

Third Link Growth Fund

Quarterly Fund Report – as at 31 December 2015

Fund performance

The Fund performance is measured after fees and is calculated by comparing unit prices over the relevant performance measurement period and assuming income distributions were reinvested.

For the various periods ending 31 December 2015, the Fund performance after fees was as follows:

	Three months	Six months	One year	Two years	Three years	Five years	Since inception (June 2008)
Third Link Growth Fund	+11.2%	+10.6%	+15.7%	+12.3% pa	+16.1% pa	+11.9% pa	+9.8% pa
Fund performance relative to its benchmark ¹	+5.9%	+6.9%	+8.3%	+5.5% pa	+5.3% pa	+3.3% pa	+4.5% pa

Figures greater than one year are expressed as annual compound returns.

¹ Up until the end of January 2012 the benchmark was the Morningstar Multi-Sector Growth Market Index and from February 2012 onwards the benchmark was the S&P/ASX 300 Accumulation Index.

Investment objective & benchmark

To provide an investment in Australian listed shares, with the aim of outperforming the S&P/ASX 300 Accumulation Index after fees over rolling five year periods.

The majority of the Fund's assets are invested in other managed investment funds run by third party investment managers.

The process of choosing each investment manager is based on their investment style and process, the expertise of the investment team, past performance through different market cycles and a range of other factors. This process is based on our extensive industry knowledge, considerable contacts and many years of experience in the investment management industry.

Investment manager

Third Link Investment Managers Pty Ltd of which Chris Cuffe is the Founding Director & Portfolio Manager.

Distribution frequency

Six monthly, as at end of December and June.

Minimum investment

\$20,000

Fund size

\$92.56 million

Website

www.thirdlink.com.au

Contact details

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Underlying investments

	%
AUSTRALIAN SHARES	
<u>General:</u>	
JBWere Individually Managed Account	19.0
Bennelong Ex-20 Australian Equities Fund	9.6
Cooper Investors Australian Equities Fund	10.8
Greencape Wholesale High Conviction Fund	4.9
Goldman Sachs Premier Australian Equities Fund	7.1
Lazard Select Australian Equity Fund	5.6
Montgomery [Private] Fund	8.4
Paradise Mid Cap Fund	9.7
	75.1
<u>Small Caps:</u>	
Aberdeen Australian Small Companies Fund	7.2
Harness Asset Management Small Companies Value Fund	3.3
Ophir Opportunities Fund	4.5
Pengana Emerging Companies Fund	8.2
	23.2
	98.3
CASH & CASH EQUIVALENTS	
Colonial First State Cash Enhanced Fund	2.0
Custodial account & other	-0.3
	1.7
TOTAL	100.0

The figures shown against each Australian shares fund do not 'look through' each fund to strip out any cash component. The managers of all of the above investments are listed on the Fund website.

Key portfolio changes this quarter:

- we added to our investments in the Aberdeen Australian Small Companies Fund, Bennelong EX-20 Australian Equities Fund, Cooper Investors Australian Equities Fund and the Paradise Mid Cap Fund.
- the Fund paid a distribution of income of 2cpu to investors in respect of the six months ended 31 December 2015.

Fees and expenses

There are no entry or exit fees payable by investors. The ongoing fees and expenses paid from the Fund are:

- an ongoing management fee of 1.4% p.a. of the gross asset value of the Fund, from which normal operating expenses are met; and
- abnormal operating expenses.

All fees received by the investment manager, net of expenses incurred, are donated to charity.

Advisers

A highly experienced group of people act as advisers to Chris Cuffe to provide input when requested concerning the investment environment, the strategy of the Fund and/or the investments held. This ensures there is a diversity of views from experts to help formulate decisions about the Fund.

These advisers comprise:

- Piers Bolger, Head of Research and Strategy – Advice and Private Banks, BT Financial Group
- Kieran Kelly, Managing Director, Sirius Fund Management
- Frank Macindoe, Executive Director, Private Wealth Management, JBWere
- Mark Nelson, Executive Chairman, Caledonia Investments
- Ashley Owen, Joint Chief Executive Officer, Philo Capital Advisers
- Don Stammer, former Chief Economist and Director of Investment Strategy for Deutsche Bank
- Fiona Trafford-Walker, Director of Consulting, Frontier Investment Consulting
- Geoff Wilson, Chairman, Wilson Asset Management (International)
- Stephen van Eyk, Managing Director, Stephen van Eyk Consulting

Our charitable partners

All fees received from managing the Fund's investments, net of expenses incurred, are donated to various charities.

Third Link embraces a strategy for its charitable giving, known as the Third Link Thrive Program ('*Thrive*'). *Thrive* represents a portfolio approach to the charitable giving of Third Link, forging long-term partnerships with quality organisations that help Australian children and young people to thrive, not just survive.

It's a truism that our children are our future, and in a nation as prosperous as Australia it's not overly ambitious to want great things for our kids – to help them exceed, rather than just meet, educational and well-being benchmarks.

When selecting philanthropic partners to join the *Thrive* portfolio, priority will be given to organisations that are:

- national;
- serving children or young people under the age of 25;
- unique and have a demonstrable point of difference; at a crucial growth phase in their evolution, where philanthropic funding can result in significant capacity improvements within the organisation; and
- able to demonstrate how Third Link's funding will be leveraged ('the multiplier effect') for maximum social impact.

Our charitable partners are currently as follows:

- Australian Indigenous Mentoring Experience
- Batyr
- Beacon Foundation
- Children's Ground
- National Centre for Childhood Grief
- REAPing Reward
- The Song Room
- Uplifting Australia

A description of each of these organisations is listed on the Third Link web site (see the section titled 'Our charitable partners'). The list of charitable partners will change from time to time, with such changes reflected on this website.

Acknowledgment of support

Thanks to the extraordinary and generous support of a number of investment and service professionals who have agreed to waive some or all of the fees that would otherwise be due to them for services rendered, the expenses from running the Fund are kept to a minimum, resulting in a larger pool to donate to the charitable sector.

For a full list of the service providers, please refer to our website at www.thirdlink.com.au

This information is not personal advice. This information has been prepared without taking account of your objectives, financial situation or needs. Potential investors should seek independent advice as to the suitability of the Fund to their investment needs. Investors should be aware that past performance is not indicative of future performance. Returns can be volatile, reflecting rises and falls in the value of underlying investments. Treasury Group Investment Services Limited (TIS) AFSL No. 227 326 is the Responsible Entity for the Fund. Applications can only be made on the application form dated 1 July 2014 accompanying the Fund Product Disclosure Statement (PDS) dated 1 July 2014. Potential investors should consider the PDS and the Additional Information to the PDS (AIB) before deciding whether to invest, or continue to invest in the Fund. The PDS and AIB can be obtained on www.thirdlink.com.au or by contacting Third Link.