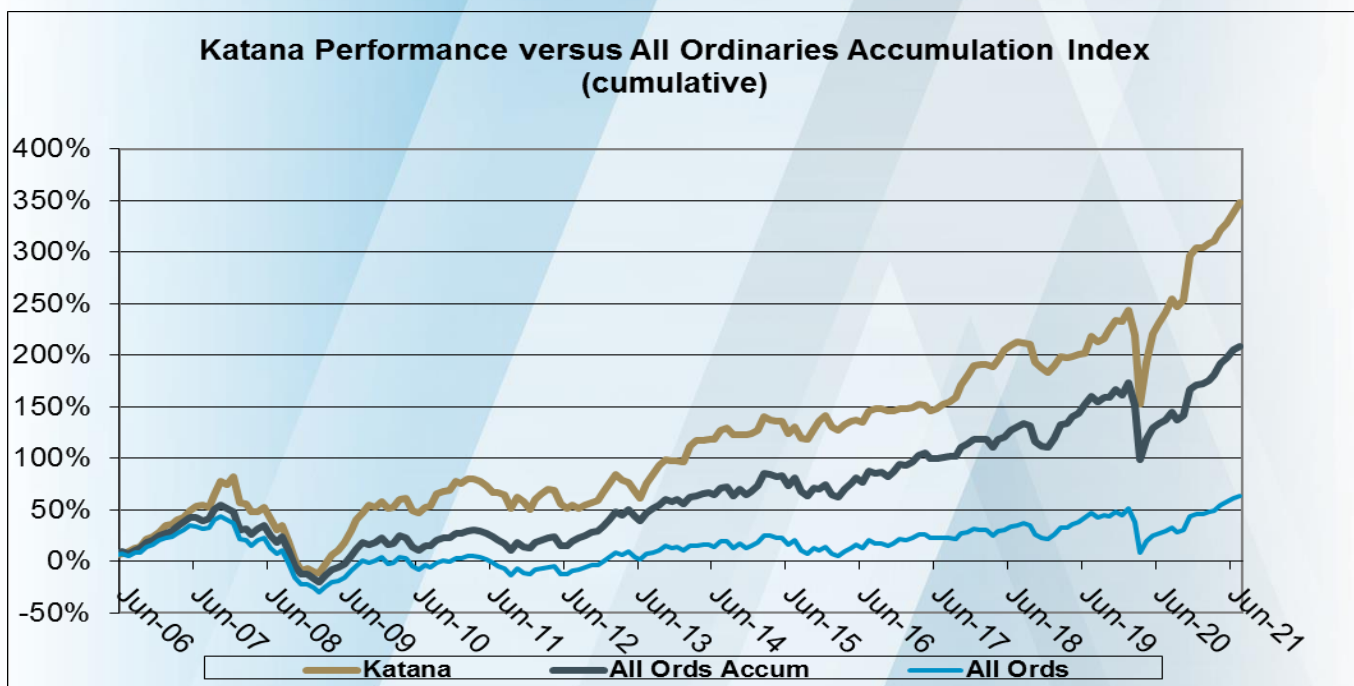


Katana Australian Equity Fund



People. Process. Passion. Performance

Performance at 31 July 2021	1 Month	6 Months	1 Year	3 Years	5 Years	Since Inception
Katana Investment Portfolio	2.12%	10.71%	31.14%	12.72%	12.75%	10.09%
ASX All Ordinaries Accumulation Index	1.06%	13.43%	30.38%	10.24%	10.42%	7.49%
Outperformance	1.06%	-2.72%	0.76%	2.48%	2.33%	2.60%



Source: Katana Asset Management, strategy inception was December 2005. Fund net returns are post fees, pre tax using redemption prices and assume reinvestment of distributions. Dated 30/06/2021. Past performance is not an indicator of future performance

Key contributors:

- Mineral Resources** the material increase in the lithium price coupled with a buoyant iron ore market has spurred on the MIN valuation
- Sydney Airport** surged 34% on news of a \$22bn takeover offer from a consortium
- Seven Group Holdings** takeover offer to acquire Boral Ltd is showing strong uptake with ownership interest rising from 23% to over 60%

Key detractors:

- Origin Energy** announced a \$1.5bn impairment to its Energy Market segment driven by a weak electricity price outlook
- Westpac** discovered potential fraud worth \$200m, and the ICC issued a draft ruling denying the sale of their PNG operations to KSL
- Ingenia Communities** surged to a near record high following a strong FY21 update but has since seen profit taking

Top 10 Holdings

Company	Weight
Mineral Resources Ltd	5.29%
South32 Limited	2.92%
Uniti Group Ltd	2.59%
Woodside Petroleum Ltd	2.54%
NextDC Limited	2.51%
Ingenia Communities Group	2.28%
Wesfarmers Ltd	2.27%
Seven Group Holdings Limited	2.22%
Westpac Banking Corporation	2.18%
Macquarie Group Ltd	2.18%

comprising 62 individual stocks and 2 ETFs. This is amongst the most diversified in our peer group, and reduces the risk and impact of any single exposure.

In the coming month, our focus will be on the annual reporting season. The reporting season invariably throws up a few opportunities, and we are well positioned to capitalise on them. This year more than last, we will be particularly focussed on company outlook statements to form a view as to whether we are at '*peak earnings?*'

We will also be focussed on employment and inflation data, RBA tapering commentary and trying to better understand the spread and economic impact of the Covid-19 delta variant.

As always, there is a lot to be concerned about and as always a lot of it is noise. For nearly 12 months we have called out the 2 most important drivers as being *liquidity* and *necessity*. With an all-time record \$17 trillion sitting in cash, and interest rates at unprecedented lows, we see no reason to deviate from these thematics.

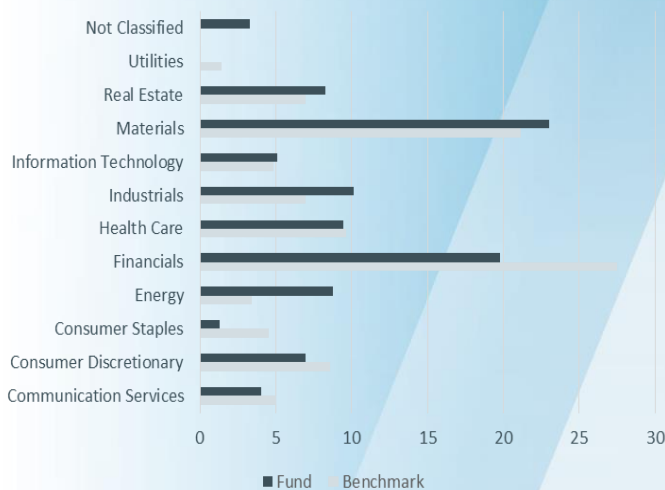
Fund Objective

To maximise risk adjusted returns to investors. The Fund is an All Opportunities benchmark unaware long only Australian Equity portfolio.

Key Facts

APIR Code	KTA0002AU
Responsible Entity:	Katana Asset Management Ltd
Minimum Application	\$25,000
Asset Allocation	Australian equities: 70-85%; Cash 15-30%
Performance fee	10% (plus GST) of the Fund's out performance with a high-water mark.

Sector Exposure vs All Ords



Market Commentary

The choppy trend continued throughout the month, with the top performing sectors for June, reversing strong in July. The *technology* sector declined by 6.88% and *energy* stocks declined by an average of 2.53%. On the flipside, the *materials* sector was up 7.13%, buoyed by a strong iron ore price, with support from base metals and aluminium. *Industrials* were up by 4.25%, and these 2 sectors accounted for most of the gains for the month.

The fund reported a strong month, doubling the return of the index net of all fees. It was pleasing that this strong performance was once again achieved with a highly diversified portfolio,

The information contained in this email is of a general nature only. It does not take into consideration your specific needs or circumstances.

You should seek appropriate advice to determine personal suitability before investing.

Copyright © 2021 Katana Asset Management Ltd, All rights reserved. (AFSL 288412) For questions or to talk to a product specialist please contact Zaffar Subedar on 0438 853 073. Level 9, The Quadrant, 1 William Street, PERTH WA 6000 Ph: (08) 9220 9888 Email: bdm@katanaasset.com