

14 June 2024

NET TANGIBLE ASSETS

Gross portfolio return for this month was negative 1.25%

Net Tangible Assets

Benjamin Hornigold Limited (Company or BHD) advised that the company's monthly unaudited Net Tangible Asset (NTA) per share in cents is:

	31 May 2024 cents
NTA before tax*	28.85

** the NTA excludes 11 cents per share of estimated unrecognised deferred tax assets (comprised of prior years' and current year's tax losses at 25%).*

ENDS

Michael Glennon



Chairman / Company Secretary
Benjamin Hornigold Ltd

Tel: **02 8117 8123**

Email: cosec@bhdlimited.com.au

INVESTMENT STRATEGY

It is our intention to continue to maintain a wide mandate and we remain of the view that the ongoing volatility requires our investment focus to be flexible. To date, we have been gradual in allocating funds to investments to ensure capital preservation. The primary strategies we have targeted are;

- Discount Capture – The Company aims to take advantage of large discounts to NTA among Listed Investment Companies.
- Arbitrage – Typically companies in the later stages of a takeover providing shorter term trade opportunities to benefit from lower risk arbitrage trades. Depending on our view of the stock, we may look to short stocks* in order to hedge out risk or retain the underlying market exposure.
- Deep Value Investments – Overlooked and out of favour investments where we expect an eventual re-rating of the share price.
- Event Driven – Our preference has been to take a position with an expected Event leading to an increase in the share price

Our expectation in the current climate is to continue to focus on these strategies. The Company's investment style is best described as **Opportunistic with the aim of providing an absolute return.**

Ongoing Litigation

The loans to John Bridgeman Ltd (JBL) and JB Financial Group Pty Ltd remain outstanding. Although both companies' ability to repay these loans looks questionable, a recovery for BHD would provide a significant uplift to shareholders. As a result, we have continued to pursue the outstanding debts.

The announcement on the [11th September](#) provides details on proceedings in recovering these debts. The Court timetable is currently [being updated](#).

Defences have now been lodged by each of the defendants.

- The two former directors essentially deny that they were negligent. They also claim that, if BHD suffered loss, responsibility lies with JBL by reason of its role as the investment manager and/or JB Markets as the AFSL holder under which JBL operated.
- JBL and JB Markets (JBM) had opted to self represent and their defences looked to be disjointed and confused.
- Subsequently at yesterday's case management hearing, the Court ordered that the defences filed by JBL and JBM be removed from the Court file. The reason for this was that they were not prepared by lawyers, as required under the Court's rules, but rather by directors of the companies. The Court allowed the companies one further chance to instruct lawyers, noting that it would entertain an application for default judgment against both JBL and JB Markets if they did not rectify their defaults.
- The next case management hearing will be in September 2024.

Significant Holdings

Allocation (%)	Holding	Strategy/Rationale	Investment Summary
18.35%	Cordish Dixon Funds I, II, III	Deep Value/ Discount Capture	<p>Maturing Private Equity funds managed by the experienced and well respected Cordish Family Office.</p> <p>We have accumulated a position at large discounts to NTA. These funds are now maturing and distributing proceeds.</p>
6.78%	Unibail Rodamco Westfield	Deep Value	A continued hangover from the pandemic has allowed us to invest in high quality shopping malls at significant discounts to the underlying asset values.
4.03%	BetaShares Australian Strong Bear ETF	Hedging	<p>Geared exposure to an inverse ASX 200 index.</p> <p>As valuations have increased, we have moved to hedge some of our exposure to market movements</p>
3.52%	Elanor Investors Group	Deep Value	Property funds management and commercial property exposure.
3.17%	Navigator Global Ltd	Deep Value	NGI holds strategic investments in diversified alternative asset managers.
3.00%	Humm Group	Deep Value	Profitable non-bank lender trading below book value.
2.58%	IperionX	Event Driven Thematic Market Exposure	Titanium extraction, processing, and recycling, benefiting from US Inflation Reduction Act to re-shore the material supply chain.

We have highlighted some of our larger investments to provide investors with some insight into the current drivers of performance. Investors should note that there may be other large holdings that remain undisclosed