

10 August 2018

The Manager  
ASX Market Announcements  
Australian Securities Exchange  
Exchange Centre  
Level 4, 20 Bridge Street  
SYDNEY NSW 2000

**Subject: Fund Update 31 July 2018, revised portfolio analysis  
Update to information released on 9 August 2018  
No change to reported NTA per share**

On 9 August 2018, the Company released its monthly NTA per share as at 31 July and its Fund Update as at the same date.

Attached is a revised copy of that release, with corrections made to some of the portfolio analysis and fund exposure information provided, some of which contained data to 30 June 2018 in yesterday's release and is now updated and corrected to reflect data to 31 July 2018.

**No change to previously released performance numbers or NTA per share**

There has been no change to the previously reported NTA per share at \$1.37 pre-tax and \$1.28 after provision for estimated tax on unrealised gains or to the published Fund Performance information on page 1.

On behalf of the Board of CVF,



**Laura Newell**  
Company Secretary

**Sydney**  
Level 11, 153 Walker Street  
North Sydney, NSW 2060  
Australia  
+61 2 8083 9800

**Brisbane**  
Level 11, 110 Mary Street  
Brisbane, QLD 4000  
Australia  
+61 7 3182 3200

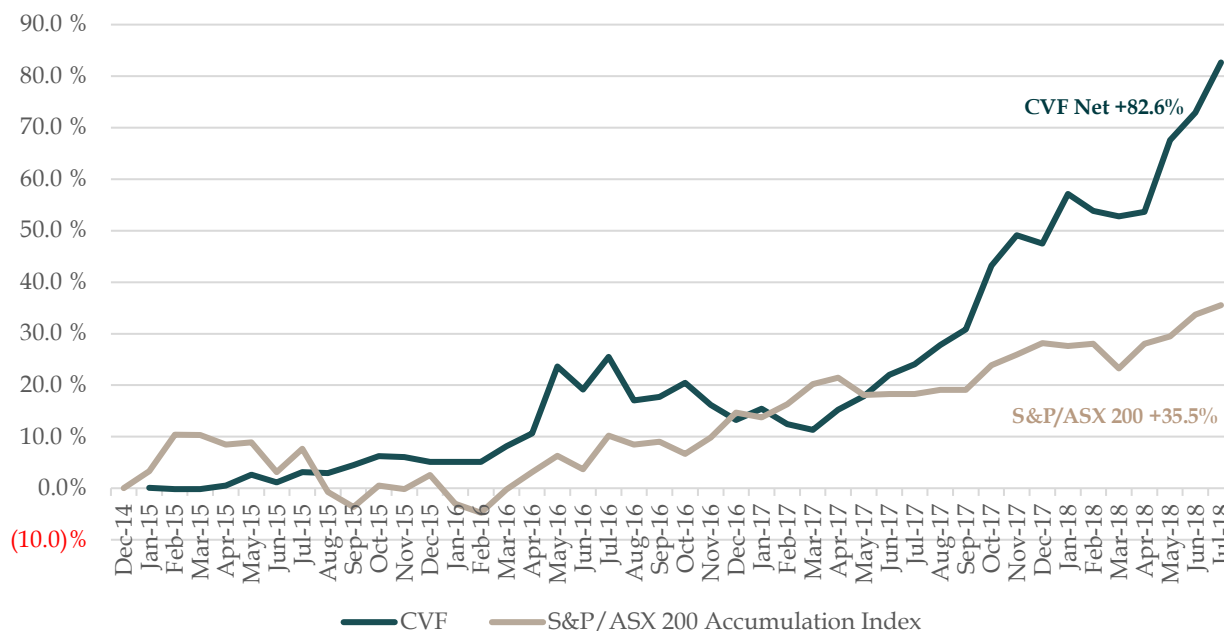
ACN 602 250 644

investors@contrarianvaluefund.com  
www.contrarianvaluefund.com



## Fund Performance

### CVF Cumulative Net Performance vs Index - Since Inception



At 30 June 2018	Since inception (5 Jan 2015)					
	1 mth	3 mths	6 mths	12 mths	Annualised	Cumulative
Arowana CVF Gross performance	5.7 %	22.4 %	19.5 %	58.0 %	22.6 %	107.7 %
S&P/ASX200 Accumulation Index	1.4 %	5.8 %	6.2 %	14.6 %	8.9 %	35.5 %
Gross outperformance	4.3 %	16.6 %	13.3 %	43.4 %	13.7 %	72.2 %
Arowana CVF Net performance*	5.6 %	18.9 %	16.2 %	47.2 %	18.3 %	82.6 %
S&P/ASX200 Accumulation Index	1.4 %	5.8 %	6.2 %	14.6 %	8.9 %	35.5 %
Net outperformance	4.2 %	13.1 %	10.0 %	32.6 %	9.4 %	47.1 %

\* Net of all fees and expenses, pre-tax

### Net Tangible Assets (NTA) per Share

At 30 June 2018	\$
NTA pre-tax on unrealised gains	1.37
NTA after tax on unrealised gains <sup>1</sup>	1.28

1. The Company is required to estimate the tax that may arise should the entire portfolio be disposed of on the above date and show the result per share after deducting this theoretical provision. Any such tax would generate franking credits, whose value would not be lost but rather transferred to shareholders on payment of franked dividends.

### Top 5 Holdings (% of Gross Portfolio Value)

Ticker		%
APT	Afterpay Touch Group Limited	12%
EAF.US	Graftech International Ltd	9%
FB.US	Facebook Inc Class A	7%
TSGL.CA	Stars Group Inc	5%
VOC	Vocus Group Limited	5%
Top 5 as % of Gross Portfolio		38%



## Monthly Newsletter

In July the Fund recorded +5.6% performance, net of all costs and fees, versus the S&P/ASX Accumulation 200 Index return of +1.4%.

NTA per share was \$1.37 as at 31 July 2018.

The largest contributor by far to performance during the month was the Fund's position in Afterpay Tough Group (APT.AU), followed by our position in GrafTech International (EAF.US), a stock we mentioned in a prior newsletter.

Afterpay rallied 51.7% during July, following a 19.6% rally in June and a 30.6% rally in May. The market has shrugged off the short case on Afterpay; the number of shares sold short has almost halved from 16.3 million at the peak in early May 2018 to 9.2 million currently.

The key driver of Afterpay's performance in July was a particularly strong US business update. By its nature as a predominantly online business, the market has repeatedly been caught unawares by the Company's capacity to acquire customers and merchants at a prolific rate. We trimmed the position materially during the month, cutting the number of shares held by ~45% in July. We remain extremely bullish on the Company's long-term prospects; the business model is a work of genius with significant merchant and customer value creation at its core. Had we not trimmed the position (ever) it would now be well in excess of 50% of fund assets. It remains the Fund's largest position at 12% of the portfolio.

GrafTech caught a bid in July, advancing 17.8%. The stock carries a heavy short interest of 28% of free float at the time of writing. Results released in early August were quite positive, which has seen material price target increases from several sell side analysts.

The largest detractor was our residual position in Bellamy's Organic (BAL.AU), which fell 29.2% in the month. There is building doubt over the timing of the award of a Chinese label manufacturing licence, which would allow the Company to sell its wares direct to merchants in China, under Chinese language labelling. Currently the majority of Bellamy's products sold in China are carried into the country by resellers. We have added to the position on the recent falls; if you like something and it falls 30% then unless something material has changed you ought to like it even more. The other factor here is that the industry is prone to profit surges by nature of the existence of a large and opaque distribution channel, most especially in China, which cause divergence between apparent and actual consumption rates.

From a portfolio perspective, we have materially reduced gross and net exposure versus just a month earlier. Predominantly this was a bottom up process however it is hard not to be cognisant of risk from rising US interest rates and building trade conflict. Typically our approach to mounting macro risk is simply to lift the bar on required prospective returns and prospective return asymmetry.

We have included additional materials in this monthly newsletter in an effort to enhance disclosure.

Thank you again to our shareholders.



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Gary Hui

Portfolio Manager & Lead Analyst



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Ben Wolrige

Co-Manager & Senior Analyst



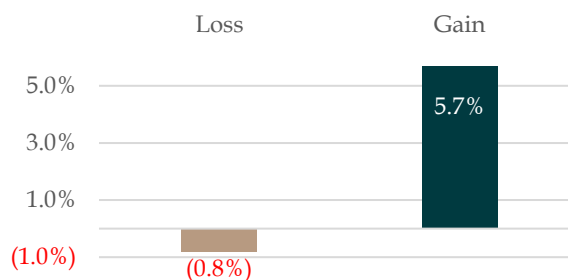
## Fund Information

ASX ticker	CVF	INVESTMENT PERFORMANCE (Pre-tax, net of all costs)				
Net Month's performance	5.6%		2015	2016	2017	2018
Last price (at 31 July 2018)	\$1.25	Jan	0.1%	0.0%	1.9%	6.5%
Pre-tax NTA	\$1.37	Feb	(0.3)%	0.0%	(2.6)%	(2.1)%
Premium/(Discount) to pre-tax NTA	(8.8)%	Mar	0.0%	2.9%	(1.0)%	(0.7)%
Fund AUM	A\$101.9m	Apr	0.7%	2.3%	3.5%	0.6%
Market capitalisation	A\$87.1m	May	2.1%	11.8%	2.2%	9.1%
Shares on issue	69,672,141	Jun	(1.4)%	(3.6)%	3.5%	3.2%
Interim dividend (100% franked)	\$0.04/ share	Jul	2.0%	5.3%	1.7%	5.6%
Current dividend yield (fully franked)	8.6%	Aug	(0.2)%	(6.8)%	3.0%	
Gross/Net equities exposure	68%/50%	Sep	1.5%	0.6%	2.4%	
Geographic mandate (Equities)	Global (45% ex Aust.)	Oct	1.7%	2.3%	9.5%	
Fund Inception	5-Jan-15	Nov	(0.2)%	(3.5)%	4.1%	
		Dec	(0.9)%	(2.5)%	(1.1)%	
		Total	5.1%	7.7%	30.3%	23.8%

## About Arowana Contrarian Value Fund (CVF)

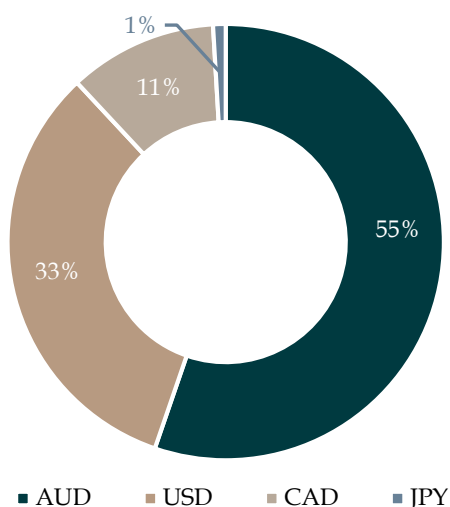
- Focussed on identifying and quantifying **large asymmetrical risk/return situations**
- Monitor stocks by attaining high frequency public **data of critical company drivers**
- Concentrated portfolio of ASX and international stocks;
- Ability to hedge;

Contribution of avg. winner is >7x avg. loser since inception



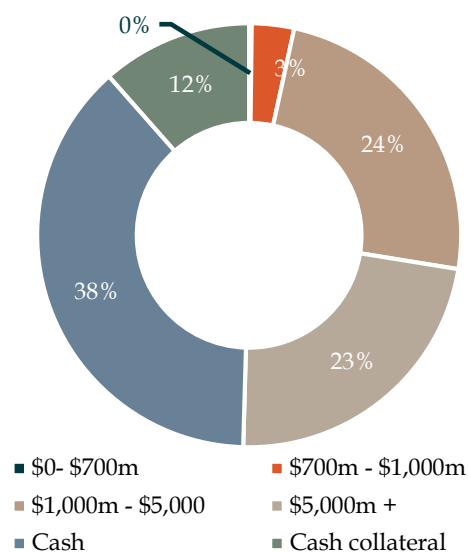
## Portfolio Information

### Currency Mix

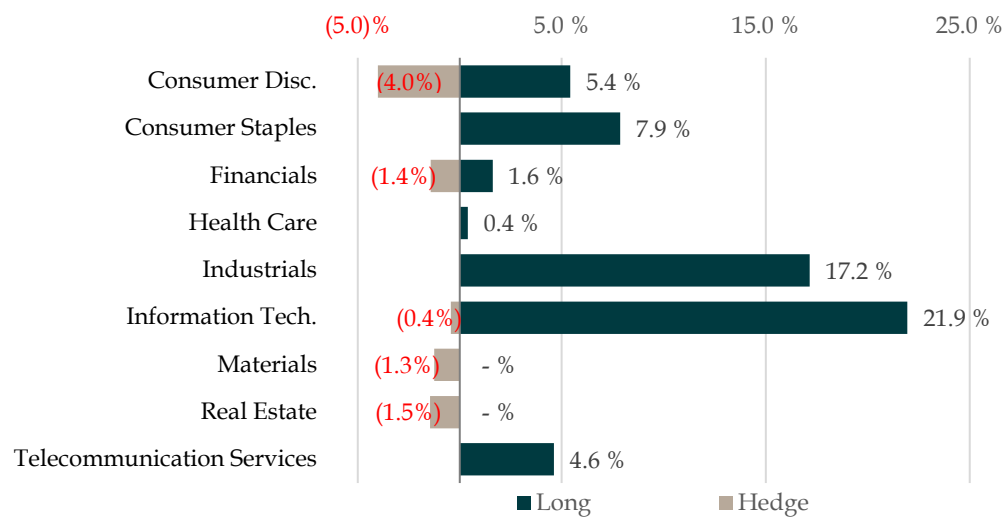


Currency mix includes cash and equities

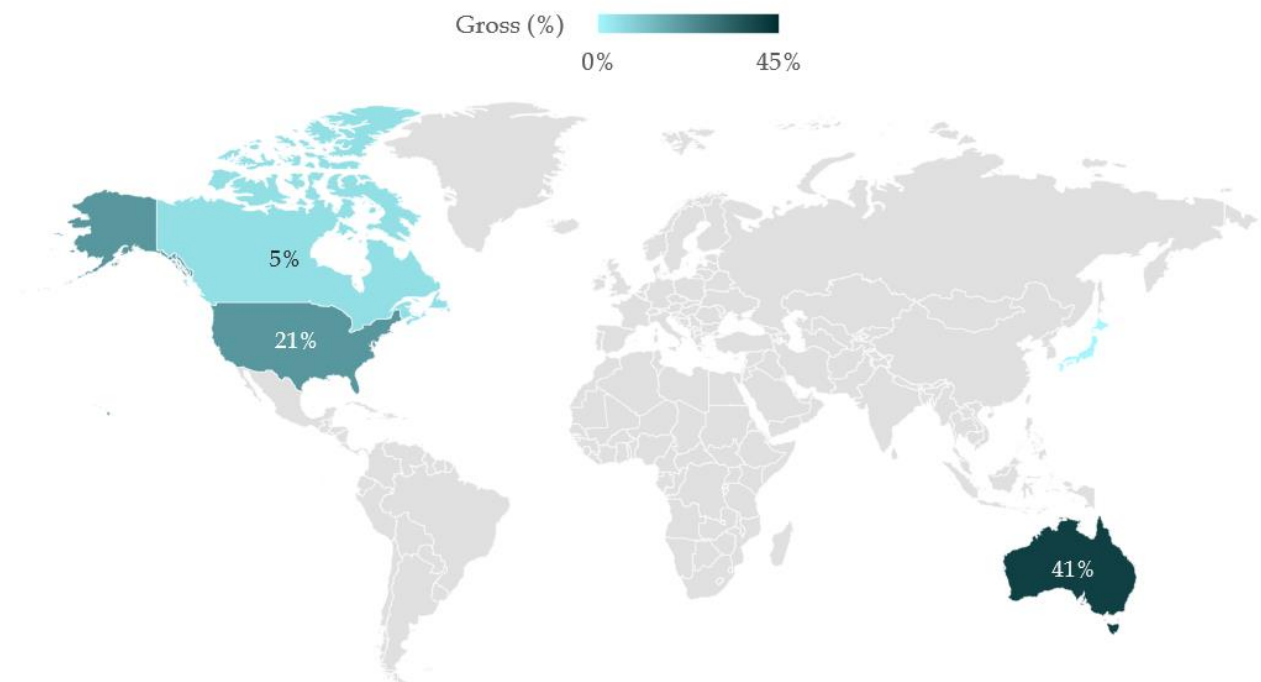
### Market Cap Mix



Exposure by Sector



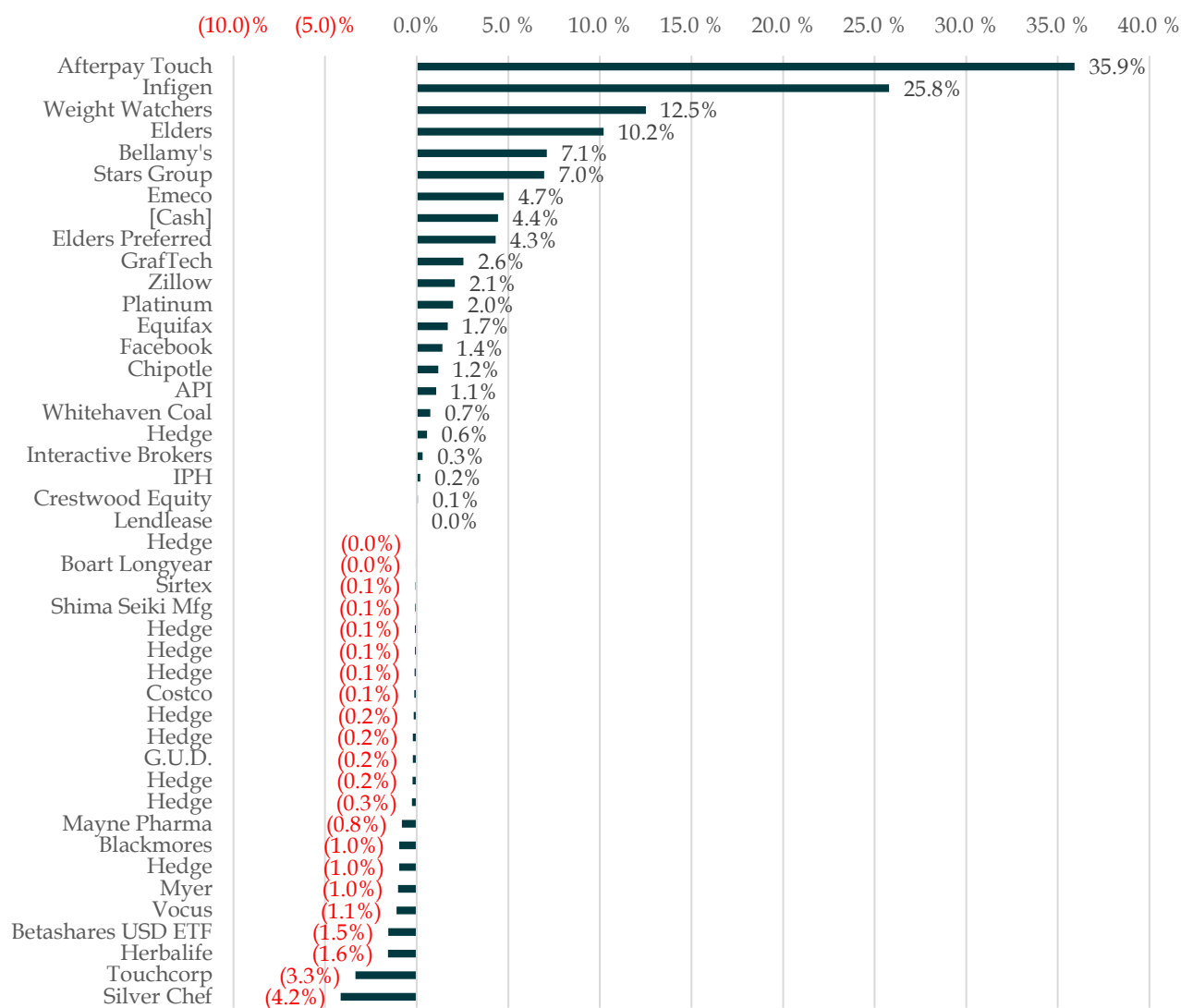
Equities Exposure by Country



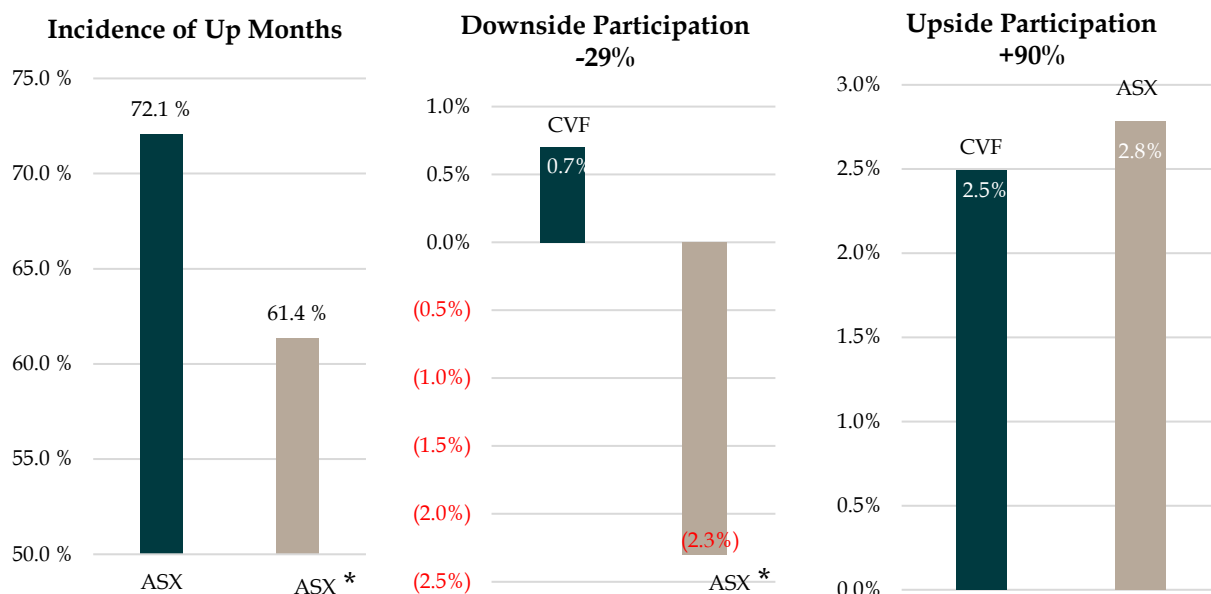
Country	Long	Hedge	Gross	Net
Australia	32.1%	(8.6%)	40.7%	23.6%
United States of America	21.2%	-	21.2%	21.2%
Canada	5.4%	-	5.4%	5.4%
Japan	0.3%	-	0.3%	0.3%
<b>Total</b>	<b>59.0%</b>	<b>(8.6%)</b>	<b>67.6%</b>	<b>50.4%</b>



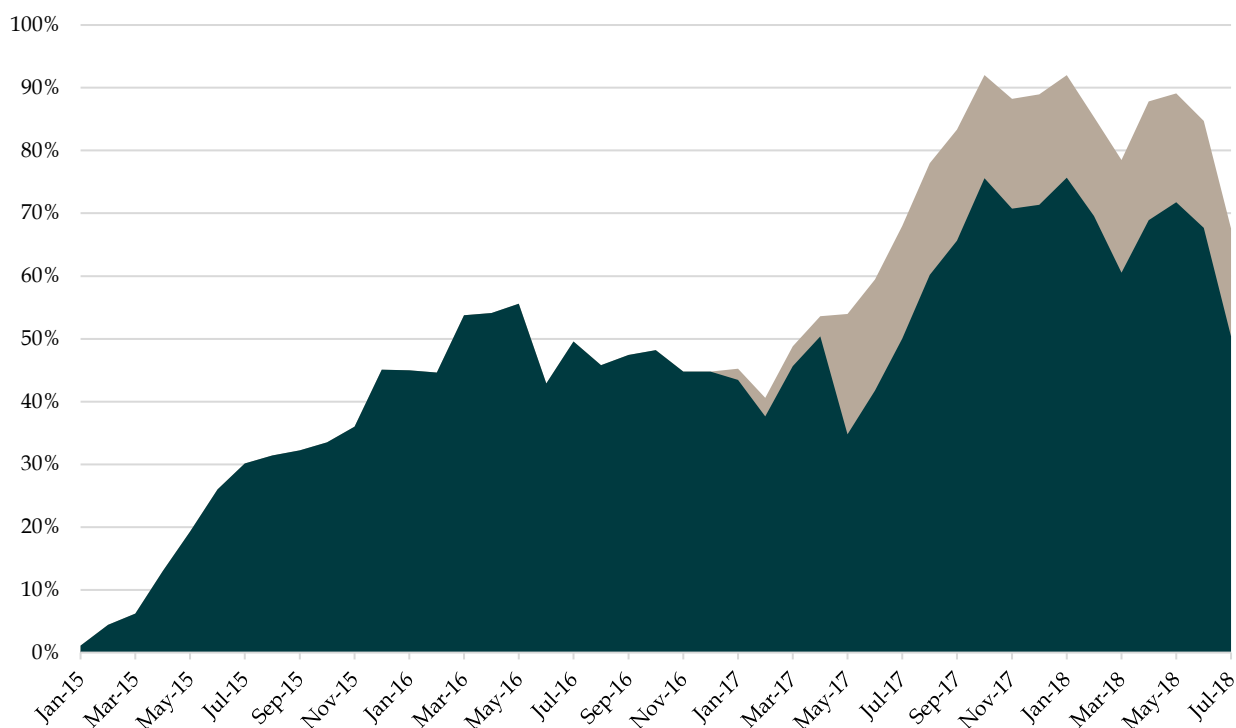
**Attribution of Gross Returns across all positions since Inception**



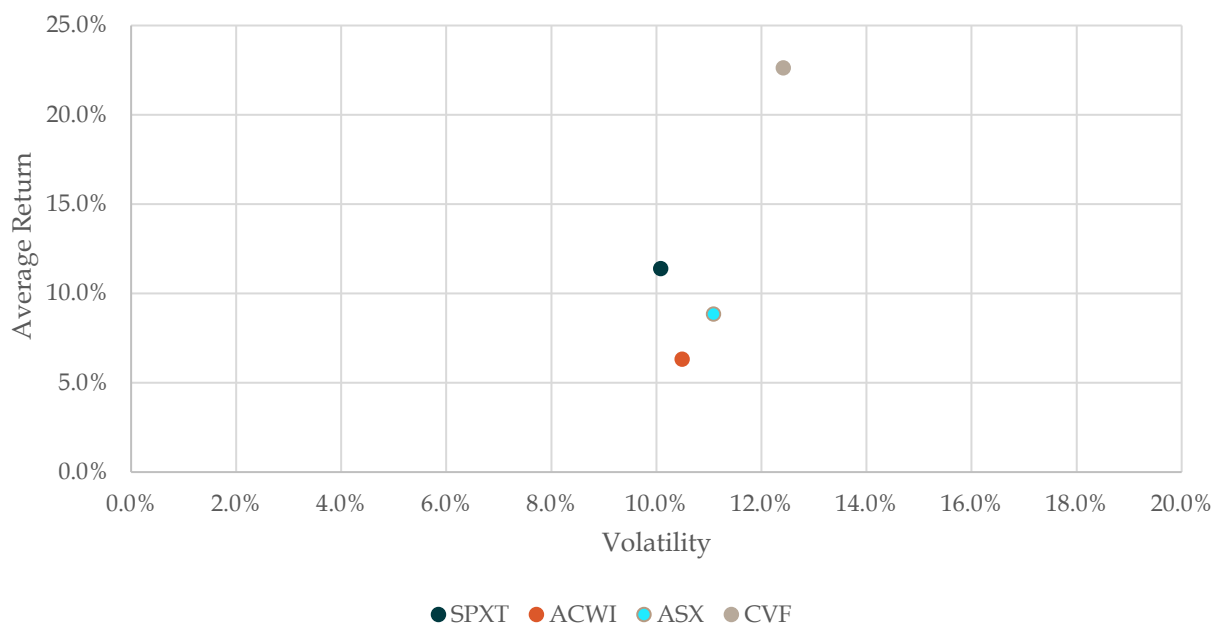
**Uncorrelated Returns: More positive months and negative correlation in months when market is down**



**Gross & Net Portfolio Exposures – No Portfolio leverage**



**Annualised Monthly Gross Returns & Volatility Since Inception**



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