

	NTA
Unit Price - 31/08/2023	1.3384

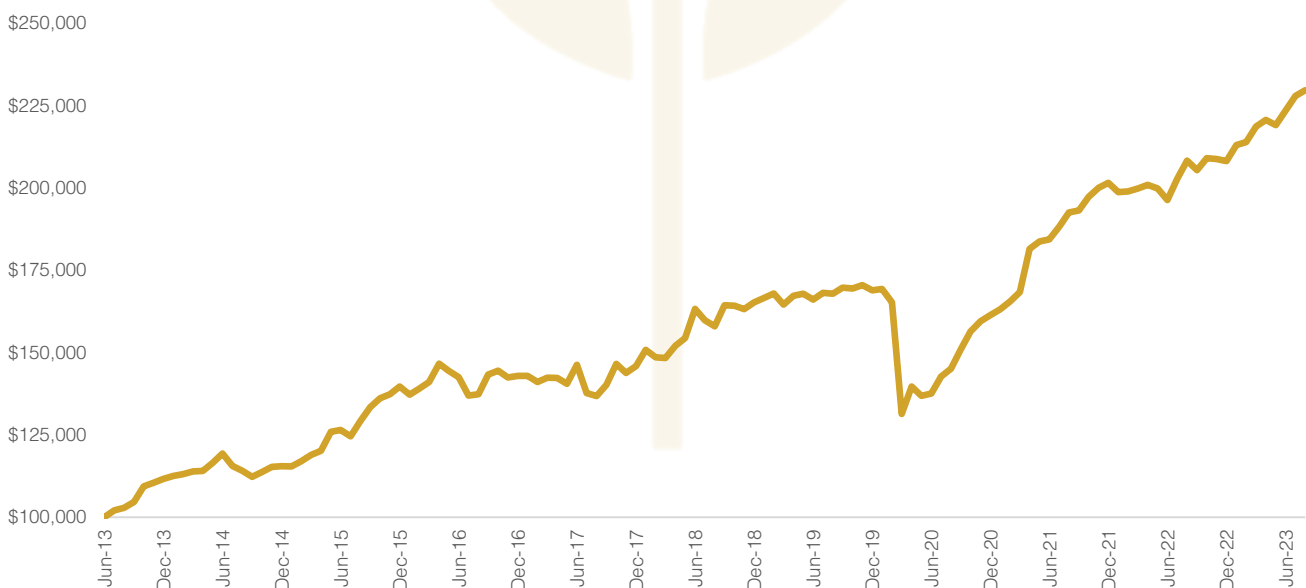
Investment Returns (net of fees)*

	Harvest Lane Absolute Return Fund	RBA Cash Rate	Outperformance
Cumulative return (since inception 01/07/2013)	129.71%	16.51%	113.20%
Trailing 5 year return p.a.	7.78%	1.17%	6.60%
Trailing 3 year return p.a.	16.55%	1.32%	15.23%
Trailing 12 month return	10.26%	3.39%	6.87%
Trailing 3 month return	4.83%	1.03%	3.80%
Trailing 1 month return	0.76%	0.34%	0.42%

* Past performance is no indication of future performance. Investments may rise and fall in value and returns cannot be guaranteed. Returns are based on the mid-point of unit prices and are net of all fees and charges. Unless otherwise stated, all figures are in Australian dollars and include GST. Return calculations covering a period greater than 12 months are annualised and assume the reinvestment of distributions.

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD
FY14	2.10%	0.70%	1.78%	4.51%	1.02%	1.05%	0.80%	0.45%	0.73%	0.11%	2.20%	2.43%	19.34%
FY15	-3.18%	-1.26%	-1.61%	1.31%	1.35%	0.18%	-0.02%	1.36%	1.62%	1.05%	4.82%	0.45%	6.01%
FY16	-1.53%	3.67%	3.32%	2.01%	0.90%	1.71%	-1.78%	1.34%	1.45%	3.94%	-1.51%	-1.30%	12.65%
FY17	-3.91%	0.31%	4.33%	0.81%	-1.40%	0.34%	0.00%	-1.29%	0.91%	-0.06%	-1.26%	4.10%	2.63%
FY18	-5.84%	-0.66%	2.47%	4.56%	-1.90%	1.45%	3.41%	-1.52%	-0.16%	2.52%	1.52%	5.78%	11.65%
FY19	-2.13%	-1.16%	4.08%	-0.11%	-0.62%	1.27%	0.80%	0.81%	-2.01%	1.65%	0.34%	-1.03%	1.73%
FY20	1.23%	-0.17%	1.10%	-0.15%	0.61%	-0.94%	0.27%	-2.42%	-20.52%	6.37%	-2.02%	0.50%	-17.19%
FY21	3.75%	1.66%	4.06%	3.61%	1.94%	1.18%	1.10%	1.46%	1.73%	7.83%	1.23%	0.34%	34.04%
FY22	2.11%	2.27%	0.33%	2.13%	1.39%	0.76%	-1.40%	0.12%	0.42%	0.57%	-0.55%	-1.74%	6.50%
FY23	3.31%	2.69%	-1.38%	1.76%	-0.13%	-0.30%	2.36%	0.41%	2.21%	0.93%	-0.71%	2.00%	13.81%
FY24	2.00%	0.76%											2.78%

Growth of \$100,000 Since Inception (assuming reinvestment of distributions)



Manager Commentary

A somewhat muted month for the portfolio while reporting season was in full swing. New opportunities continue to pop up at a decent clip as M&A conditions evidently remain favourable, with market commentary suggesting deal pipelines are quickly being restocked as confidence in the local economy firms. A mostly "in line" earnings season points to settled equity markets, and the continued pause by the RBA in hiking interest rates has allowed for a clearer picture of the cost of capital for dealmaking.

These broader themes manifested themselves this month in both InvoCare Limited (IVC.ASX) and Estia Health (EHE.ASX) converting their respective non-binding offers to binding, albeit InvoCare saw the deal struck at a modest discount to TPG's \$13 offer that secured it look at the books. It is nonetheless encouraging that bidder and target are willing to come together on price in the interests of getting a deal done. Estia, meanwhile, got Bain across the line to uphold its revised \$3.20 per share offer and has already paid out the \$0.12 permitted dividend to unlock a further \$0.05 in franking credits.

At the smaller end of the market, Ensurance Ltd (ENA.ASX) announced a scheme of arrangement with PSC Insurance Group Limited (PSI.ASX). The consideration offered contains considerable optionality for target shareholders - the exchange ratio of the shares offered was fixed, but there was also a minimum total consideration to be paid under the transaction. Should the bidder's share price fall far enough and the implied aggregate value is below the minimum threshold, any difference will be topped up in cash. If, however, the bidder's share price is higher and delivers value above the minimum threshold, Ensurance shareholders reap the full benefit. Certainly, a favourable mechanism from a risk/reward perspective.

Global Data Centre Group (GDC.AX) delivered a promising FY23 result, with statutory NAV increasing \$0.20 to \$2.13 per share, while the unaudited director valuations put it closer to \$2.47. On the back of shareholder support, GDC has transitioned to a medium term strategy of value realisation for its assets and the current carrying values appear well supported. Should the board execute on the medium term strategy, there's meaningful upside still to realise from the current share price.

With fresh financial statements out in the market, September and October typically see elevated levels of deal activity in the lead up to the end of year holidays. We undoubtedly look forward to seeing if history once again repeats itself.

Kind Regards,

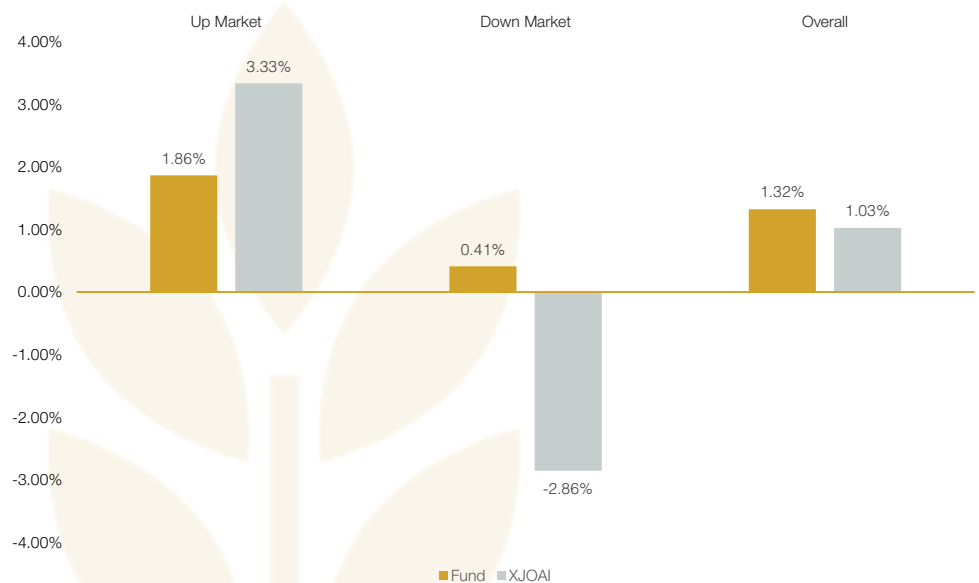
Luke Cummings and Ben Bailey

Chief Investment Officer and Portfolio Manager, respectively.

(on behalf of the team at Harvest Lane Asset Management)

Trailing Data and Capture Analysis (Three Year Rolling)*

Three Year Rolling	
Return (% p.a)	16.55%
Annualised Volatility	6.13%
Beta	0.203
Sortino Ratio	2.296
Sharpe Ratio	2.362
Best Month	7.83%
Worst Month	-1.74%
Largest Drawdown	-2.29%



Fund Facts

Name	Absolute Return Fund
APIR	FHT0042AU
Structure	Retail daily priced unit trust
Inception	Monday 1 July 2013
Investment Objective	RBA Cash Rate + 6-8% (over 3 year period)
Manager Base Fee ¹	Capped at 1.25%
Manager Performance Fee ²	25% (incl GST) of returns above RBA Cash
High Water Mark	Yes
Applications/Redemptions	Daily
Distributions	Annual
Responsible Entity	Equity Trustees Limited
Administrator	Apex Fund Services
Auditor	Ernst & Young
Custodian	J.P. Morgan Securities PLC

Portfolio Analytics (Since Inception)

Average Full Financial Year Return ³	9.12%
Average Monthly Return (since inception)	0.73%
% Positive Months	68.85%
Best Positive Month	7.83%
Worst Negative Month	-20.52%
Maximum Drawdown	-22.44%
Annualised Standard Deviation	9.78%
Sortino Ratio	0.960
Sharpe Ratio	0.562
Correlation with ASX200 Accumulation Index	0.476
Beta	0.338
FY23 Distribution	0.1284

¹ Harvest Lane Asset Management does not receive any part of the management fee. Instead this is paid to the Fund's service providers and to recover all expenses.

² Performance fee is charged when the Fund's performance exceeds its benchmark (RBA Cash Rate).

³ Return is calculated as the average of all full financial years since inception (01/07/2013 - 30/06/2023) and does not include returns for the current year.

* Past performance is no indication of future performance. Investments may rise and fall in value and returns cannot be guaranteed. Returns are based on the mid-point of unit prices and are net of all fees and charges. Unless otherwise stated, all figures are in Australian dollars and include GST. Return calculations covering a period greater than 12 months assume the reinvestment of distributions.

Harvest Lane Asset Management Overview

Harvest Lane Asset Management Absolute Return Fund (Fund) is a high conviction absolute return fund which aims to produce high absolute returns using a conservative yet nimble investment approach. The Fund has a strong focus on preservation of capital and its trades have almost no dependence on traditional asset class returns.

The Fund invests very selectively in stocks subject to special circumstances, which the manager believes have limited risk of capital loss and a skew towards positive returns. In practice, the Fund takes advantage of merger arbitrage opportunities and capital raisings in a highly selective manner – and only when its assessment is that these represent a strong return/risk trade-off.

Given its low correlation with other investments and a focus on absolute returns, the Fund may be used in conjunction with other investments as part of a defensive portfolio allocation. Alternatively, it can be used as a standalone lower risk alternative to growth investments.

Considering the Funds strategy identifies a large number of opportunities that include fully franked dividends, the Fund may also suit self managed superfunds and other low tax paying entities depending on their investment objectives.

The manager only charges a performance fee on returns above the RBA Cash Rate and in the event that the Fund underperforms its benchmark, Harvest Lane Asset Management receives no other payment from investors in the Fund. Management fees go to pay costs and service providers. The principals of the Fund, and their friends and family are also heavily invested in the Fund which further aligns the interests of its staff with that of its investors.

Target Market Determination

The Fund's Target Market Determination is available [here](#). A Target Market Determination is a document which is required to be made available from 5 October 2021. It describes who this financial product is likely to be appropriate for (i.e. the target market), and any conditions around how the product can be distributed to investors. It also describes the events or circumstances where the Target Market Determination for this financial product may need to be reviewed.

Disclaimer

Equity Trustees Limited ("Equity Trustees") (ABN 46 004 031 298), AFSL 240975, is the Responsible Entity for the Harvest Lane Asset Management Absolute Return Fund. Equity Trustees is a subsidiary of EQT Holdings Limited (ABN 22 607 797 615), a publicly listed company on the Australian Securities Exchange (ASX: EQT). Harvest Lane Asset Management Pty Ltd (Harvest Lane AM) ACN 158 314 697 is the Investment Manager of the Fund and a Corporate Authorised Representative No. 433046 of Harvest Lane Capital Pty Ltd (Harvest Lane Capital) AFSL 425334. This publication has been prepared by Harvest Lane AM, to provide you with general information only. In preparing this publication, we did not take into account the investment objectives, financial situation or particular needs of any particular person. It is not intended to take the place of professional advice and you should not take action on specific issues in reliance on this information. Neither Equity Trustees, Harvest Lane AM, Harvest Lane Capital nor any of its related parties, their employees or directors, provide any warranty of accuracy or reliability in relation to such information or accepts any liability to any person who relies on it. Past performance should not be taken as an indicator of future performance. You should obtain a copy of the Product Disclosure Statement before making a decision about whether to invest in this product. A copy of the PDS is available here www.harvestlaneam.com.au.