit/share



A fundamental observation across these charts is the variation and reliance on overall financial conditions for distributable income under a Trust structure. There are far more swings to amplitude both in rising and falling equity markets. AFI, for example, was able to provide investors with the same annual dividend on pcp throughout the GFC and the COVID-19 Pandemic. STW in comparison saw distributable income slashed by at least half in either instance.

Further to the ability of income smoothening, tax awareness at the investor level should not be underestimated. LICs, by virtue of their wrapper, incur a tax event when recognising revenue within the vehicle. This may include a combination of passive income from sub-investments or realised positions. Such instances creates a current or noncurrent liability which directly impacts the NTA value of an LIC. Every decision made by the investment manager therefore logically seeks to maximise the after tax performance at the company level. This is typically at the corporate tax rate of 25-30% (hence why franking credits are generated and can be well harnessed by retirees).

Managed Funds and ETFs that generally adopt the Unit Trust structure, must pass through the tax implications to the underlying investor, which is then borne at their marginal tax rate. This can create unsavory and large seasonal tax burdens that need to be worn without any control from a client's Financial Adviser or Accountant.

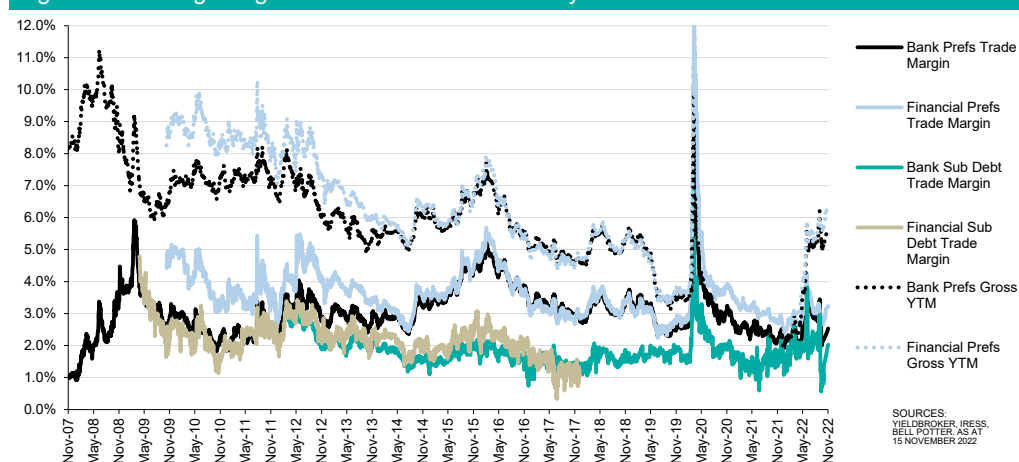
Stacking up against other common retail investments

Hybrid securities, or those that contain both debt and equity characteristics, are another source of fully franked income for retail investors. These securities are perpetual in nature and usually pay a predetermined rate of return, with distributions that may be deferrable and non-cumulative (either at issuer discretion or in the event of a covenant breach). Hybrid securities are subordinated to debt in the capital structure of the issuing parent Company, ranking above equity and contain loss absorption mechanisms which require noteholders to absorb losses while the issuer is still a going concern.

We extend this classification to subordinated debt, perpetual notes, convertible preference shares and capital notes.

Trading margins, or the difference between the gross yield to maturity and the swap rate, have been compressing. Drivers such as an issuance drought, rate hikes, equity market volatility and the income requirements of investors has broadly pulled arithmetic average trading margins down as capital prices have risen. In October 2022 CBA printed a \$1.78bn floating rate paper with distributions pegged to the BBSW3m rate of 2.93% plus a fixed margin of 2.85%. Based on \$100 and assuming that the 90 Day Bank Bill Rate remain unchanged, this would provide noteholders with a gross yield to maturity of 5.78% (4.05% fully franked).

Figure 3 - Trading margins on ASX listed debt and hybrid sectors



There are a number of LICs with inflated gross yields (aided by a discount) in excess of the c. 6.0% on major bank prefs (that includes a premium or discount par reversion on the first call) that do not relate to funding costs within the economy.

What about direct equities

The table below illustrates consensus estimates for the S&P/ASX 20 Index. Rising iron-ore prices, which importantly have a flow through on earnings and dividends for mining stocks, have been increasing to the appeal income investors. However forward estimates for the Index show a strong curtailing in the earnings, cash flow and dividends per share.

LICs by nature possess highly diversified assets that are removed from an inextricable link to commodity prices on operating earnings. There may be a specialist mandate that restricts investment, however this is outside of iron ore to prevent cyclicality.

Figure 4 - S&P/ASX 20 Index Bloomberg consensus estimates

Measure	Actual	F12 Est.	Grow th	Y+1 Est.	Grow th	Y+2 Est.	Grow th	Valuation Measure	Actual	F12 Est.	Y+1 Est.	Y+2 Est.
Earnings Per Share	303.49	289.41	-4.64%	284.95	-1.54%	282.49	-0.86%	Price/EPS	13.35	14	14.22	14.34
EPS Positive	303.49	289.41	-4.64%	284.95	-1.54%	282.49	-0.86%	Price/EPS Positive	13.35	14	14.22	14.34
Cash Flow Per Share	595.17	407.83	-31.48%	400.28	-1.85%	400.53	0.06%	Price/Cash Flow	6.81	9.93	10.12	10.12
Dividends Per Share	222.44	224	0.70%	194.25	-13.28%	190.00	-2.19%	Dividend Yield	5.49	5.53	4.79	4.69
Book Value Per Share	1745.13	1861.21	6.65%	1941.26	4.30%	2021.6	4.14%	Price/Book	2.32	2.18	2.09	2.00
Sales Per Share	1394.72	1525.81	9.40%	1506.23	-1.28%	1513.65	0.49%	Price/Sales	2.90	2.66	2.69	2.68
EBITDA Per Share	650.41	626.13	-3.73%	678.79	8.41%	658.79	-2.95%	Price/EBITDA	6.23	6.47	5.97	6.15
Long Term Growth	-	3.08%	-	-	-	-	-	EV/EBITDA	7.27	7.55	6.96	7.17
Net Debt Per Share	1383.06	-663.45	-	-490.1	26.13%	-375.02	23.48%	Net Debt/EBITDA	2.13	2.21	2.04	2.10
Enterprise Value Per Share	4725.74	3563.42	-24.60%	3736.77	4.86%	3851.85	3.08%					

SOURCE: BLOOMBERG, BELL POTTER.

Considering investment risk

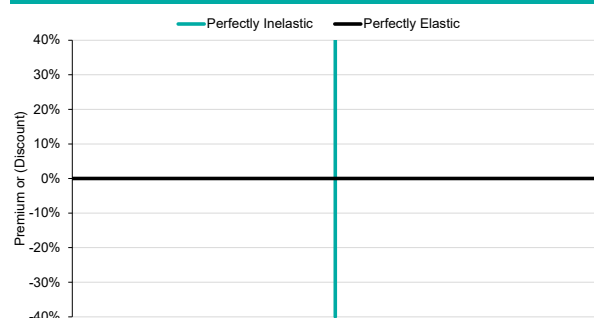
LICs are closed-ended vehicles, which essentially means that they are not exposed to inflows (new capital) or outflows (redemptions) of capital, outside of corporate actions.

By virtue of this unique structure, securities traded on the ASX may execute at either a premium or discount to the underlying NTA backing per share. This observable trend may persist for extended periods of time, or even exhibit cyclical, based on the strong directional moves in assets held that may cause an outsized reaction from the market. LICs are therefore more commonly seen to exhibit a higher equity beta during market declines, which limits the income or total return diversification benefits that are expected from a broad allocation. However, we would argue that by managing the relative entry point into such closed investment structures, downside risk to total returns can be minimised.

Elasticity is a measure of the ratio of the percentage change in one variable with respect to the percentage change in another variable. In the field of economics, this is typically used with respect to consumer demand equations, in measuring how sensitive the quantity demand of a particular good or service is to changes in the price for that good or service. A similar logic to this ‘Own Price Elasticity’ can be applied when thinking about the yield received on an investment between oscillation in the premium or discount.

The chart below illustrates two polarising instances of Elasticity. If a small percentage change in the premium or discount results in a large percentage change in the yield, the function is said to be highly elastic. Conversely, if a large percentage change in the premium or discount results in a small percentage change in the yield, the function is said to be highly inelastic. We can observe perfect Elasticity when one variable incurs no percentage change.

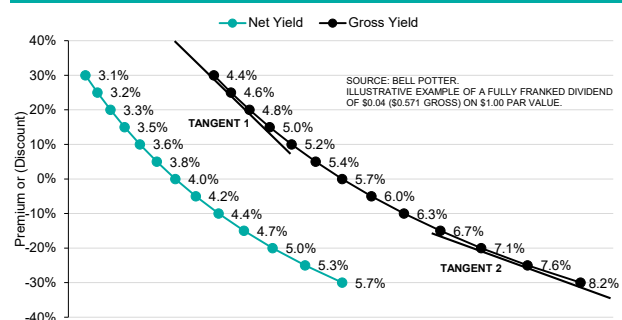
Figure 5 - Elasticity example



Even along a linear income curve, it is important to note that Elasticity will vary depending on the interval over which it is measured. By drawing a tangential line to our nonlinear income curve on the chart below, we can see that the absolute value of Elasticity will drop when moving down and right along the curve. This has two important ramifications:

First, when purchasing a security that trades at a material premium, there is risk that depreciation to the capital value will outsize the increase to income return. This is unfavourable from a total returns perspective. Second, when purchasing a security that trades at a discount, investors will see that further depreciation to the capital value is progressively shadowed by heightened magnification in the yield. This is all well and good, but provided that the Company can pay a reliable annual dividend with no cuts. Interestingly, earnings from which dividends and distributions are paid, are generated from the performance of the underlying portfolio and not the share price return. However the yield at which a LIC/LIT will produce for investors is directly tied to the share/unit price at which it trades on the market.

Figure 6 - Yield elasticity



Dividend champions

The Bell Potter dividend champions are those Investment Companies that have not seen a cut to their annual dividend for 5 consecutive years or more.

Figure 7 - Bell Potter Dividend Champions

Code	Company Name	Number of years since last dividend cut, or consistency ended FY22	Founded/ Listed
AFI	Australian Foundation Investment	34 ^A	1928
WHF	Whitefield Industrials	32	1923
DUI	Diversified United Investment	30 ^A	1991
AUI	Australian United Investment	29	1953
MIR	Mirrabooka Investments	21 ^A	2001
WAM	WAM Capital	13	1999
WAX	WAM Research	13 ^A	2003
FSI	Flagship Investments	10 [*]	1998
MFF	MFF Capital Investments	10 ^A	2006
NCC	Naos Emerging Opportunities	9	2013
FGX	Future Generation Investment	7	2014
TOP	Thorney Opportunities	7	2000
WAA	WAM Active	7	2008
QVE	QV Equities	7 ^A	2014
NAC	Naos Ex-50 Opportunities	7	2014
ACQ	Acorn Capital Investment	6	2014
ALI	Argo Global Listed Infrastructure	6	2015
FGG	Future Generation Global Investment	6	2015
PGF	PM Capital Global Opportunities	6	2013
GVF	Global Value Fund	5 [#]	2014
D2O	Duxton Water	5	2016
WLE	WAM Leaders	5	2016

SOURCE: IRESS, BELL POTTER.

^AWITH SPECIAL DIVIDENDS INCLUDED

^{*}WITH SPECIAL DIVIDENDS REMOVED

[#]GROSS WITH SPECIAL DIVIDENDS REMOVED

It's also worth highlighting the variability in listed tenure between the aforementioned LICs. Global mandates will disproportionately feature lower down on the list given their recent relative inclusion, while others such as L1 Long Short Fund (ASX:LSF) are omitted with an inaugural fully franked dividend in 2021 but possess substantial reserves for expansion (more on this later). The list also includes numerous Companies that have never seen a cut to dividends, or if there was a cut, this was the result of antiquated tax laws that meant it was no longer tax efficient to continue paying dividends at the same rate as was previously done.

Where to find sustainable yields

Amendments to the *Corporations Act 2001* in 2010 afforded LICs the flexibility to pay dividends by applying a 'solvency test' rather than out of profits. This has enhanced the ability to manage dividend payments, particularly through periods of financial malaise, while increasing the certainty for shareholders as to the level of dividends to be paid. Section 254T provides that a dividend may not be paid unless:

- The company's assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend;
- Payment of the dividend is fair and reasonable to the Company's shareholders as a whole; and
- Payment of the dividend does not materially prejudice the Company's ability to pay its creditors

However the new 'solvency test' was applied in such a way that it did not rescind the general law surrounding the payment of dividends. As such, there remains a general law principle that dividends can only be paid out of current or prior period profits. A dividend to be paid that contravenes either the 'solvency' or 'profits test' could be treated as an unauthorised return of capital, which may not be available for franking and result in the Company incurring a liability.

Many LICs will differentiate their 'dividend reserves' from 'profit reserves' which are likely to include unrealised gains and losses from investments that may not be realised at current values. As a result we have selected to report only the specified dividend reserve (where provided) and franking account balances to give an accurate reading of reserves held for the future distribution of dividends. This information can be used in conjunction with the trailing dividend cover and max fully franked dividend figures in order to analyse the sustainability of a trailing dividend yield. The page over includes our Bell Potter dividend champions list with this overlay applied.

Dividend champions

The Bell Potter dividend champions are those Investment Companies that have not seen a cut to their annual dividend for 5 consecutive years or more.

Figure 8 - Bell Potter Dividend Champions

Code	Company Name	Dividend	Franking	LTM Net Div	LTM Gross Div	Net Dividend	Gross Dividend	Franking Credits	Max Div
		Reserve (m)	Reserve (m)	Cover	Cover	LTM	LTM	Per Share	(Fully Franked)
AFI	Australian Foundation Investment	\$1,167.0	\$194.1	4.0x	1.5x	\$0.240	\$0.343	\$0.16	\$0.53
WHF	Whitefield Industrials	\$135.6	\$6.8	6.2x	0.7x	\$0.205	\$0.293	\$0.06	\$0.21
DUI	Diversified United Investment	\$66.1	\$6.7	1.9x	0.5x	\$0.160	\$0.229	\$0.03	\$0.10
AUI	Australian United Investment	\$144.8	\$36.7	3.1x	1.8x	\$0.370	\$0.529	\$0.29	\$0.98
MIR	Mirrabooka Investments	\$82.4	\$38.8	4.6x	5.1x	\$0.100	\$0.143	\$0.22	\$0.72
WAM	WAM Capital	\$10.5	\$0.0	0.1x	0.0x	\$0.155	\$0.221	\$0.00	\$0.00
WAX	WAM Research	\$66.8	\$3.1	3.4x	0.4x	\$0.100	\$0.142	\$0.02	\$0.05
FSI	Flagship Investments	\$10.8	\$3.1	4.5x	3.0x	\$0.093	\$0.132	\$0.12	\$0.40
MFF	MFF Capital Investments	\$679.2	\$105.3	16.8x	6.1x	\$0.070	\$0.100	\$0.18	\$0.61
NCC	Naos Emerging Opportunities	\$33.0	\$0.1	6.0x	0.0x	\$0.075	\$0.107	\$0.00	\$0.00
FGX	Future Generation Investment	\$117.3	\$3.7	4.9x	0.4x	\$0.060	\$0.086	\$0.01	\$0.03
TOP	Thorney Opportunities	\$150.8	\$1.7	31.9x	0.8x	\$0.024	\$0.034	\$0.01	\$0.03
WAA	WAM Active	\$1.3	\$0.0	0.3x	0.0x	\$0.060	\$0.086	\$0.00	\$0.00
QVE	QV Equities	\$26.5	\$8.6	2.4x	1.8x	\$0.048	\$0.069	\$0.04	\$0.12
NAC	Naos Ex-50 Opportunities	\$22.3	\$0.8	8.2x	0.7x	\$0.059	\$0.084	\$0.02	\$0.06
ACQ	Acorn Capital Investment	\$30.4	\$3.1	4.7x	1.1x	\$0.083	\$0.118	\$0.04	\$0.13
ALI	Argo Global Listed Infrastructure	\$57.7	\$10.3	4.4x	1.8x	\$0.080	\$0.114	\$0.06	\$0.21
FGG	Future Generation Global Investment	\$178.4	\$19.8	7.6x	2.0x	\$0.060	\$0.086	\$0.05	\$0.17
PGF	PM Capital Global Opportunities	\$128.9	\$27.5	3.4x	1.7x	\$0.100	\$0.143	\$0.07	\$0.24
GVF	Global Value Fund	\$33.2	\$6.4	2.9x	1.3x	\$0.066	\$0.094	\$0.04	\$0.12
DZO	Duxton Water	\$8.1	\$2.0	1.1x	0.6x	\$0.063	\$0.090	\$0.02	\$0.06
WLE	WAM Leaders	\$334.4	\$81.8	4.4x	2.5x	\$0.075	\$0.107	\$0.08	\$0.27

SOURCE: COMPANY REPORTS, IRESS, BELL POTTER.

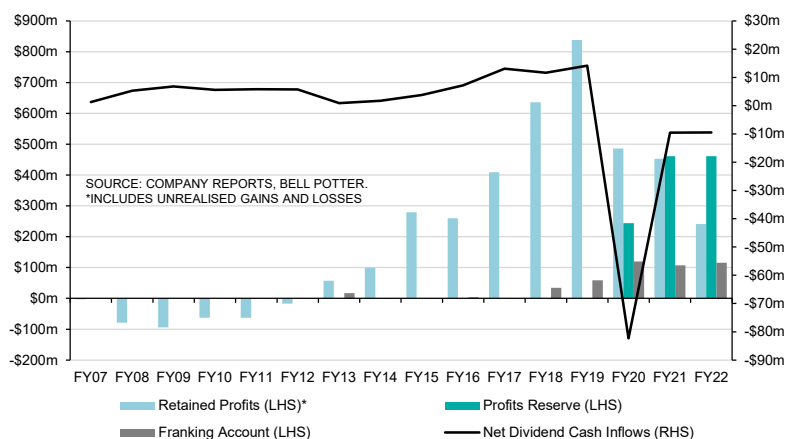
Mirrabooka Investments (ASX:MIR), Flagship Investments (ASX:FSI), MFF Capital Investments (ASX:MFF), Future Generation Global Investment Company (ASX:FGG) and WAM Leaders (ASX:WLE) are all standouts, with reported franking reserves more than sufficient to cover trailing annual gross dividends twice over.

It is important to note that a LIC will book franking credits to this account both when any attaching tax offsets from underlying investments are received, or when the Company pays income tax, which generates an active amount.

We suggest investors look to the franking account balance and free cash to determine any scope for retention/payout and the ability to maintain a sticky fully franked income. MFF Capital Investments (ASX:MFF) for example incurred cash tax payments of ~\$129.4m during FY20 that resulted from significant sales across the investment portfolio. Investors may not be aware of the push back in returns that this rebalancing and debasement to the NTA will generate. Capital management on a sizeable and liquid portfolio of investments is easily achieved, but possessing the franking credits to distribute with cash is often the hardest hurdle to overcome.

The MFF Board of Directors declared a \$0.04 fully franked final dividend in respect to FY22, which, even when annualised, could be sustained for 5.3 years based on the adjusted franking account balance assuming no accounting profits are made.

Figure 9 - MFF Capital Investments reserves

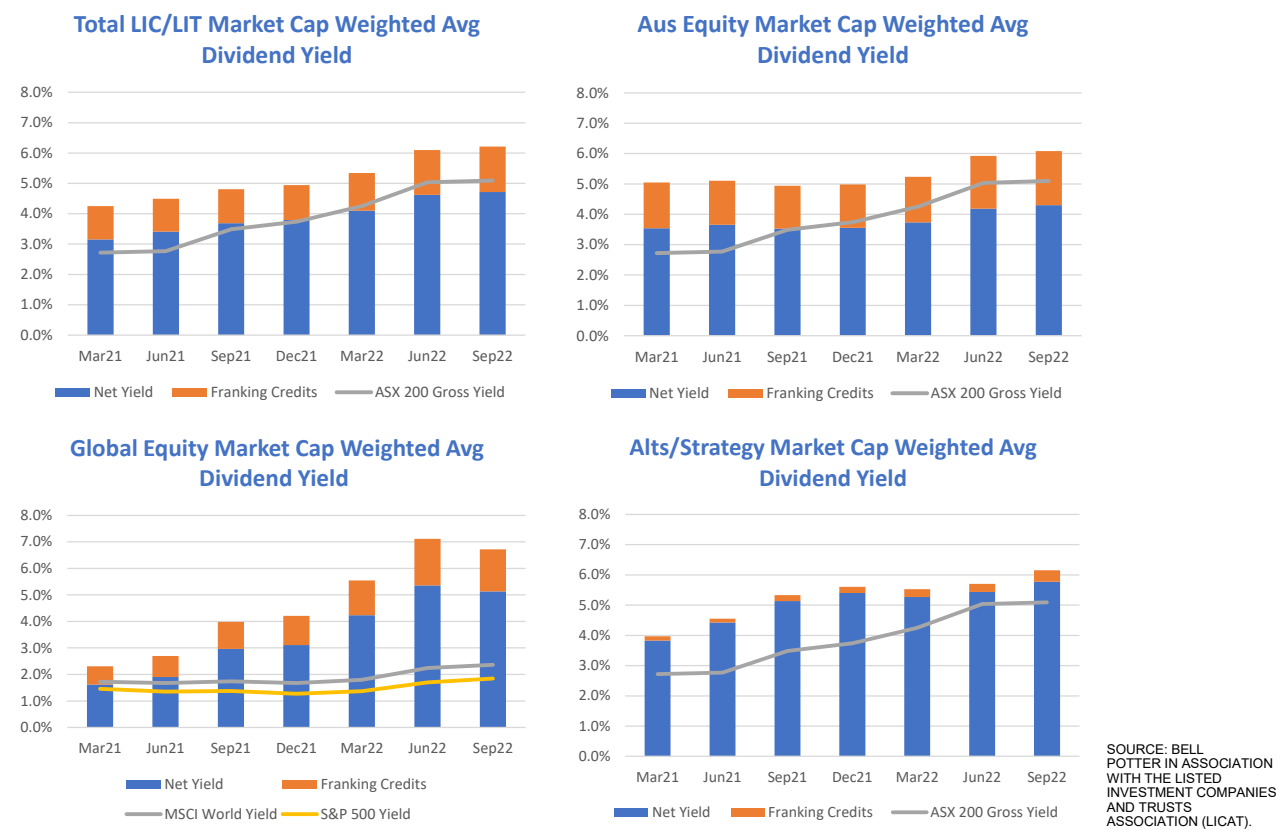


How does an investment mandate effect yield

The charts below illustrate trailing 12 month dividend/distribution yields across our coverage universe of domestic equity, global equity and alternative strategy mandates. A comparison of income returns to the most appropriate benchmark is also provided. The data set includes 82 out of the 94 listed entities, spanning \$47.3bn of the \$47.6bn sector market cap (on September 2022 figures).

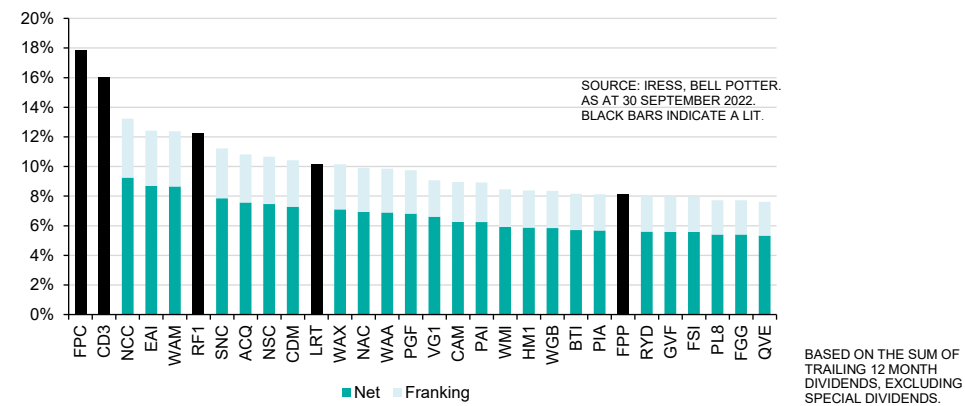
An interesting observation is that global equities are commanding a significant yield premium over the MSCI World Index and S&P 500 Index, while franking within alternative strategy products continues to ramp with maturity on the ASX.

Figure 10 - Listed investment company & trust yield summary charts by category



SOURCE: BELL POTTER IN ASSOCIATION WITH THE LISTED INVESTMENT COMPANIES AND TRUSTS ASSOCIATION (LICAT).

Figure 11 - Top yielding listed investment companies & trusts



SOURCE: IRESS, BELL POTTER. AS AT 30 SEPTEMBER 2022. BLACK BARS INDICATE A LIT.

BASED ON THE SUM OF TRAILING 12 MONTH DIVIDENDS, EXCLUDING SPECIAL DIVIDENDS.

Conclusion

In summary, the key to finding an attractive income yield is to pursue the corporate structure most misunderstood by the market, which will invariably be trading at a discount to the Company's NTA per share, with lesser downside risk to total returns that are dominated by a cash component received today; and that possess adequate franking reserves to weather income sustainability through various market conditions.

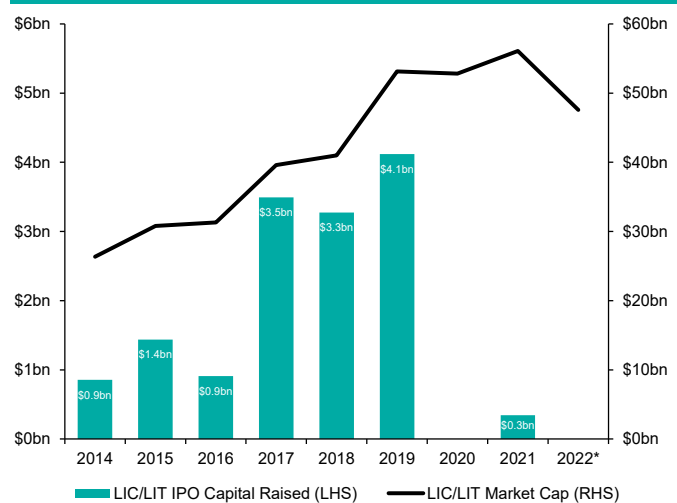
Market Update

The 2013 Future of Financial Advice (FoFA) reforms focused on improving both the quality and availability of affordable financial advice, aiming to improve protection of investors and instill confidence in the financial advice industry. Authorised representatives have since been restricted from giving or receiving payments, or non-monetary benefits, if the payment or benefit could reasonably be expected to influence the advice provided to retail clients. This levelled the playing field, taking unlisted unit trusts down a notch that had traditionally been favoured, with trailing commissions previously featuring as a form of remuneration.

“Extending the ban on conflicted remuneration to LICs [was said to] address risks associated with the potential mis-selling of these products to retail consumers, improve competitive neutrality in the funds management industry and provide long term certainty so that this segment of Australia’s capital markets can continue to operate effectively and provide investors with opportunities to diversify their investments”¹. The treatment of equity and debt securities in other trading companies (including hybrids), real estate investment trusts (REITs), and listed infrastructure investments was not impacted by these changes by virtue of their “support to economic activity”. New LIC/LIT Offerings have averaged 9 per annum throughout calendar years 2014-2019, curtailing to nil in 2020 and recording 4 in 2021. By contrast to the target demographic, the thin number of IPOs since the legislative change on 1 July 2022 have been almost exclusively supported by wholesale and sophisticated investors. Scale and free-float has also been tight, with many of the deals being back by key investment personnel and management. Offerings averaged \$2,347.8m in annual dealflow during the same calendar year period of 2014-2019, while culminating to just \$345.5m in 2021. Removing the stamping fee exemption has since advantaged Exchange Traded Funds (ETFs) that are now on a run rate of 35.9% for FUM CAGR and 12.7% in product offering CAGR.

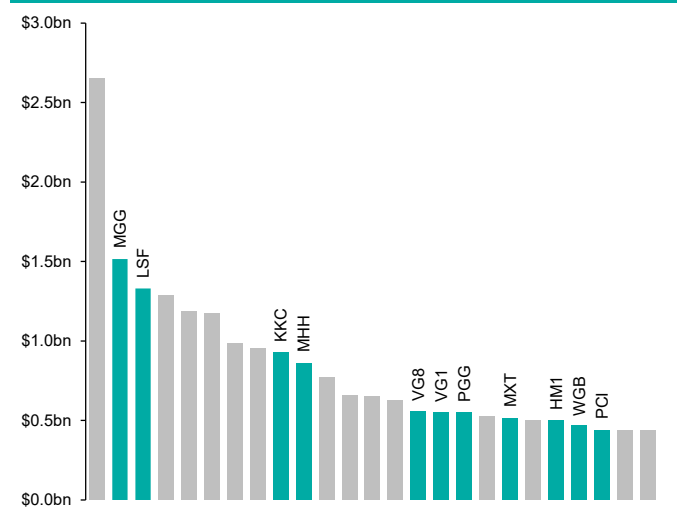
There also appears to be a lack of acknowledgement for the structural differences between open-end vehicles such as ETFs and Managed Funds, that incrementally raise capital, versus closed-end funds that raise capital in substantial and isolated centralised blocks. ¹SOURCE: GOVERNMENT RESPONSE TO TREASURY CONSULTATION ON STAMPING FEE EXEMPTION, 21 MAY 2020, FORMER TREASURY JOSH FRYDENBERG

Figure 12 - LIC/LIT IPOs since 2014



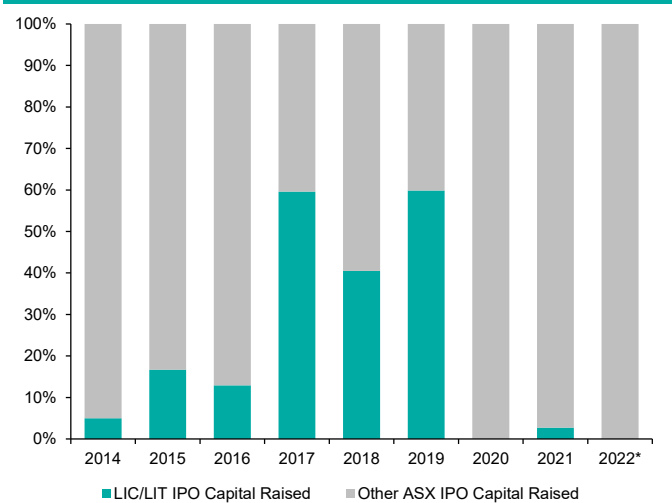
SOURCE: BLOOMBERG, BELL POTTER. *AS AT 30 SEPTEMBER 2022.

Figure 14 - Largest ASX IPOs since 2017



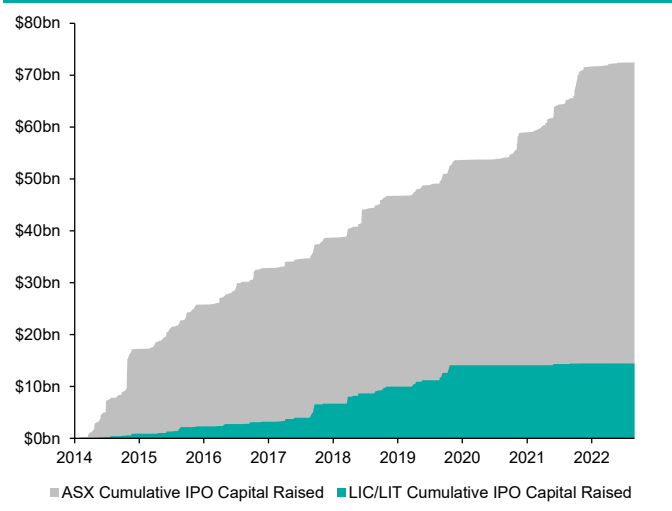
SOURCE: BLOOMBERG, BELL POTTER. AS AT 31 MARCH 2022.

Figure 13 - LIC/LITs IPOs compared to the ASX since 2014



SOURCE: BLOOMBERG, BELL POTTER. *AS AT 30 SEPTEMBER 2022.

Figure 15 - Cumulative IPO capital raised since 2014



SOURCE: BLOOMBERG & BELL POTTER. DATA AS AT 30 SEPTEMBER 2022.

Market Update

Volatile market conditions broadly hampered the ability of LIC & LITs to issue new capital. A total of \$215.7m was raised in the secondary markets through Dividend Reinvestment Plans (DRPs), Entitlement Offerings and Share Purchase Plans (SPP).

Djerriwarrh Investments (ASX:DJW) kicked off equity proceedings after it received applications from 3,425 eligible shareholders (or an 20.8% of shareholders on a take-up basis) in respect its Share Purchase Plan. Shares were issued at \$2.78 each with the Company raising \$63.5m. Djerriwarrh seeks to provide an enhanced level of fully franked income than is available from the S&P/ASX 200 Index and to provide capital growth over the medium to long-term. Covered call options aid in producing additional income and realised capital gains along with the inherent bias to investing in companies with higher dividend income prospects. In actively managing the balance between income and capital growth, proceeds were presumably deployed by the manager directly into the market given soft conditions and short-term pessimism. Reported option coverage for 31 October 2022 was 32.8%, where the normal range lies generally between 30-50%. The Company also had a cash balance of 0.2% at the time.

Shortly thereafter Australian United Investment Company (ASX:AUI) and Diversified United Investment (ASX:DUI) followed suit with SPPs of their own, netting \$6.9m and \$11.8m respectively. Proceeds under either Offer were reported for use in expanding the equities portfolio. No scaleback was applied.

Figure 16 - 3Q22 Share Purchase Plans, Placements & Entitlements

ASX Code	Company Name	Method	Shares Issued	Issue Price	Amount Raised
AUI	Australian United Investment Company	Share Purchase Plan	736,738	\$9.41	\$6,932,705
DJW	Djerriwarrh Investments	Share Purchase Plan	22,843,048	\$2.78	\$63,503,673
DUI	Diversified United Investment	Share Purchase Plan	2,541,592	\$4.66	\$11,843,819
LRT	Lowell Resources Fund	Entitlement Offer	913,274	\$1.35	\$1,232,920
					\$83,513,117

SOURCE: COMPANY DATA, IRESS, BELL POTTER.

Figure 17 - 3Q22 Dividend Reinvestment Plans

ASX Code	Company Name	Shares Issued	DRP Price	Amount Raised
AFI	Australian Foundation Investment Company	4,882,849	\$7.56	\$36,914,338
AIQ	Alternative Investment Trust	625,282	\$1.12	\$699,691
ALI	Argo Global Listed Infrastructure	298,944	\$2.57	\$768,286
AMH	AMCL	1,329,747	\$1.09	\$1,449,424
ARG	Argo Investments	2,734,348	\$9.08	\$24,827,880
AUI	Australian United Investment Company	169,882	\$9.65	\$1,639,259
BKI	BKI Investment Company	2,574,580	\$1.69	\$4,351,040
BTI	Bailador Technology Investments	2,885,048	\$1.44	\$4,154,181
CAM	Clime Capital	300,762	\$0.81	\$244,309
DJW	Djerriwarrh Investments	645,033	\$2.85	\$1,838,344
DUI	Diversified United Investment	491,962	\$4.90	\$2,411,499
FOR	Forager Australian Shares Fund	2,822,680	\$1.20	\$3,398,507
GC1	Glennon Small Companies	345,170	\$0.57	\$195,564
LRT	Lowell Resources Fund	1,167,617	\$1.30	\$1,517,902
LSF	L1 Long Short Fund	2,663,156	\$2.48	\$6,604,627
MEC	Morphic Ethical Equities Fund	71,966	\$1.05	\$75,327
MIR	Mirrabooka Investments	909,160	\$2.94	\$2,672,930
MOT	Metrics Income Opportunities Trust	202,970	\$2.12	\$429,434
MXT	Metrics Master Income Trust	635,211	\$2.00	\$1,270,922
OPH	Ophir High Conviction Fund	6,561,997	\$2.34	\$15,328,169
PAI	Platinum Asia Investments	935,057	\$0.84	\$795,798
PCI	Perpetual Credit Income Trust	112,030	\$1.08	\$120,738
PE1	Pengana Private Equity Trust	567,473	\$1.46	\$831,291
PIA	Pengana International Equities	291,571	\$1.01	\$293,145
PIC	Perpetual Equity Investment Company	928,753	\$1.17	\$1,086,641
PMC	Platinum Capital	811,949	\$1.24	\$1,030,204
QRI	Qualitas Real Estate Income Fund	204,947	\$1.60	\$327,949
RF1	Regal Investment Fund	5,887,796	\$2.87	\$16,903,862
				\$132,181,262

SOURCE: COMPANY DATA, IRESS, BELL POTTER.

Market Update

Option exercises were yet again a thin source of additional capital with most trading deeply out of the money.

Options in WCM Global Growth (ASX:WQG), Perpetual Equity Investment Company (ASX:PIC) and WAM Global (ASX:WGB) all expired throughout the quarter, removing a combined total of \$1.28bn in potential raisings from the sector.

Convertible Notes continue to remain an interesting source of financing, particularly in down markets such as this, where Companies can gear up their market exposure on the onset without diluting stakeholders at this point in time who omit the choice to participate. The asset and liability cancel one another out prior to deployment, meaning there is no net effect on the NTA.

Figure 18 - 3Q22 Options Exercised

ASX Option Code	ASX Code	Company Name	Exercised	Exercise Price	Amount Raised	Expiry Date
FGXO	FGX	Future Generation Australia	216	\$1.48	\$320	28/04/2023
MFFOA	MFF	MFF Capital Investments	707,803	\$2.60	\$1,931,043	31/10/2022
MGFO	MGF	Magellan Global Fund (Closed Class)	141,253	\$1.61*	\$226,979	1/03/2024
PCOA	PIC	Perpetual Equity Investment Company	525,138	\$1.35	\$708,936	2/09/2022
WGB0	WGB	WAM Global	3,006	\$2.54	\$7,635	12/09/2022
WQGOA	WQG	WCM Global Growth	4,521	\$1.50	\$6,782	31/08/2022
*AVERAGE EXERCISE PRICE					\$2,881,696	

SOURCE: COMPANY DATA, IRESS, BELL POTTER.

Figure 19 - 3Q22 Options Outstanding

ASX Option Code	ASX Code	Company Name	Share Price	Exercise Price	Outstanding Options	Potential Raise	Expiry Date
MFFOA	MFF	MFF Capital Investments	\$2.40	\$2.60	81,218,740	\$211,077,968	31/10/2022
WAAOA	WAA	WAM Active	\$0.87	\$1.10	67,068,824	\$73,775,706	31/10/2022
NACOA	NAC	NAOS Ex-50 Opportunities Company	\$0.85	\$1.03	19,948,972	\$20,547,744	31/03/2023
FGXO	FGX	Future Generation Australia	\$1.16	\$1.48*	400,206,619	\$592,305,796	28/04/2023
GC1AJ	GC1	Glennon Small Companies	\$0.64	\$0.95	8,763,249	\$8,325,087	28/04/2023
MGFO	MGF	Magellan Global Fund - Closed Class	\$1.29	\$1.53	1,063,248,212	\$1,624,749,593	1/03/2024
LRTAC	LRT	Lowell Resources Fund	\$1.14	\$1.65	9,783,871	\$16,143,387	4/03/2024
NSCOA	NSC	NAOS Small Cap Opportunities Company	\$0.67	\$1.02	50,874,164	\$51,891,647	28/06/2024

*EACH MGF OPTION WILL BE EXERCISABLE INTO ONE CLOSED CLASS UNIT WITH THE EXERCISE PRICE SET AT A 7.5% DISCOUNT TO THE ESTIMATED NET ASSET VALUE PER CLOSED CLASS UNIT AT THE PREVAILING TIME OF EXERCISE. THE 7.5% DISCOUNT WILL BE FUNDED BY MAGELLAN GROUP AND NOT BY THE MAGELLAN GLOBAL FUND OR UNITHOLDERS. THE ESTIMATED NAV (IN AUD) FOR 30 SEPTEMBER 2022 WAS \$1.6520.

SOURCE: COMPANY DATA, IRESS, BELL POTTER.

Figure 20 - Listed Convertible Notes From LIC Issuers

Company Name	Naos Ex-50 Opportunities Company	Naos Emerging Opportunities Company	Flagship Investments	Clime Capital	Global Masters Fund	ECP Emerging Growth
ASX Code	NAC	NCC	FSI	CAM	GFL	ECP
Share Price	\$0.87	\$0.80	\$1.65	\$0.81	\$2.26	\$0.94
Market Capitalisation	\$38.2m	\$59.1m	\$42.8m	\$114.5m	\$23.6m	\$18.3m
Convertible ASX Code	NACGA	NCCGA	FSIGA	CAMG	GFLGA	ECPGA
Face Value	\$100.00	\$100.00	\$2.70	\$1.00	\$3.10	\$1.43
Security Price	\$94.00	\$89.00	\$2.56	\$0.98	\$3.10	\$1.46
Conversion Price	\$1.15	\$1.15	\$2.70	\$1.00	\$3.10	\$1.43
Option Expiry (American)	30/09/2025	30/09/2026	17/09/2026	30/11/2025	10/11/2026	29/03/2027
Fixed Interest Rate	5.50%	4.50%	5.50%	5.25%	5.50%	5.50%
First Call	30/09/2025	30/09/2026	30/09/2024	n/a	23/11/2024	11/04/2025
Interest Rate Post First	6.50%	5.50%	6.50%	n/a	6.50%	6.50%
Second Call	30/09/2026	30/09/2027	n/a	n/a	n/a	n/a
Interest Rate Post Second	7.50%	6.50%	n/a	n/a	n/a	n/a
Maturity Date	30/09/2027	30/09/2028	1/10/2026	30/11/2025	24/11/2026	11/04/2027
Issue Size	\$17.5m	\$23.0m	\$20.0m	\$35.0m	\$10.0m	\$12.5m
Issue Size / Market Cap.	45.86%	38.92%	46.74%	30.56%	42.39%	68.16%
Gearing Covenant	45% (Net Debt / Portfolio)	50% (Net Debt / Portfolio)	50% (Net Debt / Portfolio)	40% (Total Debt / Total Assets)	50% (Net Debt / Portfolio)	50% (Net Debt / Portfolio)
Covenant Step-Up Margin	2.00%	2.00%	2.00%	n/a	2.00%	2.00%

SOURCE: COMPANY DATA, IRESS, BELL POTTER.

What is a Listed Investment Company/Trust?

Listed Investment Companies (LICs) and Listed Investment Trusts (LITs) are collective investment entities whose business objective is to provide capital appreciation, investment income, or a mixture of both. Financial and/or non-financial assets are professionally managed and invested in by using the funds raised through issuing equity. They offer a range of underlying exposure across the asset class spectrum, including domestic equity, international equity, fixed income, private equity, infrastructure and real assets.

Similar to Managed Funds and Exchange Traded Funds (ETFs), LICs and LITs are backed by a tangible pool of assets, however they distinctively operate through the unique closed-end structure. This means that new shares cannot be created or redeemed at the asset backing; only existing securities can be bought and sold on market. The structure supplies internal and external investment managers with a stable pool of capital that can be invested without being exposed to capital inflows (applications) and outflows (redemptions), which can adversely impact on investment decisions. This effect becomes more pronounced as the holding period and time horizon of assets increases.

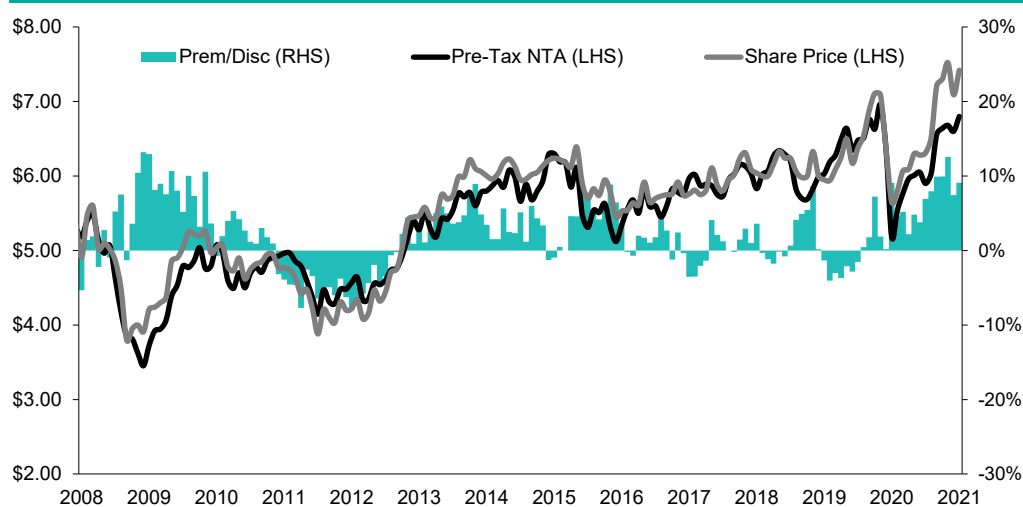
LICs and LITs that are listed on the Australian Securities Exchange (ASX) are required under Listing Rules to report the Net Tangible Asset (NTA) or Net Asset Value (NAV) per share on a monthly basis and no longer than 14 days in arrears of the preceding month. This discloses the effective worth, on a per share/unit basis, of the underlying portfolio of investments and cash. Depending on the tax system this is generally dichotomised into a pre-tax (including a provision for realised capital gains tax, but excluding unrealised capital gains tax that would be theoretically payable on the realisation of a LIC's current investments) and post-tax (all realised and unrealised capital gains tax implications if the portfolio were to be liquidated in its entirety) value for companies that pay corporate income tax.

Premiums and Discounts

Being listed on the exchange in a closed-end structure means that a LIC/LIT will not necessarily trade at the fundamental NTA/NAV. In fact, and more often than not, a Fund will trade at a discount (below) or premium (above) to this look-through value because of the vagaries in supply and demand dynamics. Equilibrium or disequilibrium can be influenced by the popularity of an investment mandate, effectiveness of communication and engagement with share/unitholders, historical investment performance, history of dividends (consistency, payout level and frequency) and franking, fee structure of the vehicle, liquidity, longevity, the quality and reputation of management and prevailing market conditions.

From a quantitative perspective, there's also a tendency for LICs and LITs to revert in line with their mean premium or discount through the cycle. There is not necessarily a pull-to-par effect in positive conditions. So if a LIC or LIT was trading at an elevated price relative to the historical average discount or premium, an investor may be better placed to invest in a more appropriately valued Fund. Generally investors view this discount/premium dynamic as a problem to their investment case, however, we are ardently of the view if played correctly, this normalisation effect can add an additional element of attractiveness to a LIC or LIT.

Figure 21 - Premium/Discount Example



SOURCE: BELL POTTER. HYPOTHETICAL EXAMPLE.

Key Benefits of Investing in a LIC or LIT

- **Structure:** LICs and LITs are closed-end vehicles and are therefore not exposed to inflows (new capital) and outflows (redemptions). As such, management are able to adopt a medium to long-term investment focus, maintain a fully invested position and are not susceptible to redemption risk.
- **Franking:** As LICs incur corporate tax on realised positions and income within the vehicle, they may pass on the franking credits generated to investors within the financial period, or retain this amount to be attached to future distributions.
- **Transparency:** LICs and LITs offer high levels of transparency with a share price that is published daily, asset backing discloses at least monthly, typically the top 20 positions provided quarterly and release statutory accounts. It's also now become best practice to provide stakeholders with running market commentary, detractors and contributors to portfolio performance, sector and regional exposures and more frequent asset backing updates that can be particularly useful during periods of market dislocation.
- **Ease of Investment:** Investors can transact on market as LICs and LITs are listed entities; and positions can be effectively valued intraday and liquidated throughout the trading day, similar to other listed securities.
- **Governance:** Like other listed companies, a LIC must comply with the ASX Listing Rules and Corporations Act. They are overseen by a Board of Directors. The Board is responsible for the strategic direction and overall operation of the company, approving capital management initiatives, growth and profitability. A professional investment manager is also appointed by way of an Agreement, with the objective to generate returns on the underlying investment portfolio in accordance with specified mandate parameters. A LIT on the other hand uses a Responsible Entity to govern the structure and administration of day to day operations.

Key Risks of Investing in a LIC or LIT

- **Price Certainty:** The closed-ended structure and absence of a redemption facility could mean that the Company/Trust trades at either a premium or discount to the underlying Net Asset Backing. There is no guarantee that the share or unit price will consistently or actively track the movements in this Net Asset Backing, and may take extended periods of time to return to trading at par, or not at all based on supply and demand dynamics.
- **Liquidity:** LICs and LITs are listed securities with a fixed quantum of units that are supported by market supply and demand. This can make it difficult to enter and exit large positions, particularly for less liquid LICs.
- **Construction:** Due to active management, the resulting portfolio may be less diversified than other listed managed investments depending on the mandate. The Companies and Trusts may have additional flexibility to take on significant positions in individual investments themselves and the performance of individual investments may be correlated. This could reduce the diversity of a resulting portfolio.
- **Investment Manager Reliance:** The success and profitability of a Company/Trust will depend largely on the ability of the Manager to invest in securities and other instruments that have an ability to generate adequate returns. The LICs and LITs are exposed to the risk that the Investment Manager may cease to manage the portfolio, or key personnel depart may depart during this tenure. Historical performance is no guarantee of future performance.
- **Economic Risk:** The investment portfolio, regardless of regional exposure, will be subject to an array or combination of economic factors that are pertinent to that space, such as changes in the prevailing economic conditions, legislative and political environment as well as investor sentiment. Currency movements may also prove a risk for certain LICs and LITs.

Investment Performance

The measurement of performance is calculated after all operating expenses, provision and payment of both income and realised capital gains tax and assumes the reinvestment of dividends, but does not incorporate franking credits. LIC/LIT returns will consequently be understated relative to the Index return given that the Benchmarks do not factor in operating costs or taxation. The performance of Unlisted Unit Trusts are not measured on an after tax basis and are therefore, generally, not a valid comparison.

In order to assess a LIC/LIT's performance, the Net Asset Backing and share price need to be evaluated with respect to the relative mandate and/or Benchmark, giving varying outcomes from different styles of investment. To cater for this we have separated the coverage universe into domestic equity, global equity and alternative strategy. Within each categorization, the LICs and LITs are then re-coupled with other like-mandated entities to assist with general comparison. The one-page investment profiles detail the Net Asset Backing as compared to preferred relative Benchmark or dispersion around a hurdle rate of return that should be most reflective of the mandate.

Our value-add columns seek to quantify the value generated by the Manager, being the difference between the performance of the share price and Net Asset Backing against the relevant benchmark. A positive value indicates relative outperformance against the Benchmark, while a negative value indicates relative underperformance.

Our analysis further utilises two metrics to evaluate performance:

- **Information Ratio:** Which seeks to measure the excess return as a function of risk. This is calculated as the compound net return of the Fund less the benchmark (excess return), divided by the variability in these observed monthly excess returns (standard deviation). A positive number indicates an ability to deliver consistent excess returns. This is an effective method of measuring the managers ability to deliver on its mandate from a risk adjusted perspective. Note that the Information Ratio is a benchmark-relative statistic.
- **Sharpe Ratio:** Another risk and return measure, which evaluates the return relative to the risk free rate (assumed to be the 10 Year Australian Government Bond), divided by the volatility of the return. Again, the higher the Sharpe Ratio, the better the fund's performance relative to its risk profile. While this measure is generally a useful tool for analysis, it is not readily applicable when excess returns are negative, which given recent market conditions, currently invalidates the measure for most LICs and LITs.

Domestic Equity

Figure 22 - Share Price Premium/Discount to NTA and Yield

ASX Code	Company/Trust Name	Investment Mandate	Market Cap (\$m)	Share/ Unit Price	Asset Backing	Prem/ Disc	Dividend LTM*	Net Yield	Franking	Gross Yield
AFI	AFIC	Large	\$9,044.8	\$7.32	\$6.42	14.0%	\$0.240	3.3%	100.00%	4.7%
ARG	Argo Investments	Large	\$6,640.3	\$8.82	\$8.13	8.5%	\$0.330	3.7%	100.00%	5.3%
AUI	Australian United Investment	Large	\$1,184.2	\$9.44	\$9.30	1.5%	\$0.370	3.9%	100.00%	5.6%
BKI	BKI Investment	Large/Medium	\$1,215.4	\$1.63	\$1.62	0.6%	\$0.102	6.2%	100.00%	8.9%
DUI	Diversified United Investment	Large/Medium	\$972.6	\$4.54	\$4.78	-5.0%	\$0.160	3.5%	100.00%	5.0%
CIN	Carlton Investments	Large/Medium	\$811.5	\$30.65	\$36.12	-15.1%	\$0.840	2.7%	100.00%	3.9%
WLE	WAM Leaders	Large/Medium	\$1,509.7	\$1.46	\$1.38	5.6%	\$0.075	5.1%	100.00%	7.3%
WHF	Whitefield	Large/Medium	\$579.9	\$5.21	\$4.79	8.8%	\$0.205	3.9%	100.00%	5.6%
PIC	Perpetual Equity Investment	Large/Medium	\$442.4	\$1.18	\$1.18	-0.7%	\$0.056	4.8%	100.00%	6.8%
AMH	AMCIL	Large/Medium	\$323.7	\$1.05	\$0.98	7.1%	\$0.035	3.3%	100.00%	4.8%
CAM	Clime Capital	Large/Medium	\$114.5	\$0.82	\$0.81	0.6%	\$0.051	6.3%	100.00%	9.0%
FSI	Flagship Investments	Large/Medium	\$42.8	\$1.66	\$1.90	-13.1%	\$0.093	5.6%	100.00%	8.0%
WAM	WAM Capital	Medium/Small	\$1,947.2	\$1.79	\$1.59	12.8%	\$0.155	8.7%	100.00%	12.4%
OPH	Ophir High Conviction Fund	Medium/Small	\$494.6	\$2.25	\$2.39	-6.0%	\$0.152	6.7%	5.96%	6.9%
MIR	Mirrabooka Investments	Medium/Small	\$546.6	\$2.86	\$2.53	13.0%	\$0.100	3.5%	100.00%	5.0%
QVE	QV Equities	Medium/Small	\$203.8	\$0.90	\$0.98	-8.2%	\$0.048	5.3%	100.00%	7.6%
WAX	WAM Research	Medium/Small	\$277.3	\$1.40	\$1.02	36.8%	\$0.100	7.1%	100.00%	10.2%
CDM	Cadence Capital	Medium/Small	\$285.9	\$0.96	\$1.16	-17.2%	\$0.070	7.3%	100.00%	10.4%
TOP	Thorney Opportunities	Medium/Small	\$97.0	\$0.50	\$0.70	-29.0%	\$0.024	4.8%	100.00%	6.9%
RYD	Ryder Capital	Medium/Small	\$105.9	\$1.25	\$1.37	-8.9%	\$0.070	5.6%	100.00%	8.0%
TEK	Thorney Technologies	Medium/Small	\$97.8	\$0.23	\$0.32	-28.6%	\$0.000	0.0%	-	0.0%
WAA	WAM Active	Medium/Small	\$64.5	\$0.87	\$0.83	5.1%	\$0.060	6.9%	100.00%	9.9%
NAC	Naos Ex-50 Opportunities	Medium/Small	\$38.2	\$0.85	\$0.96	-11.5%	\$0.059	6.9%	100.00%	9.9%
FOR	Forager Australian Shares Fund	Medium/Small	\$139.0	\$1.24	\$1.35	-8.1%	\$0.080	6.5%	0.00%	6.5%
WMI	WAM Microcap	Small/Micro	\$317.9	\$1.52	\$1.33	14.0%	\$0.090	5.9%	100.00%	8.5%
SEC	Spheria Emerging Companies	Small/Micro	\$114.1	\$1.90	\$2.07	-8.3%	\$0.098	5.2%	100.00%	7.4%
NSC	Naos Small Cap Opportunities	Small/Micro	\$95.6	\$0.67	\$0.84	-20.2%	\$0.050	7.5%	100.00%	10.7%
NCC	Naos Emerging Opportunities	Small/Micro	\$59.1	\$0.81	\$0.91	-11.0%	\$0.075	9.3%	100.00%	13.2%
ACQ	Acorn Capital Investment	Small/Micro	\$93.8	\$1.09	\$1.15	-4.9%	\$0.083	7.6%	100.00%	10.8%
DJW	Djerriwarrh Investments	Income	\$714.3	\$2.74	\$2.81	-2.5%	\$0.138	5.0%	100.00%	7.2%
PL8	Plato Income Maximiser	Income	\$646.0	\$1.17	\$0.98	18.4%	\$0.063	5.4%	100.00%	7.7%
SNC	Sandon Capital Investments	Activist	\$95.0	\$0.70	\$0.78	-10.3%	\$0.055	7.9%	100.00%	10.5%
WAR	WAM Strategic Value	Disc Capture	\$176.5	\$0.98	\$1.12	-12.5%	\$0.010	1.0%	100.00%	1.5%
FGX	Future Generation Investment	Fund of Funds	\$466.5	\$1.16	\$1.24	-6.6%	\$0.060	5.2%	100.00%	7.4%
Arithmetic Average (Domestic)						-2.4%		5.3%		7.4%
Arithmetic Average (Investment Mandate - Large)						8.0%		3.6%		5.2%
Arithmetic Average (Investment Mandate - Large/Medium)						-1.2%		4.6%		6.6%
Arithmetic Average (Investment Mandate - Medium/Small)						-4.1%		5.8%		7.8%
Arithmetic Average (Investment Mandate - Small/Micro)						-6.1%		7.1%		10.1%
Arithmetic Average (Investment Mandate - Income)						8.0%		5.2%		7.4%
Weighted Average (Domestic)						7.1%		4.4%		6.2%

SOURCE: COMPANY DATA, IRESS, BELL POTTER. AS AT 30 SEPTEMBER 2022.

Domestic Equity

Figure 23 - Reserves and Indirect Cost

ASX Code	Company/Trust Name	Investment Mandate	Dividend Reserve (m) ^a	Franking Reserve (m) [#]	LTM Net Div Cover	LTM Gross Div Cover	Net Dividend LTM	Gross Dividend LTM	Franking Credits Per Share	Max Div (Fully Franked)	Turnover Ratio	ICR Excluding Perf. Fees	ICR Including Perf. Fees
AFI	AFIC	Large	\$1,167.0	\$194.1	4.0x	1.5x	\$0.240	\$0.343	\$0.16	\$0.53	7.35%	0.21%	0.21%
ARG	Argo Investments	Large	\$815.6	\$140.2	3.4x	1.4x	\$0.330	\$0.471	\$0.19	\$0.64	5.30%	0.14%	0.14%
AUJ	Australian United Investment	Large	\$144.8	\$36.7	3.1x	1.8x	\$0.370	\$0.529	\$0.29	\$0.98	8.16%	0.11%	0.11%
BKI	BKI Investment	Large/Medium	\$57.2	\$28.7	0.8x	0.9x	\$0.102	\$0.145	\$0.04	\$0.13	12.14%	0.17%	0.17%
DUI	Diversified United Investment	Large/Medium	\$66.1	\$6.7	1.9x	0.5x	\$0.160	\$0.229	\$0.03	\$0.10	6.89%	0.13%	0.13%
CIN	Carlton Investments	Large/Medium	\$379.1	\$64.8	17.0x	6.8x	\$0.840	\$1.200	\$2.45	\$8.16	0.82%	0.08%	0.08%
WLE	WAM Leaders	Large/Medium	\$334.4	\$81.8	4.4x	2.5x	\$0.075	\$0.107	\$0.08	\$0.27	484.75%	1.62%	4.57%
WHF	Whitefield	Large/Medium	\$135.6	\$6.8	6.2x	0.7x	\$0.205	\$0.293	\$0.06	\$0.21	43.33%	0.45%	0.45%
PIC	Perpetual Equity Investment	Large/Medium	\$85.5	\$28.6	4.1x	3.2x	\$0.056	\$0.080	\$0.08	\$0.25	109.64%	1.68%	1.68%
AMH	AMCIL	Large/Medium	\$44.1	\$11.1	4.2x	2.4x	\$0.035	\$0.050	\$0.04	\$0.12	25.70%	0.54%	0.54%
CAM	Clime Capital	Large/Medium	\$26.4	\$2.0	3.7x	0.6x	\$0.051	\$0.073	\$0.01	\$0.05	84.26%	2.04%	2.04%
FSI	Flagship Investments	Large/Medium	\$10.8	\$3.1	4.5x	3.0x	\$0.093	\$0.132	\$0.12	\$0.40	39.90%	0.65%	0.65%
WAM	WAM Capital	Medium/Small	\$10.5	\$0.0	0.1x	0.0x	\$0.155	\$0.221	\$0.00	\$0.00	203.52%	1.43%	1.43%
OPH	Ophir High Conviction Fund	Medium/Small	\$0.0	\$0.0	0.0x	0.0x	\$0.152	\$0.156	\$0.00	\$0.00	92.54%	1.61%	1.61%
MIR	Mirraboopa Investments	Medium/Small	\$82.4	\$38.8	4.6x	5.1x	\$0.100	\$0.143	\$0.22	\$0.72	23.82%	0.47%	0.47%
QVE	QV Equities	Medium/Small	\$26.5	\$8.6	2.4x	1.8x	\$0.048	\$0.069	\$0.04	\$0.12	32.95%	1.14%	1.14%
WAX	WAM Research	Medium/Small	\$66.8	\$3.1	3.4x	0.4x	\$0.100	\$0.142	\$0.02	\$0.05	168.28%	1.55%	1.55%
CDM	Cadence Capital	Medium/Small	\$76.7	\$2.1	3.7x	0.2x	\$0.070	\$0.100	\$0.01	\$0.02	627.24%	2.51%	2.51%
TOP	Thorney Opportunities	Medium/Small	\$150.8	\$1.7	31.9x	0.8x	\$0.024	\$0.034	\$0.01	\$0.03	10.76%	1.96%	1.96%
RYD	Ryder Capital	Medium/Small	\$26.6	\$7.9	4.8x	3.3x	\$0.070	\$0.100	\$0.10	\$0.33	27.40%	1.55%	1.55%
TEK	Thorney Technologies	Medium/Small	\$173.9	\$0.0	n/a	n/a	\$0.000	\$0.000	\$0.00	\$0.00	25.76%	2.00%	2.99%
WAA	WAM Active	Medium/Small	\$1.3	\$0.0	0.3x	0.0x	\$0.060	\$0.086	\$0.00	\$0.00	292.63%	2.34%	2.34%
NAC	Naos Ex-50 Opportunities	Medium/Small	\$22.3	\$0.8	8.2x	0.7x	\$0.059	\$0.084	\$0.02	\$0.06	128.02%	3.16%	3.16%
FOR	Forager Australian Shares Fund	Medium/Small	\$0.0	\$0.0	0.0x	0.0x	\$0.080	\$0.080	\$0.00	\$0.00	83.16%	1.46%	2.40%
WMI	WAM Microcap	Small/Micro	\$87.5	\$12.7	4.7x	1.6x	\$0.090	\$0.129	\$0.06	\$0.20	163.46%	1.43%	1.43%
SEC	Spheria Emerging Companies	Small/Micro	\$49.4	\$6.0	8.4x	2.4x	\$0.098	\$0.140	\$0.10	\$0.33	34.42%	1.47%	3.33%
NSC	Naos Small Cap Opportunities	Small/Micro	\$29.8	\$0.1	4.0x	0.0x	\$0.050	\$0.071	\$0.00	\$0.00	54.44%	2.37%	2.37%
NCC	Naos Emerging Opportunities	Small/Micro	\$33.0	\$0.1	6.0x	0.0x	\$0.075	\$0.107	\$0.00	\$0.00	48.37%	2.29%	2.29%
ACQ	Acorn Capital Investment	Small/Micro	\$30.4	\$3.1	4.7x	1.1x	\$0.083	\$0.118	\$0.04	\$0.13	54.14%	1.74%	2.13%
DJW	Djerriwarrh Investments	Income	\$70.3	\$17.9	2.2x	1.3x	\$0.138	\$0.196	\$0.08	\$0.25	33.46%	0.49%	0.49%
PL8	Plato Income Maximiser	Income	\$55.8	\$13.5	1.8x	1.0x	\$0.063	\$0.090	\$0.03	\$0.09	1.46%	0.94%	0.94%
SNC	Sandon Capital Investments	Activist	\$35.9	\$8.8	5.1x	2.9x	\$0.055	\$0.079	\$0.07	\$0.23	13.36%	2.38%	2.38%
FGX	Future Generation Investment	Fund of Funds	\$117.3	\$3.7	4.9x	0.4x	\$0.060	\$0.086	\$0.01	\$0.03	0.00%	1.11%	1.11%

SOURCE: COMPANY DATA, IRESS, BELL POTTER. AS AT 30 SEPTEMBER 2022.

^aBALANCE AS AT 30 JUNE 2022 ADJUSTED FOR DIVIDENDS DECLARED BY NOT RECOGNISED AS AT 30 JUNE 2022.[#]BALANCE AS AT 30 JUNE 2022 ADJUSTED FOR TAX PAYABLE IN RESPECT TO CURRENT PROFITS AND RECEIVABLES. ADJUSTED FOR ATTACHING FRANKING CREDITS ON DIVIDENDS DECLARED BY NOT RECOGNISED AS AT 30 JUNE 2022.

Domestic Equity

Figure 24 - NTA Performance

ASX Code	Company/Trust Name	Investment Mandate	Pre-tax NTA/NAV									
			Performance (%)					Value-add+ (%)				
			3m	6m	1y	3y	5y	3m	6m	1y	3y	5y
AFI	AFIC	Large	-1.2	-11.8	-11.9	3.3	6.4	-1.6	-0.2	-4.2	0.6	-0.4
ARG	Argo Investments	Large	-1.9	-11.8	-8.6	2.4	5.4	-2.3	-0.2	-0.9	-0.3	-1.4
AUI	Australian United Investment	Large	-2.2	-11.4	-7.5	1.6	5.9	-2.6	0.2	0.2	-1.1	-0.9
BKI	BKI Investment	Large/Medium	0.2	-7.6	-0.4	3.4	5.4	-0.3	4.2	7.6	0.7	-1.4
DUI	Diversified United Investment	Large/Medium	-1.9	-9.8	-9.0	2.7	7.3	-2.3	1.8	-1.3	0.0	0.5
CIN	Carlton Investments	Large/Medium	-0.9	-11.4	-9.8	0.9	3.3	-1.3	0.2	-2.1	-1.8	-3.5
WLE	WAM Leaders	Large/Medium	0.2	-8.2	-0.8	8.4	8.4	-0.2	3.4	6.9	5.7	1.6
WHF	Whitefield	Large/Medium	-0.8	-12.2	-14.3	-0.2	3.7	-0.3	-0.6	-0.8	-0.9	-1.3
PIC	Perpetual Equity Investment	Large/Medium	2.1	-10.9	-13.0	7.0	6.4	1.6	0.9	-5.0	4.3	-0.4
AMH	AMCIL	Large/Medium	-2.6	-16.1	-22.5	3.5	5.9	-3.0	-4.5	-14.8	0.8	-0.9
CAM	Clime Capital	Large/Medium	4.2	-10.9	-13.0	-1.9	3.7	3.4	1.3	-4.4	-5.0	-3.4
FSI	Flagship Investments	Large/Medium	1.3	-18.9	-29.0	-0.5	5.5	0.5	-6.7	-20.4	-3.6	-1.6
WAM	WAM Capital	Medium/Small	2.9	-10.0	-17.1	0.5	3.8	2.1	2.2	-8.5	-2.6	-3.3
OPH	Ophir High Conviction Fund	Medium/Small	2.4	-13.6	-28.5	1.8	-	0.0	2.0	-13.2	-1.9	-
MIR	Mirrabooka Investments	Medium/Small	-0.5	-18.8	-28.0	5.3	7.2	-3.7	-4.7	-14.9	0.4	-0.2
QVE	QV Equities	Medium/Small	-4.7	-10.6	-11.8	-0.4	0.8	-5.2	1.2	-3.8	-3.1	-6.0
WAX	WAM Research	Medium/Small	3.4	-9.2	-16.0	1.3	4.5	2.6	3.0	-7.4	-1.8	-2.6
CDM	Cadence Capital	Medium/Small	5.5	-7.6	-14.6	9.8	2.5	4.7	4.6	-6.0	6.7	-4.6
TOP	Thorney Opportunities	Medium/Small	8.3	-8.1	-2.3	-3.2	0.9	8.8	12.7	20.3	-2.4	-3.2
RYD	Ryder Capital	Medium/Small	3.7	-15.4	-21.8	-2.0	3.8	2.2	-18.1	-26.7	-6.6	-1.3
TEK	Thorney Technologies	Medium/Small	0.3	-25.3	-37.8	-1.8	5.9	-0.5	-13.1	-29.2	-4.9	-1.2
WAA	WAM Active	Medium/Small	-1.7	-13.5	-19.5	-2.8	0.7	-2.5	-1.3	-10.9	-5.9	-6.4
NAC	Naos Ex-50 Opportunities	Medium/Small	4.4	-17.5	-37.4	-2.1	1.8	4.8	-5.7	-23.6	-2.8	-3.3
FOR	Forager Australian Shares Fund	Medium/Small	6.3	-21.9	-28.9	2.0	-0.5	5.5	-9.7	-20.3	-1.1	-7.6
WMI	WAM Microcap	Small/Micro	7.7	-14.1	-17.5	4.3	8.2	8.2	6.7	5.1	5.1	4.1
SEC	Spheria Emerging Companies	Small/Micro	0.0	-17.6	-19.2	4.1	-	0.5	3.2	3.4	4.9	-
NSC	Naos Small Cap Opportunities	Small/Micro	1.1	-9.3	-17.4	2.9	-	1.6	11.5	5.2	3.7	-
NCC	Naos Emerging Opportunities	Small/Micro	0.0	-18.0	-23.0	-1.4	-1.5	0.5	2.8	-0.4	-0.6	-5.6
ACQ	Acorn Capital Investment	Small/Micro	3.5	-20.6	-23.4	2.9	7.1	4.0	0.2	-0.8	3.7	3.0
DJW	Djerriwarrh Investments	Income	-2.6	-13.2	-13.9	-1.0	2.8	-3.0	-1.6	-6.2	-3.7	-4.0
PL8	Plato Income Maximiser	Income	1.6	-10.2	-6.2	1.7	5.2	0.5	0.6	0.0	-2.3	-3.1
SNC	Sandon Capital Investments	Activist	-2.5	-22.9	-29.0	-0.5	1.7	-3.0	-23.6	-29.7	-0.9	0.8
WAR	WAM Strategic Value	Disc Capture	1.7	-10.5	-12.7	-	-	1.2	-11.2	-13.4	-	-
FGX	Future Generation Investment	Fund of Funds	1.1	-14.2	-15.2	3.2	5.2	0.3	-2.0	-6.6	0.1	-1.9
Arithmetic Average (Domestic)			1.1	-13.6	-17.1	1.7	4.2	0.6	-1.2	-6.7	-0.5	-2.0
Arithmetic Average (Investment Mandate - Large)			-1.8	-11.7	-9.3	2.4	5.9	-2.2	-0.1	-1.6	-0.3	-0.9
Arithmetic Average (Investment Mandate - Large/Medium)			0.2	-11.8	-12.4	2.6	5.5	-0.2	0.0	-3.8	0.0	-1.2
Arithmetic Average (Investment Mandate - Medium/Small)			2.5	-14.3	-22.0	0.7	2.8	1.6	-2.2	-12.0	-2.2	-3.6
Arithmetic Average (Investment Mandate - Small/Micro)			2.5	-15.9	-20.1	2.6	4.6	3.0	4.9	2.5	3.4	0.5
Arithmetic Average (Investment Mandate - Income)			-0.5	-11.7	-10.0	0.4	4.0	-1.3	-0.5	-3.1	-3.0	-3.6
Weighted Average (Domestic)			-0.5	-11.6	-11.4	2.8	5.4	-1.0	0.2	-3.0	0.1	-1.1

SOURCE: COMPANY DATA, IRESS, BELL POTTER. AS AT 30 SEPTEMBER 2022.

Domestic Equity

Figure 25 - Share Price Performance

ASX Code	Company/Trust Name	Investment Mandate	Share/Unit Price									
			Performance (%)					Value-add+ (%)				
			3m	6m	1y	3y	5y	3m	6m	1y	3y	5y
AFI	AFIC	Large	-0.8	-10.2	-10.3	8.2	8.8	-1.2	1.4	-2.6	5.5	2.0
ARG	Argo Investments	Large	2.1	-5.6	2.1	6.1	6.4	1.7	6.0	9.8	3.4	-0.4
AUI	Australian United Investment	Large	2.8	-4.0	0.1	4.6	6.9	2.4	7.6	7.8	1.9	0.1
BKI	BKI Investment	Large/Medium	0.9	-1.5	5.9	4.9	4.7	0.4	10.3	13.9	2.2	-2.1
DUI	Diversified United Investment	Large/Medium	0.5	-8.6	-8.0	2.3	7.1	0.1	3.0	-0.3	-0.4	0.3
CIN	Carlton Investments	Large/Medium	10.1	-3.9	-1.2	2.3	3.6	9.7	7.7	6.5	-0.4	-3.2
WLE	WAM Leaders	Large/Medium	0.0	-6.7	1.2	13.3	11.4	-0.4	4.9	8.9	10.6	4.6
WHF	Whitefield	Large/Medium	4.0	-3.5	-4.6	5.4	7.1	4.5	8.1	8.9	4.7	2.1
PIC	Perpetual Equity Investment	Large/Medium	4.1	-9.2	-3.2	10.3	8.0	3.6	2.6	4.8	7.6	1.2
AMH	AMCIL	Large/Medium	-0.1	-11.6	-14.7	9.3	8.4	-0.9	0.6	-6.1	6.2	1.3
CAM	Clime Capital	Large/Medium	1.0	-4.5	-9.8	1.0	5.0	0.2	7.7	-1.2	-2.1	-2.1
FSI	Flagship Investments	Large/Medium	4.1	-21.5	-29.9	1.1	4.7	3.3	-9.3	-21.3	-2.0	-2.4
WAM	WAM Capital	Medium/Small	4.1	-18.0	-18.4	-0.7	0.2	3.3	-5.8	-9.8	-3.8	-6.9
OPH	Ophir High Conviction Fund	Medium/Small	-6.3	-25.2	-40.3	1.8	-	-8.7	-9.6	-25.0	-1.9	-
MIR	Mirrabooka Investments	Medium/Small	0.3	-12.1	-24.0	8.4	6.9	-2.9	2.0	-10.9	3.5	-0.5
QVE	QV Equities	Medium/Small	-2.5	-9.6	-9.2	0.5	-2.1	-3.0	2.2	-1.2	-2.2	-8.9
WAX	WAM Research	Medium/Small	8.1	-19.1	-15.8	4.5	3.6	7.3	-6.9	-7.2	1.4	-3.5
CDM	Cadence Capital	Medium/Small	13.6	-4.5	-8.8	12.1	-0.7	12.8	7.7	-0.2	9.0	-7.8
TOP	Thorney Opportunities	Medium/Small	9.4	-8.2	-5.7	-5.8	-3.1	9.9	12.6	16.9	-5.0	-7.2
RYD	Ryder Capital	Medium/Small	-0.6	-15.0	-23.7	-1.2	4.3	-1.4	-2.8	-15.1	-4.3	-2.8
TEK	Thorney Technologies	Medium/Small	9.5	-31.3	-47.1	-5.6	-1.1	8.7	-19.1	-38.5	-8.7	-8.2
WAA	WAM Active	Medium/Small	18.4	-15.2	-13.6	-1.8	0.3	17.6	-3.0	-5.0	-4.9	-6.8
NAC	Naos Ex-50 Opportunities	Medium/Small	-1.7	-12.5	-23.7	2.7	2.8	-1.3	-0.7	-9.9	2.0	-2.3
FOR	Forager Australian Shares Fund	Medium/Small	3.3	-23.4	-22.6	5.0	-4.7	2.5	-11.2	-14.0	1.9	-11.8
WMI	WAM Microcap	Small/Micro	-6.5	-21.3	-23.5	8.7	7.8	-6.0	-0.5	-0.9	9.5	3.7
SEC	Spheria Emerging Companies	Small/Micro	-2.6	-15.3	-20.4	6.5	-	-2.1	5.5	2.2	7.3	-
NSC	Naos Small Cap Opportunities	Small/Micro	-6.9	-19.1	-19.0	3.9	-	-6.4	1.7	3.6	4.7	-
NCC	Naos Emerging Opportunities	Small/Micro	-2.4	-21.7	-23.2	-2.0	-4.6	-1.9	-0.9	-0.6	-1.2	-8.7
ACQ	Acorn Capital Investment	Small/Micro	0.9	-23.9	-27.3	9.1	9.6	1.4	-3.1	-4.7	9.9	5.5
DJW	Djerriwarrh Investments	Income	-1.8	-12.3	-8.9	-4.0	-0.3	-2.2	-0.7	-1.2	-6.7	-7.1
PL8	Plato Income Maximiser	Income	1.0	-2.6	-4.1	5.8	7.0	-0.1	8.2	2.1	1.8	-1.3
SNC	Sandon Capital Investments	Activist	0.7	-20.1	-26.4	1.9	0.2	-0.1	-7.9	-17.8	-1.2	-6.9
WAR	WAM Strategic Value	Disc Capture	1.0	-16.9	-20.6	-	-	0.2	-4.7	-12.0	-	-
FGX	Future Generation Investment	Fund of Funds	1.8	-13.8	-17.1	5.1	5.1	1.0	-1.6	-8.5	2.0	-2.0
Arithmetic Average (Domestic)			2.0	-13.3	-15.2	3.7	3.8	1.5	0.4	-3.8	1.5	-2.7
Arithmetic Average (Investment Mandate - Large)			1.4	-6.6	-2.7	6.3	7.4	1.0	5.0	5.0	3.6	0.6
Arithmetic Average (Investment Mandate - Large/Medium)			2.7	-7.9	-7.2	5.5	6.7	2.3	4.0	1.6	2.9	0.0
Arithmetic Average (Investment Mandate - Medium/Small)			4.6	-16.2	-21.1	1.7	0.6	3.7	-2.9	-10.0	-1.1	-6.1
Arithmetic Average (Investment Mandate - Small/Micro)			-3.5	-20.3	-22.7	5.3	4.2	-3.0	0.5	-0.1	6.0	0.2
Arithmetic Average (Investment Mandate - Income)			-0.4	-7.4	-6.5	0.9	3.4	-1.2	3.8	0.5	-2.5	-4.2
Weighted Average (Domestic)			1.1	-9.3	-7.3	6.0	6.3	0.6	2.8	1.2	3.3	-0.3

SOURCE: COMPANY DATA, IRESS, BELL POTTER. AS AT 30 SEPTEMBER 2022.

Global Equity

Figure 26 - Share Price Premium/Discount to NTA and Yield

ASX Code	Company/Trust Name	Investment Mandate	Market Cap (\$m)	Share/ Unit Price	Asset Backing	Prem/ Disc	Dividend LTM*	Net Yield	Franking	Gross Yield
MGF	Magellan Global Fund (Closed CIs)	Global	\$1,921.9	\$1.29	\$1.65	-22.2%	\$0.073	5.7%	0.00%	5.7%
MFF	MFF Capital Investments	Global	\$1,404.2	\$2.40	\$2.72	-11.9%	\$0.070	2.9%	100.00%	4.2%
WGB	WAM Global	Global	\$630.2	\$1.80	\$2.15	-16.7%	\$0.105	5.8%	100.00%	8.4%
PMC	Platinum Capital	Global	\$338.9	\$1.15	\$1.42	-19.0%	\$0.060	5.2%	100.00%	7.5%
PGF	PM Capital Global Opportunities	Global	\$573.4	\$1.47	\$1.45	0.8%	\$0.100	6.8%	100.00%	9.8%
PIA	Pengana International Equities	Global	\$243.5	\$0.95	\$1.07	-11.5%	\$0.054	5.7%	100.00%	8.1%
WQG	WCM Global Growth	Global	\$200.9	\$1.08	\$1.29	-16.3%	\$0.058	5.3%	100.00%	7.6%
ALI	Argo Global Listed Infrastructure	Global (Infrastructure)	\$393.7	\$2.35	\$2.31	1.7%	\$0.080	3.4%	100.00%	4.9%
LRT	Lowell Resources Fund	Global (Jnr Resources)	\$36.5	\$1.14	\$1.44	-21.4%	\$0.116	10.2%	0.00%	10.2%
GVF	Global Value Fund	Global (Disc Capture)	\$205.6	\$1.18	\$1.10	7.1%	\$0.066	5.6%	100.00%	8.0%
FGG	Future Generation Global Investment	Global (Fund of Funds)	\$437.7	\$1.11	\$1.29	-14.3%	\$0.060	5.4%	100.00%	7.7%
HM1	Hearts and Minds Investments	Global (High Conviction)	\$524.1	\$2.30	\$2.75	-16.4%	\$0.135	5.9%	100.00%	8.4%
PAI	Platinum Asia Investments	Asia	\$295.1	\$0.80	\$0.94	-15.1%	\$0.050	6.3%	100.00%	8.9%
EAI	Ellerston Asian Investments	Asia	\$86.2	\$0.69	\$0.86	-19.6%	\$0.060	8.7%	100.00%	12.4%
Arithmetic Average (Global)						-12.5%		5.9%		8.0%
Arithmetic Average (Investment Mandate - Equities)						-13.8%		5.4%		7.3%
Arithmetic Average (Investment Mandate - Asia)						-17.4%		7.5%		10.7%
Weighted Average (Global)						-13.9%		5.2%		6.7%

SOURCE: COMPANY DATA, IRESS, BELL POTTER. AS AT 30 SEPTEMBER 2022.

Figure 27 - Reserves and Indirect Cost

ASX Code	Company/Trust Name	Investment Mandate	Dividend Reserve (m) ^a	Franking Reserve (m) [#]	LTM Net Div Cover	LTM Gross Div Cover	Net Dividend LTM	Gross Dividend LTM	Franking Credits Per Share	Max Div (Fully Franked)	Turnover Ratio	ICR Excluding Perf. Fees	ICR Including Perf. Fees
MGF	Magellan Global Fund	Global	\$0.0	\$0.0	0.0x	0.0x	\$0.073	\$0.073	\$0.00	\$0.00	30.59%	1.40%	1.40%
MFF	MFF Capital Investments	Global	\$679.2	\$105.3	16.8x	6.1x	\$0.070	\$0.100	\$0.18	\$0.61	15.52%	0.38%	0.38%
WGB	WAM Global	Global	\$98.0	\$0.0	3.0x	0.0x	\$0.105	\$0.150	\$0.00	\$0.00	61.56%	1.50%	1.50%
PMC	Platinum Capital	Global	\$102.6	\$10.2	5.8x	1.4x	\$0.060	\$0.086	\$0.03	\$0.12	50.13%	1.47%	1.47%
PGF	PM Capital Global Opportunities	Global	\$128.9	\$27.5	3.4x	1.7x	\$0.100	\$0.143	\$0.07	\$0.24	21.05%	1.27%	2.83%
PIA	Pengana International Equities	Global	\$162.7	\$13.4	11.8x	2.3x	\$0.054	\$0.077	\$0.05	\$0.17	27.94%	1.58%	1.58%
WQG	WCM Global Growth	Global	\$99.2	\$11.2	9.4x	2.5x	\$0.058	\$0.082	\$0.06	\$0.20	39.11%	1.79%	1.79%
ALI	Argo Global Listed Infrastructure	Global (Infrastructure)	\$57.7	\$10.3	4.4x	1.8x	\$0.080	\$0.114	\$0.06	\$0.21	65.22%	1.59%	1.59%
GVF	Global Value Fund	Global (Multi Asset)	\$33.2	\$6.4	2.9x	1.3x	\$0.066	\$0.094	\$0.04	\$0.12	194.26%	2.57%	2.57%
LRT	Lowell Resources Fund	Global (Resources)	\$0.0	\$0.0	0.0x	0.0x	\$0.116	\$0.116	\$0.00	\$0.00	37.76%	3.18%	6.66%
FGG	Future Generation Global Investment	Global (Fund of Funds)	\$178.4	\$19.8	7.6x	2.0x	\$0.060	\$0.086	\$0.05	\$0.17	5.56%	1.09%	1.09%
HM1	Hearts and Minds Investments	Global (High Conv)	\$174.0	\$81.9	5.7x	6.2x	\$0.135	\$0.193	\$0.36	\$1.21	48.47%	1.70%	1.70%
PAI	Platinum Asia Investments	Asia	\$78.1	\$9.8	4.3x	1.2x	\$0.050	\$0.071	\$0.03	\$0.09	25.66%	1.48%	1.69%
EAI	Ellerston Asian Investments	Asia	\$17.4	\$5.4	2.3x	1.6x	\$0.060	\$0.086	\$0.04	\$0.14	77.81%	2.09%	2.09%

SOURCE: COMPANY DATA, IRESS, BELL POTTER. AS AT 30 SEPTEMBER 2022.

^aBALANCE AS AT 30 JUNE 2022 ADJUSTED FOR DIVIDENDS DECLARED BY NOT RECOGNISED AS AT 30 JUNE 2022.[#]BALANCE AS AT 30 JUNE 2022 ADJUSTED FOR TAX PAYABLE IN RESPECT TO CURRENT PROFITS AND RECEIVABLES. ADJUSTED FOR ATTACHING FRANKING CREDITS ON DIVIDENDS DECLARED BY NOT RECOGNISED AS AT 30 JUNE 2022.

Global Equity

Figure 28 - NTA Performance

ASX Code	Company/Trust Name	Investment Mandate	Pre-tax NTA/NAV									
			Performance (%)					Value-add+ (%)				
			3m	6m	1y	3y	5y	3m	6m	1y	3y	5y
MGF	Magellan Global Fund (Closed CIs)	Global	-0.5	-5.9	-11.6	-	-	-0.8	2.3	-1.9	-	-
MFF	MFF Capital Investments	Global	-0.8	-11.7	-17.3	-3.7	5.8	-1.6	-3.4	-7.5	-10.0	-3.8
WGB	WAM Global	Global	-3.3	-12.5	-21.2	-1.0	-	-3.6	-4.3	-11.5	-7.2	-
PMC	Platinum Capital	Global	-1.4	-1.8	-8.9	0.7	1.5	-1.6	6.6	2.1	-4.7	-7.2
PGF	PM Capital Global Opportunities	Global	-0.3	-7.9	-6.5	8.2	7.5	-1.5	0.2	2.8	1.8	-2.1
PIA	Pengana International Equities	Global	0.4	-13.5	-24.4	-0.6	2.8	0.1	-5.3	-14.7	-6.8	-6.8
WQG	WCM Global Growth	Global	4.2	-9.7	-24.1	3.4	6.5	3.9	-1.6	-13.4	-2.6	-2.8
ALI	Argo Global Listed Infrastructure	Global (Infrastructure)	-3.1	-3.5	2.1	-0.6	5.6	-0.4	-1.8	-3.3	-2.1	-1.9
LRT	Lowell Resources Fund	Global (Jnr Resources)	-9.7	-24.4	-16.7	37.2	-	-10.6	1.5	-13.6	26.7	-
GVF	Global Value Fund	Global (Disc Capture)	3.3	0.6	0.5	9.7	9.0	1.4	-2.9	-5.4	4.8	3.8
FGG	Future Generation Global Investment Global (Fund of Funds)	Global (Fund of Funds)	-1.4	-10.3	-22.9	-1.0	3.6	-1.6	-1.9	-11.9	-6.4	-5.1
HM1	Hearts and Minds Investments	Global (High Conviction)	6.6	-12.7	-29.0	0.5	-	6.3	-4.5	-19.3	-5.7	-
PAI	Platinum Asia Investments	Asia	-8.5	-5.5	-19.9	1.3	1.4	-1.1	3.1	0.2	1.0	-1.4
EAI	Ellerston Asian Investments	Asia	-9.2	-12.3	-24.4	-4.7	-1.8	-1.0	-2.1	-2.5	-2.9	-2.4
Arithmetic Average (Global)			-1.7	-9.4	-16.0	3.8	4.2	-0.9	-1.0	-7.1	-1.1	-3.0
Arithmetic Average (Investment Mandate - Equities)			-0.3	-9.0	-16.3	1.2	4.8	-0.7	-0.8	-6.3	-4.9	-4.5
Arithmetic Average (Investment Mandate - Asia)			-8.9	-8.9	-22.1	-1.7	-0.2	-1.1	0.5	-1.2	-1.0	-1.9
Weighted Average (Global)			-0.8	-8.3	-14.9	0.4	2.8	-0.7	-0.6	-5.7	-3.3	-1.9

SOURCE: COMPANY DATA, IRESS, BELL POTTER. AS AT 30 SEPTEMBER 2022.

Figure 29 - Share Price Performance

ASX Code	Company/Trust Name	Investment Mandate	Share/Unit Price									
			Performance (%)					Value-add+ (%)				
			3m	6m	1y	3y	5y	3m	6m	1y	3y	5y
MGF	Magellan Global Fund (Closed CIs)	Global	-1.7	-15.3	-22.4	-	-	-2.0	-7.1	-12.7	-	-
MFF	MFF Capital Investments	Global	8.6	-6.8	-16.8	-4.6	8.1	7.8	1.5	-7.0	-10.9	-1.5
WGB	WAM Global	Global	6.2	-17.6	-29.2	-1.0	-	5.9	-9.4	-19.5	-7.2	-
PMC	Platinum Capital	Global	-6.6	-12.8	-14.8	-5.1	-3.5	-6.8	-4.4	-3.8	-10.5	-12.2
PGF	PM Capital Global Opportunities	Global	-0.3	-9.3	4.7	17.2	10.8	-1.5	-1.2	14.0	10.8	1.2
PIA	Pengana International Equities	Global	10.0	-20.1	-29.9	0.5	1.6	9.7	-11.9	-20.2	-5.7	-8.0
WQG	WCM Global Growth	Global	-5.1	-21.8	-31.4	3.7	3.7	-5.4	-13.7	-20.7	-2.3	-5.6
ALI	Argo Global Listed Infrastructure	Global (Infrastructure)	3.2	-2.6	4.7	3.8	9.5	5.9	-0.9	-0.7	2.3	2.0
LRT	Lowell Resources Fund	Global (Jnr Resources)	-12.7	-34.6	-14.8	40.6	-	-13.6	-8.7	-11.7	30.1	-
GVF	Global Value Fund	Global (Disc Capture)	10.8	0.2	5.2	11.2	7.0	10.5	4.2	10.7	8.8	2.9
FGG	Future Generation Global Investment Global (Fund of Funds)	Global (Fund of Funds)	4.2	-17.0	-26.9	-2.9	1.9	4.0	-8.6	-15.9	-8.3	-6.8
HM1	Hearts and Minds Investments	Global (High Conviction)	13.9	-21.0	-45.1	-5.3	-	13.6	-12.8	-35.4	-11.5	-
PAI	Platinum Asia Investments	Asia	-4.2	-13.3	-22.9	0.7	0.0	3.2	-4.7	-2.8	0.4	-2.8
EAI	Ellerston Asian Investments	Asia	-10.6	-20.4	-32.4	-4.4	-2.8	-2.4	-10.2	-10.5	-2.6	-3.4
Arithmetic Average (Global)			1.1	-15.2	-19.4	4.2	3.6	2.1	-6.3	-9.7	-0.5	-3.4
Arithmetic Average (Investment Mandate - Equities)			1.6	-14.8	-20.0	1.8	4.1	1.1	-6.6	-10.0	-4.3	-5.2
Arithmetic Average (Investment Mandate - Asia)			-7.4	-16.9	-27.7	-1.9	-1.4	0.4	-7.5	-6.7	-1.1	-3.1
Weighted Average (Global)			2.5	-13.1	-19.5	0.6	3.1	2.7	-5.3	-10.0	-3.1	-1.6

SOURCE: COMPANY DATA, IRESS, BELL POTTER. AS AT 30 SEPTEMBER 2022.

Alternative Strategy

Figure 30 - Share Price Premium/Discount to NTA and Yield

ASX Code	Company/Trust Name	Investment Mandate	Market Cap (\$m)	Share/ Unit Price	Asset Backing	Prem/ Disc	Dividend LTM*	Net Yield	Franking	Gross Yield
LSF	L1 Long Short Fund	Long/Short (Global)	\$1,436.2	\$2.35	\$2.60	-9.5%	\$0.085	3.6%	100.00%	5.2%
VG1	VGI Partners Global Investments	Long/Short (Global)	\$499.0	\$1.36	\$1.72	-20.9%	\$0.090	6.6%	86.67%	9.1%
RF1	Regal Investment Fund	Long/Short (Global)	\$572.6	\$3.23	\$3.16	2.2%	\$0.396	12.2%	0.00%	12.2%
TGF	Tribeca Global Natural Resources	Long/Short (Global)	\$121.2	\$1.97	\$2.51	-21.4%	\$0.000	0.0%	-	0.0%
VG8	VGI Partners Asian Investments	Long/Short (Asia)	\$401.8	\$1.85	\$2.31	-19.9%	\$0.100	5.4%	75.70%	7.2%
WMA	WAM Alternative Assets	Private Assets	\$211.0	\$1.09	\$1.25	-13.1%	\$0.040	3.7%	100.00%	5.3%
D2O	Duxton Water	Water Entitlements	\$193.6	\$1.61	\$2.23	-27.8%	\$0.063	3.9%	100.00%	5.6%
PE1	Pengana Private Equity Trust	Private Equity (Global)	\$413.7	\$1.49	\$1.70	-12.8%	\$0.063	4.3%	0.00%	4.3%
BTI	Bailador Technology Investments	Private Equity (Tech)	\$186.3	\$1.30	\$1.75	-26.0%	\$0.074	5.7%	100.00%	8.2%
GCI	Gryphon Capital Income Trust	Fixed Income	\$469.3	\$1.93	\$2.00	-3.4%	\$0.103	5.3%	0.00%	5.3%
QRI	Qualitas Real Estate Income Fund	Fixed Income	\$544.4	\$1.45	\$1.60	-9.4%	\$0.088	6.1%	0.00%	6.1%
MXT	MCP Master Income Trust	Fixed Income	\$1,668.1	\$1.90	\$2.00	-5.3%	\$0.094	5.0%	0.00%	5.0%
MOT	MCP Income Opportunities Trust	Fixed Income	\$543.7	\$2.05	\$2.12	-3.2%	\$0.139	6.8%	8.07%	7.0%
NBI	NB Global Corporate Income Trust	Fixed Income	\$593.5	\$1.36	\$1.59	-14.8%	\$0.097	7.1%	0.00%	7.1%
PCI	Perpetual Credit Income Trust	Fixed Income	\$372.9	\$0.93	\$1.08	-14.1%	\$0.048	5.2%	0.00%	5.2%
KKC	KKR Credit Income Fund	Fixed Income	\$673.4	\$1.82	\$2.21	-17.7%	\$0.131	7.2%	0.00%	7.2%
Arithmetic Average (Alternative)						-13.6%		5.5%		6.2%
Arithmetic Average (Mandate - Long Short (Global))						-12.4%		5.6%		6.6%
Arithmetic Average (Mandate - Private Equity & Assets)						-19.9%		4.4%		5.8%
Arithmetic Average (Mandate - Fixed Income)						-11.0%		6.3%		6.3%
Weighted Average (Alternative)						-10.7%		5.7%		6.3%

SOURCE: COMPANY DATA, IRESS, BELL POTTER. AS AT 30 SEPTEMBER 2022.

Figure 31 - Reserves and Indirect Cost

ASX Code	Company/Trust Name	Investment Mandate	Dividend Reserve (m) ^A	Franking Reserve (m) [#]	LTM Net Div Cover	LTM Gross Div Cover	Net Dividend LTM	Gross Dividend LTM	Franking Credits Per Share	Max Div (Fully Franked)	Turnover Ratio	ICR Excluding Perf. Fees	ICR Including Perf. Fees
LSF	L1 Long Short Fund	Long/Short (Global)	\$576.2	\$197.3	11.1x	8.9x	\$0.085	\$0.121	\$0.32	\$1.08	332.13%	3.90%	6.40%
VG1	VGI Partners Global Investments	Long/Short (Global)	\$204.1	\$7.0	6.0x	0.5x	\$0.090	\$0.123	\$0.02	\$0.06	98.68%	1.96%	1.96%
RF1	Regal Investment Fund	Long/Short (Global)	\$0.0	\$0.0	0.0x	0.0x	\$0.396	\$0.396	\$0.00	\$0.00	1592.23%	7.95%	10.88%
TGF	Tribeca Global Natural Resources	Long/Short (Global)	\$0.0	\$0.0	n/a	n/a	\$0.000	\$0.000	\$0.00	\$0.00	254.99%	3.21%	8.99%
VG8	VGI Partners Asian Investments	Long/Short (Asia)	\$55.4	\$0.0	2.5x	0.0x	\$0.100	\$0.132	\$0.00	\$0.00	119.61%	1.78%	1.78%
WMA	WAM Alternative Assets	Private Assets	\$29.2	\$3.8	3.8x	1.1x	\$0.040	\$0.057	\$0.02	\$0.06	1.95%	1.53%	1.53%
D2O	Duxton Water	Water Entitlements	\$8.1	\$2.0	1.1x	0.6x	\$0.063	\$0.090	\$0.02	\$0.06	4.42%	1.70%	1.70%
PE1	Pengana Private Equity Trust	Private Equity (Global)	\$0.0	\$0.0	0.0x	0.0x	\$0.063	\$0.063	\$0.00	\$0.00	0.00%	1.70%	5.48%
BTI	Bailador Technology Investments	Private Equity (Tech)	\$70.7	\$11.2	6.8x	2.5x	\$0.074	\$0.106	\$0.08	\$0.26	15.80%	4.69%	8.98%
GCI	Gryphon Capital Income Trust	Fixed Interest	\$0.0	\$0.0	0.0x	0.0x	\$0.103	\$0.103	\$0.00	\$0.00	15.99%	0.89%	0.89%
QRI	Qualitas Real Estate Income Fund	Fixed Income	\$0.0	\$0.0	0.0x	0.0x	\$0.088	\$0.088	\$0.00	\$0.00	0.00%	1.82%	1.82%
MXT	MCP Master Income Trust	Fixed Interest	\$0.0	\$0.0	0.0x	0.0x	\$0.094	\$0.094	\$0.00	\$0.00	0.00%	0.36%	0.36%
MOT	MCP Income Opportunities Trust	Fixed Interest	\$0.0	\$0.0	0.0x	0.0x	\$0.139	\$0.144	\$0.00	\$0.00	0.00%	1.39%	1.94%
NBI	NB Global Corporate Income Trust	Fixed Interest	\$0.0	\$0.0	0.0x	0.0x	\$0.097	\$0.097	\$0.00	\$0.00	58.92%	0.86%	0.86%
PCI	Perpetual Credit Income Trust	Fixed Interest	\$0.0	\$0.0	0.0x	0.0x	\$0.048	\$0.048	\$0.00	\$0.00	42.51%	0.87%	0.87%

SOURCE: COMPANY DATA, IRESS, BELL POTTER. AS AT 30 SEPTEMBER 2022.

^ABALANCE AS AT 30 JUNE 2022 ADJUSTED FOR DIVIDENDS DECLARED BY NOT RECOGNISED AS AT 30 JUNE 2022.[#]BALANCE AS AT 30 JUNE 2022 ADJUSTED FOR TAX PAYABLE IN RESPECT TO CURRENT PROFITS AND RECEIVABLES. ADJUSTED FOR ATTACHING FRANKING CREDITS ON DIVIDENDS DECLARED BY NOT RECOGNISED AS AT 30 JUNE 2022.

Alternative Strategy

Figure 32 - NTA Performance

ASX Code	Company/Trust Name	Investment Mandate	Pre-tax NTA/NAV									
			Performance (%)					Value-add+ (%)				
			3m	6m	1y	3y	5y	3m	6m	1y	3y	5y
LSF	L1 Long Short Fund	Long/Short (Global)	-6.1	-19.7	-16.6	14.6	-	-6.5	-8.1	-8.9	11.9	-
VG1	VGI Partners Global Investments	Long/Short (Global)	-4.7	-16.4	-24.0	-8.5	-0.9	-5.0	-8.2	-14.3	-14.7	-10.5
RF1	Regal Investment Fund	Long/Short (Global)	-0.3	-8.4	-2.6	22.8	-	-0.8	3.4	5.4	20.1	-
TGF	Tribeca Global Natural Resources	Long/Short (Global)	9.9	-23.1	-8.4	2.7	-	4.5	-22.1	-30.4	-6.4	-
VG8	VGI Partners Asian Investments	Long/Short (Asia)	6.3	0.8	-2.8	-	-	10.8	9.5	16.1	-	-
WMA	WAM Alternative Assets	Private Assets	1.1	1.7	9.4	-	-	-0.8	-2.2	1.4	-	-
D2O	Duxton Water	Water Entitlements	0.5	4.4	16.2	9.4	15.9	-1.4	0.5	8.2	1.4	7.9
PE1	Pengana Private Equity Trust	Private Equity (Global)	3.5	8.4	21.0	14.1	-	1.6	4.5	13.0	6.1	-
BTI	Bailador Technology Investments	Private Equity (Tech)	-1.9	-7.9	21.6	16.8	12.1	-3.8	-11.8	13.6	8.8	4.1
GCI	Gryphon Capital Income Trust	Fixed Income	1.3	2.0	3.9	4.6	-	0.0	-0.3	-0.2	0.7	-
QRI	Qualitas Real Estate Income Fund	Fixed Income	1.6	3.1	5.6	6.0	-	-0.1	0.1	0.0	0.6	-
MXT	MCP Master Income Trust	Fixed Income	1.5	2.8	5.0	4.9	-	0.2	0.6	1.1	1.3	-
MOT	MCP Income Opportunities Trust	Fixed Income	1.9	3.5	11.4	9.0	-	0.2	0.1	4.4	2.0	-
NBI	NB Global Corporate Income Trust	Fixed Income	-1.0	-12.5	-16.6	-2.9	-	-2.1	-14.6	-20.9	-7.2	-
PCI	Perpetual Credit Income Trust	Fixed Income	1.3	0.5	1.1	3.1	-	0.0	-1.7	-2.8	-0.5	-
KKC	KKR Credit Income Fund	Fixed Income	1.3	-6.7	-7.4	-	-	0.3	-8.7	-11.4	-	-
Arithmetic Average (Alternative)			1.0	-4.2	1.1	7.4	9.0	-0.2	-3.7	-1.6	1.9	0.5
Arithmetic Average (Mandate - Long Short (Global))			-0.3	-16.9	-12.9	7.9	-	-2.0	-8.8	-12.1	2.7	-
Arithmetic Average (Mandate - Private Equity & Assets)			0.8	1.7	17.1	13.4	14.0	-1.1	-2.3	9.1	5.4	6.0
Arithmetic Average (Mandate - Fixed Income)			1.0	-2.5	-1.3	3.5	-	-0.3	-4.9	-5.9	-1.1	-
Weighted Average (Alternative)			-0.2	-5.2	-2.3	6.5	0.6	-1.1	-3.3	-2.7	2.6	-0.4

SOURCE: COMPANY DATA, IRESS, BELL POTTER. AS AT 30 SEPTEMBER 2022.

Figure 33 - Share Price Performance

ASX Code	Company/Trust Name	Investment Mandate	Share/Unit Price									
			Performance (%)					Value-add+ (%)				
			3m	6m	1y	3y	5y	3m	6m	1y	3y	5y
LSF	L1 Long Short Fund	Long/Short (Global)	-6.4	-18.8	-10.8	16.7	-	-6.8	-7.2	-3.1	14.0	-
VG1	VGI Partners Global Investments	Long/Short (Global)	-4.6	-22.9	-33.5	-13.6	-5.1	-4.9	-14.7	-23.8	-19.8	-14.7
RF1	Regal Investment Fund	Long/Short (Global)	13.7	-10.6	-18.0	24.1	-	13.2	1.2	-10.0	21.4	-
TGF	Tribeca Global Natural Resources	Long/Short (Global)	-3.4	-31.6	-13.2	0.7	-	-8.8	-30.6	-35.2	-8.4	-
VG8	VGI Partners Asian Investments	Long/Short (Asia)	6.1	-6.0	-4.6	-	-	10.6	2.7	14.3	-	-
WMA	WAM Alternative Assets	Private Assets	4.8	-2.3	8.3	-	-	2.9	-6.2	0.3	-	-
D2O	Duxton Water	Water Entitlements	-4.7	6.0	17.0	8.7	13.9	-5.5	18.2	25.6	5.6	6.8
PE1	Pengana Private Equity Trust	Private Equity (Global)	6.9	-1.8	7.1	7.5	-	5.0	-5.7	-0.9	-0.5	-
BTI	Bailador Technology Investments	Private Equity (Tech)	-5.3	9.5	-12.2	14.7	11.6	-7.2	5.6	-20.2	6.7	3.6
GCI	Gryphon Capital Income Trust	Fixed Income	-0.2	-3.5	0.5	2.3	-	-1.5	-5.8	-3.6	-1.6	-
QRI	Qualitas Real Estate Income Fund	Fixed Income	7.3	-5.1	-7.0	2.9	-	5.6	-8.1	-12.6	-2.5	-
MXT	MCP Master Income Trust	Fixed Income	-1.6	-4.5	-2.9	1.9	-	-2.9	-6.7	-6.8	-1.7	-
MOT	MCP Income Opportunities Trust	Fixed Income	12.4	-1.7	6.5	7.0	-	10.7	-5.1	-0.5	0.0	-
NBI	NB Global Corporate Income Trust	Fixed Income	3.6	-15.6	-25.0	-8.3	-	2.5	-17.7	-29.3	-12.6	-
PCI	Perpetual Credit Income Trust	Fixed Income	-0.7	-9.0	-8.9	-3.6	-	-2.0	-11.2	-12.8	-7.2	-
KKC	KKR Credit Income Fund	Fixed Income	1.7	-13.9	-14.7	-	-	0.7	-15.9	-18.7	-	-
Arithmetic Average (Alternative)			1.9	-8.2	-7.0	4.7	6.8	0.7	-6.7	-8.6	-0.5	-1.4
Arithmetic Average (Mandate - Long Short (Global))			-0.2	-21.0	-18.8	7.0	-	-1.8	-12.8	-18.0	1.8	-
Arithmetic Average (Mandate - Private Equity & Assets)			0.4	2.9	5.0	10.3	12.8	-1.2	3.0	1.2	3.9	5.2
Arithmetic Average (Mandate - Fixed Income)			3.1	-8.9	-9.0	-0.8	-	1.8	-11.3	-13.6	-5.4	-
Weighted Average (Alternative)			0.9	-9.6	-8.4	4.6	0.2	0.0	-7.4	-8.5	0.8	-0.7

SOURCE: COMPANY DATA, IRESS, BELL POTTER. AS AT 30 SEPTEMBER 2022.

Premium/Discount to NTA

We have sorted our mandate dichotomised LICs & LITs by the prevailing percentage premium or discount. The most appropriate net asset backing (i.e. pre-tax or post-tax) has been selected and compared against the share/unit price.

Figure 34 - Domestic Equity Prem/Disc

ASX Code	Company/Trust name	%	ASX Code	Company/Trust name	%
TOP	Thorney Opportunities	-29.0%	ACQ	Acorn Capital Investment	-4.9%
TEK	Thorney Technologies	-28.6%	DJW	Djerriwarrh Investments	-2.5%
NSC	Naos Small Cap Opportunities	-20.2%	PIC	Perpetual Equity Investment	-0.7%
CDM	Cadence Capital	-17.2%	BKI	BKI Investment	0.6%
CIN	Carlton Investments	-15.1%	CAM	Clime Capital	0.6%
FSI	Flagship Investments	-13.1%	AUI	Australian United Investment	1.5%
WAR	WAM Strategic Value	-12.5%	WAA	WAM Active	5.1%
NAC	Naos Ex-50 Opportunities	-11.5%	WLE	WAM Leaders	5.6%
NCC	Naos Emerging Opportunities	-11.0%	AMH	AMCIL	7.1%
SNC	Sandon Capital Investments	-10.3%	ARG	Argo Investments	8.5%
RYD	Ryder Capital	-8.9%	WHF	Whitefield	8.8%
SEC	Spheria Emerging Companies	-8.3%	WAM	WAM Capital	12.8%
QVE	QV Equities	-8.2%	MIR	Mirrabooka Investments	13.0%
FOR	Forager Australian Shares Fund	-8.1%	WMI	WAM Microcap	14.0%
FGX	Future Generation Investment	-6.6%	AFI	AFIC	14.0%
OPH	Ophir High Conviction Fund	-6.0%	PL8	Plato Income Maximiser	18.4%
DUI	Diversified United Investment	-5.0%	WAX	WAM Research	36.8%

SOURCE: COMPANY DATA, IRESS, BELL POTTER. AS AT 30 SEPTEMBER 2022.

Figure 35 - Global Equity Prem/Disc

ASX Code	Company/Trust name	%
MGF	Magellan Global Fund (Closed CIs)	-22.2%
LRT	Lowell Resources Fund	-21.4%
PMC	Platinum Capital	-19.0%
EAI	Ellerston Asian Investments	-17.0%
HM1	Hearts and Minds Investments	-16.4%
WQG	WCM Global Growth	-16.3%
PAI	Platinum Asia Investments	-15.1%
FGG	Future Generation Global Investment	-14.3%
WGB	WAM Global	-12.2%
MFF	MFF Capital Investments	-11.9%
PIA	Pengana International Equities	-11.5%
PGF	PM Capital Global Opportunities	0.8%
ALI	Argo Global Listed Infrastructure	0.9%
GVF	Global Value Fund	3.2%

Figure 36 - Alternative Strategy Prem/Disc

ASX Code	Company/Trust name	%
D2O	Duxton Water	-27.8%
BTI	Bailador Technology Investments	-26.0%
VG1	VGI Partners Global Investments	-20.9%
TGF	Tribeca Global Natural Resources	-20.5%
VG8	VGI Partners Asian Investments	-19.9%
KKC	KKR Credit Income Fund	-17.7%
NBI	NB Global Corporate Income Trust	-14.8%
PCI	Perpetual Credit Income Trust	-14.1%
WMA	WAM Alternative Assets	-13.1%
PE1	Pengana Private Equity Trust	-12.8%
QRI	Qualitas Real Estate Income Fund	-9.4%
LSF	L1 Long Short Fund	-5.9%
MXT	MCP Master Income Trust	-5.3%
GCI	Gryphon Capital Income Trust	-3.4%
MOT	MCP Income Opportunities Trust	-3.2%
RF1	Regal Investment Fund	2.2%

SOURCE: COMPANY DATA, IRESS, BELL POTTER. AS AT 30 SEPTEMBER 2022.

Premium/Discount to NTA

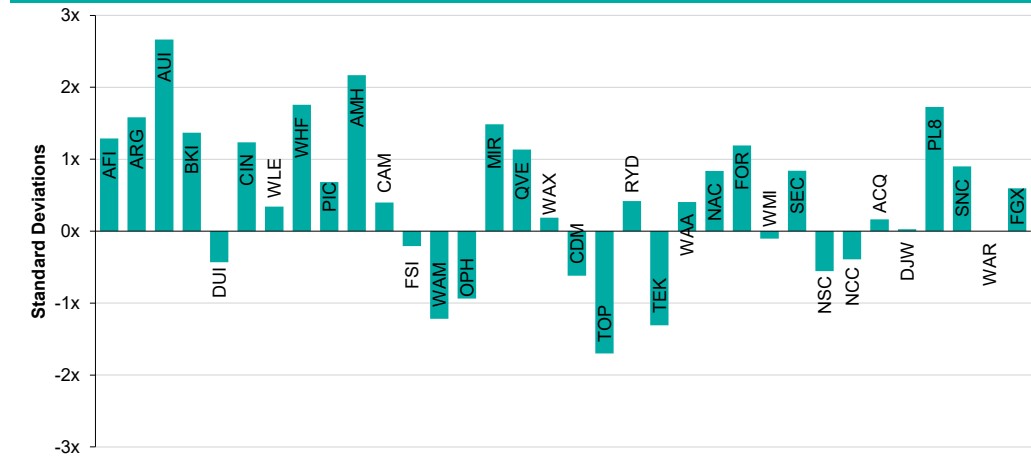
As there is no redemption facility present, LIC/LITs will often trade at a consistent premium or discount to the net asset backing, with the standard deviation providing a measure of range in which this value typically falls.

We have calculated the average percentage premium/discount for LIC/LITs over the trailing last 3 years and compared this result with the premium/discount to net asset backing.

Determining the number of standard deviations from the mean can reveal whether a current relative price is fair or expensive based on the assumption of periodic mean reversion and the degree of variability. This treatment shifts the focus from investing in discounted vehicles only and further enables us to compare two scores from different populations.

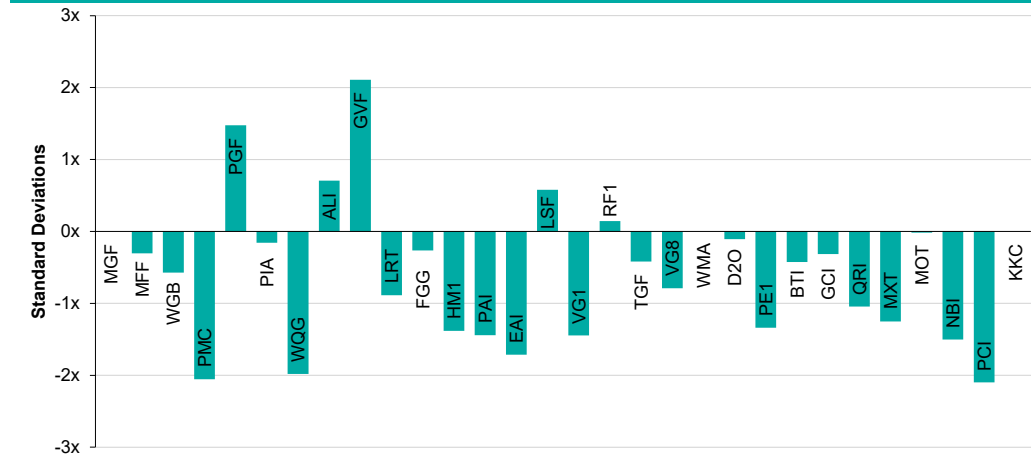
Note that a select few LIC/LITs have a tenure less than 3 years and so have been classified as non-applicable in the portrayal.

Figure 37 - Domestic Equity Prem/Disc Relative to 3 Year Average



SOURCE: COMPANY DATA, IRESS, BELL POTTER. AS AT 30 SEPTEMBER 2022.

Figure 38 - Global Equity and Alternate Strategy Prem/Disc Relative to 3 Year Average



SOURCE: COMPANY DATA, IRESS, BELL POTTER. AS AT 30 SEPTEMBER 2022.

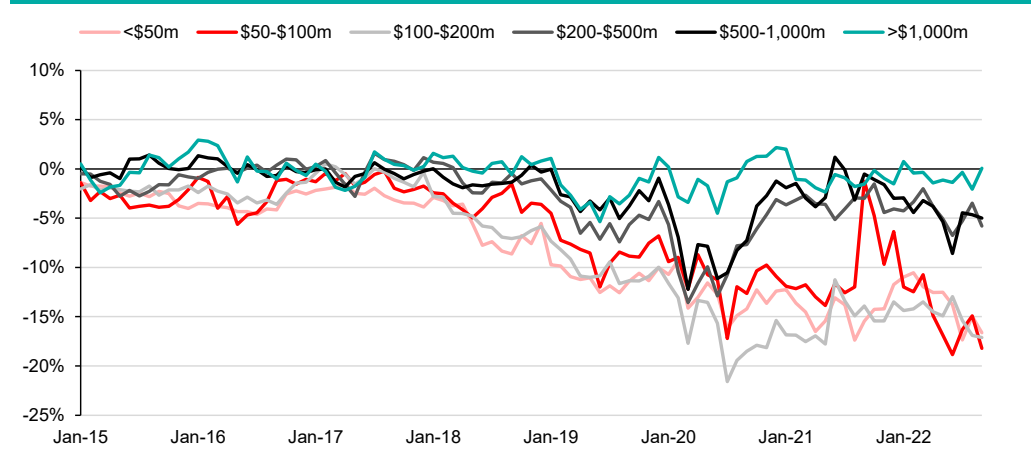
Premium/Discount to NTA

A LIC/LIT’s Indirect Cost Ratio (ICR) measures the aggregate indirect cost that is borne by investors as a function of the average net asset backing during a reporting period. These expenses may be fixed or variable and generally include management fees, performance fees, legal, accounting, auditing and other operational and compliance cost.

Certain strategies are also more cost intensive to execute than others. This can be due to the heavy resource requirements in filtering an investment universe, a need for in-depth research coverage and/or sophisticated investment strategies that harbor high operational costs. The specialised nature of engaging in less efficient parts of the market may give managers a consistent ability to outperform or deliver outsized returns, however when spread over a relatively smaller capital base, the cost loading trade-off in context may become unattractive, in turning garnering a large drag on investment returns and a greater discount to the net asset backing.

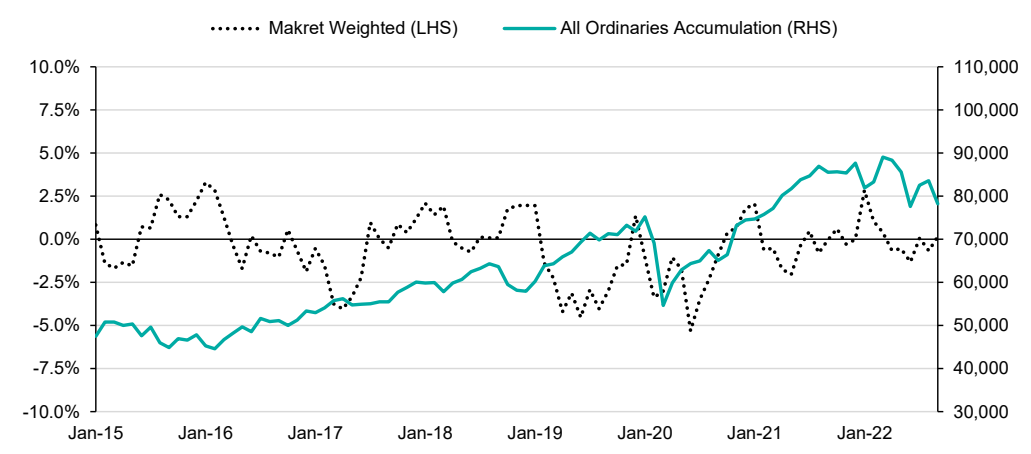
Smaller fund size also narrows the investment potential for larger investors when the volume and value of shares traded on the exchange is thin. Less ease in cash conversion will result in a higher premium for buyers who require an additional compensation for the illiquidity risk, resulting in a larger bid/ask spread and therefore greater discount to the underlying net asset backing of the LIC/LIT.

Figure 39 - Prem/Disc by Market Capitalisation Band



SOURCE: COMPANY DATA, IRESS, BELL POTTER. AS AT 30 SEPTEMBER 2022.

Figure 40 - Market Weighted Prem/Disc and Index Trend



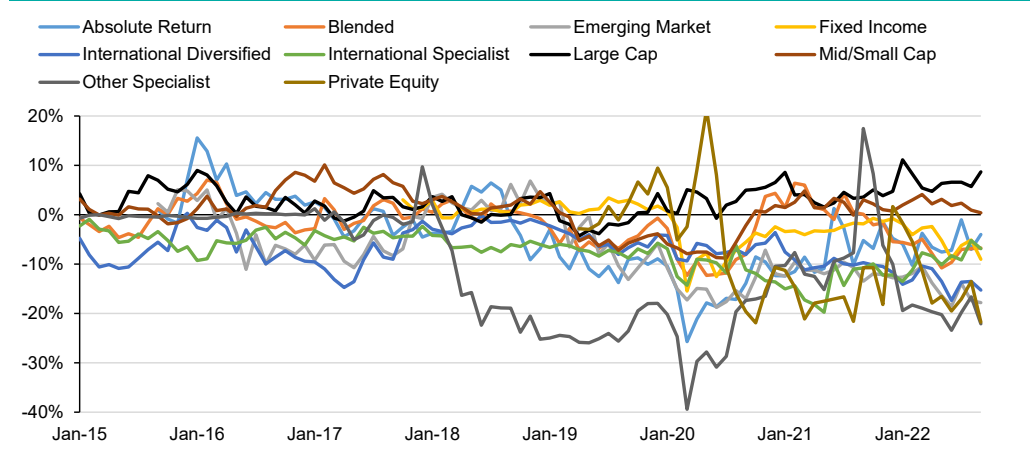
SOURCE: COMPANY DATA, IRESS, BELL POTTER. AS AT 30 SEPTEMBER 2022.

Premium/Discount to NTA

While LIC/LITs will often trade at a consistent premium or discount to the net asset backing, the subset of mandates themselves will tend to behave differently from one another through the economic cycle.

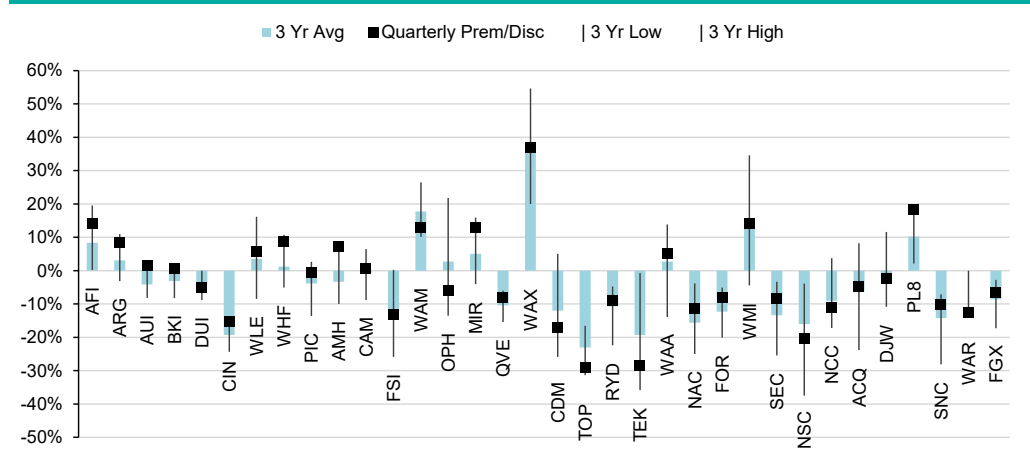
For instance, Large Capitalisation Domestic Equity LIC/LITs typically exhibit a heightened premium in perceivably difficult or uneasy market conditions and a lower premium in improving market conditions. Worldwide Specialist and Mid/Small Capitalisation Domestic Equity LIC/LITs meanwhile tend to be more procyclical and volatile. Periods of rising market confidence has traditionally crowded out lower investment return alternatives and driven investors into favoured boutique and exotic LIC/LITs, in turn narrowing the discounts of these mandates. However as market conditions turn, these small discounts tend to exacerbate into deep discounts.

Figure 41 - Prem/Disc by Investment Mandate



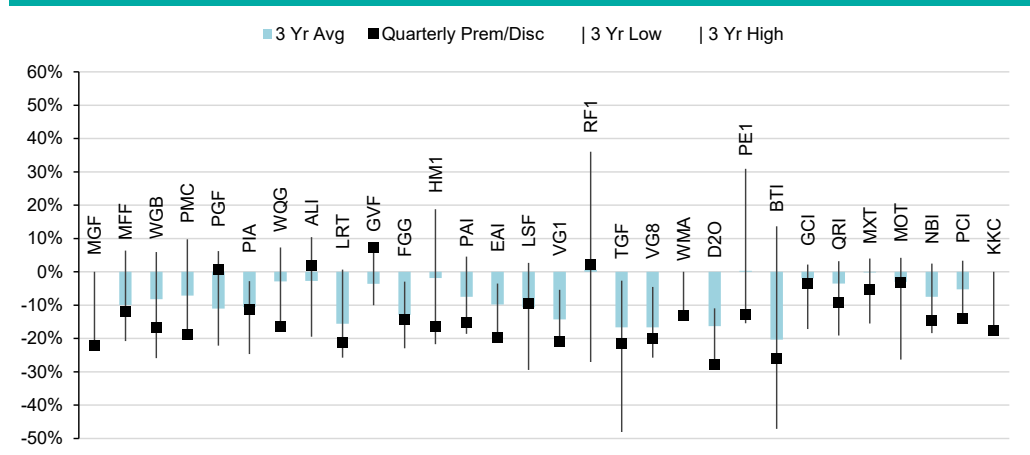
SOURCE: COMPANY DATA, IRESS, BELL POTTER. AS AT 30 SEPTEMBER 2022.

Figure 42 - Domestic Equity Prem/Disc



SOURCE: COMPANY DATA, IRESS, BELL POTTER. AS AT 30 SEPTEMBER 2022.

Figure 43 - Global Equity and Alternate Strategy Prem/Disc



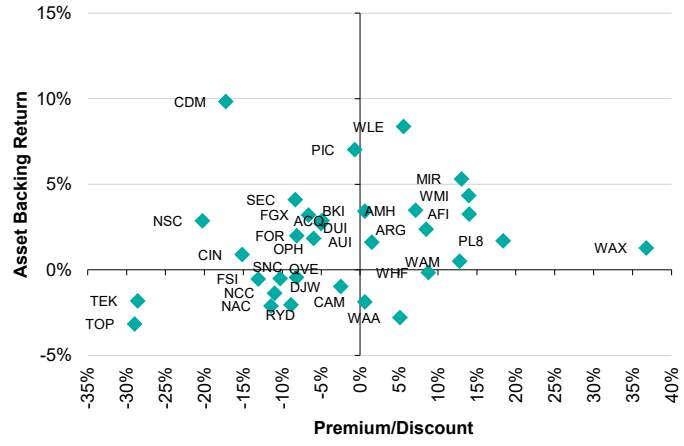
SOURCE: COMPANY DATA, IRESS, BELL POTTER. AS AT 30 SEPTEMBER 2022.

Premium/Discount to NTA

Intuitively the net performance consistency of a LIC/LIT through different market environments will drive or deter front running.

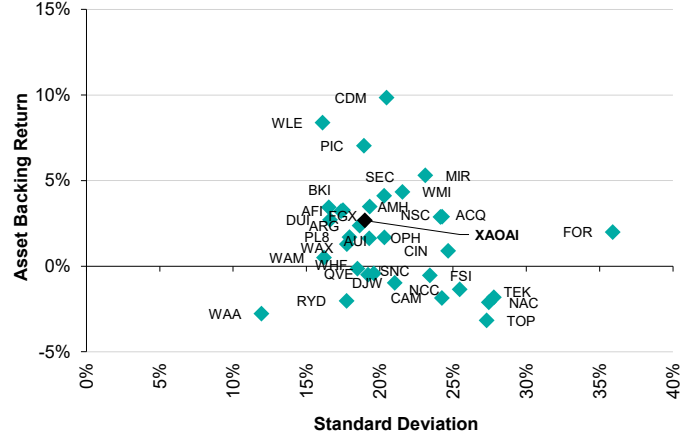
We have compared (1) the prevailing premium/discount against the net asset backing performance, as a reflection on investment decisions and (2) net asset backing performance versus the standard deviation of these performance figures as a measure of dispersion or risk from the average return.

Figure 44 - 3 Year Domestic Equity Perf vs Prem/Disc



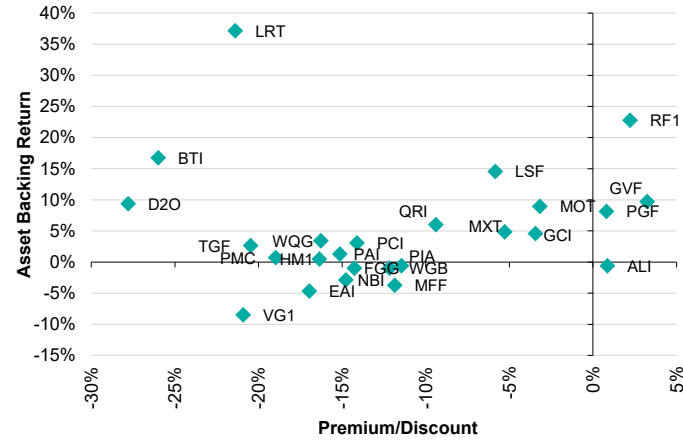
SOURCE: COMPANY DATA, IRESS, BELL POTTER. AS AT 30 SEPTEMBER 2022.

Figure 46 - 3 Year Domestic Equity Perf vs St Dev



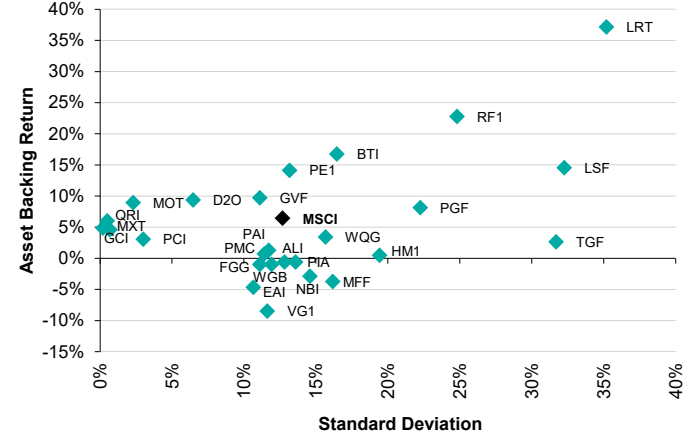
SOURCE: COMPANY DATA, IRESS, BELL POTTER. AS AT 30 SEPTEMBER 2022.

Figure 45 - 3 Year Global Equity and Alt Perf vs Prem/Disc



SOURCE: COMPANY DATA, IRESS, BELL POTTER. AS AT 30 SEPTEMBER 2022.

Figure 47 - 3 Year Global Equity and Alt Perf vs St Dev



SOURCE: COMPANY DATA, IRESS, BELL POTTER. AS AT 30 SEPTEMBER 2022.

Premium/Discount to NTA

The magnitude, consistency and growth in dividends over time can also influence the prevailing premium/discount for a LIC.

By utilising the economies of scale that exist within the funds management industry for companies, we tend to observe that larger LICs with a standing tenure have favourable profit margins. This translates to higher return on equity, or superior effectiveness by management to generate returns from shareholders' investments.

Investment entities by nature do not engage in capex and therefore usually exhibit higher payout ratios (dividends paid divided by net income for the period). This makes dividend analysis an important consideration given usual sustainability in the program.

Figure 48 - Profitability and Dividends Example

Item	2014	2015	2016	2017	2018	2019
Revenue	284,899,000	325,648,000	293,624,000	277,651,000	308,501,000	441,353,000
% Change		14.30%	-9.83%	-5.44%	11.11%	43.06%
Net Income	254,293,000	293,604,000	265,756,000	245,300,000	279,007,000	406,373,000
% Profit Margin	89.26%	90.16%	90.51%	88.35%	90.44%	92.07%
Dividends Paid	-226,336,000	-241,486,000	-258,610,000	-267,751,000	-278,054,000	-372,670,000
% Payout Ratio	89.01%	82.25%	97.31%	109.15%	99.66%	91.71%
Shareholders Equity	5,184,152,000	5,446,444,000	5,408,541,000	5,965,503,000	6,339,260,000	6,624,746,000
% Return on Equity	4.91%	5.39%	4.91%	4.11%	4.40%	6.13%
Dividend Growth Rate	4.38%	4.86%	4.45%	3.63%	3.98%	5.65%

SOURCE: COMPANY REPORTS, BELL POTTER.

One means of valuation for fundamental investors is the Dividend Discount Model. This application follows the principles of time value in money, discounting the sum of future expected dividend payments into perpetuity by an appropriate risk-adjusted rate in order to receive a present value on those aggregate cash flows.

The model also offers a framework for observing the changes in common risk factors affecting all equity securities, such as variations in the inflation rate and nominal interest rate. Observing our derivations here may partially explain the consistent premium to net asset backing that some LICs enjoy.

Figure 49 - Single-Step Dividend Discount Model

		Growth Rate										
		0.00%	0.50%	1.00%	1.50%	2.00%	2.50%	3.00%	3.50%	4.00%	4.50%	
Covariance	0.00121	5.00%	\$4.80	\$5.36	\$6.06	\$6.96	\$8.16	\$9.84	\$12.36	\$16.56	\$24.96	\$50.16
Variance (Market)	0.00206	5.50%	\$4.36	\$4.82	\$5.39	\$6.09	\$6.99	\$8.20	\$9.89	\$12.42	\$16.64	\$25.08
Beta	0.58623	6.00%	\$4.00	\$4.39	\$4.85	\$5.41	\$6.12	\$7.03	\$8.24	\$9.94	\$12.48	\$16.72
		6.50%	\$3.69	\$4.02	\$4.41	\$4.87	\$5.44	\$6.15	\$7.06	\$8.28	\$9.98	\$12.54
Risk-Free Rate	3.80%	7.00%	\$3.43	\$3.71	\$4.04	\$4.43	\$4.90	\$5.47	\$6.18	\$7.10	\$8.32	\$10.03
Market Return (S&P/ASX200 Accum.)	6.76%	7.50%	\$3.20	\$3.45	\$3.73	\$4.06	\$4.45	\$4.92	\$5.49	\$6.21	\$7.13	\$8.36
Equity Risk Premium	5.54%	8.00%	\$3.00	\$3.22	\$3.46	\$3.75	\$4.08	\$4.47	\$4.94	\$5.52	\$6.24	\$7.17
Growth Rate	2.94%	8.50%	\$2.82	\$3.02	\$3.23	\$3.48	\$3.77	\$4.10	\$4.49	\$4.97	\$5.55	\$6.27
Dividends Paid (Hist.)	\$296,549,965.92	9.00%	\$2.67	\$2.84	\$3.03	\$3.25	\$3.50	\$3.78	\$4.12	\$4.52	\$4.99	\$5.57
		9.50%	\$2.53	\$2.68	\$2.85	\$3.05	\$3.26	\$3.51	\$3.80	\$4.14	\$4.54	\$5.02
DDM	\$11,747,347,055.94	10.00%	\$2.40	\$2.54	\$2.69	\$2.87	\$3.06	\$3.28	\$3.53	\$3.82	\$4.16	\$4.56
Per Share	\$9.5072	10.50%	\$2.29	\$2.41	\$2.55	\$2.71	\$2.88	\$3.08	\$3.30	\$3.55	\$3.84	\$4.18
		11.00%	\$2.18	\$2.30	\$2.42	\$2.56	\$2.72	\$2.89	\$3.09	\$3.31	\$3.57	\$3.86
Indicative NTA (10 November 2022)	\$6.8912											
Last Price (10 November 2022)	\$7.2600											
Premium/(Discount)	5.35%											
Terminal Value Premium/(Discount)	-23.64%											

SOURCE: COMPANY REPORTS, BELL POTTER.

Liquidity

Liquidity is the ability to buy or sell a particular security. The volume and value traded among some LIC/LITs can be quite thin at times and may be difficult to trade in larger lines. Liquidity therefore needs to be taken into account when considering an investment in the sector.

Figure 50 - Domestic Equity Liquidity

ASX Code	Company/Trust name	Shares/Units on Issue (10 Nov 2022)	Sep 22 Value Traded	3Q22 Volume Traded	3Q22 Value Traded	Quarterly Liquidity	3 Year Average Monthly Vol.	3 Year Average Monthly Val.
AFI	Australian Foundation Investment	1,236m	\$62.68m	27.47m	\$212.95m	2.22%	10.28m	\$74.14m
ARG	Argo Investments	753m	\$39.66m	12.20m	\$112.98m	1.62%	5.39m	\$45.91m
AUI	Australian United Investment	126m	\$3.19m	1.33m	\$12.94m	1.06%	0.64m	\$5.99m
BKI	BKI Investment	746m	\$12.17m	25.79m	\$43.64m	3.46%	8.92m	\$13.87m
DUI	Diversified United Investment	217m	\$4.86m	3.10m	\$14.85m	1.43%	1.31m	\$6.21m
CIN	Carlton Investments	26m	\$0.94m	0.10m	\$2.98m	0.37%	0.07m	\$1.98m
WLE	WAM Leaders	1,096m	\$22.37m	42.66m	\$64.88m	3.89%	19.53m	\$25.50m
WHF	Whitefield	111m	\$3.36m	2.01m	\$10.52m	1.80%	0.80m	\$4.18m
PIC	Perpetual Equity Investment	377m	\$4.36m	12.36m	\$15.17m	3.27%	5.85m	\$6.60m
AMH	AMCIL	311m	\$1.13m	4.70m	\$5.15m	1.51%	2.24m	\$2.38m
CAM	Clime Capital	141m	\$0.54m	2.87m	\$2.35m	2.04%	2.73m	\$2.38m
FSI	Flagship Investments	26m	\$0.35m	0.45m	\$0.78m	1.73%	0.13m	\$0.27m
WAM	WAM Capital	1,094m	\$37.09m	72.96m	\$133.52m	6.67%	27.22m	\$57.86m
OPH	Ophir High Conviction Fund	220m	\$5.52m	6.60m	\$16.90m	3.00%	3.13m	\$9.34m
MIR	Mirrabooka Investments	191m	\$3.74m	3.71m	\$11.18m	1.94%	1.51m	\$4.55m
QVE	QV Equities	229m	\$2.94m	9.11m	\$8.69m	3.98%	6.79m	\$6.27m
WAX	WAM Research	199m	\$3.82m	8.39m	\$11.77m	4.20%	3.78m	\$5.70m
CDM	Cadence Capital	298m	\$5.47m	16.62m	\$15.55m	5.58%	9.37m	\$8.19m
TOP	Thorney Opportunities	192m	\$1.02m	4.36m	\$2.26m	2.27%	2.95m	\$1.60m
RYD	Ryder Capital	85m	\$0.32m	1.36m	\$1.74m	1.61%	0.38m	\$0.60m
TEK	Thorney Technologies	425m	\$3.07m	42.51m	\$9.88m	10.00%	6.51m	\$2.02m
WAA	WAM Active	75m	\$0.36m	2.14m	\$1.82m	2.87%	1.62m	\$1.66m
NAC	Naos Ex-50 Opportunities	45m	\$0.36m	1.50m	\$1.33m	3.35%	0.99m	\$0.99m
FOR	Forager Australian Shares Fund	112m	\$1.18m	2.74m	\$3.56m	2.45%	1.40m	\$1.82m
WMI	WAM Microcap	210m	\$3.38m	8.76m	\$14.28m	4.17%	4.34m	\$7.20m
SEC	Spheria Emerging Companies	60m	\$2.17m	3.55m	\$7.07m	5.90%	1.48m	\$2.75m
NSC	Naos Small Cap Opportunities	142m	\$1.14m	5.35m	\$3.90m	3.76%	3.02m	\$2.21m
NCC	Naos Emerging Opportunities	73m	\$1.44m	5.02m	\$4.32m	6.88%	1.41m	\$1.41m
ACQ	Acorn Capital Investment	86m	\$1.00m	2.79m	\$3.19m	3.25%	1.65m	\$2.10m
DJW	Djerriwarrh Investments	261m	\$10.26m	13.42m	\$38.63m	5.15%	3.53m	\$10.61m
PL8	Plato Income Maximiser	555m	\$11.24m	28.16m	\$33.62m	5.08%	10.69m	\$12.33m
SNC	Sandon Capital Investments	137m	\$1.13m	3.93m	\$2.90m	2.86%	2.11m	\$1.78m
WAR	WAM Strategic Value	180m	\$3.68m	9.31m	\$9.47m	5.17%	5.19m*	\$6.17m*
FGX	Future Generation Investment	405m	\$4.32m	13.71m	\$16.21m	3.38%	6.77m	\$7.98m

SOURCE: COMPANY DATA, IRESS, BELL POTTER. *FUND LONGEVITY OF LESS THAN 3 YEARS.

Liquidity

Liquidity is the ability to buy or sell a particular security. The volume traded among some LIC/LITs can be quite thin at times and may be difficult to trade in larger lines. Liquidity therefore needs to be taken into account when considering an investment in the sector.

Figure 51 - Global Equity Liquidity

ASX Code	Company/Trust name	Shares/Units on Issue (10 Nov 2022)	Sep 22 Value Traded	3Q22 Volume Traded	3Q22 Value Traded	Quarterly Liquidity	3 Year Average Monthly Vol.	3 Year Average Monthly Val.
MGF	Magellan Global Fund (Closed Class)	1,492m	\$49.90m	111.20m	\$155.51m	7.45%	38.95m*	\$62.90m*
MFF	MFF Capital Investments	588m	\$12.77m	18.09m	\$44.77m	3.08%	7.08m	\$19.62m
WGB	WAM Global	352m	\$6.65m	10.24m	\$19.54m	2.91%	5.65m	\$12.24m
PMC	Platinum Capital	295m	\$3.26m	10.07m	\$12.97m	3.42%	5.61m	\$7.88m
PGF	PM Capital Global Opportunities	392m	\$6.82m	14.12m	\$22.21m	3.60%	6.28m	\$8.09m
PIA	Pengana International Equities	256m	\$2.21m	7.62m	\$7.58m	2.97%	4.28m	\$5.05m
WQG	WCM Global Growth	187m	\$3.12m	7.16m	\$8.63m	3.83%	4.17m	\$5.72m
ALI	Argo Global Listed Infrastructure	177m	\$2.76m	4.02m	\$10.03m	2.27%	2.01m	\$4.50m
GVF	Global Value Fund	174m	\$1.57m	3.71m	\$4.26m	2.13%	1.75m	\$1.90m
LRT	Lowell Resources Fund	31m	\$0.46m	0.81m	\$1.03m	2.56%	0.23m	\$0.29m
FGG	Future Generation Global Investment	395m	\$6.88m	16.92m	\$19.89m	4.28%	6.02m	\$7.88m
HM1	Hearts and Minds Investments	228m	\$6.92m	10.51m	\$24.89m	4.61%	3.81m	\$12.25m
PAI	Platinum Asia Investments	369m	\$3.04m	12.84m	\$11.22m	3.48%	6.63m	\$7.08m
EAI	Ellerston Asian Investments	124m	\$0.84m	6.77m	\$5.34m	5.45%	3.11m	\$3.19m

SOURCE: COMPANY DATA, IRESS, BELL POTTER. *FUND LONGEVITY OF LESS THAN 3 YEARS.

Figure 52 - Alternative Strategy Liquidity

ASX Code	Company/Trust name	Shares/Units on Issue (10 Nov 2022)	Sep 22 Value Traded	3Q22 Volume Traded	3Q22 Value Traded	Quarterly Liquidity	3 Year Average Monthly Vol.	3 Year Average Monthly Val.
LSF	L1 Long Short Fund	614m	\$26.40m	31.82m	\$79.91m	5.18%	20.34m	\$38.44m
VG1	VGI Partners Global Investments	362m	\$11.54m	25.32m	\$38.07m	7.00%	9.55m	\$19.21m
RF1	Regal Investment Fund	177m	\$9.28m	7.74m	\$24.41m	4.38%	3.07m	\$10.16m
TGF	Tribeca Global Natural Resources	62m	\$3.29m	4.78m	\$10.24m	7.77%	2.74m	\$5.34m
VG8	VGI Partners Asian Investments	212m	\$11.76m	14.89m	\$28.00m	7.01%	4.78m*	\$10.09m*
WMA	WAM Alternative Assets	195m	\$4.77m	10.51m	\$11.39m	5.39%	5.11m	\$4.86m
D2O	Duxton Water	119m	\$2.20m	4.21m	\$7.11m	3.53%	1.64m	\$2.34m
PE1	Pengana Private Equity Trust	279m	\$7.41m	13.91m	\$20.92m	4.99%	4.48m	\$5.96m
BTI	Bailador Technology Investments	144m	\$2.72m	8.18m	\$11.99m	5.69%	2.57m	\$3.17m
GCI	Gryphon Capital Income Trust	243m	\$7.87m	13.20m	\$26.23m	5.43%	4.28m	\$8.47m
QRI	Qualitas Real Estate Income Fund	376m	\$4.99m	14.73m	\$21.68m	3.92%	5.07m	\$7.85m
MXT	MCP Master Income Trust	881m	\$38.69m	68.60m	\$135.21m	7.79%	21.44m	\$42.86m
MOT	MCP Income Opportunities Trust	265m	\$13.37m	21.03m	\$42.88m	7.92%	6.64m	\$13.23m
NBI	NB Global Corporate Income Trust	437m	\$10.17m	25.77m	\$37.65m	5.90%	10.01m	\$17.84m
PCI	Perpetual Credit Income Trust	401m	\$9.88m	25.13m	\$24.16m	6.27%	9.65m	\$10.02m
KKC	KKR Credit Income Fund	370m	\$12.34m	18.41m	\$35.85m	4.98%	9.76m*	\$20.67m*

SOURCE: COMPANY DATA, IRESS, BELL POTTER. *FUND LONGEVITY OF LESS THAN 3 YEARS.

Appendix A: Glossary of terms

Annualised Compound Total Returns: The Annualised Compound Total Return calculates the constant yearly return that would result in the initial value of an investment reaching its present value.

Active Management: Investing with the goal of outperforming a benchmark index.

Balanced Investing: Investing in securities with neither a preference for Growth or Value investing.

Beta: In the context of this report, a Beta is a representation of the tendency of a company's share price to respond to swings in the Market. A Beta of 1 indicates that a company's share price will move in line with the Market. A Beta of greater than 1 indicates that a share's price will be more volatile than the Market. Our Market Proxy is the All Ordinaries Accumulation Index.

Dilutive Security: When a company issues additional shares in itself at a price below the current value of existing shares this will have a dilutive effect.

Estimated Fully Diluted NTA: Some LICs have additional securities that have the ability to convert to, or create, new ordinary securities in the Company. If a security can be converted to ordinary securities at a price lower than the LIC's NTA, this will dilute its NTA on a per share basis.

Excess Return to Risk Ratio: This ratio, also known as the Sharpe Ratio (see Sharpe Ratio for definition), provides a measure of the return of each portfolio relative to the risk taken by the Investment Manager in achieving that return. A high return is only desirable if it does not come with too much additional risk (volatility of returns - see Standard Deviation).

Grossed Up Dividend Yield: Dividends paid plus any franking credits passed on to shareholders. We have focused on this measure to enable valid comparison between LICs whose dividends are franked and those that are not.

Growth Investing: Investing in securities with a bias towards higher projected Earnings Per Share growth rates and Return On Equity.

Indirect Cost Ratio: The ICR, as defined in the Corporations Act 2001, is the ratio of the Fund's management costs to average net assets. In layman's terms, it covers all expenditure, excluding transaction and finance costs, in the management of the Fund. This includes management fees, performance fees, marketing, audit, legal, rent, etc.

We are using this method of calculation to standardise the cost ratios across our LIC universe, given many different interpretations of the MER calculations by LICs and the inability to confirm the calculation. ICR is generally accepted as the principal expense ratio calculation for the Managed Funds industry.

Net Tangible Assets (NTA): Total assets of the Company minus any intangible assets such as goodwill and trademarks, less all liabilities of the Company. This is calculated before any theoretical tax is payable if the entire portfolio was sold. The largest liability of most LICs is the Management Fee, while some LICs also provide for performance fees, should the LIC's portfolio achieve certain benchmarks. Management fees are generally a reflection of how actively a portfolio is managed as well as its size.

Option Adjusted Portfolio Return: A LIC's calculated portfolio return over a period may be negatively impacted if there are new securities issued during a period. This is because the Manager will not have been able to generate returns off the new funds over the entire period, which will detract from the performance of the overall portfolio. Accordingly, where new securities have been issued in a LIC we will remove the impact of those securities creating an Option Adjusted Portfolio Return.

Passive Management: Investing in an attempt to track the return of the underlying benchmark index. Typically a passively managed portfolio has good diversification, low turnover (good for keeping down internal transaction costs), and lower management fees.

Premium/Discount to Pre-Tax NTA: While share prices of LICs are generally based around their NTA, the vagaries of supply and demand, as well as the market perception of a company's outlook, mean that a LIC's share price may move substantially below (discount) or above (premium) its NTA.

Appendix A: Glossary of terms (continued)

Renounceable Rights Issue: This is an offer by the LIC to shareholders to purchase more shares in the Company. Given these rights are normally issued at a discount they have an inherent value that can be traded on the ASX.

Stapled Options: These are options that cannot be traded individually. They are attached to a share or similar security and this combined security must be traded in a 'bundle'.

Total Shareholder Return (TSR): Highlights total increase in the value of \$100 invested in a LIC over a given period by a shareholder on the assumption that dividends are reinvested. TSR takes into account grossed up dividends paid as well as share price appreciation and may differ from share price performance in this regard.

Value Investing: Investing in securities that appear to be undervalued taking in to consideration certain valuation metrics.

Appendix B: Legend to Performance Measures

The following provides an explanation of each item contained within 'our performance measures'.

Figure 1 - Historical Performance of Pre-Tax NTA and Security Price versus the Benchmark

Performance	3-mth	6-mth	1 year	3 yr p.a.	5 yr p.a.	10 yr p.a.
Share price*						
Performance	3.9%	-6.0%	-14.7%	5.4%	-0.6%	6.9%
Index	1.9%	-9.6%	-11.4%	8.5%	-2.1%	6.3%
Active return	2.0%	3.6%	-3.3%	-3.1%	1.5%	0.6%
NTA+						
Performance	3.4%	-7.8%	-7.8%	9.0%	0.1%	7.4%
Benchmark	2.1%	-9.7%	-10.5%	7.6%	-2.3%	6.2%
Active return	1.3%	1.9%	2.7%	1.4%	2.4%	1.2%

Performance - The Annualised Compound Total Return calculates the compound yearly return over a period, inclusive of dividends. Dividends are reinvested from the payment date using the most recent historical pre-tax NTA for the NTA performance calculation and the closing price of the security on the prepayment date for the security calculation. Where a LIC has been listed for less than three years each return has been adjusted to reflect the annualised return since its listing.

Benchmark - The relevant benchmark has been selected by the Manager. In some instances, the exact Index as selected by a LIC will not be readily available. In such cases, we have determined the most appropriate surrogate index to provide readers with a reasonable guide as to the performance and volatility of that LIC's benchmark. The benchmark is either sourced from IRESS or Bloomberg.

Active-return - Active Return is the difference between the pre-tax NTA or security price and the underlying benchmark. A positive difference indicates an outperformance versus the benchmark and a negative difference indicates an underperformance relative to the benchmark.

Figure 2 - Historical Performance in relative markets

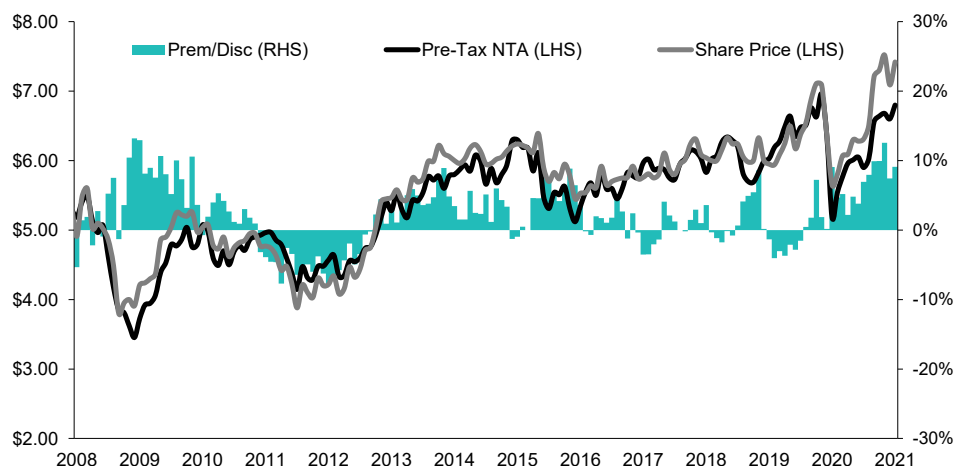
Performance	3-mth	6-mth	1 year	3 yr p.a.	5 yr p.a.	10 yr p.a.
Share Price*						
Performance	-13.2%	-5.3%	3.3%	23.4%	n/a	n/a
Upside Capture	n/a	69.8%	40.0%	170.5%	n/a	n/a
Downside Capture	111.1%	62.9%	15.5%	82.8%	n/a	n/a
NTA+						
Performance	-14.5%	-7.7%	-1.3%	18.4%	n/a	n/a
Upside Capture	n/a	56.8%	99.4%	136.3%	n/a	n/a
Downside Capture	122.0%	70.0%	77.0%	72.0%	n/a	n/a

Upside Capture Ratio - This measure is calculated as the investment manager's geometric return divided by the benchmark geometric return, in a down market, scaled by 100. An investment manager with an Upside Capture Ratio of greater (less) than 100% has outperformed (underperformed) their relevant benchmark in a rising market environment.

Downside Capture Ratio - This measure is calculated as the investment manager's geometric return divided by the benchmark geometric return, in an up market, scaled by 100. An investment manager with a Downside Capture Ratio of less (greater) than 100% has outperformed (underperformed) their relevant benchmark in a falling market environment.

Appendix B: Legend to Performance Measures (continued)

Figure 3 - Return and Premium/Discount to pre-tax NTA



Share Price - The light grey line highlights the total increase in the value of \$100 invested by that Investment Manager over the time period (assumes dividends reinvested) on a pre-tax basis. Portfolio performance is measured in dollars on the left-hand axis of the Graph.

Pre-Tax NTA - The black line provides a total increase in the value of \$100 if the investor were able to liquidate the investment at the underlying Pre-Tax NTA over the time period (assumes dividends reinvested). Performance is also referenced to the left-hand axis of the Graph.

Premium/Discount to Pre-Tax NTA - The teal columns represent the share price premium/discount relative to month-end pre-tax NTA and is measured as a percentage on the right-hand axis.

Figure 4 - Risk Return Indicators

Risk/Return Indicators

	Information	Sharpe	Standard	Tracking
Share price*	Ratio	Ratio	Deviation	Error
Year 1	0.18	-0.02	16.4%	15.0%
Year 3	-0.40	-0.62	33.2%	30.2%
Year 5	0.16	-0.18	32.1%	30.5%
NTA+				
Year 1	2.21	0.99	11.4%	3.1%
Year 3	-0.60	-0.56	29.2%	7.2%
Year 5	-0.65	-0.33	25.8%	10.1%

Information Ratio - This Ratio is a measure of the risk adjusted return of the LIC. It is defined as the Active Return divided by the Tracking Error. Active Return is the difference between the return of the security and the return of a selected benchmark index. The Tracking Error is the standard deviation of the Active Return.

Sharpe Ratio - This Ratio provides a measure of the return of each LIC's portfolio relative to the risk taken by the Investment Manager in achieving that return. A high return is only desirable if it does not come with too much additional risk (volatility of returns - see Standard Deviation). A Sharpe Ratio is calculated by subtracting a selected *Risk Free Rate* (*Aust. Govt 10-year Bond yield*) from a return, and dividing that by the Standard Deviation of that return.

Standard Deviation: This is a measure of the dispersion of a portfolio's returns around its average return. A data set that has many monthly returns a long way from the average return will have a greater standard deviation than a set of monthly returns that are close to the average. In the context of this report, we calculate the average monthly return of each LIC, as represented by changes in its NTA, and from this we can calculate a standard deviation from its average. Theoretically, a LIC that achieves the exact same return every month would have a standard deviation of zero.

Tracking Error: This measures how much the return of a portfolio deviates from the return of its benchmark index. A data set that has a low Tracking Error means that its returns are closely tracking the Portfolio's benchmark. Tracking Error is the standard deviation of the differences between the return of the portfolio and the return of the benchmark.

Appendix C: Disclosures**Future Generation Global Investment Company (FGG):**

Bell Potter Securities was a broker for the placement and share purchase plan in October 2018 and received a fee for the service.

Future Generation Investment Company (FGX):

Bell Potter Securities was a broker for the placement and share purchase plan in November 2018 and received a fee for the service.

Gryphon Capital Income Trust (GCI):

Bell Potter Securities was a Co-Manager for this IPO in May 2018 and received a fee for the service.

Bell Potter Securities was a Co-Manager to the Entitlement Offer in June 2019 and received a fee for the service.

Bell Potter Securities was a Co-Manager to the Entitlement Offer in November 2019 and received a fee for the service.

Hearts and Minds Investments (HM1):

Bell Potter Securities was a broker for this IPO in November 2018 and received a fee for the service.

KKR Credit Income Fund (KKC):

Bell Potter Securities was a Co-Manager for this IPO in November 2019 and received a fee for the service.

L1 Long Short Fund (LSF):

Bell Potter Securities was a Co-Manager for this IPO in April 2018 and received a fee for the service.

Magellan Global Trust (MGG):

Bell Potter Securities was a Co-Lead Manager for this IPO in October 2017 and received a fee for the service.

MCP Income Opportunities Trust (MOT):

Bell Potter Securities acted as a Co-Manager to the IPO in April 2019 and received fees for that service.

MCP Master Income Trust (MXT):

Bell Potter Securities acted as a Co-Manager to the IPO in September 2017 and received fees for that service.

Bell Potter Securities acted as a Co-Manager to the Entitlement Offer in March 2018 and received fees for that service.

Bell Potter Securities acted as a Co-Manager to the Entitlement Offer in May 2019 and received fees for that service.

Bell Potter Securities acted as a Co-Manager to the Entitlement Offer in February 2020 and received fees for that service.

NB Global Corporate Income Trust (NBI):

Bell Potter Securities acted as a Co-Manager to the IPO in September 2018 and received fees for that service.

Bell Potter Securities acted as a Co-Manager to the Entitlement Offer in May 2019 and received fees for that service.

Bell Potter Securities acted as a Joint Lead Manager to the Entitlement Offer in January 2020 and received fees for that service.

Partners Group Global Income Fund (PGG):

Bell Potter Securities acted as a Co-Manager to the IPO in September 2019 and received fees for that service.

Perpetual Credit Income Trust (PCI):

Bell Potter Securities acted as a Co-Manager to the IPO in May 2019 and received fees for that service.

Pengana Private Equity Trust (PE1):

Bell Potter Securities acted as a Joint Lead Manager to the IPO in April 2019 and received fees for that service.

Appendix C: Disclosures (continued)**Plato Income Maximiser Limited (PL8):**

Bell Potter Securities acted as a Co-Manager to the Entitlement Offer in August 2019 and received fees for that service.

Qualitas Real Estate Income Fund (QRI):

Bell Potter Securities was a Co-Manager for this IPO in November 2018 and received a fee for the service.

Regal Investment Fund (RF1):

Bell Potter Securities acted as a Joint Lead Manager to the IPO in May 2019 and received fees for the service.

Bell Potter Securities acted as a Joint Lead Manager to the Placement in October 2021 and received fees for that service.

Thorney Opportunities Ltd (TOP):

Bell Potter Securities acted as the Lead Manager for a share placement in November 2017 and received a fee for the service.

Thorney Technologies Ltd (TEK):

Bell Potter Securities acted as the Lead Manager for two placement offers to raise up to \$15m in September 2017 and received a fee for the service.

Bell Potter Securities acted as the Lead Manager to a two tranche Placement in November and December 2020 and received fees for the service.

Bell Potter Securities acted as the Lead Manager to the Entitlement Offer in December 2020 and received fees for the service.

Bell Potter Securities acted as the Lead Manager to a two tranche Placement in July and August 2021 and received fees for the service.

Tribeca Global Natural Resources (TGF):

Bell Potter Securities was a Co-Manager for this IPO in October 2018 and received a fee for the service.

VGI Partners Asian Investments Limited (VG8):

Bell Potter Securities was a Co-Manager for this IPO in November 2019 and received a fee for the service.

WAM Strategic Value (WAR):

Bell Potter Securities was a Co-Manager for this IPO in June 2021 and received a fee for the service.

WAM Global Limited (WGB):

Bell Potter Securities was a Co-Manager for this IPO in June 2018 and received a fee for the service.

WCM Global Growth Limited (WQG):

Bell Potter Securities acted as a Joint Lead Manager for this IPO in June 2017 and received a fee for the service.

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