

# Listed Investment Companies

## February 2022 performance review and sector update

Conviction ideas: Our preferences within each sector are based on numerous quantitative and qualitative factors. Table 1 on page 2 provides a sector update, with our estimated current net tangible assets (NTAs) derived from our model portfolios for LICs.

### Traditional LICs

The ASX 200 Accumulation Index returned +2.1% throughout February and +1.43% year-to-date. The Energy sector has provided the best returns, gaining +28.9%, followed by Utilities (+12.9%) and Materials (+11.2%). The underperforming sectors have been I.T. (-17.7%), Healthcare (-12.4%) and Consumer Discretionary (11.9%). In February, Traditional LICs returned +0.9% on a pre-tax net tangible asset (NTA) basis and -1.4% on a total shareholder return (TSR) basis. Preferred LIC **Australian United Investment Company (AUI)** is trading at an estimated 6.7% discount to NTA, which compares to a three-year average discount of 4.6%. AUI has a Trailing Dividend Yield of 3.6%. Other preferred LIC **BKI Investment Company (BKI)** is trading an estimated 8.6% discount to NTA, below the average 1- and 3-year average discounts of 5.4% and 3.6%, respectively.

### Large capitalisation

Key preference **L1 Long Short Fund (LSF)** is trading at an estimated 9.1% discount to NTA but continues to outperform over 1- and 3-year time horizons. As of February 28, key contributors to the portfolio's performance included CIMIC (Long +35%), F45 Training (Long +23%), Teck Resources (Long +16%), and Bluescope Steel (Long +11%). The fund had a net exposure of 100%.

### Small capitalisation and specialist

Our specialist preference is **Regal Investment Fund (RF1)**, trading on an estimated premium of 2.8% compared to its one-year average premium of 10.2%. The vehicle provides exposure to various strategies managed by the award-winning Regal Funds Management since being established in 2004. Currently the vehicle is tilted towards the smaller end of the Australian equity market with 25% and 14% allocations to the Emerging Companies and Small Companies strategies, respectively. We believe the small premium presents an attractive entry point to a range of strategies which can bring significant diversification benefits to portfolios with existing long-only exposures. Preferred Small Cap LIC **Spheria Emerging Companies (SEC)** is trading at a 7.4% discount to NTA. SEC has also outperformed its benchmark over 1- and 3-year time horizons.

### International

Overseas markets, as measured by the MSCI World Index, fell 5.2% in February (and down 8.6% year-to-date) on an AUD adjusted basis, with the AUD appreciating 1.9% in February and 4.52% YTD relative to the USD. Preferred LIC **Argo Global Infrastructure (ALI)** is trading at an estimated 2.3% discount to NTA, which compares to its average 1- and 3-year discounts of 4.9% and 7.0%, respectively. As of February 28, the fund largest geographical exposures were the United States (55%), Canada (11.4%), and Asia Pacific (9.2%). The funds sector weights include Electric (30.8%), Midstream Energy (11.5%), Railways (10.5%) and Communications (9.9%). The fund has outperformed the benchmark by 5.09% on a TSR basis since its addition last month.

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Table 1: Sector snapshot

## Listed Investment Companies coverage by sector

Traditional LICs																
Code	Share Price	Market Cap. (\$m)	Trailing Dividend (cents)	Trailing Dividend Yield	Trailing Grossed Up Yield	TSR since 1 Mar 22	Current Est. NTA	Current Estimated Disc/Prem	Feb NTA	Feb Disc/Prem	1 Yr Ave Disc/Prem	3 Yr Ave Disc/Prem	Feb Post-tax Disc/Prem	MER		
Australian Foundat.	AFI	8.40	10331.2	24.0	2.9%	4.1%	5.5%	7.40	13.5%	7.04	13.1%	9.6%	5.4%	34.2%	0.14%	
Argo Investments	ARG	9.46	6900.3	30.0	3.2%	4.5%	-3.0%	9.33	1.4%	8.83	10.4%	2.9%	1.6%	26.8%	0.14%	
Australian United In	AUI	9.88	1237.7	36.0	3.6%	5.2%	5.4%	10.60	-6.7%	10.02	-6.5%	-4.9%	-4.6%	10.8%	0.11%	
BKI Investment Ltd	BKI	1.68	1248.4	7.0	4.2%	6.0%	3.4%	1.74*	-8.6%	1.68	-3.3%	-5.4%	-3.6%	3.8%	0.16%	
Djerriwarrh	DJW	3.13	742.3	12.5	4.0%	5.7%	1.0%	3.33	-5.9%	3.17	-2.2%	-6.4%	-1.1%	-1.3%	0.45%	
Diversified United	DUI	4.98	1064.4	15.5	3.1%	4.4%	1.6%	5.35	-6.8%	5.10	-3.9%	-4.5%	-3.9%	15.6%	0.18%	
Large Capitalisation																
Code	Share Price	Market Cap. (\$m)	Trailing Dividend (cents)	Trailing Dividend Yield	Trailing Grossed Up Yield	TSR since 1 Mar 22	Current Est. NTA	Current Estimated Disc/Prem	Feb NTA	Feb Disc/Prem	1 Yr Ave Disc/Prem	3 Yr Ave Disc/Prem	Feb Post-tax Disc/Prem	MER		
AMCIL Limited	AMH	1.17	362.6	5.5	4.7%	6.7%	-4.1%	1.26	-7.4%	1.15	6.1%	-2.4%	-5.8%	17.3%	0.56%	
Clime Capital	CAM	0.87	122.1	5.3	6.0%	8.6%	2.4%	0.88*	-2.9%	0.86	-0.6%	-2.3%	-2.7%	-2.3%	1.00%	
Cadence Capital	CDM	1.04	307.0	5.0	4.8%	6.9%	4.0%	1.08*	-7.4%	1.09	-7.8%	-4.6%	-12.6%	-16.4%	1.00%	
Carlton Investments	CIN	31.75	840.6	81.0	2.6%	3.6%	2.4%	n.a	n.a	39.87	-22.2%	-21.6%	-18.1%	-5.9%	0.10%	
Future Gen Ltd	FGX	1.37	552.0	5.6	4.1%	5.8%	4.2%	n.a	n.a	1.41	-6.7%	-6.6%	-8.3%	-1.4%	0.00%	
L1 Long Short Fnd Ltd	LSF	3.00	1829.5	7.0	2.3%	3.3%	8.7%	3.16*	-9.1%	3.24	-13.5%	-11.5%	-14.9%	-6.3%	1.40%	
Mirrabooka Invest.	MIR	3.32	584.8	12.0	3.8%	5.2%	-5.1%	3.18	4.3%	3.11	12.5%	7.5%	3.6%	27.7%	0.50%	
Ophir High Conviction	OPH	3.25	693.1	39.9	12.3%	12.5%	9.4%	2.89*	12.1%	2.77	7.2%	8.9%	0.7%	na	1.23%	
Perpetual Equity Ltd	PIC	1.37	511.1	5.6	4.1%	5.9%	1.1%	1.34*	-1.4%	1.33	1.5%	-5.1%	-6.9%	-1.2%	1.00%	
Plato Income Max.	PL8	1.22	673.8	5.6	4.6%	6.5%	3.8%	1.12*	8.8%	1.09	8.2%	10.8%	7.6%	7.8%	0.80%	
Qv Equities Limited	QVE	1.01	231.8	4.6	4.6%	6.5%	3.1%	1.10*	-6.8%	1.09	-10.1%	-9.6%	-10.4%	-10.9%	0.90%	
WAM Capital Limited	WAM	2.25	2084.6	15.5	6.9%	9.8%	3.7%	n.a	n.a	1.80	20.7%	15.5%	16.7%	20.6%	1.00%	
WAM Leaders Limited	WLE	1.59	1635.6	6.9	4.4%	6.3%	4.3%	n.a	n.a	1.44	5.2%	6.5%	0.1%	6.2%	1.00%	
Whitefield Ltd	WHF	5.50	610.2	20.5	3.7%	5.3%	-0.9%	5.53	-0.6%	5.24	5.9%	2.3%	-0.9%	15.4%	0.25%	
Small Capitalisation																
Code	Share Price	Market Cap. (\$m)	Trailing Dividend (cents)	Trailing Dividend Yield	Trailing Grossed Up Yield	TSR since 1 Mar 22	Current Est. NTA	Current Estimated Disc/Prem	Feb NTA	Feb Disc/Prem	1 Yr Ave Disc/Prem	3 Yr Ave Disc/Prem	Feb Post-tax Disc/Prem	MER		
Acorn Cap Inv Fund	ACQ	1.42	121.3	11.9	8.4%	12.0%	1.1%	n.a	n.a	1.46	-3.7%	-0.5%	-8.8%	-0.4%	0.95%	
ECP Emerging Growth	ECP	1.29	23.7	4.9	3.8%	5.4%	1.6%	1.47	-12.1%	1.43	-11.4%	-14.0%	-19.1%	-11.4%	1.00%	
Naos Small Cap Opp	NSC	0.86	125.7	5.1	6.0%	8.5%	3.5%	n.a	n.a	0.99	-15.2%	-17.8%	-20.1%	-10.6%	1.15%	
Forager Aust. Shares	FOR	1.65	180.2	7.6	4.6%	4.6%	-2.4%	1.76*	-6.3%	1.78	-5.1%	-12.4%	-12.7%	na	1.00%	
Glennon SML Co Ltd	GC1	0.73	37.1	3.2	4.4%	6.3%	-3.9%	n.a	n.a	0.91	-15.9%	-20.8%	-18.7%	-12.5%	1.00%	
Naos Emerg Opp	NCC	1.08	78.8	7.5	6.9%	9.9%	4.3%	n.a	n.a	1.15	-10.0%	-11.4%	-8.2%	-7.1%	1.25%	
NGE Capital	NGE	0.84	30.3	0.0	0.0%	0.0%	8.4%	n.a	n.a	1.01	-22.9%	-23.3%	-22.8%	-27.0%	1.90%	
Ozgrowth Limited	OZG	0.37	129.7	0.4	0.9%	1.4%	15.6%	0.37*	-5.7%	0.35	-7.5%	-23.3%	-21.2%	0.6%	1.00%	
Ryder Capital	RYD	1.49	127.0	7.0	4.7%	6.7%	-0.7%	n.a	n.a	1.63	-8.2%	-8.7%	-11.7%	-6.0%	1.25%	
Spheria Emerging Co	SEC	2.33	140.2	10.1	4.3%	6.2%	0.4%	2.53*	-7.4%	2.51	-7.6%	-8.2%	-14.0%	-4.9%	1.00%	
WAM Research Ltd	WAX	1.74	342.7	9.9	5.7%	8.1%	6.4%	n.a	n.a	1.15	42.1%	36.4%	29.2%	43.4%	1.00%	
Westoz Inv Ltd	WIC	1.45	193.2	3.0	2.1%	3.0%	12.9%	1.45*	-1.9%	1.37	-6.8%	-10.2%	-11.8%	-3.3%	1.00%	
WAM Microcap Ltd	WMI	1.94	404.1	12.0	6.2%	8.8%	6.0%	n.a	n.a	1.58	15.9%	15.9%	6.8%	18.1%	1.00%	

Source: Company releases, Bloomberg, IRESS, OML estimates

Figures as at: 25 March 2022

\*NTA is last reported NTA, adjusted for any dividends past ex-date. Current premium and discount is based on the discount at date of last disclosed NTA date.

Table 1: Sector snapshot (cont.)

## Listed Investment Companies coverage by sector

International		Share Price	Market Cap. (\$m)	Trailing Dividend (cents)	Trailing Dividend Yield	Trailing Grossed Up Yield	TSR since 1 Mar 22	Current Est. NTA	Current Estimated Disc/Prem	Feb NTA	Feb Disc/Prem	1 Yr Ave Disc/Prem	3 Yr Ave Disc/Prem	Feb Post-tax Disc/Prem	MER
Argo Global Ltd	<b>ALI</b>	2.46	411.5	8.0	3.3%	4.6%	<b>8.6%</b>	2.40*	<b>-2.3%</b>	2.37	-3.0%	-4.9%	-7.0%	-0.4%	1.25%
Ellerston Asian	<b>EAI</b>	0.91	116.7	6.0	6.6%	9.4%	<b>-4.6%</b>	0.98*	<b>-7.6%</b>	1.09	-9.3%	-7.5%	-11.3%	-10.7%	0.75%
Future Glb Invest Co	<b>FGG</b>	1.31	515.6	3.0	2.3%	3.3%	<b>-3.7%</b>	n.a	<b>n.a</b>	1.41	-3.5%	-6.5%	-10.3%	1.6%	0.00%
Global Value Fnd Ltd	<b>GVF</b>	1.24	214.4	6.3	5.1%	7.3%	<b>6.0%</b>	n.a	<b>n.a</b>	1.24	-5.9%	-4.9%	-4.4%	-0.8%	1.50%
Pengana International	<b>PIA</b>	1.24	315.8	6.6	5.3%	7.6%	<b>1.2%</b>	1.28*	<b>-6.5%</b>	1.29	-5.6%	-7.4%	-11.2%	-5.4%	1.23%
MFF Capital Invest.	<b>MFF</b>	2.60	1508.8	6.5	2.5%	3.6%	<b>-3.0%</b>	3.20*	<b>-20.2%</b>	3.21	-16.4%	-14.0%	-8.6%	-3.2%	0.55%
Magellan Global Fund	<b>MGF<sup>^</sup></b>	1.49	2321.1	7.3	4.9%	4.9%	<b>-3.2%</b>	1.77*	<b>-15.9%</b>	1.79	-14.0%	-11.0%	na	na	1.35%
Platinum Asia Ltd	<b>PAI</b>	0.96	353.2	8.5	8.9%	12.6%	<b>-5.4%</b>	1.03*	<b>-4.7%</b>	1.12	-9.2%	-8.2%	-8.0%	-8.7%	1.10%
Pm Capital Fund	<b>PGF</b>	1.70	664.3	5.0	2.9%	4.2%	<b>2.7%</b>	1.74*	<b>-0.3%</b>	1.76	-6.2%	-9.3%	-13.8%	3.7%	1.00%
Platinum Capital Ltd	<b>PMC</b>	1.37	402.6	7.0	5.1%	7.3%	<b>-6.2%</b>	1.50*	<b>-9.7%</b>	1.58	-7.8%	-9.4%	-6.7%	-4.7%	1.10%
WAM Global	<b>WGB</b>	2.23	780.6	10.0	4.5%	6.4%	<b>-1.3%</b>	n.a	<b>n.a</b>	2.47	-8.5%	-5.1%	-9.6%	-8.3%	1.25%
VGI Partners Global	<b>VG1</b>	1.73	656.3	10.0	5.8%	8.3%	<b>0.4%</b>	2.10*	<b>-22.4%</b>	2.04	-13.5%	-12.3%	-11.0%	na	1.50%

Specialist		Share Price	Market Cap. (\$m)	Trailing Dividend (cents)	Trailing Dividend Yield	Trailing Grossed Up Yield	TSR since 1 Mar 22	Current Est. NTA	Current Estimated Disc/Prem	Feb NTA	Feb Disc/Prem	1 Yr Ave Disc/Prem	3 Yr Ave Disc/Prem	Feb Post-tax Disc/Prem	MER
Bailador Tech Inv	<b>BTI</b>	1.24	174.8	1.4	1.1%	1.6%	<b>4.2%</b>	n.a	<b>n.a</b>	1.76	-32.4%	-12.3%	-19.8%	-21.7%	1.75%
Hearts and Minds	<b>HM1</b>	2.99	675.8	12.0	4.0%	5.7%	<b>0.7%</b>	3.28*	<b>-8.5%</b>	3.33	-10.8%	2.7%	1.2%	-11.3%	0.00%
Lowell Resource Fund	<b>LRT</b>	1.81	53.1	15.0	8.3%	8.3%	<b>-6.5%</b>	2.02*	<b>-7.7%</b>	1.92	0.7%	-10.2%	-17.2%	na	2.16%
Lion Selection Grp	<b>LSX</b>	0.53	79.6	0.0	0.0%	0.0%	<b>17.8%</b>	n.a	<b>n.a</b>	0.70	-35.7%	-30.3%	-22.3%	-33.2%	1.50%
NAOS ex-50 Opport.	<b>NAC</b>	1.00	45.7	6.2	6.2%	8.8%	<b>0.6%</b>	n.a	<b>n.a</b>	1.22	-17.2%	-21.9%	-20.8%	-15.1%	1.75%
Regal Investment Fund	<b>RF1</b>	3.82	661.9	107.3	28.1%	28.1%	<b>7.6%</b>	3.58*	<b>2.8%</b>	3.54	0.3%	10.1%	na	na	1.50%
Sandon Capital Ltd	<b>SNC</b>	0.87	117.0	6.2	7.2%	10.2%	<b>-4.9%</b>	n.a	<b>n.a</b>	1.01	-9.5%	-14.0%	-14.7%	-5.4%	1.25%
Tribeca Glb Resources	<b>TGF</b>	2.95	181.4	0.0	0.0%	0.0%	<b>13.9%</b>	3.31*	<b>-0.13</b>	3.22	-19.6%	-14.7%	-17.4%	-14.0%	1.50%
Thorney Opp Ltd	<b>TOP</b>	0.57	111.8	2.4	4.1%	5.9%	<b>9.5%</b>	n.a	<b>n.a</b>	0.77	-31.3%	-22.8%	-21.8%	-28.2%	0.75%
WAM Active Limited	<b>WAA</b>	1.05	77.1	6.0	5.7%	8.2%	<b>-1.4%</b>	n.a	<b>n.a</b>	0.96	10.2%	3.7%	1.8%	10.3%	1.00%
WAM Alternative Assets	<b>WMA</b>	1.10	213.6	3.0	2.7%	3.9%	<b>1.9%</b>	n.a	<b>n.a</b>	1.25	-13.5%	-13.0%	-20.5%	-10.8%	1.20%

Source: Company releases, Bloomberg, IRESS, OML estimates

Figures as at: 25 March 2022

\*NTA is last reported NTA, adjusted for any dividends past ex-date. Current premium and discount is based on the discount at date of last disclosed NTA date.

<sup>^</sup>MGF has a target cash distribution yield of 4% p.a. paid semi-annually

## NTA performance calculation methodology

- Unless stated otherwise, NTA performance in this report is calculated on pre-tax NTA basis, which refers to net tangible assets after tax paid but before tax on unrealised gains as well as cash dividends paid during the relevant period. TSR performance figures from Bloomberg and calculated with re-invested dividends. Active return refers to the TSR relative to that of the comparative index.
- LIC performance measurements reflect performance after all operating expenses and taxation. Using index benchmarks often understates performance as the indices used are before all operating expenses and tax. Total shareholder returns are often negatively impacted by capital events such as options, DRPs, share purchase plans and placements. Dividend yields contained within are historical and are not an indication of future dividend payments.

Fig. 1: LIC performance table (February 2022)

Code	Company	1 Year			3 Year (annualised)			5 Year (annualised)		
		NTA performance	TSR Performance	Avg. Prem/Disc	NTA performance	TSR Performance	Avg. Prem/Disc	NTA performance	TSR Performance	Avg. Prem/Disc
AFI	Australian Foundat.	10.1%	15.5%	9.6%	9.4%	13.6%	5.4%	8.3%	10.9%	3.6%
ARG	Argo Investments	12.1%	20.1%	2.9%	7.6%	12.3%	1.6%	7.1%	9.2%	1.2%
AUI	Australian United In	10.4%	10.2%	-4.9%	7.1%	8.0%	-4.6%	7.7%	7.9%	-4.5%
BKI	BKI Investment Ltd	14.4%	16.1%	-5.4%	6.3%	6.7%	-3.6%	5.8%	5.0%	-2.1%
DJW	Djerriwarrh	10.4%	9.4%	-6.4%	4.9%	3.6%	-1.1%	5.1%	1.7%	2.4%
DUI	Diversified United	9.9%	9.8%	-4.5%	8.0%	10.2%	-3.9%	9.2%	10.1%	-4.6%
Code	Company	1 Year			3 Year (annualised)			5 Year (annualised)		
		NTA Performance	TSR Performance	Avg. Prem/Disc	NTA Performance	TSR Performance	Avg. Prem/Disc	NTA Performance	TSR Performance	Avg. Prem/Disc
AMH	AMCIL Limited	6.1%	16.9%	-2.4%	11.8%	17.6%	-5.8%	9.5%	11.1%	-5.5%
CAM	Ciime Capital	0.5%	2.3%	-2.3%	3.9%	5.6%	-2.7%	5.1%	5.1%	-3.2%
CDM	Cadence Capital	6.8%	15.0%	-4.6%	8.9%	9.7%	-12.6%	4.4%	1.1%	-6.0%
CIN	Carlton Investments	17.0%	16.7%	-21.6%	6.7%	2.5%	-18.1%	5.5%	3.3%	-15.6%
FGX	Future Gen Ltd	7.2%	9.2%	-6.6%	10.0%	7.5%	-8.3%	8.3%	6.8%	-5.5%
LSF	L1 Long Short Fund	26.6%	33.2%	-11.5%	26.9%	24.8%	-14.9%	na	na	na
MIR	Mirrabooka Invest.	5.9%	9.5%	7.5%	15.3%	15.3%	3.6%	12.3%	9.3%	6.4%
OPH	Ophir High Cf	-5.3%	-8.0%	8.9%	7.5%	8.4%	0.7%	na	na	na
PIC	Perpetual Equity Ltd	10.2%	24.4%	-5.1%	12.2%	15.1%	-6.9%	9.6%	10.9%	-4.9%
PL8	Plato Inc Max Ltd.	9.6%	2.8%	10.8%	6.9%	11.0%	7.6%	na	na	na
QVE	Qv Equities Limited	12.5%	13.9%	-9.6%	3.7%	2.7%	-10.4%	3.3%	-1.5%	-5.7%
WAM	WAM Capital Limited	3.8%	9.5%	15.5%	7.7%	6.5%	16.7%	6.6%	4.2%	18.7%
WLE	WAM Leaders Limited	17.3%	12.9%	6.5%	12.6%	16.7%	0.1%	9.8%	11.1%	-1.3%
WHF	Whitefield Ltd	8.9%	7.1%	2.3%	6.3%	12.8%	-0.9%	5.3%	8.8%	-3.5%
Code	Company	1 Year			3 Year (annualised)			5 Year (annualised)		
		NTA Performance	TSR Performance	Avg. Prem/Disc	NTA Performance	TSR Performance	Avg. Prem/Disc	NTA Performance	TSR Performance	Avg. Prem/Disc
ACQ	Acom Cap Inv Fund	-0.7%	-3.6%	-0.5%	14.0%	19.1%	-8.8%	12.0%	14.3%	-9.9%
ECP	ECP Emerging Co	-12.0%	-6.1%	-14.0%	9.3%	14.8%	-19.1%	10.8%	12.8%	-18.8%
NSC	Naos Smicap Com Ltd	7.9%	15.3%	-17.8%	14.7%	14.1%	-20.1%	3.4%	2.5%	-16.0%
FOR	Forager Aust Shs Fnd	11.3%	26.1%	-12.4%	10.3%	8.9%	-12.7%	5.9%	1.9%	-3.5%
GC1	Glennon SML Co Ltd	-5.2%	9.6%	-20.8%	1.4%	0.0%	-18.7%	1.7%	-0.4%	-15.6%
NCC	Naos Emerg Opp	8.6%	1.7%	-11.4%	7.9%	6.1%	-8.2%	3.3%	0.2%	-3.7%
NGE	NGE Capital Limited	24.1%	33.6%	-23.3%	4.6%	-0.2%	-22.8%	12.7%	13.0%	-22.8%
OZG	Ozgrowth Limited	27.7%	41.0%	-23.3%	21.5%	29.2%	-21.2%	11.8%	15.9%	-20.5%
RYD	Ryder Capital Ltd	-8.9%	-10.6%	-8.7%	8.6%	9.2%	-11.7%	9.9%	10.2%	-12.8%
SEC	Spheria Emerging Co	10.7%	20.4%	-8.2%	11.3%	15.4%	-14.0%	na	na	na
WAX	WAM Research Ltd	4.8%	4.9%	36.4%	8.6%	12.5%	29.2%	6.7%	7.1%	27.3%
WIC	Westoz Inv Ltd	8.3%	12.1%	-10.2%	9.0%	11.4%	-11.8%	7.8%	10.1%	-11.3%
WMI	WAM Microcap Limited	4.2%	-0.7%	15.9%	14.6%	20.8%	6.8%	na	na	na
Code	Company	1 Year			3 Year (annualised)			5 Year (annualised)		
		NTA Performance	TSR Performance	Avg. Prem/Disc	NTA Performance	TSR Performance	Avg. Prem/Disc	NTA Performance	TSR Performance	Avg. Prem/Disc
ALI	Argo Global Ltd	17.9%	13.5%	-4.9%	3.0%	6.7%	-7.0%	6.6%	9.5%	-9.8%
EAI	Ellerston Asian	-13.1%	-16.8%	-7.5%	2.9%	2.6%	-11.3%	4.8%	5.0%	-10.0%
FGG	Future Glb Invest Co	-13.5%	-1.7%	-6.5%	3.0%	1.4%	-10.3%	6.5%	6.9%	-6.8%
GVF	Global Value Fnd Ltd	12.6%	10.8%	-4.9%	10.9%	9.6%	-4.4%	8.3%	6.3%	-2.3%
PIA	Pengana Int Equ Ltd	-2.6%	-1.3%	-7.4%	7.5%	8.6%	-11.2%	5.9%	6.5%	-9.1%
MFF	MFF Capital Inv Ltd	15.2%	7.5%	-14.0%	8.5%	1.6%	-8.6%	13.0%	10.1%	-9.2%
MGFA	Magellan Global Fund	7.0%	-2.2%	-11.0%	na	na	na	na	na	na
PAF	Pm Capital Asian Ops	-0.3%	24.8%	-7.8%	4.1%	3.6%	-12.5%	3.3%	6.0%	-7.6%
PAI	Platinum Asia Ltd	-13.3%	-17.8%	-8.2%	7.5%	2.6%	-8.0%	7.7%	6.9%	-4.2%
PGF	Pm Capital Fund	20.7%	46.6%	-9.3%	15.3%	18.3%	-13.8%	13.6%	15.3%	-10.8%
PMC	Platinum Capital Ltd	0.5%	5.2%	-9.4%	5.1%	-0.2%	-6.7%	6.4%	3.7%	-0.5%
WGB	WAM Global	7.3%	-10.6%	-5.1%	8.1%	8.7%	-9.6%	na	na	na
VG1	VGI Partners Global	-19.8%	-15.8%	-12.3%	-1.9%	-8.4%	-11.0%	na	na	na
Code	Company	1 Year			3 Year (annualised)			5 Year (annualised)		
		NTA Performance	TSR Performance	Avg. Prem/Disc	NTA Performance	TSR Performance	Avg. Prem/Disc	NTA Performance	TSR Performance	Avg. Prem/Disc
BTI	Bailador Tech Inv	23.4%	-17.1%	-12.3%	16.0%	16.5%	-19.8%	9.0%	5.2%	-21.6%
HM1	Hearts and Minds	-15.0%	-36.5%	2.7%	7.3%	4.3%	1.2%	na	na	na
LRT	Lowell Res Fund	32.2%	65.0%	-10.2%	54.0%	67.4%	-17.2%	na	na	na
LSX	Lion Selection Grp	15.7%	26.8%	-30.3%	16.7%	6.7%	-22.3%	11.8%	1.4%	-14.4%
NAC	Naos Ex-50	-6.1%	5.0%	-21.9%	10.2%	9.9%	-20.8%	6.3%	3.7%	-16.3%
RF1	Regal Invest Fund	19.5%*	10.8%*	10.1%	na	na	na	na	na	na
SNC	Sandon Capital Ltd	9.9%	16.5%	-14.0%	9.5%	9.8%	-14.7%	7.0%	3.9%	-9.9%
TGF	Tribeca Glb Resources	42.8%	28.2%	-14.7%	9.3%	2.0%	-17.4%	na	na	na
TOP	Thomey Opp Ltd	15.9%	3.0%	-22.8%	2.4%	-2.2%	-21.8%	3.1%	-2.3%	-17.9%
WAA	WAM Active Ltd	-0.1%	1.4%	3.7%	3.8%	6.3%	1.8%	4.2%	3.8%	2.7%
WMA	WAM Alternative Assets	15.8%	11.8%	-13.0%	7.4%	12.6%	-20.5%	7.0%	3.6%	-15.5%

Source: Bloomberg, IRESS, OML

\*Historical performance data for the Magellan Global Fund strategy is available on MGF summary page

## Argo Global Listed Infrastructure (ALI)

[www.argoinfrastructure.com.au](http://www.argoinfrastructure.com.au)

- Established in July 2015, ALI provides investors exposure to a diversified portfolio of global listed infrastructure securities. ALI seeks to provide investors with a mix of long-term capital growth and dividend income. Cohen & Steers, a listed company on the New York Stock Exchange is a global investment manager specialising in assets such as listed infrastructure, real estate, and real assets.
- ALI is heavily weighted towards the USA (55.0%) where many infrastructure companies are listed with key holdings in sectors such as Electric (30.8%), Midstream Energy (11.5%), Railways (10.5%), and Communications (9.9%).
- The total shareholder return for the year ending 28 February 2022 was 13.5%, with pre-tax NTA increasing 17.9%. The active return (TSR) was -8.3%.

Fig.2: ALI overview

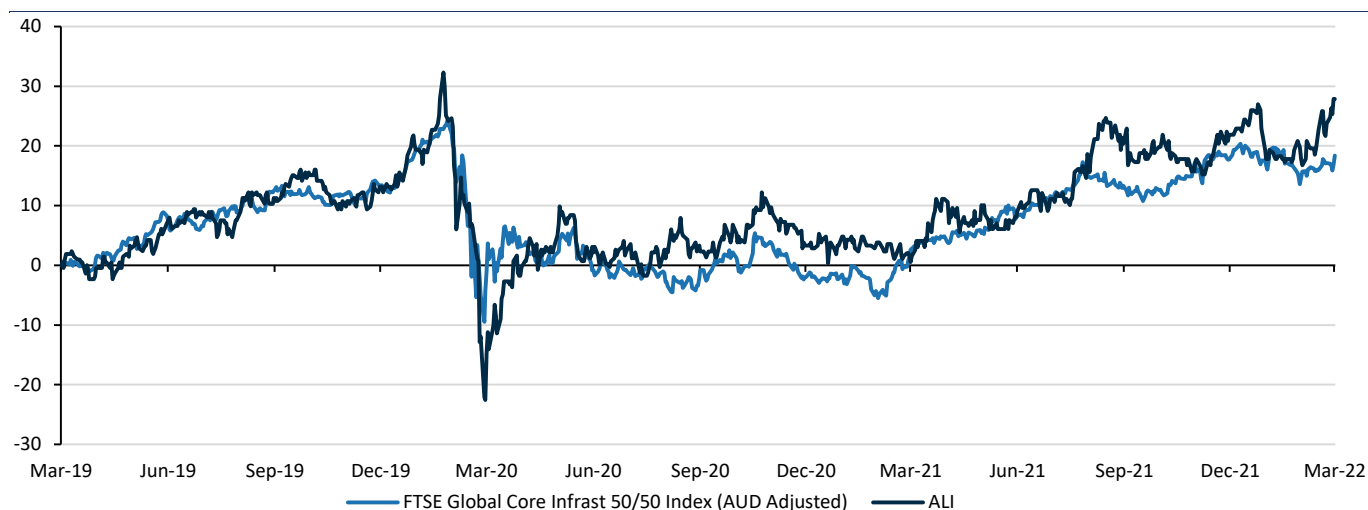
ALI Snapshot				Top Holdings			
Price (28 February 2022)			\$2.30	<b>REGION</b>			<b>%</b>
Share price range (12 months)			\$2.00- \$2.48	United States			55.0%
Shares on issue (Mn)			167.3	Canada			11.4%
Market capitalisation (\$Mn)			\$385	Europe			9.6%
Pre-tax asset backing*			\$2.37	Asia Pacific			9.2%
Post-tax asset backing*			\$2.31	<b>SECTOR ALLOCATION</b>			
Premium/(Discount) to pre-tax NTA			-3.0%	Electric			30.8%
Premium/(Discount) to post-tax NTA			-0.4%	Midstream Energy			11.5%
Dividend yield			3.3%	Railways			10.5%
Dividend per share (cents)			8.0	Communications			9.9%
Franking			100%				
Management expense ratio			1.25%				

Total Shareholder Return	1 Year	3 Year	5 Year	NTA Performance	1 Year	3 Year	5 Year
ALI	13.5%	6.7%	9.5%	NTA growth	17.9%	3.0%	6.6%
Active return	-8.3%	0.9%	0.8%	Active return	-3.8%	-2.8%	-2.1%

Source: IRESS, Bloomberg, OML, Company reports. Figures as at 28 February 2022. Active returns refers to the TSR and NTA growth relative to that of the comparative index (see chart below).

Fig.3: ALI TSR vs FTSE Global Core Infracst 50/50 Index (AUD adj.)



Source: Bloomberg, OML

## Australian United Investment Company (AUI)

[www.aui.com.au](http://www.aui.com.au)

- AUI was founded in 1953 by the late Sir Ian Potter and The Ian Potter Foundation.
- AUI utilises a “traditional” investment philosophy, focusing on risk reduction by investing in a range of large and mid-cap companies on the ASX.
- Investments are chosen on their individual merits, with no pre-determined policy that any particular proportion of the capital will be invested in particular investment sectors.
- The total shareholder return for the year ending 28 February 2022 was 10.2%, with pre-tax NTA increasing 10.4%. The active return (TSR) was 0.2%.

**Fig.4: AUI overview**

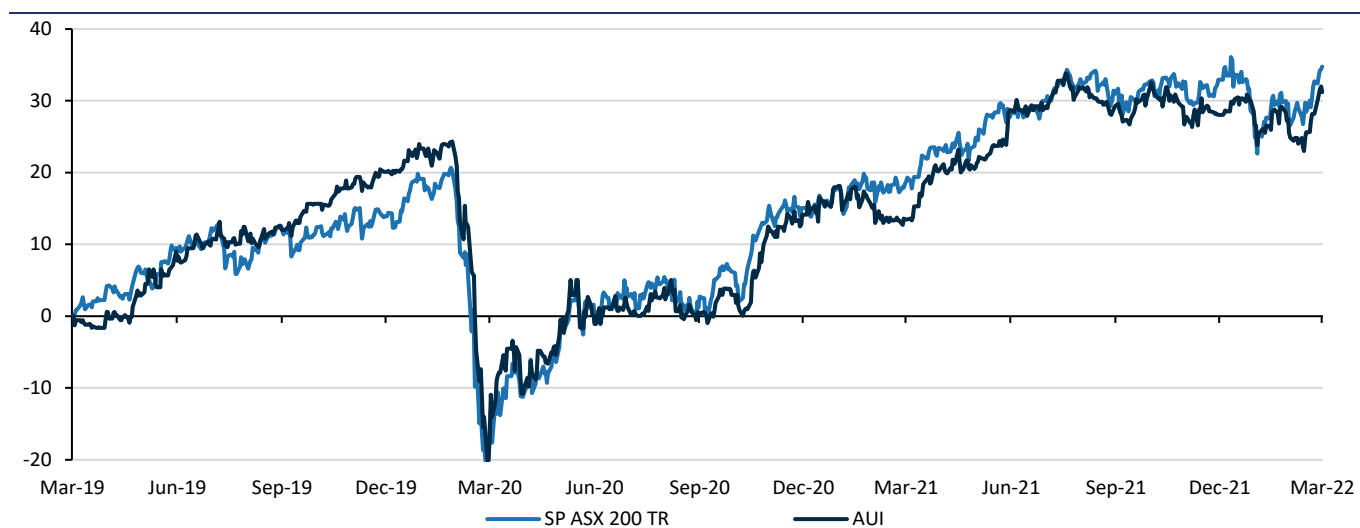
AUI Snapshot				Top Holdings			
Price (28 February 2022)			\$9.37	Transurban Group			5.4%
Share price range (12 months)			\$8.85- \$10.45	Diversified United			4.9%
Shares on issue (Mn)			125.3	Wesfarmers Limited			4.7%
Market capitalisation (\$Mn)			\$1,174	ANZ Banking Grp Ltd			4.4%
Pre-tax asset backing*			\$10.02	Woodside Petroleum			3.6%
Post-tax asset backing*			\$8.46	Westpac Banking Corp			3.5%
Premium/(Discount) to pre-tax NTA			-6.5%	Atlas Arteria			2.7%
Premium/(Discount) to post-tax NTA			10.8%	Aristocrat Leisure			2.6%
Dividend yield			3.6%	Woolworths Group Ltd			2.5%
Dividend per share (cents)			36.0	National Aust. Bank			2.3%
Franking			100%				
Management expense ratio			0.11%				

Total Shareholder Return	1 Year	3 Year	5 Year	NTA Performance	1 Year	3 Year	5 Year
AUI	10.2%	8.0%	7.9%	NTA growth	10.4%	7.1%	7.7%
Active return	0.2%	-1.3%	-1.1%	Active return	0.4%	-2.2%	-1.3%

Source: IRESS, Bloomberg, OML, Company reports. Figures as at 28 February 2022. Active returns refers to the TSR and NTA growth relative to that of the comparative index (see chart below).

**Fig.5: AUI TSR vs All Ords Accum. Index**



Source: Bloomberg, OML

## BKI Investment Company (BKI)

[www.bkilimited.com.au](http://www.bkilimited.com.au)

- BKI was listed on the ASX in December 2003 with an objective to provide investors with sound dividend yields and long-term capital growth.
- BKI invests in a diversified portfolio of Australian shares, trusts and interest-bearing securities, focusing on securities that are paying an increasing dividend stream.
- Key sector weights as at 31 Dec 2021 include Financials (17%), Consumer Discretionary (15%), Banks (12%) and Materials (11%).
- The total shareholder return for the year ending 28 February 2022 was 16.1%, with pre-tax NTA increasing 14.4%. The active return (TSR) was 6.1%.

Fig.6: BKI overview

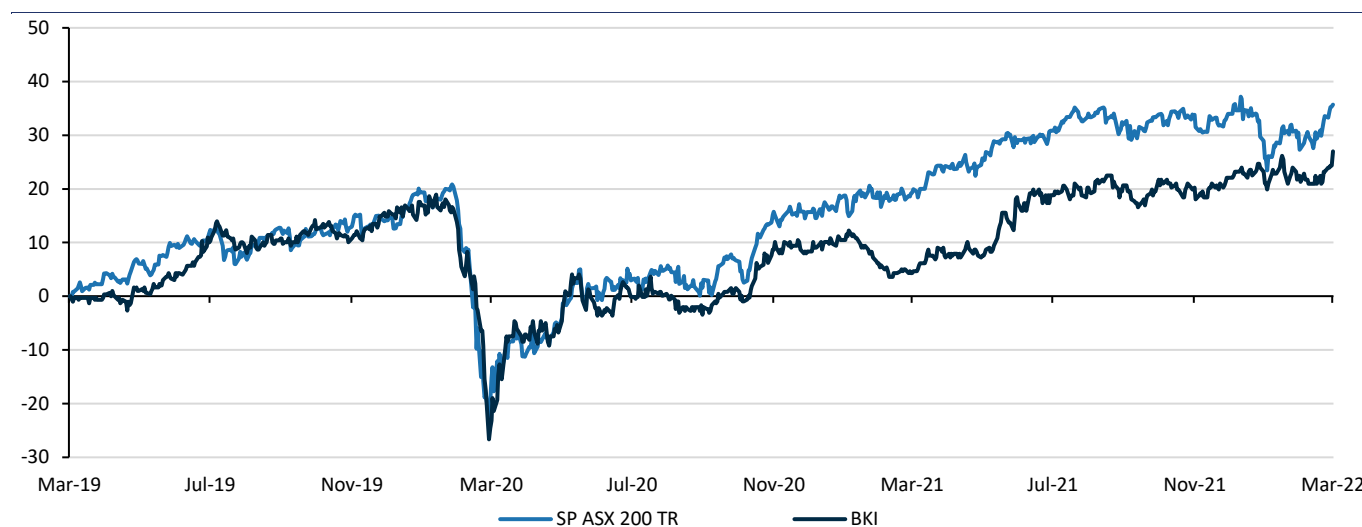
BKI Snapshot		Top Holdings			
Price (28 February 2022)	\$1.63	National Aust. Bank			5.7%
Share price range (12 months)	\$1.44- \$1.71	Wesfarmers Limited			4.3%
Shares on issue (Mn)	743.1	Transurban Group			3.5%
Market capitalisation (\$Mn)	\$1,211	Woolworths Group Ltd			3.2%
Pre-tax asset backing*	\$1.68	ARB Corporation.			3.1%
Post-tax asset backing*	\$1.57	Harvey Norman			2.9%
Premium/(Discount) to pre-tax NTA	-3.0%	RIO Tinto Limited			2.7%
Premium/(Discount) to post-tax NTA	3.8%	Telstra Corporation.			2.7%
Dividend yield	4.2%	Sonic Healthcare			2.6%
Dividend per share (cents)	7.0	Woodside Petroleum			2.6%
Franking	100%				
Management expense ratio	0.16%				

Total Shareholder Return	1 Year	3 Year	5 Year	NTA Performance	1 Year	3 Year	5 Year
BKI	16.1%	6.7%	5.0%	NTA growth	14.4%	6.3%	5.8%
Active return	6.1%	-2.5%	-4.1%	Active return	4.4%	-3.0%	-3.2%

Source: IRESS, Bloomberg, OML, Company reports. Figures as at 28 February 2022. Active returns refers to the TSR and NTA growth relative to that of the comparative index (see chart below).

Fig.7: BKI TSR vs All Ords Accum. Index



Source: Bloomberg, OML



## L1 Long Short Fund (LSF)

[www.l1longshort.com](http://www.l1longshort.com)

- LSF listed in April-18 following a \$1.3bn raising. LSF has dual investment objectives to 1) seek to deliver strong, positive, risk-adjusted returns over the long term (being a period of more than five years); and 2) preserve capital.
- LSF utilises a fundamental, bottom-up research process to seek and identify mispriced securities with the potential to provide attractive risk adjusted returns. The manager may take short positions in companies it considers to be overvalued, or of low quality and/or over-gearred.
- The total shareholder return for the year ending 28 February 2022 was 33.2%, with pre-tax NTA increasing 26.6%. The active return (TSR) was 23.0%.

Fig.8: LSF overview

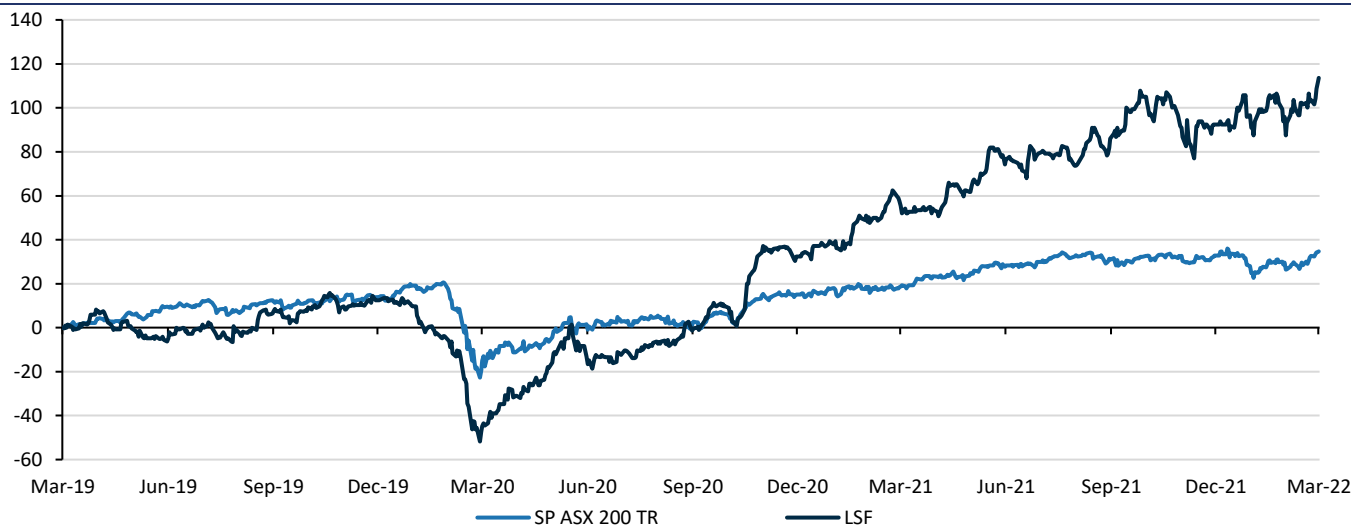
LSF Snapshot				Key performance contributors			
Price (28 February 2022)			\$2.80	Bluescope Steel			
Share price range (12 months)			\$2.17- \$3.00	CIMIC			
Shares on issue (Mn)			609.8	F45 Training			
Market capitalisation (\$Mn)			\$1,708	Teck Resources			
Pre-tax asset backing*			\$3.24				
Post-tax asset backing*			\$2.99				
Premium/(Discount) to pre-tax NTA			-13.5%				
Premium/(Discount) to post-tax NTA			-6.3%				
Dividend yield			2.3%				
Dividend per share (cents)			7.0				
Franking			100%				
Management expense ratio			1.40%	*Alphabetical			

Total Shareholder Return	1 Year	3 Year	5 Year	NTA Performance	1 Year	3 Year	5 Year
LSF	33.2%	24.8%	na	NTA growth	26.6%	26.9%	na
Active return	23.0%	16.4%	na	Active return	16.4%	18.5%	na

Source: IRESS, Bloomberg, OML, Company reports. Figures as at 28 February 2022. Active returns refers to the TSR and NTA growth relative to that of the comparative index (see chart below).

Fig.9: LSF TSR vs All Ords Accum. Index



Source: Bloomberg, OML



## Regal Investment Fund (RF1)

[www.regalfm.com/site/content/](http://www.regalfm.com/site/content/)

- The manager, established in 2004, is a specialist alternative investment manager, with a primary focus on long short investment strategies. RF1 was listed in Jun-19, following a \$282m raising.
- RF1 is constructed by the Manager through the selection and allocation of funds to a number of Regal strategies.
- The allocations to strategies as at 28 February was Market Neutral (28%), Emerging Companies (25%), Small Companies (15%), Long Short Health Care (15%), Global Alpha (13%), and Long Short Equity (5%).
- The total shareholder return for the year ending 28 February 2022 was 10.8%, with pre-tax NTA increasing 19.5%. The active return (TSR) was 0.6%.

**Fig.10: RF1 overview**

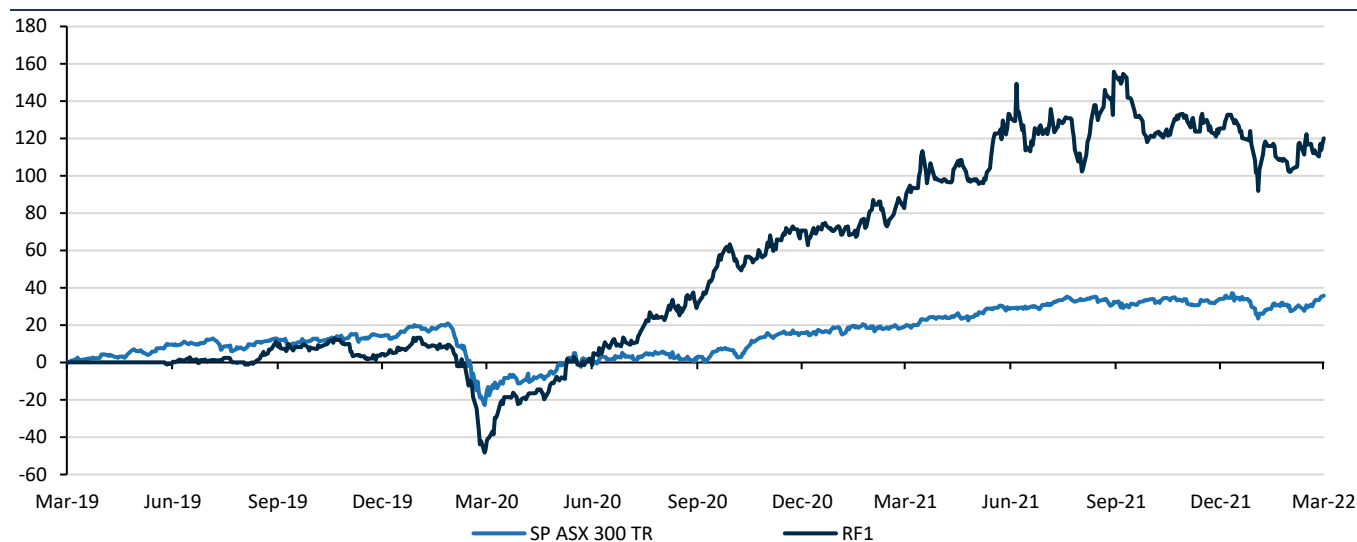
RF1 Snapshot		Top Holdings		%	
Price (28 February 2022)	\$3.55	EXPOSURE BY STRATEGY			
Share price range (12 months)	\$3.33- \$5.06	MARKET NEUTRAL			28.0%
Shares on issue (Mn)	173.3	EMERGING COMPANIES			25.0%
Market capitalisation (\$Mn)	\$615	LONG SHORT HEALTHCARE			15.0%
Pre-tax asset backing*	\$3.54	SMALL COMPANIES			15.0%
Post-tax asset backing*	n.a	GLOBAL ALPHA			13.0%
Premium/(Discount) to pre-tax NTA	0.3%	LONG SHORT EQUITY			5.0%
Premium/(Discount) to post-tax NTA	n.a				
Dividend yield	28.1%				
Dividend per share (cents)	107.3				
Franking	0%				
Management expense ratio	1.50%				

Total Shareholder Return	1 Year	3 Year	5 Year	NTA Performance	1 Year	3 Year	5 Year
RF1	10.8%	na	na	NTA growth	19.5%	na	na
Active return	0.6%	na	na	Active return	9.3%	na	na

Source: IRESS, Bloomberg, OML, Company reports. Figures as at 28 February 2022. Active returns refers to the TSR and NTA growth relative to that of the comparative index (see chart below).

**Fig.11: RF1 TSR vs ASX300 Accum. Index**



Source: Bloomberg, OML

## Spheria Emerging Companies (SEC)

[www.spheria.com.au](http://www.spheria.com.au)

- Spheria is managed by Spheria Asset Management; a fundamental bottom-up investment manager specialising in small and microcap companies. SEC listed in December 2017 following a ~\$132m raise.
- SEC has a dual investment objective to outperform the benchmark over each full investment cycle (three to five years) and provide capital growth and income (over the investment cycle).
- A significant portion of SEC's portfolio (59%) is investment in companies with a market capitalisation of \$1bn+.
- The total shareholder return for the year ending 28 February 2022 was 20.4%, with pre-tax NTA increasing by 10.7%. The active return (TSR) was 15.4%.

Fig.12: SEC overview

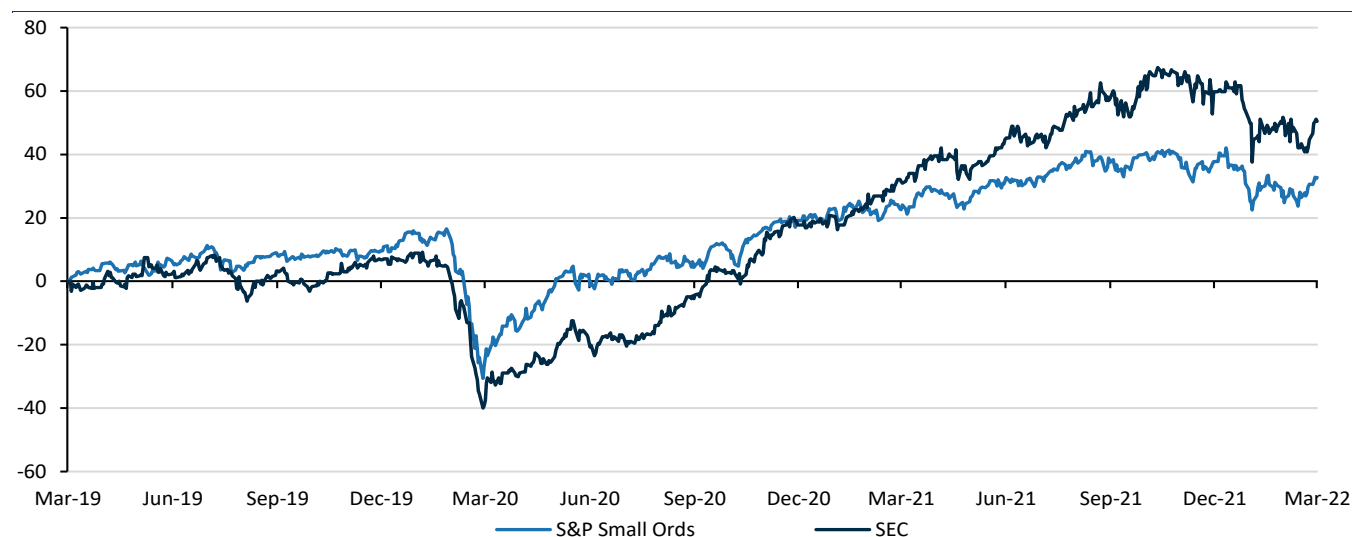
SEC Snapshot		Top Holdings		%
Price (28 February 2022)	\$2.32	InvoCare Limited		5.4%
Share price range (12 months)	\$2.11- \$2.62	Flight Centre Travel		4.9%
Shares on issue (Mn)	60.2	Blackmores Limited		4.6%
Market capitalisation (\$Mn)	\$140	Michael Hill Int		4.4%
Pre-tax asset backing*	\$2.51	Monadelphous Group		4.1%
Post-tax asset backing*	\$2.44	HUB24 Ltd		3.9%
Premium/(Discount) to pre-tax NTA	-7.6%	Adbri Limited		3.6%
Premium/(Discount) to post-tax NTA	-4.9%	IRESS Limited		3.6%
Dividend yield	4.3%	Seven West Media Ltd		3.6%
Dividend per share (cents)	10.1	Ht&E Limited		3.3%
Franking	100%			
Management expense ratio	1.00%			

Total Shareholder Return	1 Year	3 Year	5 Year	NTA Performance	1 Year	3 Year	5 Year
SEC	20.4%	15.4%	na	NTA growth	10.7%	11.3%	na
Active return	15.4%	7.7%	na	Active return	5.7%	3.5%	na

Source: IRESS, Bloomberg, OML, Company reports. Figures as at 28 February 2022. Active returns refers to the TSR and NTA growth relative to that of the comparative index (see chart below).

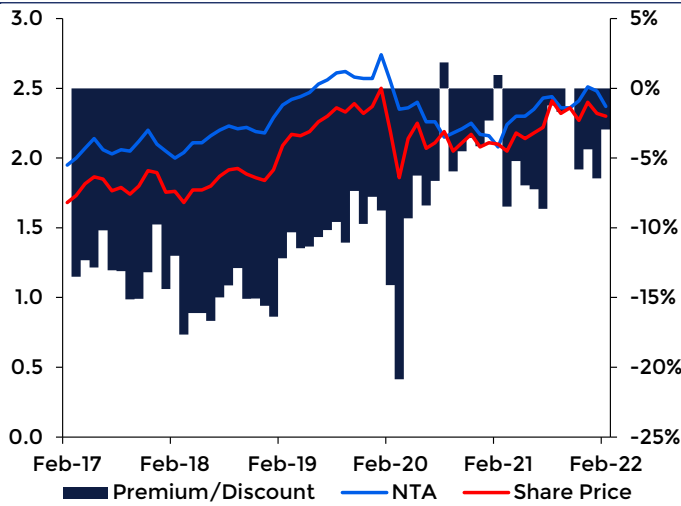
Fig.13: SEC TSR vs ASX Small Ords Accum. Index



Source: Bloomberg, OML

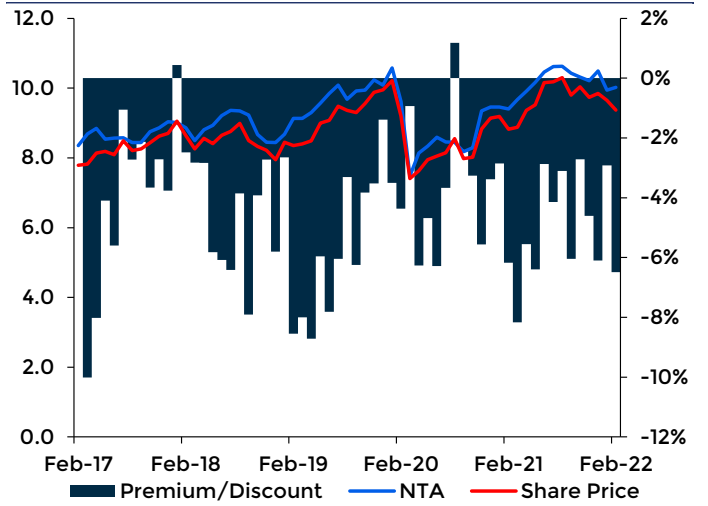
Appendix – Historical Premium/Discounts for Preferred LICs

Fig.14: ALI



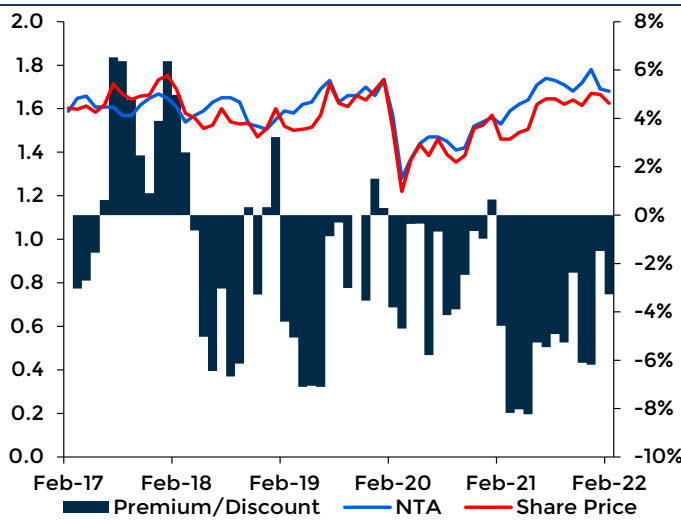
Source: Bloomberg, IRESS, OML

Fig.15: AUI



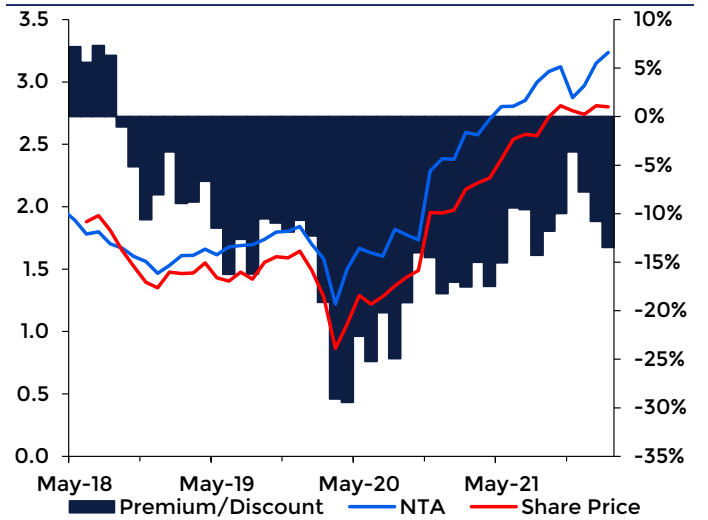
Source: Bloomberg, IRESS, OML

Fig.16: BKI



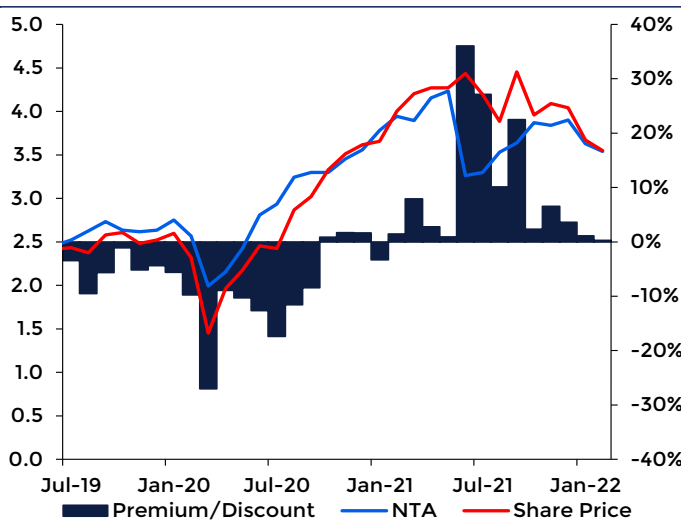
Source: Bloomberg, IRESS, OML

Fig.17: LSF



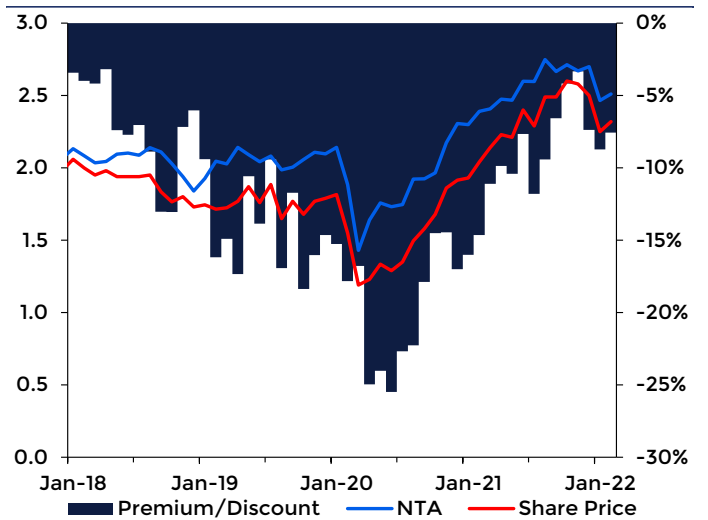
Source: Bloomberg, IRESS, OML

Fig.18: RF1



Source: Bloomberg, IRESS, OML

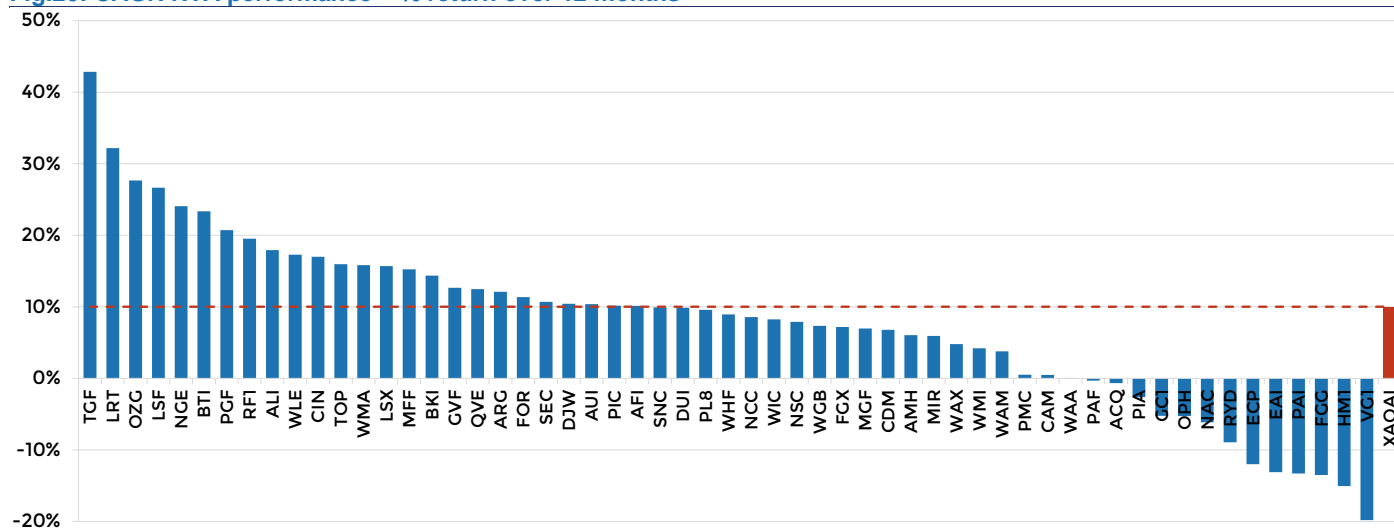
Fig.19: SEC



Source: Bloomberg, IRESS, OML

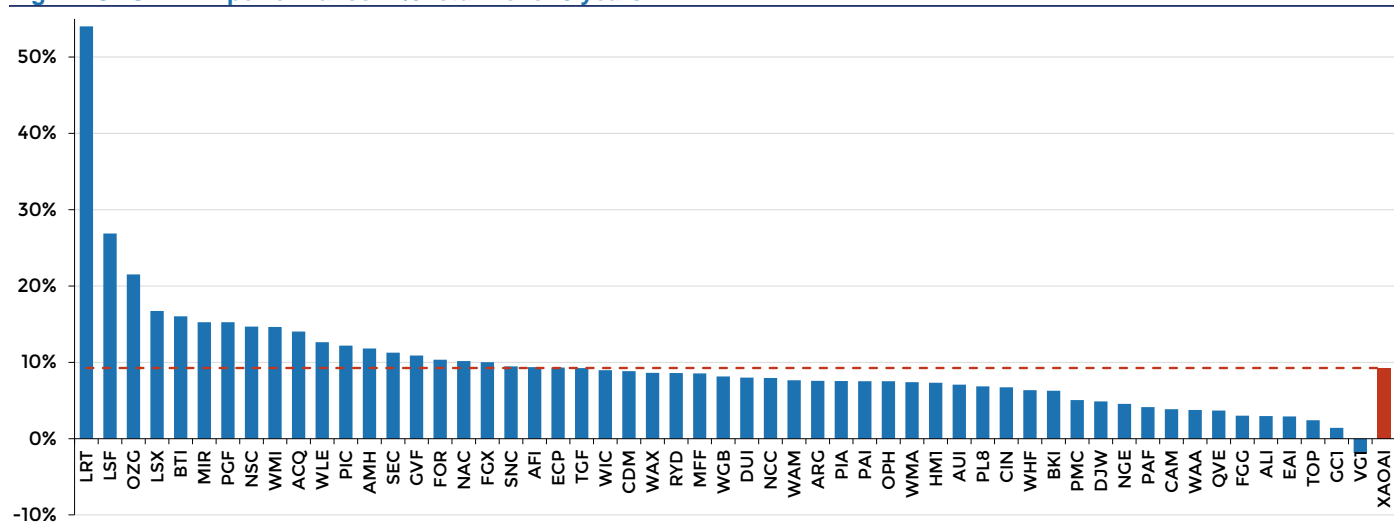
### 1, 3 and 5-year NTA & total shareholder return growth

**Fig.20: CAGR NTA performance – % return over 12 months**



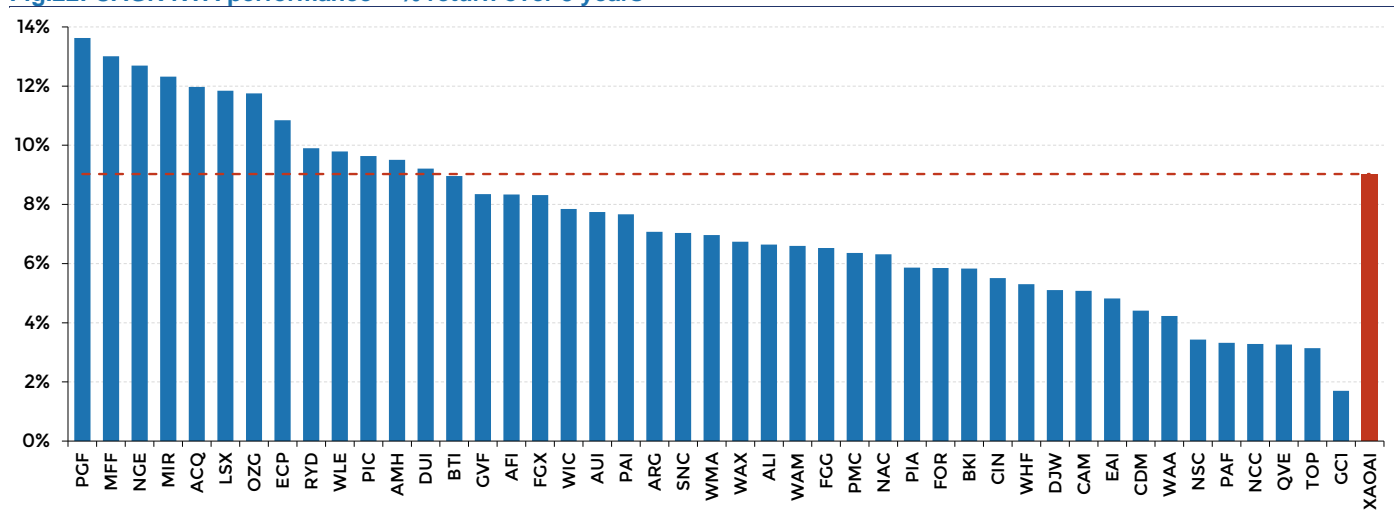
Source: Bloomberg, IRESS, OML. Figures as at 28 Feb 2022.

**Fig.21: CAGR NTA performance – % return over 3 years**



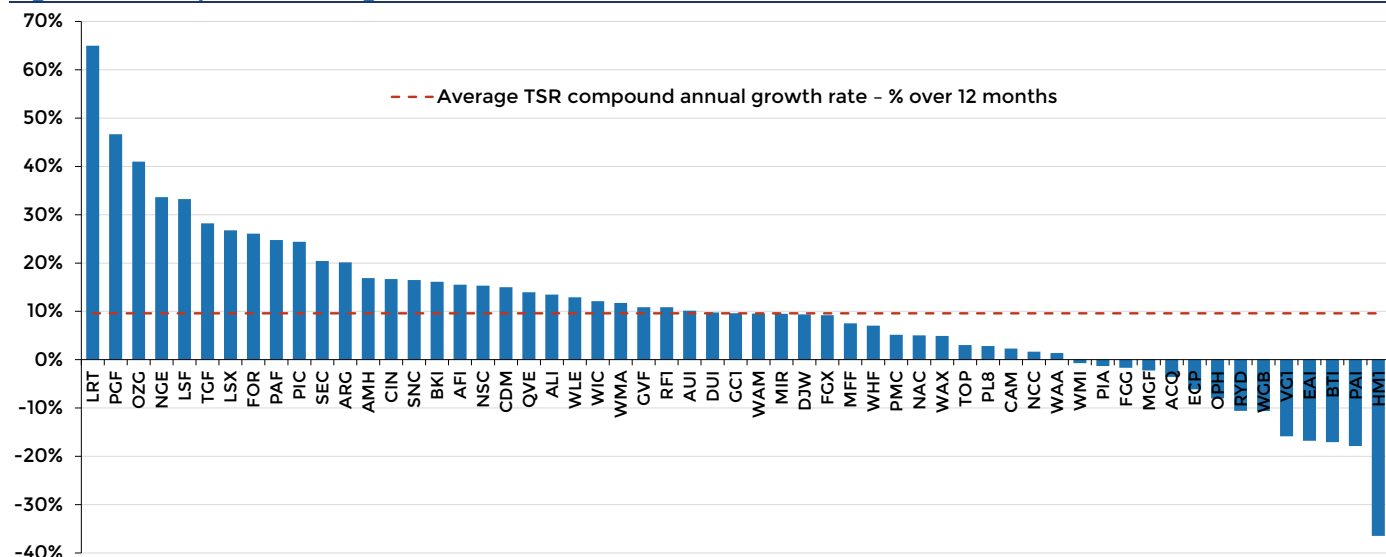
Source: Bloomberg, IRESS, OML. Figures as at 28 Feb 2022.

**Fig.22: CAGR NTA performance – % return over 5 years**



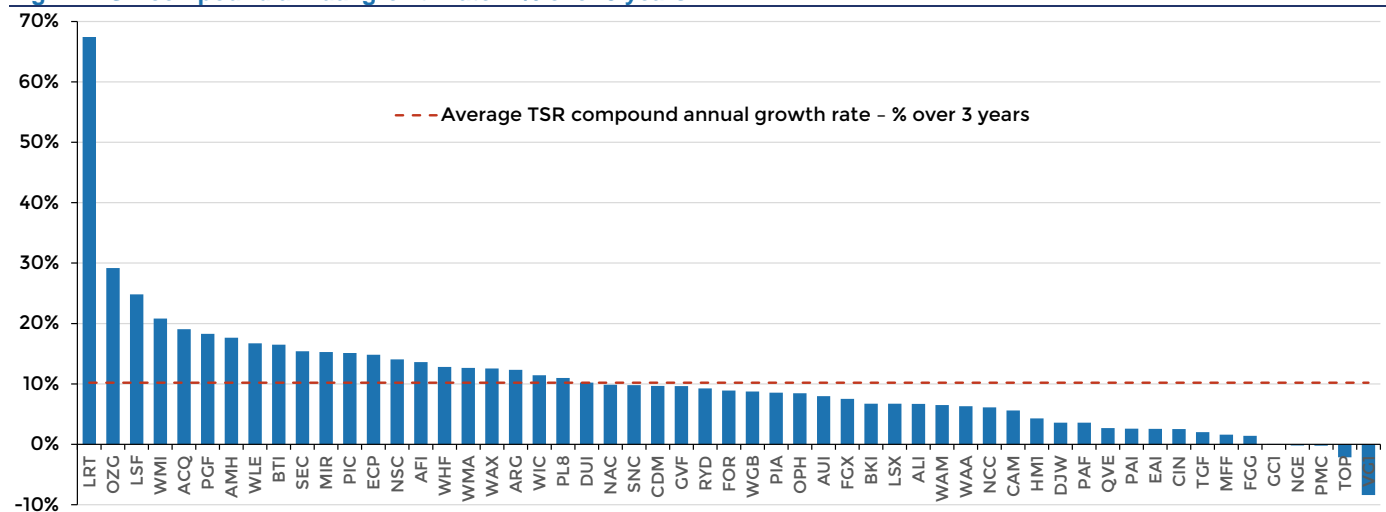
Source: Bloomberg, IRESS, OML. Figures as at 28 Feb 2022.

Fig.23: TSR compound annual growth rate – % over 12 months



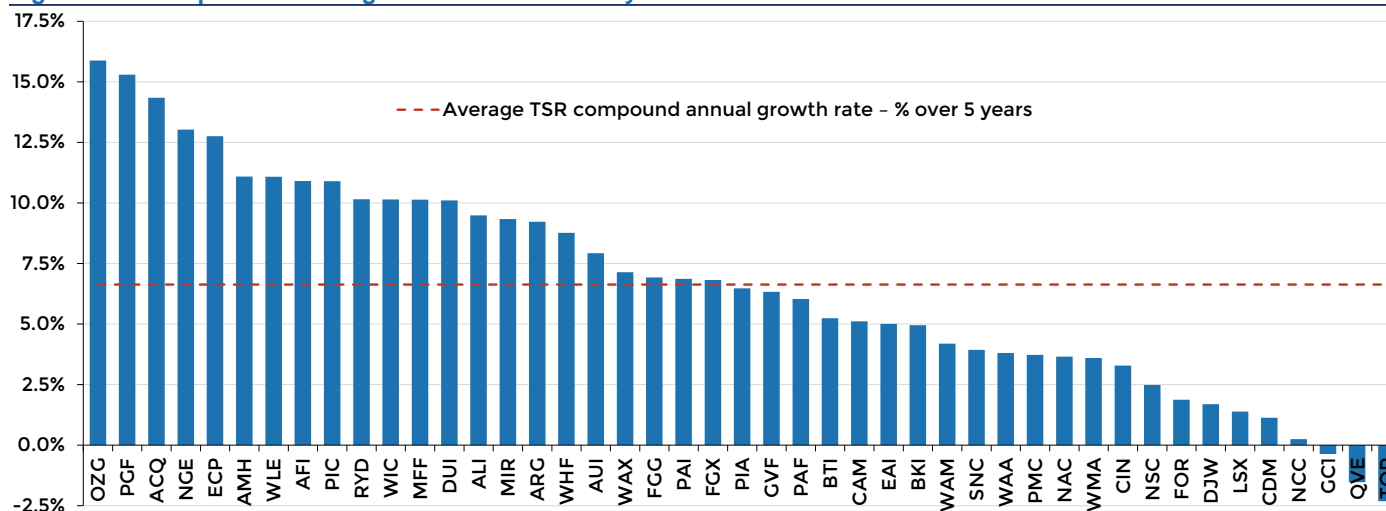
Source: Bloomberg, IRESS, OML. Figures as at 28 Feb 2022.

Fig.24: TSR compound annual growth rate – % over 3 years



Source: Bloomberg, IRESS, OML. Figures as at 28 Feb 2022.

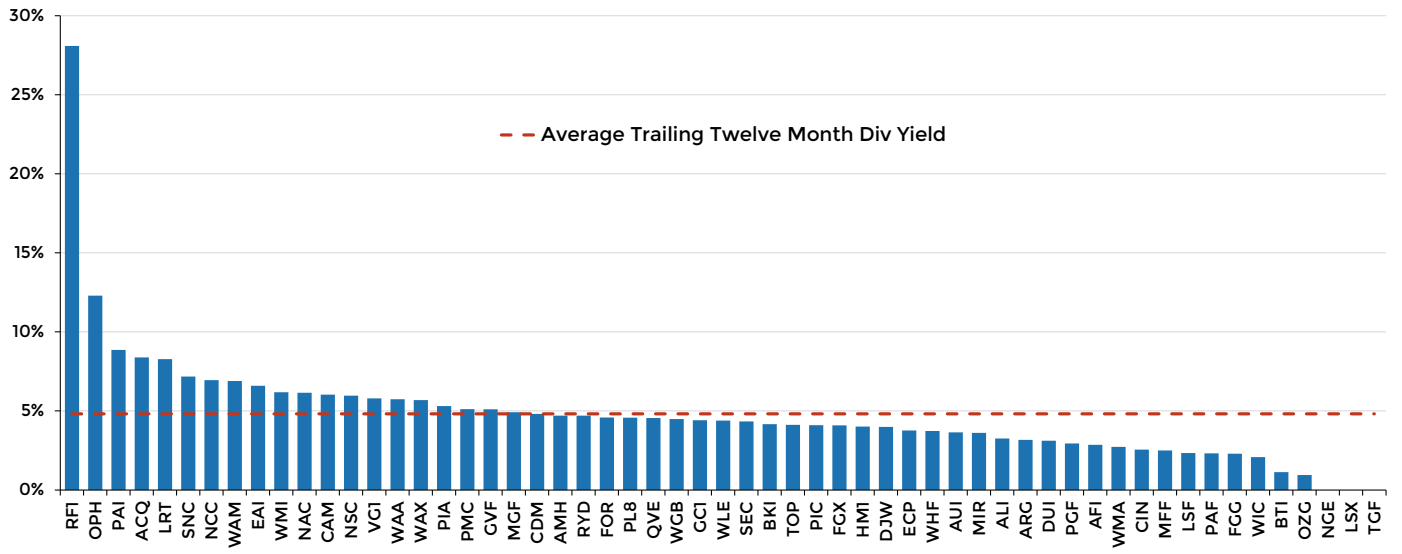
Fig.25: TSR compound annual growth rate – % over 5 years



Source: Bloomberg, IRESS, OML. Figures as at 28 Feb 2022.

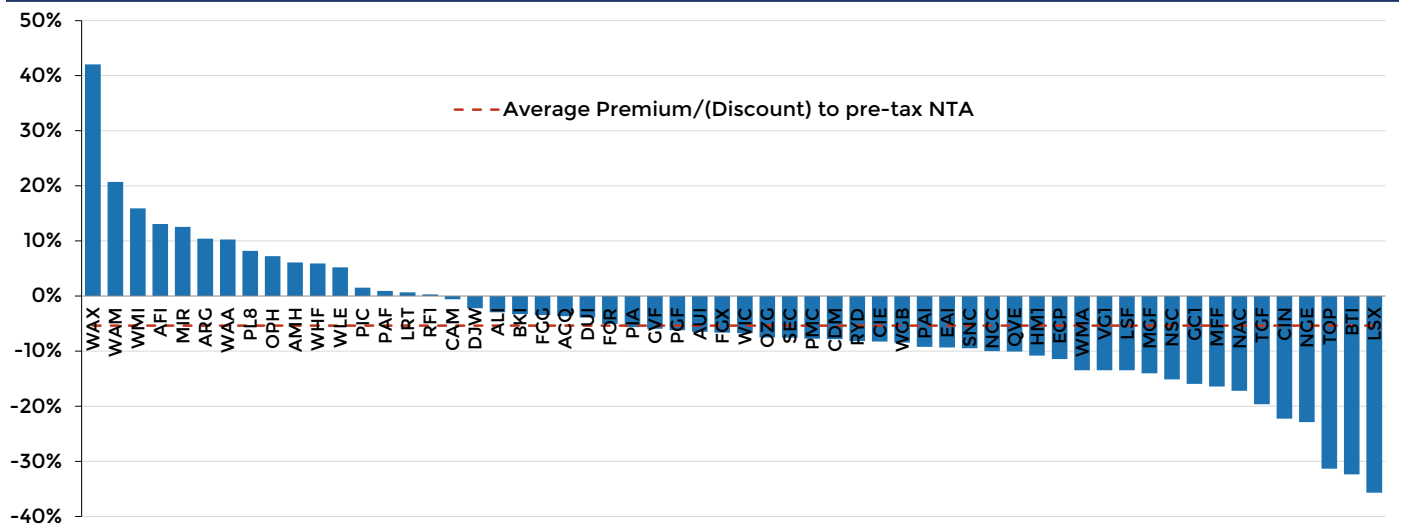
Dividend yield, pre & post tax discount/premium to NTA

Fig.26: Trailing 12-month dividend yield and average



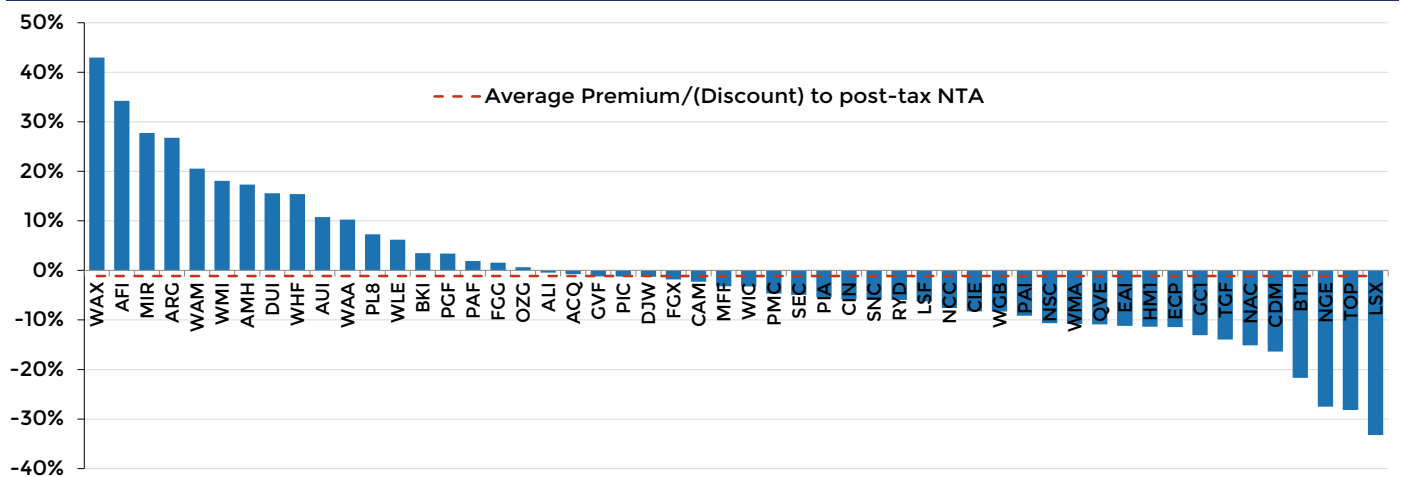
Source: Bloomberg, IRESS, OML. Figures as at 28 Feb 2022.

Fig.27: Premium/(Discount) to pre-tax NTA



Source: Bloomberg, IRESS, OML. Figures as at 28 Feb 2022.

Fig.28: Premium/(Discount) to post-tax NTA



Source: Bloomberg, IRESS, OML. Figures as at 28 Feb 2022.

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<b>SPECULATIVE BUY</b>	We expect the stock's total return (nominal yield plus capital appreciation) to exceed 20% over 12 months. The investment may have a strong capital appreciation but also has high degree of risk and there is a significant risk of capital loss.
<b>BUY</b>	The stock's total return (nominal dividend yield plus capital appreciation) is expected to exceed 15% over the next 12 months.
<b>ACCUMULATE</b>	We expect a total return of between 5% and 15%. Investors should consider adding to holdings or taking a position in the stock on share price weakness.
<b>HOLD</b>	We expect the stock to return between 0% and 5%, and believe the stock is fairly priced.
<b>LIGHTEN</b>	We expect the stock's return to be between 0% and negative 15%. Investors should consider decreasing their holdings.
<b>SELL</b>	We expect the total return to lose 15% or more.
<b>RISK ASSESSMENT</b>	Classified as Lower, Medium, or Higher, the risk assessment denotes the relative assessment of an individual stock's risk based on an appraisal of its disclosed financial information, historic volatility of its share price, nature of its operations and other relevant quantitative and qualitative criteria. Risk is assessed by comparison with other Australian stocks, not across other asset classes such as Cash or Fixed Interest.

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