Yarra Australian Equities Fund

Gross returns as at 30 September 2021

	1 month %	3 months %	1 year %	3 years % p.a.	5 years % p.a.	10 years % p.a.	Since inception* % p.a.
Yarra Australian Equities Fund	-0.64	2.05	34.06	7.28	9.10	10.79	10.83
S&P/ASX 200 Accumulation Index†	-1.85	1.71	30.56	9.64	10.41	10.79	9.52
Excess return (before fees)‡	1.22	0.34	3.50	-2.37	-1.31	0.00	1.31

Past performance is not a reliable indicator of future performance. Taxes payable by investors have not been taken into account. The figures shown have been provided for illustrative purposes – they are unaudited and subject to change. The total returns shown are gross of all fees, meaning they do not reflect the deduction of any investment management fees which would reduce returns and assume reinvestment of all distributions. Investment in the fund is not available on a fee free basis and this should be factored into any analysis of past performance.

Net returns as at 30 September 2021

	1 month %	3 months %	1 year %	3 years % p.a.	5 years % p.a.	10 years % p.a.	Since inception* % p.a.
Yarra Australian Equities Fund	-0.71	1.82	32.86	6.30	8.09	9.76	9.82
S&P/ASX 200 Accumulation Index†	-1.85	1.71	30.56	9.64	10.41	10.79	9.52
Excess return (after fees)‡	1.14	0.11	2.30	-3.34	-2.32	-1.03	0.30

Past performance is not a reliable indicator of future performance. Taxes payable by investors have not been taken into account. The figures shown have been provided for illustrative purposes – they are unaudited and subject to change. The total returns shown are prepared on an exit to exit basis – they include all ongoing fees and expenses and assume reinvestment of all distributions.

* Inception date Yarra Australian Equities Fund: July 1996

† The benchmark for the Yarra Australian Equities Fund has been amended since the Fund's inception. Effective 28 February 2008 the benchmark is the S&P/ASX 200 Accumulation Index, replacing the S&P/ASX 200 ex Property Accumulation Index Monthly. Further information on changes to the Fund's benchmark is available upon request.

‡ Excess return: The difference between the portfolio's return and the benchmark return.

Market review

Australian equities delivered a solid return in the September 2021 quarter, overcoming uncertainty relating to protracted lockdowns in NSW and VIC, negative earnings revisions across the market and rising inflation.

The S&P/ASX 200 Accumulation Index lifted by 1.7% in the quarter, taking its 12-month return to +30.6%. In comparison, the MSCI Global Index returned 0.7% in local currency terms. However, FY21 reporting season saw more misses than beats despite recording +28% growth y/y, and FY22 forecasts were revised down at -1.2% for the ASX200 and -1.5% for the Small Ords.

Equity valuations had risen substantially as the delta outbreak and dovish commentary from the US Fed depressed bond yields, with the Australian 10-year bond yield falling as low as 1.08% midway through the quarter. However, this reversed in September as the inflation theme re-emerged and concerns mounted about faster tapering of QE.

Energy (+9.3%) was the top performer during the period, as the emerging gas crisis in the EU/UK and China saw widespread gains across the broader commodity complex, with Brent Crude rising 7% to US$80 per barrel, thermal coal up 62% to US$218/t and JKM LNG futures surging 137% to US$31.10MMBtu. At a stock level, the top performers included Woodside Petroleum (WPL, +9.7%), Oil Search (OSH, +16.6%), Whitehaven Coal (WHC, +66.5%) and Beach Energy (BPT, +21.7%).

Elsewhere, travel services stocks rebounded during the period as Australia draws closer to re-opening the economy. Within Industrials (+6.3%), Qantas (QAN, +21.7%) and Sydney Airport (SYD, +42.3%) were the top performers, with the latter also receiving a bid of $8.75 per share from an IFM-backed consortium during the period. Other strong performers were Flight Centre (FLT, +44.5%) and IDP Education (IEL, +39.0%).

Conversely, the falling iron ore price (-44%) weighed on mining majors Fortescue Metals Group (FMG, -28.6%), BHP Group (BHP, -17.6%) and Rio Tinto (RIO, -15.9%) even as they delivered better-than-expected dividends and announced major climate change initiatives. BHP is exiting Petroleum in a proposed merger of the division with WPL, while FMG said 10% of future NPAT would go towards renewable energy projects.

Portfolio review

Key Contributors

Carsales.com (CAR, overweight) – the online automotive company outperformed as its FY21 result came in at the top end of guidance issued in May, with revenue and NPAT growing 4% and 11% respectively y/y. While prolonged lockdowns in NSW and VIC clouds the outlook for FY22, CAR still expects 'solid growth' in underlying NAPT. A new product launch called "carsales Select" – a digital offering allowing consumers to purchase used cars directly from dealers – also impressed investors. We remain overweight the automotive online classifieds company. Our positive view is premised on the belief CAR should benefit from attractive earnings growth, conservative accounting (with low capitalisation of research and development investment), and product initiatives to drive long-term growth (such as transitioning from a leads-based model to a transaction-based model) and undervalued international businesses.

Fortescue Metals Group (FMG, underweight) – the iron ore miner underperformed as the commodity price declined 44% to US$119 per tonne in response to China clamping down on steel output to lessen pollution. The fall overshadowed a strong FY21 result in which FMG delivered record earnings and dividends, with NPAT more than doubling to US$10.3bn (in line with consensus). However, much of the attention was focused on Fortescue Future Industries (FFI), a subsidiary which will receive 10% of FMG's future NPAT to invest in renewable energy projects. We remain underweight FMG based on its stretched valuation metrics and our view that current iron ore prices are unsustainable. We prefer exposure to iron ore through BHP Group (BHP), which has a diversified portfolio (with latent value in its other commodity exposures) and a clear strategy of capital allocation.

Rio Tinto (RIO, underweight) – the iron ore miner declined alongside the iron ore price, which fell 44% to US$119 per tonne in response to concerns around China's indebted property market and the country clamping down on steel output to lessen pollution. Notwithstanding the current supportive environment for RIO and its position as a high-quality iron ore operator, our preferred exposure remains BHP Group (BHP), which has a diversified portfolio (with latent value in its other commodity exposures) and a clear strategy of capital allocation.

Incitec Pivot (IPL, overweight) – the explosives and fertiliser maker outperformed after delivering a positive market update during the period and, moreover, ammonia-gas spreads surged in the US in response to the emerging EU/UK gas crisis. Management announced its WALA ammonia plant returned to full production from 1 June and the turnaround at its Moranbah AN plant was successfully completed. We remain overweight as we continue to believe the risk is skewed to the upside at current levels (at 13.7 times forward earnings). Lead indicators suggest higher demand for key commodities (urea and DAP) will sustain current spot prices, resulting in consensus upgrades. Meanwhile, the explosives business is experiencing more stable pricing as mining demand normalises in North America.

ResMed (RMD, overweight) – the sleep apnea device maker outperformed following a stronger-than-expected FY21 result. Sales were +11% ahead of consensus forecasts in 4Q21, driven by higher market share as key competitor Phillips was forced to issue a product recall on its CPAP devices. Our overweight position is based on RMD's strong market position in both the short and long term. In the short term, the product recall will allow RMD to take significant market share. More broadly, RMD's core sleep apnea division will rebound strongly on the grounds that demand for its products has been deferred, not lost. Our long-term investment thesis remains intact, with benefits accruing from a positive product cycle in the flow generator and mask segments, with the Airsense 11 launching formally in December this year. New software and integration with the customer is supporting device sales versus competitors. While RMD trades at a headline 41.8 times forward earnings, in reality we see it as much lower given meaningfully better-than-expected NPAT outcomes likely in the medium term.

Key Detractors

Ansell (ANN, overweight) – the protective equipment manufacturer underperformed as its FY21 result missed market expectations. FY21 EPS came in at $1.29 – below consensus by 3% – as performance from its Industrial division was underwhelming despite the manufacturing rebound in the US. Further, FY22 EPS of $1.75-1.95% was 4% below consensus as management cautioned that COVID-related sales would fade and COVID outbreaks were disrupting its manufacturing plants in 1H22. Nevertheless, we remain overweight the company. Though we expect an air pocket in exam and single-use earnings as higher capacity in the market suppresses pricing, we expect ANN underlying earnings to reclaim its FY21 COVID peak by FY23 as underlying earnings grow. More broadly, we expect both divisions to benefit from internal programs to increase operational efficiency, higher margins from new distributor agreements and shifts towards higher-value products. Lastly, ANN has a strong balance sheet; we estimate $220mn of buy-back capacity. We do not believe this is captured by consensus; the stock trades at 13.8 times, a large discount to the wider Industrials ex-Financials at 29.3 times.

BHP Group (BHP, overweight) – the miner underperformed during the period over uncertainty relating to several major initiatives and the iron ore price falling 44%, which overshadowed its strongest earnings result since FY12. Underlying EBITDA came in at US$37.4bn, in line with expectations, and the final dividend was a record US$2.00 per share, with BHP returning US$15bn to shareholders during FY21. Management announced it intends to collapse its dual-company structure and transfer all investors to its ASX-listed entity. Moreover, the company plans to exit Petroleum by merging the division with Woodside Petroleum (WPL) under a deal in which BHP shareholders receive WPL scrip. We support the moves and BHP's pivot into Potash, which was done for a good price and strengthens its position as the world's energy transition accelerates. We continue to see the company's valuation as attractive in the context of strong free-cash-flow generation at spot commodity prices. BHP trades on a 12-month forward P/E of 7.5 times, an EV/EBITDA of 3.6 times, and generates a FCF yield of >10%. Its balance sheet is robust (gearing ~7%), with management carrying out a well-defined capital allocation strategy.

Macquarie Group (MQG, underweight) – the investment bank outperformed after delivering a positive market update, announcing it expects 1H22 NPAT guidance to decline only slightly on the strong performance in 2H20 ($2bn), ahead of market expectations on investment income and less headwinds in its commodities business. We remain underweight the stock based on the view the recent earnings uplift is driven by its lower quality and highly cyclical businesses, which we see as unsustainable into the medium term. We see significant downside risk to consensus forecasts from FY22, which currently reflects a strong contribution from lumpy items including gains on sale, performance fees and low loan-loss provisions. Meanwhile, we do not expect growth in the more stable business to be able to offset this. As a result, we regard MQG's headline forecast P/E multiple of 19.7 times consensus forward earnings as unattractive.

Link Group (LNK, overweight) – the share registry company underperformed in response to a disappointing FY21 result. While operating NPATA of $113.2mn was only 2% below consensus, management guided to broadly flat operating EBIT in FY22 – well below consensus for 15% growth. The market was anticipating an earnings recovery in FY22, but this appears to have been pushed out to FY23 due to further investment in operations and higher costs. We remain overweight the company because we continue to see compelling value in its base share registry business and electronic conveyancing business PEXA. Notwithstanding the PEP/Carlyle consortium walking away from its takeover proposal, we continue to see value in PEXA (with the company retaining its 45% stake in the IPO subsequent to month-end). Our positive view of PEXA is premised on infrastructure like characteristics of the property settlement exchange upon maturity supplemented by numerous growth opportunities in immediate adjacencies. Excluding PEXA, LNK trades at a forward P/E of less than 10-11 times, a substantial discount to peer Computershare (CPU) at 23.8 times.

Worley (WOR, overweight) – the engineering firm underperformed during the period despite delivering a solid FY21 result. While revenue declined 5% half-on-half, EBITDA grew +26% as management delivered on its cost initiatives – contributing to a +4% NPATA beat versus consensus forecasts. Moreover, management expects revenue to pick-up in FY22 as key end markets recover; its backlog has grown 8% and its total sales pipeline has lifted 16%, driven largely by sustainability projects (+17%). However, brent crude declined 6% during the month to US$73/bbl and the market remains concerned about structurally challenged global energy markets. We believe WOR is in a strong position to withstand a lower-than-expected recovery in its traditional work. Following the Jacobs ECR acquisition, the business is diversified across different markets and is well positioned to capture higher structural demand from energy transition work to low carbon solutions. We believe WOR's valuation provides significant support at current levels, with the stock trading on 14.4 times forward earnings, a sharp discount to the Industrials ex-Financials at 29.3 times.

Key Purchases

Northern Star (NST) – we established a position in the gold miner. We believe the company will benefit from higher-than-expected production and reserves/resources after taking full ownership of the KCGM SuperPit Mine in February this year. We see the company's valuation as attractive at 5.7 times forward EV/EBITDA, which is only marginally above the wider Gold sector's 5.6 times despite a superior growth outlook. More broadly, we have a neutral exposure to the commodity, balancing the prospect of higher inflation with an uncertain rate hike path in the US (which is generally a headwind to the gold price).

Qantas (QAN) – we established a small position in the airline during the period. Notwithstanding short-term disruption from border restrictions, our positive view is predicated on QAN emerging from COVID with a significantly improved industry structure and more competitive cost base in both its domestic and international businesses. We are particularly optimistic on the domestic side of the business, where we expect the improved industry structure, operating leverage and cost out initiatives (up to $300mn) to drive significant earnings upside versus consensus forecasts. We expect relative multiples to retrace to historic averages as confidence in the recovery builds (trading at or above pre-COVID multiples on normalised earnings).

OZ Minerals (OZL) – we established a position in the copper miner during the period. OZL operates two high quality, long life, 100% owned copper mines in South Australia - Prominent Hill and Carrapateena - and also holds a portfolio of Brazilian assets of modest quality. We expect OZL copper production to double to >200ktpa by 2030, as Carrapateena moves to a block caving operation, and the company develops the greenfields West Musgrave copper/nickel deposit in Western Australia. OZL is well positioned to fund its growth ambitions through the net cash balance sheet, strong cash flow generation, and flexibility to divest assets such as the Centro Gold deposit in Brazil.

Key Sales

APA Group (APA) – we exited our position in the gas pipeline operator during the period. We believe management is appropriately shifting its business model towards renewables and transmission as Australia's energy mix decarbonises. However, potential upside from the shift is dwarfed by the discount increasingly applied to its gas pipeline business, particularly as planned government policies accelerate the shift to zero emissions sources. As a result, we no longer see its valuation (at a 12-month EV/EBITDA of 11.9 times) as sufficiently compelling when compared to large cap infrastructure alternatives. We used the funds to increase our position size in Transurban (TCL), which has a strong growth outlook (with a number of new project and expansion plans) and a high degree of inflation-linked revenues.

Healius (HLS) – we exited our position in the company during the period. We hold a positive view of its pathology and diagnostic imaging divisions, while the sale of the medical centre business last year enables management to focus on and invest in the pathology, day surgery and diagnostic imaging businesses, which are return on invested capital (ROIC) accretive and have significant margin opportunities. That being said, we believe this is more fully reflected in its valuation.

Santos (STO) – we exited our small position in the oil & gas company during the period as its valuation appeal has subsided. We remain positive towards the company on a fundamental basis, premised on its resilient low-cost base business (break-even <US$25/bbl); a diversified asset base across multiple basins, customers and products (with 60% oil exposure); latent value in its midstream infrastructure and a defined pathway to net zero emissions. However, we note emissions cuts rely heavily on scaling carbon capture and storage (CCS) and hydrogen – two unproven technologies at scale – without committing significant capital to shifting the business to a low carbon world. We view the proposed merger with Oil Search (OSH) as logical from a financial perspective, however at this stage it is unclear how the merger affects the group's climate change strategy.

Key Active Overweights

ANZ Bank (ANZ) – we are overweight ANZ on the grounds that the bank is positioned strongly for an earnings and dividend recovery as the vaccine roll-out hits key targets and lockdown restrictions ease. We believe the most recent lockdowns have delayed (and not aborted) the recovery, with capital management initiatives still likely as bad debts turn out to be more benign than feared. While there are challenges to its outlook – including persistent top-line pressures from lower interest rates – the bank is able to offset these pressures by cutting costs at a superior rate to peers, and management remains committed to its $8bn expense target (requiring a $600mn cost reduction ex-investment). We see ANZ's valuation as attractive at 13.0 times forward earnings, particularly relative to NAB and CBA (at 14.3 and 19.8 times respectively).

Aristocrat Leisure (ALL) – our investment thesis is premised on ALL's strong growth profile following the resolution of the COVID-19 crisis. ALL has a dominant position in land-based games (45% of EBIT post-COVID) and is set to benefit from significant opportunities from Digital (55% of EBIT post-COVID), which offers a wide range of outcomes. Lastly, the stock screens as undervalued at 28.5 times forward earnings when considering the Industrials Ex-Financials trades at 29.8 times and ALL's superior long-term growth potential.

Westpac Bank (WBC) –while we see WBC's recently announced cost base target as challenging (given embedded inflation), we expect that achieving even half of it will be a reasonable outcome. More broadly, our overweight position remains premised on a better-than-expected earnings and dividend recovery post-COVID. We expect bad debt expenses to be close to zero over the next 18 months net of provision releases, driving double-digit earnings upside and capital management initiatives from FY22. WBC trades at 14.4 times forward earnings with a 4.8% dividend yield, well below peer Commonwealth Bank (CBA) at 19.8 times.

TPG Telecom (TPG) – our positive view is premised on the improving outlook for the mobiles market, recovery in volumes post COVID and the recently completed Vodafone merger, which in our view will unlock significant synergies. The combined entity is well placed to harness its infrastructure, scale and balance sheet to disrupt incumbents Telstra (TLS) and Optus through its lower-cost structure, as well as new products such as Fixed Wireless.

ResMed (RMD) – our overweight position is based on RMD's strong market position in both the short and long term. In the short term, key competitor Phillips has been forced to recall a range of respiratory devices on safety issues, which we believe will allow RMD to take significant market share. More broadly, RMD's core sleep apnea division will rebound strongly on the grounds that demand for its products has been deferred, not lost. Our long-term investment thesis remains intact, with benefits accruing from a positive product cycle in the flow generator and mask segments, with the Airsense 11 launching formally in December this year. New software and integration with the customer is supporting device sales versus competitors. While RMD trades at a headline 46.3 times forward earnings, in reality we see it as much lower given meaningfully better-than-expected NPAT outcomes to come in the medium term.

Key Active Underweights

CSL (CSL) – we remain underweight CSL based on its forward valuation (41.0 times P/E and 28.2 times EV/EBITDA on a 12-month forward basis), which we believe appropriately captures the earnings outlook at this time. While CSL is a key beneficiary of the post-COVID re-opening theme, we believe this is already reflected in consensus forecasts. However, in our view the prospect of higher costs going forward is underappreciated by the market, with donor fees likely to be higher for longer. We continue to prefer ResMed (RMD) within the Health Care sector, where we see better growth prospects and a strong competitive position versus peers.

National Australia Bank (NAB) – we remain underweight the bank. While NAB has strengthened its capital position through a highly dilutive, discounted $3.5bn capital raising and has increased collective provisioning, the bank is yet to take an AUSTRAC provision unlike its peers. Notwithstanding the improving trends for the bank (albeit delayed by Australia's most recent lockdowns), we see less scope for surplus capital compared to Westpac Bank (WBC) and ANZ Bank (ANZ). Further, NAB trades at 14.3 times forward earnings, above peer ANZ (at 13.0 times forward earnings) where we see a superior outlook.

Wesfarmers (WES) – our underweight position remains premised on the view its divisions, outside Bunnings (62% of operating income), face significant earnings headwinds.

Officeworks (5% of operating income) and the department store industry (including discount department stores Target and Kmart, 25% of EBIT) face increasing competition and excess physical store capacity. Furthermore, the company's Industrials segment (9% of EBIT) comprises cyclical, lower quality businesses. As such, we don't find the valuation attractive at 20.3 times forward earnings.

Macquarie Group (MQG) –we are underweight the stock based on the view the recent earnings uplift is driven by its lower quality and highly cyclical businesses, which we see as unsustainable into the medium term. We see significant downside risk to consensus forecasts from FY22, which currently reflects a strong contribution from lumpy items including gains on sale, performance fees and low loan-loss provisions. Meanwhile, we do not expect growth in the more stable business to be able to offset this. As a result, we regard MQG's headline forecast P/E multiple of 19.7 times consensus forward earnings as unattractive.

Woolworths (WOW) – our underweight position reflects concerns at the stock's stretched valuation at 28.9 times forward earnings, which in our view fully captures recent positive momentum in WOW's supermarket business (85% of group earnings) and the more supportive competitive environment. Furthermore, the outlook for discount department store Big W remains challenged, particularly considering the threat of online and the need to rationalise excess store capacity.

Market outlook

After completing 1H2021 with strong momentum, renewed Covid-related lockdowns in Melbourne and Sydney will see the Australian economy contract in 3Q21, albeit it has been notable how well both business surveys and employment indicators have held up in Q3, suggesting a modest contraction than might have been expected several months ago.

We continue to believe the interruption to economic growth from renewed lockdowns will be an aberration within an improving trend. Indeed, the fundamentals that will drive the economic recovery remain in place. The recovery in labour market income has been sufficient to offset the gradual withdrawal of temporary fiscal support. Moreover, the accumulation of an estimated $185bn in excess household saving, in concert with strong asset price gains, leaves the consumer uniquely positioned to underpin economic growth in 2021- 2022. Dwelling investment is set to provide solid support for economic growth over the next 6 months as previously approved housing moves through the construction phase, and a broader-based lift in business investment expectations is an important step in ensuring a sustained economic recovery. We expect the global economy to expand 6% and the Australian economy to expand 4.5% in 2021, a downward revision from our pre-lockdown forecast of 6%. We expect another strong year of economic growth in 2022 of 4.0%.

Nevertheless, there are some areas that are cause for concern. For over 12 months we have warned about rising US inflation pressures and rising inflation expectations. However, supply chain constraints and energy shortages in the Northern Hemisphere risk inflation pressures becoming more widespread and more entrenched. With the peak in global business surveys having passed, cost inflation continuing to escalate and the Federal Reserve signalling increased willingness to taper its purchases, we expect bond yields will move higher through the remainder of 2021. We expect US 10-year yields to approach 1.80% by the end of 2021, providing some ongoing challenges for risk assets in Q4.

The A$/US$ has recently been buffeted by concerns of a peak in global industrial growth indicators, slowing China economic momentum and recent declines in iron ore prices. Nevertheless, Australia's external accounts are in their best position since the early 1970s and despite some moderation in commodity prices the A$/US$ should remain supported by global reflationary forces through 2021-22. We expect the A$/US$ to finish the year in the 76-78c range, and remain around that level through 1H22.

We see significant value in certain sectors but believe others to be overvalued based on our earnings and cash flow expectations. We are most overweight stocks within the Communication Services, Materials and Utilities sectors, and underweight Consumer Staples, Real Estate and Financials.

Sector allocation

	Portfolio %	Benchmark %	Active %
Communication Services	13.40	4.28	9.12
Consumer Discretionary	9.81	8.27	1.54
Consumer Staples	1.44	5.27	-3.83
Energy	1.86	3.23	-1.37
Financials	26.58	31.13	-4.55
Health Care	6.73	10.31	-3.59
Industrials	7.07	7.24	-0.17
Information Technology	6.32	4.54	1.78
Materials	21.02	17.20	3.81
Real Estate	2.07	6.97	-4.90
Utilities	2.14	1.54	0.60

Top 5 holdings

	Portfolio %	Benchmark %	Active %
Commonwealth Bank of Australia	7.72	8.92	-1.20
Westpac Banking	7.35	4.59	2.75
ANZ Banking	7.26	3.86	3.40
BHP	7.07	5.34	1.73
Aristocrat Leisure	4.68	1.44	3.23

Key active positions

Overweights	Portfolio %	Benchmark %	Active %
ANZ Banking	7.26	3.86	3.40
Aristocrat Leisure	4.68	1.44	3.23
Westpac Banking	7.35	4.59	2.75
Underweights			
CSL	1.80	6.43	-4.63
National Australia Bank	0.00	4.42	-4.42
Wesfarmers	0.00	3.05	-3.05

Portfolio holdings may not be representative of current or future investments. The securities discussed may not represent all of the portfolio's holdings and may represent only a small percentage of the strategy's portfolio holdings. Future portfolio holdings may not be profitable.

Income and growth

	1 year %	3 years % p.a.	5 years % p.a.	10 years % p.a.
Growth return	10.62	-9.60	-3.62	0.62
Distribution return	22.24	15.90	11.71	9.14

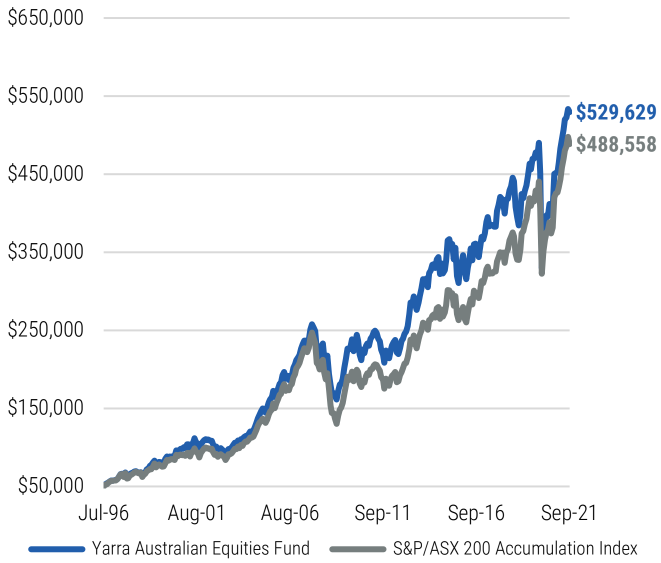
The Growth Return is measured by the movement in the Fund's unit price (inclusive of fees), ex-distribution, and can be positive or negative as the unit price can fluctuate with changes in the underlying market value of the Fund's assets. The Distribution Return is the amount that is paid to unitholders by way of income distribution in a 12-month period. It does not include capital distributions.

Features

Investment objective	To achieve medium-to-long term capital growth through exposure to companies listed on the Australian Securities Exchange. In doing so, the aim is to outperform the S&P/ASX 200 Accumulation Index over rolling 3-year periods.
Recommended investment time frame	5 - 7 + years
Fund inception	July 1996
Fund size	A$110.1 mn as at 30 September 2021
APIR codes	JBW0009AU
Estimated management cost	0.90% p.a.
Buy/sell spread	+/- 0.15%
Platform availability	AMG Freedom of Choice AMP North Asgard BT Panorama Colonial FirstWrap Grow Wrap Hub24 IOOF Pursuit Macquarie Wrap Netwealth Oasis Praemium

Investment performance comparison of $50,000

After fees, since inception of the Yarra Australian Equities Fund, July 1996 to September 2021.



For illustrative purposes only. Past performance does not guarantee future results, which may vary. The total net fund returns shown are prepared on an exit to exit basis (i.e. they include all ongoing fees and expenses and assume reinvestment of all distributions). They do not take personal taxation into account. The comparison with the S&P/ASX 200 Accumulation Index is for comparative purposes only. Index returns do not allow for transactional, management, operational or tax costs. An index is not managed and investors cannot invest directly in an index. Note that the minimum initial investment amount for the Yarra Australian Equities Fund is $10,000.

Applications and contacts

Investment into the Yarra Australian Equities Fund can be made by Australian and New Zealand resident investors only.

Website www.yarracm.com

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