

## MERCHANT OPPORTUNITIES FUND

The Merchant Opportunities Fund (MOF) finished the 2021 Financial Year up 46.71% which was a pleasing return in what was relatively challenging circumstances over the last 4 months when the markets started focusing on inflation and the risks of rapidly rising interest rates. In comparison the ASX 100 (XTO) was up 24.04% and the ASX Small Ordinaries (XSO) was up 30.18%.

Whilst we are extremely proud of our results for 2021, we are even prouder of our track record over the last 7 years with an average annual return of 28.45%. The rising tide floated most boats in 2021 and the skill was reflected in the quantum professional managers beat the index by (or did not). However, consistent with the last 3 - 4 months I think it is about to get a little harder to make money and the market will revert back to a traditional stock picking market over the next couple of years.

In saying this, we are cautiously optimistic going forward believing interest rates will go up (we all know this so it's not a surprise), inflation is upon us in certain areas, and political and geopolitical dramas are if anything constant.

In my view making money will rely on being nimble and watching the tape for signs of another COVID wave that the current vaccinations won't be able to cope with. If we do not see this, whilst we expect to have other dramas to contend with, the market should do reasonably well over the next few years as it's essentially been underwritten by the central banks.

Currently our Top 10 holdings in no order are:

JB Hi-Fi Limited (JBH)  
BHP Group Limited (BHP)  
Race Oncology Limited (RAC)  
Auscann Group Holdings Limited (AC8)  
Bard1 Life Sciences Limited (BD1)  
Brookside Energy Limited (BRK)  
BCAL Limited (BDX)  
RMA Global Limited (RMY)  
Fortescue Metals Group Limited (FMG)  
Mineral Resources Limited (MIN)

### ABOUT MERCHANT OPPORTUNITIES FUND

The Merchant Opportunities Fund enables investors to get exposure to early-stage opportunities. This includes both early-stage ASX-listed companies or those soon to be listed. Through our comprehensive and strong networks, the Merchant Opportunities Fund provides investment opportunities that our clients could not necessarily find themselves, such as investing in companies at the pre-IPO stage.

The Merchant Opportunities Fund has consistently outperformed, with returns (after fees) well ahead of the ASX Small Ordinaries Index over a 1-year, 3-year, and a 5-year period.

Unit Price as at  
30 June 2021

**\$3.2575**  
(unaudited & pre-distribution)

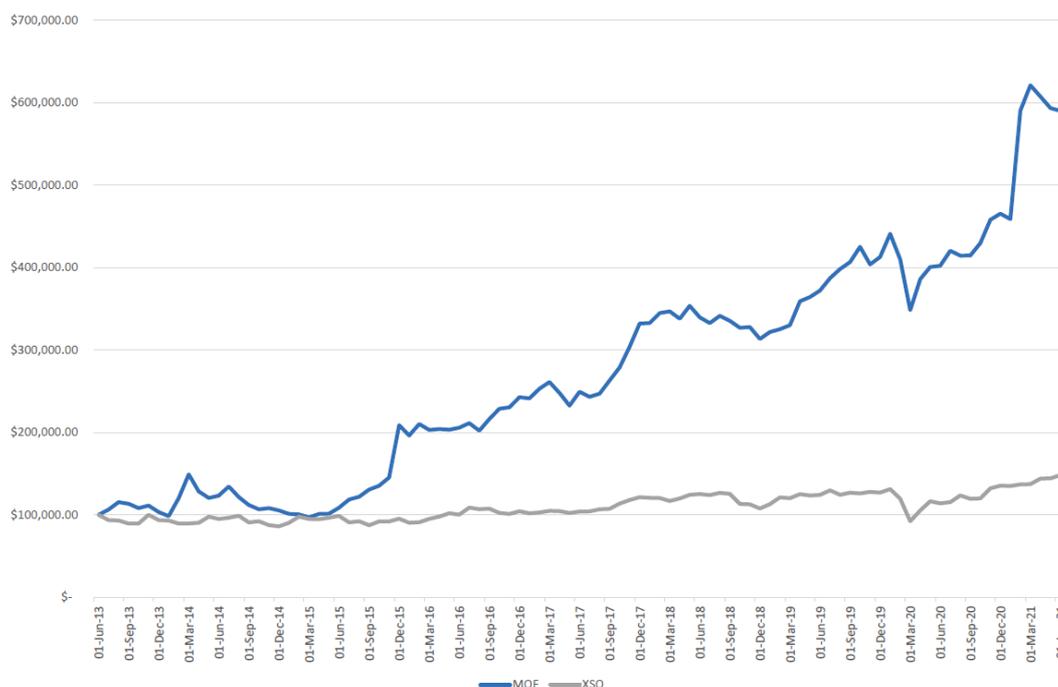


The **Merchant Opportunities Fund** has consistently outperformed, with average returns (after fees) well ahead of the ASX Small Ordinaries Index over a 1-year, 3-year, 5-year, and 7-year period.

Fund Performance (average returns) as at 30 June 2021				
	1 Year	3 Year	5 Year	7 Year
Merchant Opportunities Fund	46.71%	21.45%	24.35%	28.45%
ASX Small Ordinaries Index	30.18%	7.01%	9.05%	7.23%

*\*\*Past performance is not an indicator of future returns*

**MERCHANT OPPORTUNITIES FUND - PERFORMANCE**  
**MERCHANT OPPORTUNITIES FUND V ASX SMALL ORDINARIES INDEX**  
 as at 30 June 2021



## DISCLOSURE

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