FUND DESCRIPTION AND FEATURES

The Value Growth Trust (Fund) is a long only fund that holds 30-50 companies across developed and developing markets, large and small companies.

The Fund predominantly invests in companies that deliver stable yet growing free cash flow throughout cycles (which we classify as ‘Core’ holdings) whilst also taking positions in more cyclical companies (‘Cyclical’) and those whose valuation has been materially misconstrued by the market (‘Opportunistic’).

We avoid investment in companies that are, in our opinion, harmful to people, animals or the environment.

PERFORMANCE COMMENTARY

In July the Fund delivered -1.33% while its benchmark returned -1.24%. Our analysis shows the performance in local currency terms was positive but FX movements more than offset this as the AUD materially appreciated against all major currencies during the month.

PORTFOLIO HIGHLIGHTS

The biggest positive individual stock contributors were Wacker Chemie, Antofagasta and Newmont Mining. Wacker’s strength followed stabilization of the polysilicon price, Siltronic’s strong quarterly earnings (Wacker owns 30% of Siltronic) and Wacker’s quarterly earnings. Antofagasta benefited from the strengthening copper price. Newmont’s performance followed the release of its quarterly earnings.

The three largest individual stock detractors were Seeing Machines, Check Point Software and Reckitt Benckiser Group. There was no specific news to explain Seeing Machine’s decline. Checkpoint’s and Reckitt’s performance followed the release of their quarterly earnings.

The notable changes to the portfolio positioning during the month included: reducing exposure to Opportunistic stocks by 5% and increasing exposure to Cyclicals by 7%. This was reflected in the Fund’s industry exposures as we reduced IT exposure by 5%, reflecting our concerns about valuations in that sector, and increased exposure to materials by 2%.

The Fund continues to have relatively large European exposure and it is somewhat overweight Latin America, while it is notably underweight the US and Asia. As at 31 July the Fund was approx. 55% invested in Core, 28% in Cyclical, 10% in Opportunistic and 7% in cash. The largest industry exposures were IT (18%), Materials (15%) and Financials (14%). The Fund currently has no direct exposure to Energy, Utilities and Telecommunications.
FUND AND STRATEGY PERFORMANCE (NET OF RECALCULATED FEES)\(^1\)

A new strategy was implemented for the Value Growth Trust from 1 July 2017 by the Pengana team. The financial information below refers to the strategy currently employed by the Value Growth Trust. For full performance history of the Hunter Hall Value Growth Trust, please refer to the Hunter Hall website.

<table>
<thead>
<tr>
<th>Net performance for periods ending 31 July 2017(^1)</th>
<th>1 Month</th>
<th>1 Year</th>
<th>Since Inception p.a.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund and Strategy(^1)</td>
<td>-1.33%</td>
<td>12.44%</td>
<td>7.43%</td>
</tr>
<tr>
<td>Benchmark</td>
<td>-1.24%</td>
<td>11.44%</td>
<td>6.12%</td>
</tr>
</tbody>
</table>

\(^1\) From July 2017, performance figures are those of the Hunter Hall Value Growth Trust’s class A units (net of fees). Between July 2015 and June 2017, performance figures have been recalculated by adjusting the Pengana International Equities Fund’s (ARSN 610 351 641) net returns to reflect the management fee of the Hunter Hall Value Growth Trust. From July 2017 the Hunter Hall Value Growth Trust has been managed by the same team and with the same strategy as the Pengana International Equities Fund. The Pengana International Equities Fund’s net track record data is historical. Past performance is not a reliable indicator of future performance. The value of the investment can go up or down.

PORTFOLIO INFORMATION

Top 10 Stocks

<table>
<thead>
<tr>
<th>Name</th>
<th>Country</th>
<th>Sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ahold</td>
<td>Netherlands</td>
<td>Consumer Staples</td>
</tr>
<tr>
<td>Alphabet Inc</td>
<td>United States</td>
<td>Information Technology</td>
</tr>
<tr>
<td>Apple</td>
<td>United States</td>
<td>Information Technology</td>
</tr>
<tr>
<td>B&amp;M European</td>
<td>Luxembourg</td>
<td>Consumer Discretionary</td>
</tr>
<tr>
<td>Comcast</td>
<td>United States</td>
<td>Consumer Discretionary</td>
</tr>
<tr>
<td>Dollar General</td>
<td>United States</td>
<td>Consumer Discretionary</td>
</tr>
<tr>
<td>IAC InterActiveCorp</td>
<td>United States</td>
<td>Information Technology</td>
</tr>
<tr>
<td>Novo Nordisk</td>
<td>Denmark</td>
<td>Health Care</td>
</tr>
<tr>
<td>Oracle</td>
<td>United States</td>
<td>Information Technology</td>
</tr>
<tr>
<td>Wacker Chemie</td>
<td>Germany</td>
<td>Materials</td>
</tr>
<tr>
<td>Newmont Mining</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Largest 3 Contributors

- Wacker Chemie  
- Antofagasta  
- Newmont Mining

Largest 3 Detractors

- Seeing Machines
- Check Point Software
- Reckitt Benckiser Group

SECTOR BREAKDOWN

- Consumer Discretionary
- Consumer Staples
- Financials
- Health Care
- Industrials
- Information Technology
- Materials
- Real Estate
- Put Options
- Cash

CAPITALISATION

- Small cap <5bn USD
- Mid cap 5bn - 10bn USD
- Large cap 10bn - 100bn USD
- Mega cap >100bn USD
- Put Options
- Cash

GEOGRAPHIC

- Australia/N.Z.
- Emerging Market
- Eurozone
- North America
- Sweden
- Switzerland
- UK
- Put Options
- Cash

SEGMENT

- Core
- Cyclical
- Opportunistic
- Cash

<table>
<thead>
<tr>
<th>STATISTICAL DATA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund Portfolio Summary(^1)</td>
</tr>
<tr>
<td>Beta(^3)</td>
</tr>
</tbody>
</table>

Further information please visit our website: PENGANA.COM

FOR FURTHER INFORMATION PLEASE VISIT OUR WEBSITE: PENGANA.COM

Hunter Hall Investment Management Limited (AFSL: 219462) (“HHIML”) is the issuer of units in the Value Growth Trust (ARSN 093 079 906) (the “Fund”). A product disclosure statement for the Fund is available and can be obtained from our distribution team or website. A person should obtain a copy of the product disclosure statement and should consider the product disclosure statement carefully before deciding whether to acquire, or to continue to hold, or making any other decision in respect of, the units in the Fund. This report was prepared by HHIML and does not contain any investment recommendation or investment advice. This report has been prepared without taking account of any person’s objectives, financial situation or needs. Therefore, before acting on any information contained within this report a person should consider the appropriateness of the information, having regard to their objectives, financial situation and needs. Neither HHIML nor its related entities, directors or officers guarantees the performance of, or the repayment of capital or income invested in, the Fund.

HUNTER HALL INVESTMENT MANAGEMENT LIMITED

ABN 69 063 081 612 AFSL 219642

Level 12, 167 Macquarie Street, SYDNEY, NSW 2000

T: +61 2 8524 9900

NSW/ACT

Alex Keen

M: +61 478 971 000

E: alex.keen@pengana.com

VIC/SATAS/WA

Guy Callaghan

M: +61 3 8663 7906

E: guy.callaghan@pengana.com

QLD

Rachel Elfverson

M: +61 434 980 561

E: rachel.elfverson@pengana.com

CLIENT SERVICE

T: +61 2 8524 9900

E: clientservice@pengana.com

PENGANA.COM

2. Annualised standard deviation since inception. 3. Relative to the MSCI All Country World Total Return Index in AUD.