

## FUND INVESTMENT APPROACH

1. Find asymmetric themes
2. Invest in the best stocks within those themes
3. Focus on macro drivers for risks and opportunities
4. To generate an asymmetric return profile

The strategy is global long/short equity with a variable delta bias. The portfolio will typically contain 40 to 70 positions. The fund focuses on identifying underinvested global investment themes through extensive macroeconomic and thematic research and then utilises a bottom up fundamental process to identify the highest quality securities within an investment theme to deliver asymmetric returns for investors.

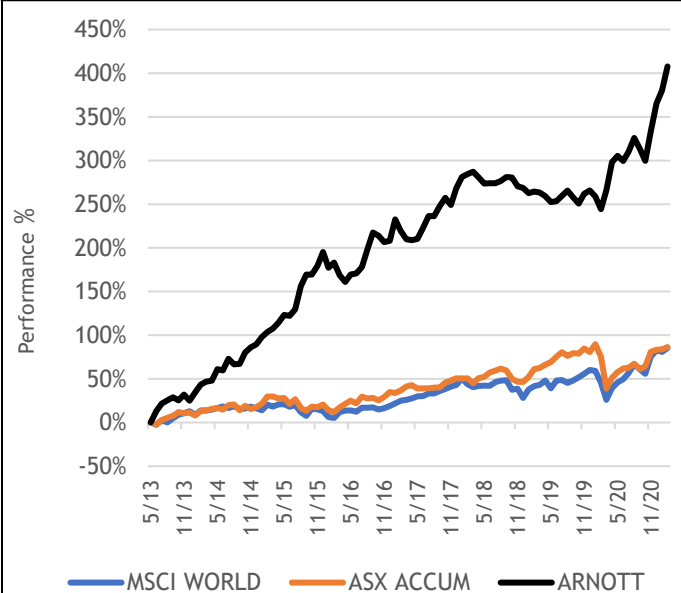
## PERFORMANCE METRICS

|                                | Arnott  | MSCI    |
|--------------------------------|---------|---------|
| Annualised returns             | 23.33%  | 8.28%   |
| % Positive months              | 65.59%  | 64.52%  |
| Average monthly return         | 1.84%   | 0.74%   |
| Avg return in MSCI up months   | 1.68%   | 2.92%   |
| Avg return in MSCI down months | 2.12%   | -3.21%  |
| Best month                     | 13.07%  | 12.66%  |
| Worst month                    | -6.09%  | -13.47% |
| Largest drawdown               | -11.61% | -21.44% |
| Longest drawdown (mths)        | 24      | 20      |
| Sortino                        | 4.27    | 0.80    |
| Sharpe ratio                   | 1.72    | 0.60    |

## CORRELATION METRICS

|                             |       |
|-----------------------------|-------|
| MSCI World Index            | 0.06  |
| U.S. Treasury Bond Index    | -0.05 |
| US\$ Gold                   | 0.01  |
| Bloomberg Commodities Index | -0.06 |
| Bloomberg Equity L/S Index  | 0.00  |

## CUMULATIVE FUND PERFORMANCE



## INVESTMENT MANAGER

Arnott Capital is a boutique absolute return fund manager founded in 1999, by Kenny Arnott, with the vision of delivery Asymmetric returns for investors. The firm is solely owned by staff and is a significant investor in the strategy alongside external investors.

## INVESTMENT TEAM

**Kenny Arnott**  
Chief Investment Officer  
30 years experience in financial markets, previously Macquarie Bank and Dunavant Enterprises

**Yianni Gertos**  
Portfolio Manager  
5+ years experience in financial markets, previously KIS Capital partners and EY

**Steve Clarke**  
Portfolio Manager  
25 years experience in financial markets, previously Macquarie Bank

## FUND INFORMATION

|                       |               |                        |  |
|-----------------------|---------------|------------------------|--|
| BASE CURRENCY         | AUD           | ARNOTT CAPITAL PTY LTD | AFSL License 233743<br>ABN 23086081889                             |
| STRATEGY INCEPTION    | 1999          | CIO KENNY ARNOTT       | kma@arnott.com.au  |
| MINIMUM SUBSCRIPTIONS | AUD \$100,000 | CONTACT DETAILS        | <a href="mailto:investor@arnott.com.au">investor@arnott.com.au</a> |
| WITHDRAWALS           | Monthly       | PRIME BROKER           | Morgan Stanley   |
| PERFORMANCE FEE       | 20%           | FUND ADMINISTRATOR     | Mainstream   |
| MANAGEMENT FEE        | 1.5%          | FUND AUDITOR           | Ernst and Young  |
| SUBSCRIPTIONS         | Monthly       | LEGAL ADVISORS         | Norton Rose Fulbright  |

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