



Bell Potter - VOICES 2023

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All figures in this document are in Australian dollars (AUD) unless stated otherwise.

# Why we do it

## Our Vision

“ To be Australia’s best performing, most aligned, and most trusted, investment manager. ”

## The Blackwattle Design

Blackwattle has been designed to aid the evolution of Australia’s the funds management industry.

1 Alignment

2 Style

3 Performance

4 Distribution

5 Governance

### Problem

Concentrated ownership, no personal investment, PA trading.

### Blackwattle

Shared ownership, LTIs, profit share, personal investment, and zero PA trading.

### Problem

Cycle dependent and inconsistent success.

### Blackwattle

Quality, we buy good and great businesses at the right price, for the long term.

### Problem

Substandard performance, high fees, and capacity breaches.

### Blackwattle

Long-term track records of performance, capacity constrained, and profit share focused.

### Problem

Under-resourced, lacking transparency, restricted access.

### Blackwattle

Shared ownership, personally invested, transparent.

### Problem

Poor and under-resourced.

### Blackwattle

Balance sheet strength, independent governance.

Focus. People. Businesses.

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# Alignment. Quality. Trust

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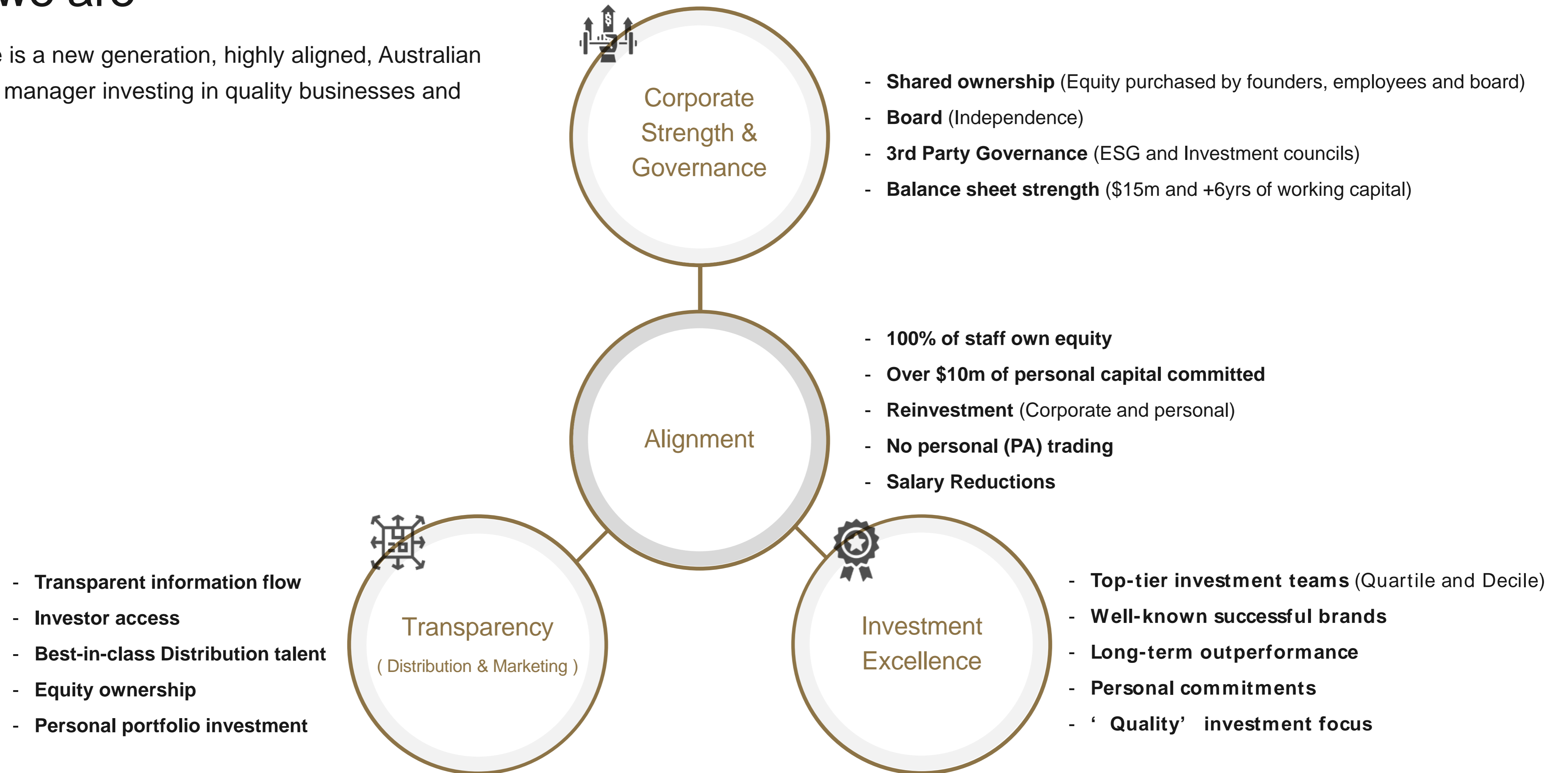
Unwavering.

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Transparency. Access.

# Who we are

Blackwattle is a new generation, highly aligned, Australian investment manager investing in quality businesses and people.



Blackwattle

# What we do

What we do

We invest our own capital, together with our clients:

- 1 Blackwattle Small Cap Quality Fund
- 2 Blackwattle Mid Cap Quality Fund
- 3 Blackwattle Long-Short 130/30 Quality Fund
- 4 Blackwattle Large Cap Quality Fund

How we do it

Our investment style is 'Quality'

“ We buy good and great businesses at the right price ”

Businesses with a forward advantage, trustworthy aligned management, priced below intrinsic value.

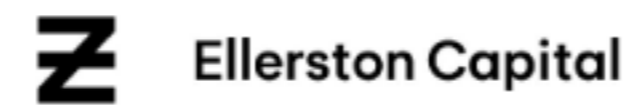
Quality defined



Blackwattle

# How we have done

**Performance** Our teams are focused on performance throughout cycles, both down and up markets.



## Our Statistics

12

Employee Partners

135+

Years total investment experience

19.5

Average years of investment experience

11+

Cultures Represented

\$18.5bn

Collective FUM Invested

17.89% p.a.

Returns up to, since inception

\$10,000,000

Personal Capital Committed

Top Decile

Ranking in Australia

1. The Blackwattle Australian Long-Short 130/30 Quality Fund (Fund) will operate from July 2023. The Fund employs the same Long Short strategy, investment philosophy and investment universe that was used by Ray David and Joseph Koh who managed the Schroder Australian Equity Long Short Fund. To give a longer-term view of longer-term view of our performance using this investment strategy, we have shown longer returns for the Schroder Australian Equity Long Short Fund. Schroder Investment Management Australia Limited, ABN 22 000 443 274 was the responsible entity of the Schroder Australian Equity Long Short Fund and was managed by the managed by the investment team whilst they were part of the investment team at Schroder Investment Management Australia Limited. Returns shown for the period from 27 August 2020 to 31 March 2023 reflect the returns of the Schroder Australian Equity Long Short Fund calculated based on exit price with distributions reinvested, distributions reinvested, after ongoing fees and expenses but excluding taxation (historical performance). This historical performance has been provided for information purposes and has been adjusted to reflect the ongoing fees applicable to the Fund. Past performance is not a reliable indicator of future performance. 2. Rankings are performance. 2. Rankings are Blackwattle's assessment based on mercer rankings and publicly available data, over a 1-year time frame, for the Blackwattle Long-Short 130/30 Quality Fund.

# Australia's Most Aligned Investment Manager

## Alignment is Paramount

### Alignment is at our Heart:

- Invested alongside our clients.
- No personal trading (PA).
- Equity partners together.

## Blackwattle's Commitment

### Blackwattle will always ensure:

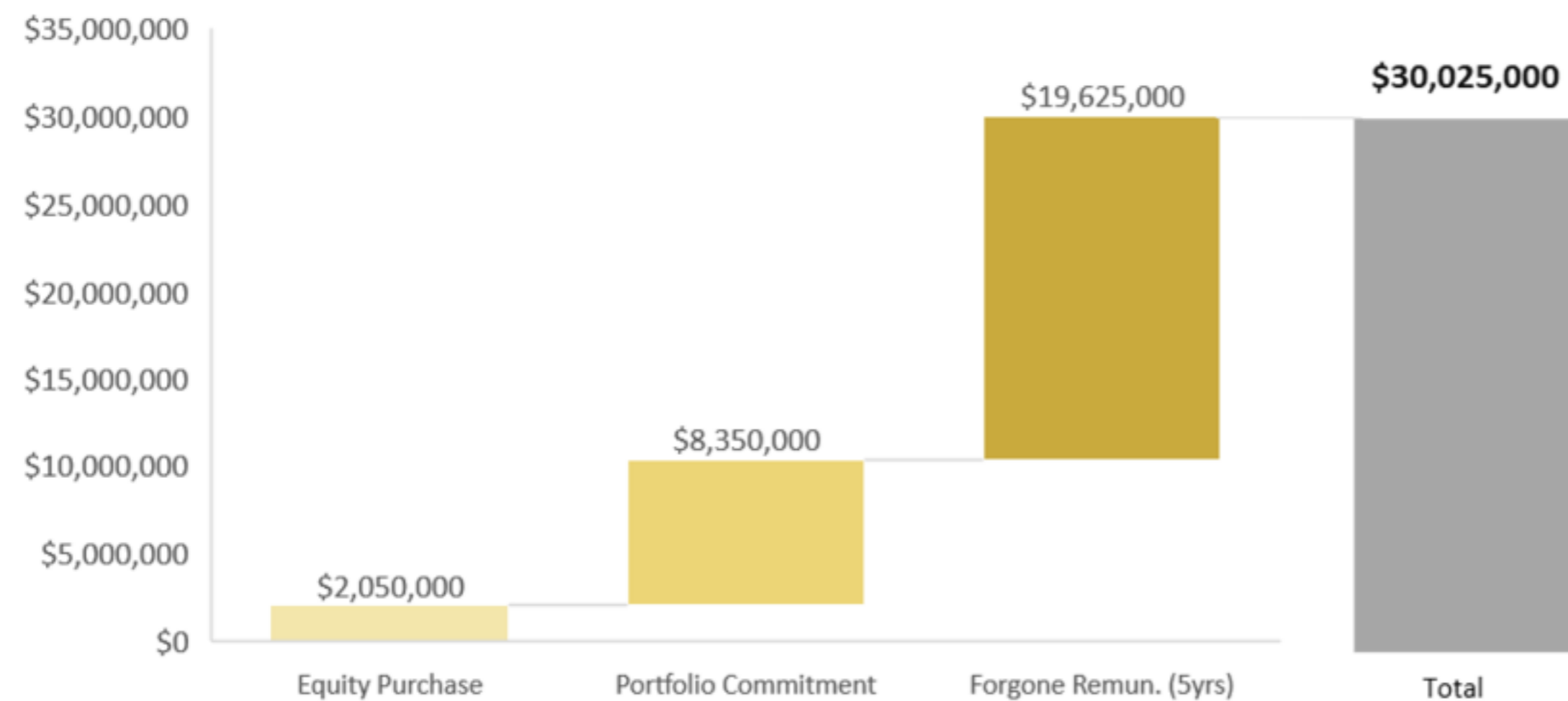
- Employees are equity owners of the company.
- Remuneration is performance based.
- PA trading is banned.
- Personal capital is committed.
- Corporate profits are reinvested.

## Personal Commitment

### We have:

- Purchased: \$2m of equity.
- Committed: +\$8m into the investment portfolios.
- Forgone: ~\$20m in compensation over 5 years.
- Aligned: Our personal friends, family and network.

## Founder Commitment





# Blackwattle's Advantage

## Advantage Designed

Blackwattle's corporate structure, portfolio selection, distribution strategy, and incentive models have been carefully crafted to maximize success and provide material competitive advantage.

### Parent

**Alignment** - 100% staff ownership, equity purchased.

**Board** - Board fees in equity, enhancing decision making alignment.

**Distribution** - Distribution team equity alignment.

**Long-term Alignment** - LTI reinvestment into portfolios and corporate equity.

**Vesting Protection** - Equity vesting over 5 yrs, performance linked.

**Downside Protection** - Equity buy-back provisions (25% discount to fair value).

**Control** - Parent 100% ownership of all portfolios.

### People

**Experience** - Highly experienced teams, averaging >19 years of investment experience.

**Skin-in-the-Game** - Commitments of \$1m per portfolio manager into portfolios. Total commitments +\$8m.

**Sacrifice** - All employees will materially reduce their salaries until performance is delivered. Up to 75% reductions.

**Culture** - Investment excellence, intellectually curiosity, drive, and humility.

**Multi-generational** - Succession planning via LTI structures.

### Process

**Quality** - "Australia's premier Quality investment manager". Blackwattle's Quality style will be a major market differentiation.

**Personal Trading** - No PA trading. 100% investment into Blackwattle portfolios.

**Small Teams** - Efficient and dynamic decision making utilising experienced teams.

**Distribution** - Clearly defined strategy. Capitalised with at least \$5m over 5 years.

**Marketing** - Clear and systematic marketing strategy.

**Re-investment** - Corporate and personal reinvestment into our portfolios.

### Performance

**History** - Long-term outperformance, consistent with minimal draw-downs.

**Ranking** - Top-tier investment teams (top quartile or decile).

**Remuneration** - Remuneration structures performance weighted. Material LTI components.

**Capacity Constraints** - Portfolios capacity constrained, preserving long-term performance. Nearing 50% capacity constraints.

**Capital Preservation** - Focus on both outperformance and capital protection (drawdown minimisation).

# Board of Directors



**Michael Skinner**

Managing Director & CIO

**Experience**

- 13+ yrs investment, 7+ engineering.
- Lead PM Micro, Small and Midcap funds.
- FUM managed = \$1.7bn.
- Senior Academic UNSW and UoA.



**Education**

- Master Commercial Law.
- Master Business Administration.
- Graduate Diploma Energy Law.
- Bachelor Engineering.



**John Churchill**

Non-Exec Chairman (Strat. & Legal)

**Experience**

- 40+ yrs legal and strategic advice.
- Partner, Managing Partner, and Chairman of Australian and International law firms.
- Chairman and Director of ASX listed entities across a range of industries.
- Education

**Education**

- Fellow of the American College of Law Practice Management.
- Qualified Lawyer.
- Bachelor and Master of Law.



**Matt Dell**

Exec. Director (Distribution)

**Experience**

- 25+ yrs distribution and sales.
- Director Distribution at Pinnacle Investment Management.
- Head of Distribution RARE Infrastructure.
- Senior Distribution Fidelity.



**Education**

- Gdip Financial Planning.
- Bachelor Economics and Accounting.



**Matt Lawrance**

Non-Exec Director (Finance)

**Experience**

- 25+ years banking, wealth and finance.
- CREDAS Solutions Founder.
- CEO MLC Super.
- CTO NAB and COO NAB wealth.



**Education**

- Master Business Administration.
- CA.
- Bachelor of Commerce.



**Nerida Hall**

Non-Exec Director (Investment)

**Experience**

- Direct Equity Research Lead Aware Super.
- Investment Committee Uni of Sydney.
- Portfolio Manager Challenger.



**Education**

- Bachelor of Business (Major Econometrics).

# People - ESG Review Council



**Chris Newton**  
Chairperson

### Experience

- Leader in Responsible Investment and ESG.
- Global ESG Head IFM investors.
- N.E.D Nyamba Buru Yawuru,
- Westernport Water.

### Education

- GAICD.
- G.Cert Development Economic
- MBA.
- Post Grad Aboriginal Studies.



**Kara Nicholls**  
Council Member

### Experience

- Chair ICMEC.
- NED Ripple Learning.
- Audit and Risk AMA (NSW).
- Founder and Managing Director, Impact Governance.

### Education

- Bachelor Business Law.
- MLS Law.



**Warren Brandt**  
Council Member

### Experience

- Director Yellow Canary.
- General Advisor and Investor, Private Equity, Venture Capital, M&A
- Former Director, SPC Global
- Extensive legal background, Herbert Smith Freehills.

### Education

- LLB.
- Bachelor Arts (Politics & International Relations).
- G.Dep Legal Practice.



**Frances Cranston**  
Council Member

### Experience

- 25+ yrs banking and risk.
- Chief Risk Officer.
- COO and Head of Risk CBA.
- Head of Market and Risk Citi Bank.

### Education

- Responsible Executive Citi.
- G.Dip Finance.
- Bachelor Commerce.

**To Be Disclosed**  
Council Member

### Experience

- 18+ yrs banking and finance.
- Deep experience in ESG and climate.
- Most recently ESG and Climate Executive for major superannuation fund.

### Education

- Bachelor Science.
- MBA.
- Master sustainability.

# People - Investment Review Council



**Peter Shear**  
Chairperson

**Experience**

- CFO Firmus.
- Founder Archibald Capital.
- Chief Risk Officer Lloyds Banking.
- EY Partner.

**Education**

- GAICD
- MBA
- G.Dip Finance. CA.
- Bachelor Business.



**Hal Lloyd**  
Council Member

**Experience**

- Chief Operating Officer, HPX Group.
- Partner, Hamilton Locke.
- Partner, K&L Gates.
- Partner, Baker & McKenzie.

**Education**

- LLM, Law.
- Bachelor Psychology.
- LLB, Law.



**Angela Rowland**  
Council Member

**Experience**

- 20+ yrs consulting experience.
- Partner at L.E.K Consulting.
- Executive of Strategy Virgin Australia.
- Head of Group Strategy Xero.

**Education**

- Bachelor Engineering.
- MBA Insead.
- GAICD.
- Chartered Financial Analyst (CFA).



**Graeme Bibby**  
Council Member

**Experience**

- 2CIO Partners Wealth Group.
- Exec Director Wingate.
- CIO Mutual Trust.
- CIO AIA.

**Education**

- Bachelor Chemistry.
- Bachelor Engineering.
- MBA.
- G.Dip Applied Finance.



**Marcus Zeltzer**  
Council Member

**Experience**

- Co-Founder Yellow Canary.
- Co-Founder Data Scouts.
- NRL Consultant.

**Education**

- Bachelor Computer Science.

# Funds Overview

Blackwattle		ASX Small Cap Quality	ASX Mid Cap Quality	ASX Long-Short Quality	ASX Large Cap Quality
Description		Australian smaller companies with emerging advantage within their industry.	A concentrated portfolio of the highest quality Australian companies.	Companies with a sustainable forward advantage (Long), or weakening advantage or increasing risk (Short).	Established companies with a sustainable forward advantage (Long-only).
Team		 			
FUM Managed	A\$	\$1.2bn + \$500m	\$2.5bn (Mid Cap)	\$75m (long-Short)	\$75m (Long-Short)
Years of Experience	x	40	36	46	46
FUM Starting Potential	\$m	\$15-50	\$15-50	\$15-50	\$15-50
FUM Capacity	\$m	\$1,500	\$3,000	\$1,500	\$10,000
<b>FUM Constrained Capacity</b>	<b>\$m</b>	<b>\$750</b>	<b>\$2,000</b>	<b>\$1,000</b>	<b>\$5,000</b>
Number of securities	x	30-60	20-35	Typically 35-55 Long, 15-25 short	30-45
Cash limit	%	20% (typically 0-10%)	10% (typically 0-5%)	30% (typically +10% to -10%)	10% (typically 0-5%)
Benchmark		S&P/ASX Small Ord. Accumulation Index	S&P/ASX300 Accum - ASX20 Accum Index	S&P/ASX 200 Accumulation Index	S&P/ASX 200 Accumulation Index
Management fee	%	1.10% (excl. GST) of the Fund NAV	0.90% (excl. GST) of the Fund NAV	0.90% (excl. GST) of the Fund NAV	0.70% (excl. GST) of the Fund NAV
Performance fee	%	20.0% (excl GST) of the total return of the fund in excess of the return of the Benchmark during a relevant performance period and provided any prior underperformance has been recovered.	15.0% (excl GST) of the total return of the fund in excess of the return of the Benchmark during a relevant performance period and provided any prior underperformance has been recovered.	17.5% (excl GST) of the total return of the fund in excess of the return of the Benchmark during a relevant performance period and provided any prior underperformance has been recovered.	N/A
High Water Mark		Yes	Yes	Yes	N/A
Reserved Capacity	\$m	\$50	\$50	\$50	\$50
Fee Reduction	%	20-50%	20-50%	20-50%	20-50%

1: The Blackwattle Small Cap Quality Fund (Fund) will operate from September 2023. To give a longer-term view of Portfolio Manager ability, we have shown the Portfolio Manager's performance attribution that was delivered whilst working at Watermark Funds Management. Returns shown for the period from 31 March 2020 to 31 March 2023 are gross of fees. This historical performance has been provided for information purposes. Past performance is not a reliable indicator of future performance.

2: The Blackwattle Mid Cap Quality Fund (Fund) will operate from July 2023. The Fund employs the same strategy and investment philosophy that was used by Tim Riordan and Michael Teran who managed the Aware Super Mid-Cap Industrial Fund. To give a longer-term view of our performance using this investment strategy, we have shown longer returns for the Aware Super Mid-Cap Industrial Fund. Returns shown for the period from 25 January 2018 to 30 September 2022 reflect the returns of the Aware Super Mid-Cap Industrial Fund calculated based on exit price with distributions reinvested, after ongoing fees and expenses but excluding taxation (historical performance). This historical performance has been provided for information purposes and has been adjusted to reflect the ongoing fees applicable to the Fund.

3: The Blackwattle Long-Short 130/30 Quality Fund (Fund) will operate from July 2023. The Fund employs the same Long Short strategy, investment philosophy and investment universe that was used by Ray David and Joseph Koh who managed the Schroder Australian Equity Long Short Fund. To give a longer-term view of our performance using this investment strategy, we have shown longer returns for the Schroder Australian Equity Long Short Fund. Schroder Investment Management Australia Limited, ABN 22 000 443 274 was the responsible entity of the Schroder Australian Equity Long Short Fund and was managed by the investment team whilst they were part of the investment team at Schroder Investment Management Australia Limited. Returns shown for the period from 27 August 2020 to 31 March 2023 reflect the returns of the Schroder Australian Equity Long Short Fund calculated based on exit price with distributions reinvested, after ongoing fees and expenses but excluding taxation (historical performance). This historical performance has been provided for information purposes and has been adjusted to reflect the ongoing fees applicable to the Fund. Past performance is not a reliable indicator of future performance.

4: Performance is gross of fees as fees are not split between long and short fund. Inception date is 27 August 2020, performance is based on the long book of the Schroders Australian Equity Long Short Fund.



# | ASX Long-Short 130/30 Quality

# Investment Team

The ASX Long-Short 130/30 Quality Fund is managed by Ray David and Joe Koh, who together have over 45 years of investment experience. Prior to Blackwattle the team helped manage over \$12.0bn at Schroders Australia.



## Ray David

Portfolio Manager

### Experience

- 20+ years' investment experience.
- Portfolio Manager Long-Short, Schroders
- Portfolio management team for large cap, Schroders (\$12bn)
- Director of Emerging Companies UBS.
- Member of the top-rated UBS Australian Equities Research team.
- Number 1 rated small companies analyst in the Australian Market.<sup>1</sup>



### Education

- Bachelor of Management.
- Bachelor Economics and Econometrics.
- Graduate Diploma of Applied Finance.
- CFA level 1 and 2 exams.



## Joe Koh

Portfolio Manager

### Experience

- 25+ years' investment experience
- Portfolio Manager Long-Short, Schroders
- Portfolio management team for large cap, Schroders (\$12bn)
- Portfolio Manager across Absolute, Market Neutral and Long-short funds, Regal.
- Equities Analyst, Bankers Trust.



### Education

- Bachelor of Business.
- Chartered Financial Analyst (CFA) charterholder.

1: 2011 EastColes Survey: Small and Midcaps 2: Inception date is 27 August 2020. The Blackwattle Australian Long-Short 130/30 Quality Fund (Fund) will operate from July 2023. The Fund employs the same Long Short strategy, investment philosophy and investment universe that was used by Ray David and Joseph Koh who managed the managed the Schroder Australian Equity Long Short Fund. To give a longer-term view of our performance using this investment strategy, we have shown longer returns for the Schroder Australian Equity Long Short Fund. Schroder Investment Management Australia Limited, ABN 22 000 443 274 was the responsible entity of the Schroder the Schroder Australian Equity Long Short Fund and was managed by the investment team whilst they were part of the investment team at Schroder Investment Management Australia Limited. Returns shown for the period from 27 August 2020 to 31 March 2023 reflect the returns of the Schroder Australian Equity Long Short Fund calculated Short Fund calculated based on exit price with distributions reinvested, after ongoing fees and expenses but excluding taxation (historical performance). This historical performance has been provided for information purposes and has been adjusted to reflect the ongoing fees applicable to the Fund. Past performance is not a reliable indicator a reliable indicator of future performance.

# Fund Characteristics

<b>Investment Team</b>	Ray David (Portfolio Manager) and Joseph Koh (Portfolio Manager)
<b>Previous Role</b>	Schroder Australian Equity Fund and Australian Equity Long Short Fund
<b>Previous FUM Managed</b>	Portfolio managers within the Schroder Australian Equity team which oversaw \$12.0Bn FUM
<b>Blackwattle Fund</b>	Blackwattle Long-Short 130/30 Quality
<b>Blackwattle Inception Date</b>	7 July 2023
<b>Admin and Registry</b>	Apex
<b>Number of Stocks</b>	Typically 35-55 Long, 15-25 short
<b>Cash limit</b>	30% (typically +10% to -10%)
<b>Benchmark</b>	S&P/ASX200 Total Return Index
<b>Fees and Charges</b>	Management Fee: 0.90% (excl. GST) of the Fund NAV. Performance Fee: 17.5% (excl GST) of the total return of the fund in excess of the return of the Benchmark during a relevant performance period and provided any prior underperformance has been recovered.
<b>High Water Mark</b>	Yes
<b>Cash Distributions</b>	Semi-Annually
<b>Applications/Redemptions</b>	Daily
<b>FUM Starting Potential</b>	\$15 - 50m
<b>FUM Capacity</b>	\$1.5bn
<b>FUM Constrained Capacity</b>	\$1.0bn
<b>Objective</b>	The Fund aims to outperform the S&P/ASX 200 Total Return Index (after fees and before taxes) over the long term.
<b>Strategy</b>	Fundamental research and focused risk management drives fund investments. Quality stocks at low or reasonable valuations underpin long positions; lower quality stocks at high valuations and facing near-term pressures comprise shorts. Diversification, pair trades, strict position limits and process discipline limit risk.



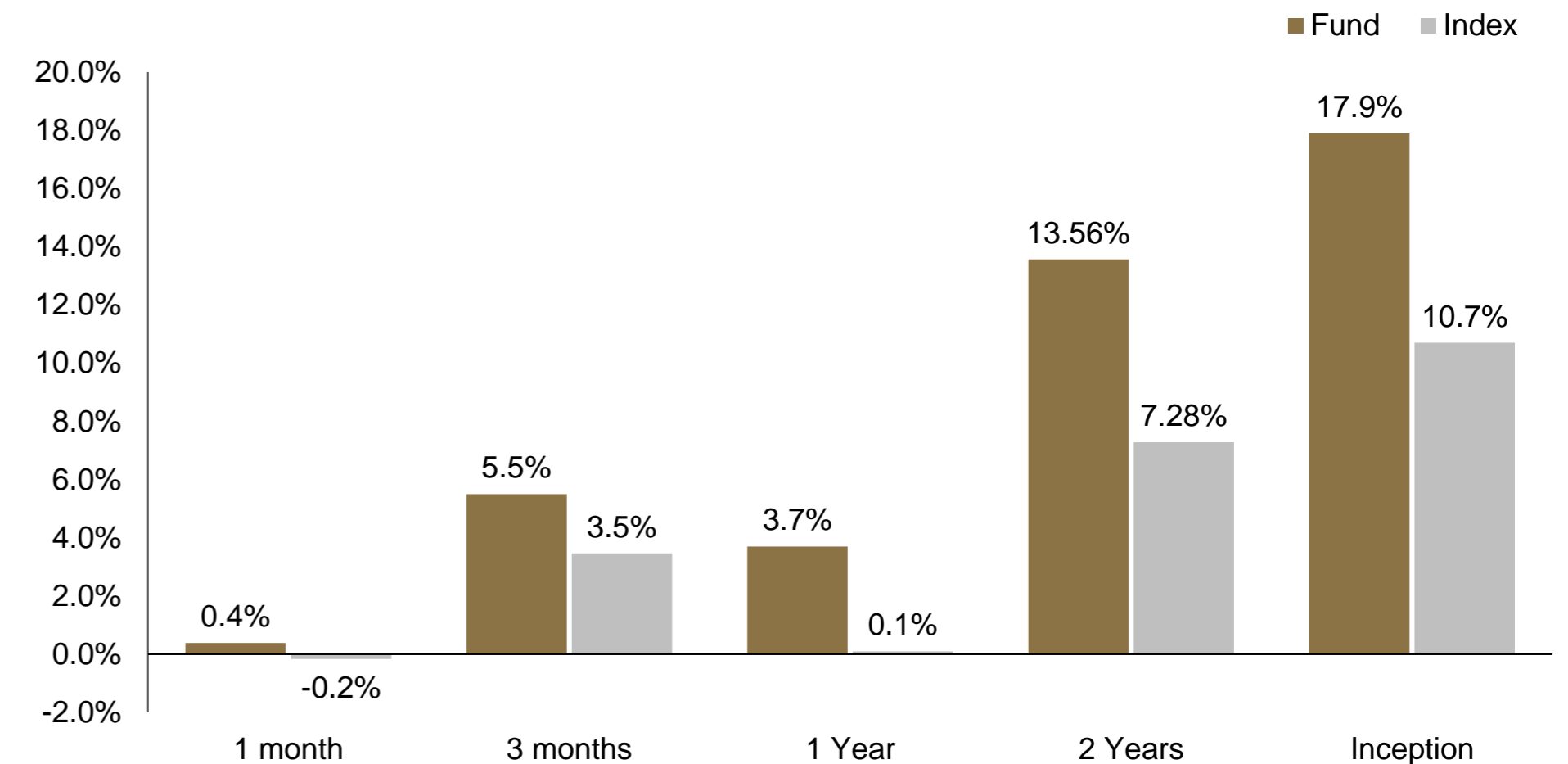


## Long-Short 130/30 Quality

# Performance

Performance (Gross)	1 months	3 months	1 Year	2 Years (p.a.)	Inception (p.a.) <sup>2</sup>
Fund	0.39%	5.50%	3.7%	13.56%	17.89%
Index (S&P / ASX 200 Accumulation Index)	-0.16%	3.46%	0.10%	7.28%	10.70%
<b>Value Added</b>	<b>0.55%</b>	<b>2.04%</b>	<b>3.60%</b>	<b>6.28%</b>	<b>7.19%</b>

31 March 2023



Performance (Net)	1 months	3 months	1 Year	2 Years (p.a.)	Inception (p.a.) <sup>2</sup>
Fund	0.33%	5.34%	1.76%	11.48%	15.66%
Index (S&P / ASX 200 Accumulation Index)	-0.16%	3.46%	0.10%	7.28%	10.70%
<b>Value Added</b>	<b>0.49%</b>	<b>1.88%</b>	<b>1.66%</b>	<b>4.20%</b>	<b>5.95%</b>

31 March 2023

“ **Top Decile Performance in Australia.** ”

1: Rankings are Blackwattle's assessment of 1 year data based on mercer rankings and publicly available information. 2: Inception date is 27 August 2020. The Blackwattle Australian Long-Short 130/30 Quality Fund (Fund) will operate from July 2023. The Fund employs the same Long Short strategy, investment philosophy and investment and investment universe that was used by Ray David and Joseph Koh who managed the Schroder Australian Equity Long Short Fund. To give a longer-term view of our performance using this investment strategy, we have shown longer returns for the Schroder Australian Equity Long Short Fund. Schroder Investment Management Australia Management Australia Limited, ABN 22 000 443 274 was the responsible entity of the Schroder Australian Equity Long Short Fund and was managed by the investment team whilst they were part of the investment team at Schroder Investment Management Australia Limited. Returns shown for the period from 27 August 2020 to 31 March 2023 reflect the returns of the Schroder Australian Equity Long Short Fund calculated based on exit price with distributions reinvested, after ongoing fees and expenses but excluding taxation (historical performance). This historical performance has been provided for information purposes and has been adjusted to reflect adjusted to reflect the ongoing fees applicable to the Fund. Past performance is not a reliable indicator of future performance.

Long-Short 130/30 Quality

# Positioning

The Blackwattle ASX Long-Short 130/30 Quality Fund invests in established companies with a sustainable forward advantage, and short-sells companies with a weakening advantage or increasing earnings risk.

Long-term ownership of Australia's best companies.



A close-up photograph of green, elongated leaves on a thin branch, with a blurred background of more foliage. The lighting is soft, highlighting the texture of the leaves.

# | ASX Large Cap Quality Fund

# Fund Characteristics

<b>Investment Team</b>	<b>Ray David (Portfolio Manager) and Joseph Koh (Portfolio Manager)</b>
<b>Previous Role</b>	Schroder Australian Equity Fund and Australian Equity Long Short Fund
<b>Previous FUM Managed<sup>1</sup></b>	Portfolio managers within the Schroder Australian Equity team which oversaw \$12.0Bn FUM



<b>Blackwattle Fund</b>	<b>Blackwattle Large Cap Quality</b>
<b>Blackwattle Inception Date</b>	7 July 2023
<b>Admin and Registry</b>	Apex
<b>Number of Stocks</b>	Typically 30-45 Long
<b>Cash limit</b>	10% (typically +5% to -5%)
<b>Benchmark</b>	S&P/ASX200 Total Return Index
<b>Fees and Charges</b>	Management Fee: 0.70% (excl. GST) of the Fund NAV.
<b>High Water Mark</b>	Yes
<b>Cash Distributions</b>	Semi-Annually
<b>Applications/Redemptions</b>	Daily
<b>FUM Starting Potential</b>	\$15 - 50m
<b>FUM Capacity</b>	\$10.0bn
<b>FUM Constrained Capacity</b>	\$5.0bn
<b>Objective</b>	The Fund aims to outperform the S&P/ASX 200 Total Return Index (after fees and before taxes) over the long term.
<b>Strategy</b>	Fundamental research and focused risk management drives fund investments. Quality stocks at low or reasonable valuations underpin long positions.

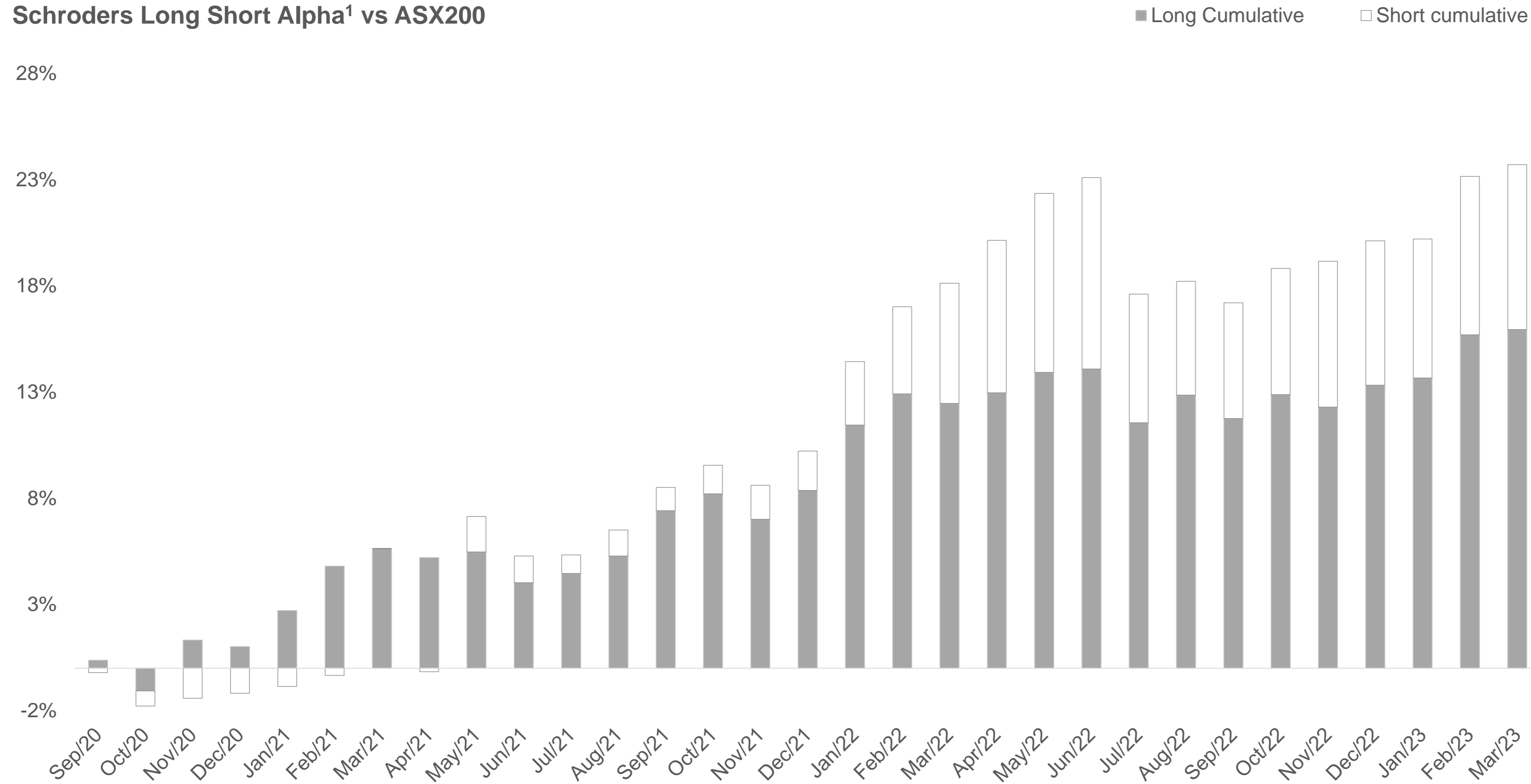


1: Both Ray David and Joe Koh were portfolio managers in the Schroder Australian Equity team which oversaw \$12.0Bn FUM, both were on the portfolio investment committee.

# ASX Large Cap Quality Fund

## Performance

### Schroders Long Short Alpha<sup>1</sup> vs ASX200



**Long Book Relative Alpha:**  
 - Cumulative 15.9%  
 - Per annum 4.8%

**“ Winner of the Golden Bull Award for the best Australian Investment Manager 2022 ”**  
 Schroders

31 March 2023

1: Performance is gross of fees as fees are not split between long and short fund. Inception date is 27 August 2020, performance is based on the long book of the Schroders Australian Equity Long Short Fund. 2: The Australian Fund Manager Foundation, Ray David and Joseph Koh as team members of the Schroders Australian Equity team. The Blackwattle Australian Long-Short Long-Short 130/30 Quality Fund (Fund) will operate from July 2023. The Fund employs the same Long Short strategy, investment philosophy and investment universe that was used by Ray David and Joseph Koh who managed the Schroder Australian Equity Long Short Fund. To give a longer-term view of our performance using this investment strategy, we have shown longer returns shown longer returns for the Schroder Australian Equity Long Short Fund. Schroder Investment Management Australia Limited, ABN 22 000 443 274 was the responsible entity of the Schroder Australian Equity Long Short Fund and was managed by the investment team whilst they were part of the investment team at Schroder Investment Management Australia Limited. Returns shown Limited. Returns shown for the period from 27 August 2020 to 31 March 2023 reflect the returns of the Schroder Australian Equity Long Short Fund calculated based on exit price with distributions reinvested, after ongoing fees and expenses but excluding taxation (historical performance). This historical performance has been provided for information purposes and has been adjusted to has been adjusted to reflect the ongoing fees applicable to the Fund. Past performance is not a reliable indicator of future performance.



# | ASX Mid Cap Quality Fund

# Investment Team

The ASX Mid Cap Quality Fund is managed by Tim Riordan and Michael Teran, who together have over 27 years of investment experience. Prior to Blackwattle, the team managed a \$2bn ASX Mid Cap fund for over 3 years at Aware Super.



## Tim Riordan

Portfolio Manager

### Experience

- 15+ years' investment experience.
- Head of Direct Equities at Aware Super.
- Lead PM of the Aware Super Mid Cap Industrial Fund.
- Co-Head of Research and Portfolio Manager at Altair Asset Management.
- FUM managed = \$3.5bn.



### Education

- Bachelor of Commerce (Accounting).
- Chartered Financial Analyst (CFA) charterholder.
- Financial Risk Manager designation from GARP.



## Michael Teran

Portfolio Manager

### Experience

- 12+ years' investment experience.
- Associate PM of the Aware Super Mid Cap Industrial Fund.
- Long-Short Equities Analyst at Point72 Asset Management in Hong Kong.
- Equities Analyst at Colonial First State Global Asset Management (now First Sentier Investors).
- FUM managed = \$2.0Bn



### Education

- Bachelor of Engineering (First Class Honours).
- Bachelor of Commerce.
- Chartered Financial Analyst (CFA) charterholder.

Head of Direct Equities at Australia's 5th Largest Super Fund.  
Managing FUM of \$3.5bn.

## Mid Cap Quality Fund

# Fund Characteristics

Investment Team	Tim Riordan (Portfolio Manager) and Michael Teran (Deputy Portfolio Manager)
Previous Role	Aware Super Mid Cap Industrial Fund
Previous FUM Managed	\$3.5Bn
<b>Blackwattle Fund</b>	<b>Blackwattle Mid Cap Quality Fund</b>
Blackwattle Inception Date	7 July 2023
Admin and Registry	Apex
Number of Stocks	20-35
Cash limit	10%
Benchmark	S&P/ASX300 Accumulation Index - S&P/ASX20 Accumulation Index
Fees and Charges	Management Fee: 0.90% (excl. GST) of the Fund NAV. Performance Fee: 15.0% (excl GST) of the total return of the fund in excess of the return of the Benchmark during a relevant performance period and provided any prior underperformance has been recovered.
High Water Mark	Yes
Cash Distributions	Semi-Annually
Applications/Redemptions	Daily
FUM Starting Potential	\$15 - 50m
FUM Capacity	\$3.0bn
FUM Constrained Capacity	\$2.0bn
Objective	The Fund aims to outperform the S&P/ASX300 Accumulation Index - S&P/ASX20 Accumulation Index (after fees and before taxes) over the long term.
Strategy	This fund uses a fundamental research process for high conviction investing in the highest quality stocks on the ASX. The Quality investment style aims for long-term ownership and compounding returns.

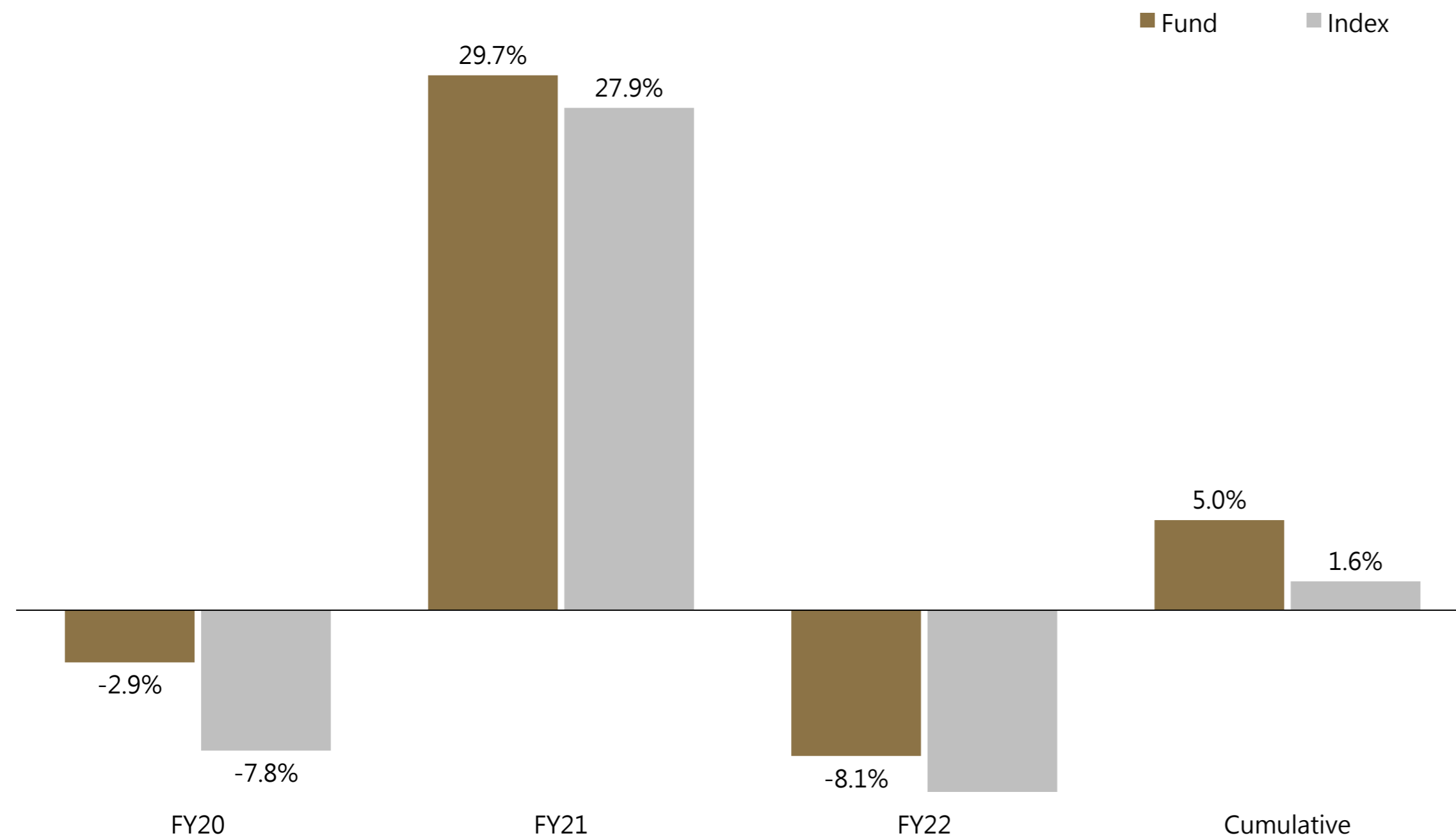




# Performance

## Consistent Returns

The Aware Super Mid-Cap Industrial Fund achieved **3.4% excess returns** from 2020 to 30 Sep 2022<sup>1</sup>



“  
Outperforming in both up and down markets.  
Investing +\$2.2bn of FUM.  
”



1: From Inception to 2020, fund benchmark was the S&P /ASX 300 Industrials Accumulation Index (Large Cap). From 2020, benchmark was changed to S&P /ASX 300 Industrials Accumulation Index - S&P /ASX 20 Industrials Accumulation Index (Mid Cap). 2: Inception date is 25 January 2018. The Blackwattle Australian Mid Cap Quality Cap Quality Fund (Fund) will operate from July 2023. The Fund employs the same strategy and investment philosophy that was used by Tim Riordan and Michael Teran who managed the Aware Super Mid-Cap Industrial Fund. To give a longer-term view of our performance using this investment strategy, we have shown longer returns for the longer returns for the Aware Super Mid-Cap Industrial Fund. Returns shown for the period from 25 January 2018 to 30 September 2022 reflect the returns of the Aware Super Mid-Cap Industrial Fund calculated based on exit price with distributions reinvested, after ongoing fees and expenses but excluding taxation (historical performance). This performance has been provided for information purposes and has been adjusted to reflect the ongoing fees applicable to the Fund. Past performance is not a reliable indicator of future performance.

Mid Cap Quality Fund

# Portfolio Detailed

**Concentration** The Blackwattle Mid-Cap Quality Fund is Concentrated & Quality focused, targeting:

Long-term ownership of Australia's best companies



**Altium**

**Breville**



**Domain**



The ASX Mid Cap Portfolio is focused on the ASX300 excluding the ASX20 (large banks and miners), which we believe is the right balance between an opportunity set of higher quality businesses and under researched stocks.

# | ASX Small Cap Quality Fund

# Investment Team

The Small Cap Quality Fund is managed by Robert Hawkesford and Daniel Broeren, who together have over 40 years of investment experience at Tier 1 boutiques and global institutions.



## Robert Hawkesford

Portfolio Manager

### Experience

- 20+ years investment experience.
- Most recently in a team of two managing Ellerston's institutional Australian Small Cap portfolio.
- Member of Ellerston's ESG and Broker Review Committees.
- FUM managed = up to A\$1.2bn.



### Education

- Bachelor Management.
- SII Investment Administration Qualification (IAQ™).
- Series 7 National Association of Securities Dealers.
- ASIC RG-146 Diploma of Financial Planning (Investments).



## Daniel Broeren

Portfolio Manager

### Experience

- 20+ years investment experience.
- Extensive long and short experience.
- Most recently Portfolio Manager, Watermark Funds Management (Australian Long/Short)
- Previously, Portfolio Manager of the Invesco Small Companies Fund, and Investment Analyst at ECP Asset Management.
- FUM managed = A\$500m.



### Education

- Bachelor Engineering.
- Bachelor of Business Administration.
- Master of Professional Accounting (Finance).

## ASX Small Cap Quality Fund

# Fund Characteristics

Investment Team	Robert Hawkesford (Portfolio Manager) and Daniel Broeren (Portfolio Manager)
Previous Roles	Ellerston Institutional Australian Small Cap Fund, Watermark Long/Short Fund
Previous FUM Managed	Up to \$1.2bn



Blackwattle Fund	Blackwattle Small Cap Quality
Blackwattle Inception Date	September 2023
Admin and Registry	Apex
Number of Stocks	30-60
Cash limit	20% (typically 0-10%)
Benchmark	S&P/ASX Small Ordinaries Accumulation Index
Fees and Charges	Management Fee: 1.10% (excl. GST) of the Fund NAV. Performance Fee: 20.0% (excl GST) of the total return of the fund in excess of the return of the Benchmark during a relevant performance period and provided any prior underperformance has been recovered.
High Water Mark	Yes
Cash Distributions	Semi-Annually
Applications/Redemptions	Daily
FUM Starting Potential	\$15 - 50m
FUM Capacity	\$1.5bn
FUM Constrained Capacity	\$750m
Objective	The Fund aims to outperform the S&P/ASX Small Ordinaries Accumulation Index (after fees and before taxes) over the long term.
Strategy	To construct a portfolio of higher quality small cap companies diversified by sector and risk factors using a combination of bottom-up fundamental research and top-down factor analysis.



ASX Small Cap Quality Fund

# Performance



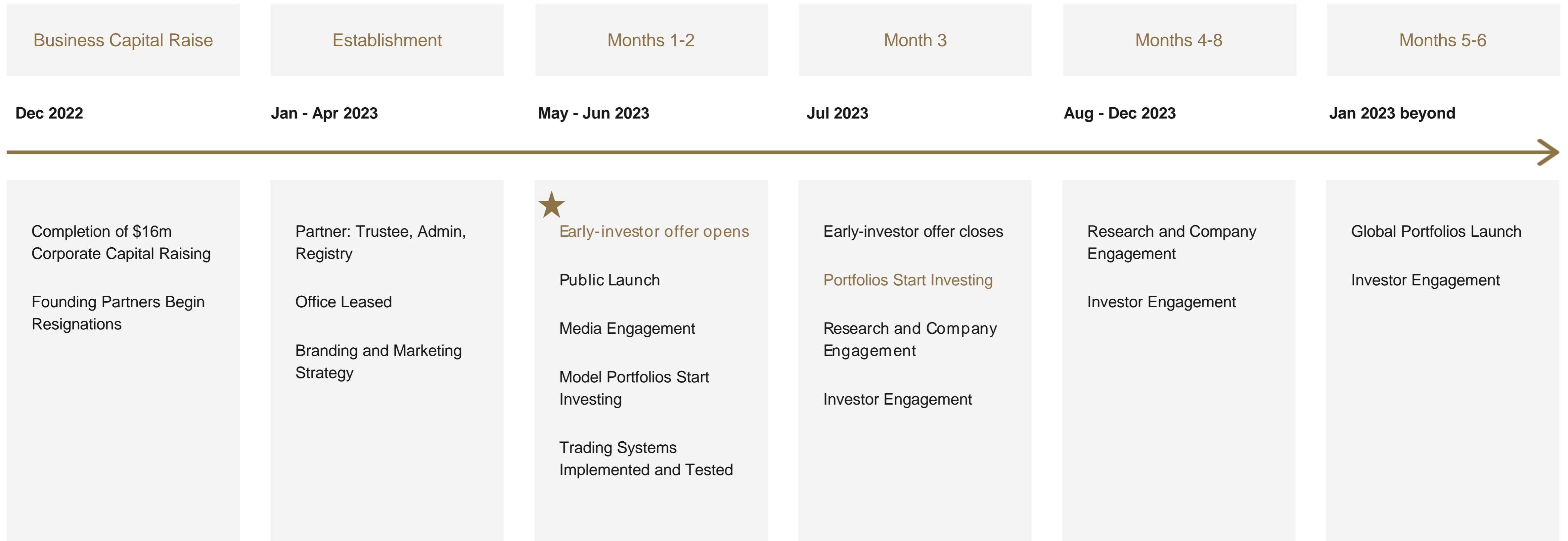
The Watermark Absolute Return Fund achieved **9.2% p.a.** net return over 19 years from inception to Feb 2023.<sup>1</sup>



The Ellerston Australian Small Companies strategy has comprised of a range of institutional mandates from leading Australian superannuation funds, with the flagship mandate achieving **+4.7% gross alpha** p.a. over 11 years from inception to Feb 2022 (peak FUM \$1.2bn).<sup>2</sup>

1: The Blackwattle Small Cap Quality Fund (Fund) will operate from September 2023. To give a longer-term view of Portfolio Manager ability, we have shown the Portfolio Manager's performance attribution that was delivered whilst working at Watermark Funds Management. Returns shown are gross of fees. This historical performance has been provided for information purposes. Past performance is not a reliable indicator of future performance. 2: The Blackwattle Small Cap Quality Fund (Fund) will operate from September 2023. To give a longer-term view of Portfolio Manager ability, we have shown the Portfolio Manager's performance attribution that was delivered whilst working at Ellerston Capital. Returns shown are gross of fees. This historical performance has been provided for information purposes. Past performance is not a reliable indicator of future performance.

# Blackwattle's Timeline



## | Contact

For more information, please contact Maggie Mills:

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Ph: 0498 183 569





# Blackwattle

Investment Partners

| Strictly Private and Confidential