

19 August 2020

Ophir High Conviction Fund (ASX:OPH) – Monthly Webinar

Dear Investor,

At 2pm (AEST), Wednesday 19th August 2020, we will hold a 30 minute investor webinar to provide an update on our funds, including the Ophir High Conviction Fund (ASX:OPH, “the Fund”).

Please find below the key points we will convey at the webinar relating to the Fund.

1. Fund performance

Share markets marched steadily forward during the month of July 2020. While we saw relatively low levels of volatility in the broader market compared to other months in 2020, we continued to see significant individual stock volatility. COVID-19 remains the biggest driver of the ASX and while the outcome of COVID-19 remains uncertain, we believe the share market looks to have grown more comfortable (at least for now) with the heightened level of uncertainty.

For the month of July 2020, the Net Asset Value (NAV) of the Fund was up 2.8% (net of fees) and the OPH ASX unit price down -0.7% compared to the benchmark which was up 1.7%.

2. Long-term and short-term performance for the Fund

July 2020 marked the 5-year anniversary for the Fund. Since the Fund’s inception in August 2015, the NAV of the Fund has returned 137.9% or 18.9% p.a. and the benchmark has returned 53.8% or 9.0% p.a. The 5-year track record is an important milestone as it is the minimum recommended investment period as defined in the Fund’s Product Disclosure Statement. We are delighted to have outperformed the Fund’s benchmark significantly over this time horizon and would like to thank our investors for entrusting us with their capital.

Performance over the last 6 months is telling because it captures the first bear market experienced since the Global Financial Crisis. In our view, this period has been the toughest period for any investment manager over the last decade. Over the last 6 months the NAV of the Fund has returned 1.9% whereas the benchmark returned -9.1%. We are pleased to have been able to protect wealth during these difficult times.

3. OPH share price discount to NAV

Closing the gap between the NAV of the Fund and the OPH share price has been a priority for us. We are pleased to report the gap significantly narrowed in recent weeks. In saying this, we understand this outcome is merely a part of an ongoing journey and we will need to continue to work hard to sustain the OPH share price close to the NAV of the Fund over the long term.

To reiterate, our initiatives to close the gap are four-fold:

1. Firstly, and most importantly, we continue to strive to deliver strong performance to drive growth of the NAV.
2. Secondly, we continue to engage with new investors to broaden the awareness and appeal of OPH. On this point we are pleased to have engaged with new financial planning practices and individuals over the last 18 months which is evidenced by an increase in trading volume of OPH over the

period. We will continue to meet new groups where OPH may play a role in their clients' portfolios.

3. Thirdly, Andrew Mitchell and Steven Ng continue to purchase units in OPH, which they have most recently done in July.
4. Lastly, we will continue to utilise the buy-back facility as explained below.

4. OPH buy-back facility

We commenced utilising the buy-back facility for OPH during March as markets sold off during the early stages of COVID-19. We have continued to use the facility where we see good value on offer in the OPH unit price. We have a process and rules in place for when we use the facility in the market to buy back OPH units. We remain committed to this facility and process and will continue to use this mechanism where we believe it is in the best interests of all unitholders and accretive to performance of the Fund over the long term.

We remain as hard working as ever to find and allocate to those small and mid-cap businesses listed in Australia that we believe can significantly grow earnings and provide attractive risk-adjusted returns over the medium to long term.

Your sincerely,

Andrew Mitchell & Steven Ng

Co-Founders & Senior Portfolio Managers
Ophir Asset Management

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This information has been prepared by Ophir Asset Management (ABN: 88 156 146 717, AFSL 420082) the Investment Manager of the Ophir High Conviction Fund and is issued by The Trust Company (RE Services) Limited (ABN: 45 003 278 831, AFSL 235 150) as responsible entity and the issuer of units in the Trust. It is general information only and is not intended to provide you with financial advice and has been prepared without taking into account your objectives, financial situation or needs. You should consider the product disclosure statement (and any ASX Announcements) prior to making any investment decisions. If you require financial advice that takes into account your personal objectives, financial situation or needs, you should consult your licensed or authorised financial adviser. To the extent permitted by law, no liability is accepted for any loss or damage as a result of any reliance on this information. We note past performance is not a reliable indicator of future performance.

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