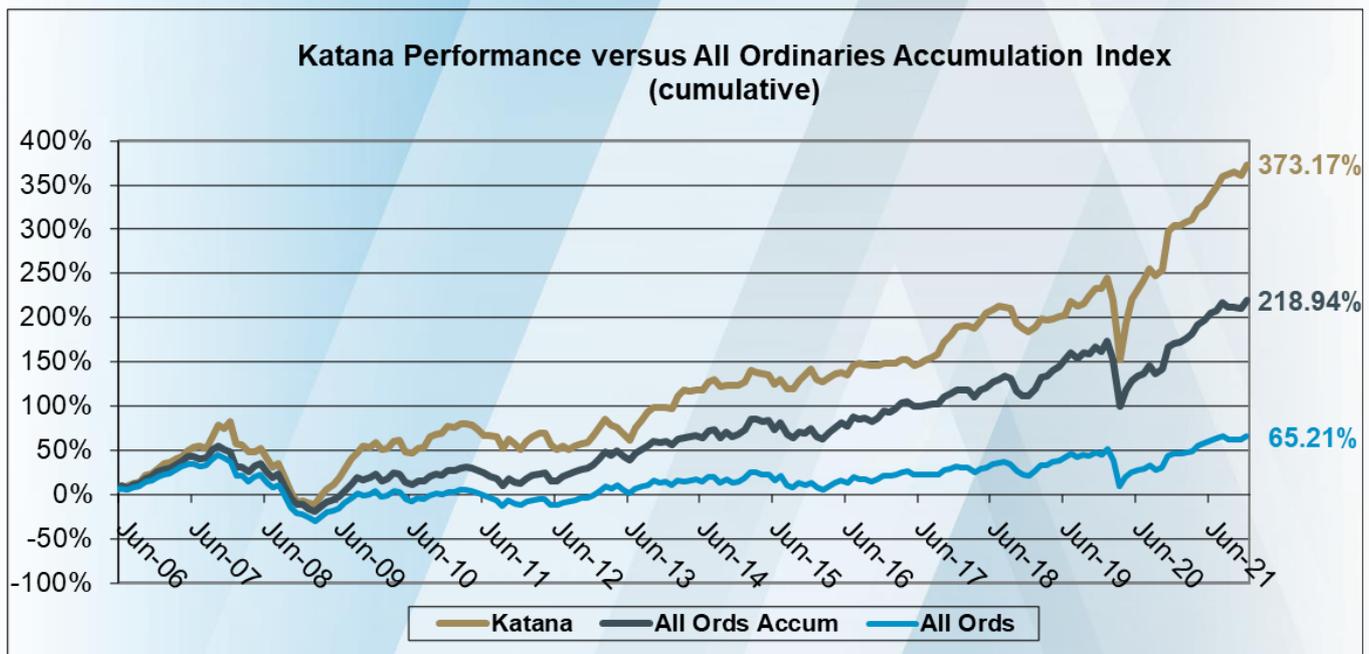


Katana Australian Equity Fund



People. Process. Passion. Performance

Performance at 31 December 2021	1 Month	6 Months	1 Year	3 Years	5 Years	Since Inception
Katana Investment Portfolio	2.64%	7.98%	16.97%	18.65%	13.81%	10.20%
ASX All Ordinaries Accumulation Index	2.67%	4.58%	17.74%	14.82%	10.43%	7.52%
Outperformance	-0.03%	3.39%	-0.77%	3.83%	3.38%	2.68%



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** continued last month's rally as the Iron Ore price recovered back above US\$120/t and interest in lithium intensified
- Worley Ltd** received broker upgrades following an investor strategy day which indicated improving activity
- Sonic Healthcare** announced the acquisition of Propath which has around 50 pathologists in the US and strengthens Sonics presence in that market

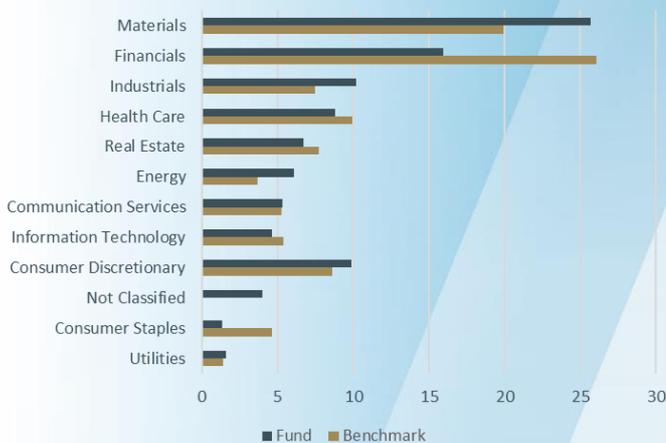
Key detractors:

- Nitro Software** share price was diluted with completion of a \$140m equity raise to fund the acquisition of Connective - Belgium's leading eSign SaaS business
- Vaneck Global Clean Energy ETF** was weaker in-line with its top holdings which saw possible profit taking from recent rallies
- Ardent Leisure Group** came under pressure as Omicron case numbers grew, threatening a new round of restrictions

Top 10 Holdings

Company	Weight
Mineral Resources Ltd	4.60%
Uniti Group Ltd	2.93%
Woodside Petroleum Ltd	2.71%
Wesfarmers Ltd	2.56%
Macquarie Group Ltd	2.53%
Westpac Banking Corporation	2.53%
NextDC Limited	2.23%
CSL Ltd	2.18%
Sonic Healthcare Ltd	2.09%
Seven Group Holdings Ltd	2.00%

Sector Exposure vs All Ords



Market Commentary

It was unusual to see the utility sector rise by nearly 8% to claim the guernsey as the best performing segment, in a month where bond yields not only continued to rise, but threatened to break out. Clearly corporate activity played a part, but equally we suspect that the sector was regaining lost ground after lagging noticeably for most of the year. Higher priced stocks (both long duration and defensives such as healthcare and staples) bore the brunt of the falls. This is more consistent with what we would expect to see in an environment characterised by rising bond yields.

The fund was able to generate a solid return for the month despite a conservative stance typified by a

high cash weighting and higher average market capitalisation. As the calendar year rolled off, the fund was slightly below its bench mark net of all fees (slightly ahead on an investment return basis). However, our 3 and 5 performance year numbers are now both tracking +3% per annum net of all fees. This is an exceptional outcome, especially in light of the fund's reduced risk characteristics relative to many equity products.

Strong share price gains and the resultant profit-taking, has seen our cash balance creep closer to the 25% level. Whilst we are inherently more comfortable around the 15% level, the Managers will remain disciplined. This means only investing when the risk-return equation is compellingly in our favour. History shows that investing for the sake of doing so, is a certain precursor to a market correction! We remain tireless in our search for opportunities, but determinedly patient for the right ones to arise.

	Total Return	+/- Cat	+/- Index	Cat Rank
3 Year	14.10%	+5.17%	+4.45%	7 / 283
5 Year	13.29%	+3.58%	+2.87%	8 / 254

Source: Morningstar, Oct. 2021

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: 70-95%; Cash 5-30%

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 Romano Sala Tenna on (08) 9220 9888. Level 9, The Quadrant, 1 William Street, PERTH WA 6000 Ph: (08) 9220 9888 Email: bdm@katanaasset.com