PENGANA INTERNATIONAL FUND - ETHICAL OPPORTUNITY

FUND DESCRIPTION AND FEATURES
The Pengana International Fund - Ethical Opportunity (the 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, in our opinion, are harmful to people, animals or the environment. Visit our website for more information on the Fund.

FUND AND STRATEGY PERFORMANCE (NET OF RECALCULATED FEES)

The Fund declined 3.5% in October. The Fund was as conservatively positioned as it prudenty could be with a 16% cash holding (max allowable cash is 20%) and almost 10% delta-adjusted portfolio insurance (put) holding. In addition, the Fund has relatively low exposure to expensive Tech stocks. All told, we have structured the Fund with the intention of minimising draw-downs and volatility and we are pleased to have delivered on these goals during the month.

The three largest positive stock contributors were CME Group, Cigna and Newmont Mining. CME’s performance reflected an increase in volatility across asset markets and Newmont’s performance followed strength in the gold price due to increased risk aversion. There was no specific news to explain Cigna’s strength.

The three largest stock detractors were Wacker Chemie, Tencent and Snap-On. Wacker and Tencent’s weakness, respectively, followed a decline in chemical and Chinese stocks due to trade-war fears. Snap-On’s performance reflected a disappointing 3Q18 earnings result.

FOR FURTHER INFORMATION PLEASE VISIT OUR WEBSITE: PENGANA.COM

PORTFOLIO MANAGERS
Jordan Cvetanovski
Steven Glass

APIR code HHA0002AU
Redemption price A$2.0045
Fees Management Fee: 1.50%*
Minimum initial investment Closed to new investors (existing investors may make additional investments)
FUM at month end A$59.5m
Strategy inception 1 July 2015
Benchmark MSCI All Country World Total Return Index in AUD**

*Refer to PDS for information on Management Costs (including reimbursable expenses).

**The benchmark was changed from MSCI World Total Return Index (net, AUD) effective 6 June 2017.
A new strategy was implemented for the Pengana International Fund - Ethical Opportunity from 1 July 2017 by the Pengana team. The financial information below refers to the strategy currently employed by the Fund. For full performance history of the Fund, please refer to the Pengana website.

Net performance for periods ending 31 October 2018

<table>
<thead>
<tr>
<th></th>
<th>1 mth</th>
<th>3 mths</th>
<th>1 yr</th>
<th>Since Inception p.a.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund and Strategy</td>
<td>-3.5%</td>
<td>-3.2%</td>
<td>5.4%</td>
<td>8.2%</td>
</tr>
<tr>
<td>Benchmark</td>
<td>-5.6%</td>
<td>-1.8%</td>
<td>7.6%</td>
<td>8.8%</td>
</tr>
</tbody>
</table>

PORTFOLIO INFORMATION

Top 10 stocks

<table>
<thead>
<tr>
<th>Name</th>
<th>Country</th>
<th>Sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alphabet</td>
<td>United States</td>
<td>Information Technology</td>
</tr>
<tr>
<td>Bharti Infratel</td>
<td>India</td>
<td>Telecommunication Services</td>
</tr>
<tr>
<td>Cigna</td>
<td>United States</td>
<td>Health Care</td>
</tr>
<tr>
<td>CME Group</td>
<td>United States</td>
<td>Financials</td>
</tr>
<tr>
<td>Dollar General</td>
<td>United States</td>
<td>Consumer Discretionary</td>
</tr>
<tr>
<td>Heineken</td>
<td>Netherlands</td>
<td>Consumer Staples</td>
</tr>
<tr>
<td>Intercontinental Exchange</td>
<td>United States</td>
<td>Financials</td>
</tr>
<tr>
<td>Microsoft</td>
<td>United States</td>
<td>Information Technology</td>
</tr>
<tr>
<td>Newmont Mining Corp</td>
<td>United States</td>
<td>Materials</td>
</tr>
<tr>
<td>Sabre</td>
<td>United States</td>
<td>Information Technology</td>
</tr>
</tbody>
</table>

Largest 3 contributors

- CME Group
- Wacker Chemie
- Cigna
- Tencent Holdings
- Snap-On

SECTOR BREAKDOWN

- Financials
  - IT: 13.5%
  - Health Care: 11.8%
  - Cons. Staples: 11.5%
  - Cons. Discretionary: 9.6%
  - Materials: 9.3%
  - Industrials: 8.1%
  - Comm. Services: 5.4%
  - Real Estate: 1.7%
  - Other: 0.5%
  - Cash: 16.0%

- Capitalisation
  - Under 5b-USD: 10.5%
  - 5b-10b-USD: 12.0%
  - 10b-100b-USD: 39.8%
  - Above 100b-USD: 21.2%
  - Options: 0.5%
  - Cash: 16.0%

- Geographic
  - North America: 42.2%
  - Europe ex-UK: 25.5%
  - Emerging Markets: 13.8%
  - Asia: 2.0%
  - UK: 0.5%
  - Cash: 16.0%

SEGMENT

- Core: 65.8%
- Cyclical: 10.3%
- Opportunistic: 7.4%
- Options: 0.5%
- Cash: 16.0%

STATISTICAL DATA

<table>
<thead>
<tr>
<th>Fund and Strategy Portfolio Summary</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Volatility</td>
<td>9.56%</td>
</tr>
<tr>
<td>Beta</td>
<td>0.80</td>
</tr>
<tr>
<td>Number of stocks</td>
<td>38</td>
</tr>
<tr>
<td>Maximum Drawdown</td>
<td>-9.58%</td>
</tr>
</tbody>
</table>

1. From July 2017, performance figures are those of the Hunter Hall Pengana International Fund - Ethical Opportunity’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 Pengana International Fund - Ethical Opportunity. From July 2017, the Hunter Hall Pengana International Fund - Ethical Opportunity 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.

2. Annualised standard deviation since inception.

3. The benchmark is the MSCI All Country World Total Return Index in AUD.

For further information, please visit our website or contact our distribution team.