

Portfolio update

The objective of the Third Link Growth Fund ("the Fund") is to provide an investment in Australian listed shares. To achieve this, the Fund extensively invests with professional third party investment managers.

As at the end of September 2018 the portfolio was invested as shown in the table opposite.

Over the last six months the only changes to the portfolio, excluding movements in our cash investments, were:

- The Fund paid a distribution of income to investors in respect of the six months ended 30 June 2018;
- The Fund made an initial investment in the Ethical Partners Australian Share Fund and additional investments in the Lennox Capital Australian Small Companies Fund, Ophir High Conviction Fund and L1 Capital Australian Equities Fund; and

- The Fund made a full redemption from the Harness Asset Management Small Companies Value Fund

As at the end of September 2018 the Fund stands at \$175.79m in size (\$175.28m at the end of June 2018). During the last 6 months we received \$6.23m in new applications and processed redemptions totalling \$9.02m.

A description of each of the fund managers we invest with can be found on our website at www.thirdlink.com.au (see the section "Fund Managers We Invest With"). Each of these managers rebates their management fees and performance fees, effectively meaning they are managing the assets of the Fund for free. It is through this extraordinary generosity, together with that of other service providers (all listed on the Fund website), that Third Link is able to make sizeable donations to the charitable sector without diluting the returns to investors from the Fund. ■

Raise Foundation

Raise Foundation's mission is to deliver best practice mentoring programs to young people in public high schools across Australia. In doing so, Raise Foundation is pursuing its vision to create thriving communities across generations by training volunteer mentors from local communities to empower these young people to become more resilient, capable and connected.

It is a confronting fact that 1 in 4 young Australians say they are unhappy with their lives, 1 in 4

have a mental health condition and 1 in 10 are completely disengaged from education, employment and training. This disengagement from economic participation, and the associated costs of poor mental health and social isolation for our youth, equate to estimated lost earnings of up to \$11.3 billion of GDP.

This is an urgent social problem that needs a proven, scalable solution like best practice youth mentoring which Raise Foundation has been delivering since 2008.

Youth mentoring provides:

- direct help to develop a young person's skills for re-engagement in education or employment; and
- an indirect, holistic pathway to build a young person's resilience, connection and wellbeing strategies to help them resolve their personal barriers to engagement.

For ten years Raise Foundation has been attracting and recruiting volunteers from local communities and bringing them into public

secondary schools to connect one-on-one with young people in need – giving them the opportunity to experience, often for the first time, a confiding and supportive relationship with an adult - one of the single best predictors of psychological health and vitality amongst young people.

To date almost 4,500 young Australians have graduated from Raise programs with evidenced-based, statistically significant

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Third Link

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AUSTRALIAN EQUITIES

General:

Frank Macindoe (Koda Capital) IMA	17.5%	
Bennelong Ex-20 Australian Equities Fund	10.6%	
Cooper Investors Australian Equities Fund	8.6%	
Ethical Partners Australian Share Fund	2.8%	
Greencape Wholesale High Conviction Fund	4.2%	
Lazard Select Australian Equity Fund	6.7%	
L1 Capital Australian Equities Fund	4.4%	
Montgomery Private Fund	5.3%	
Paradise Mid Cap Fund	8.3%	68.4%

Small Caps:

Aberdeen Australian Small Companies Fund	5.8%	
Lennox Australian Small Companies Fund	5.4%	
Ophir High Conviction Fund	6.2%	
Pengana Emerging Companies Fund	4.1%	21.5%
		89.9%

CASH & CASH EQUIVALENTS

Colonial First State Wholesale Premium Cash Enhanced Fund	6.1%	
Custody Account & Other	4.0%	
		10.1%

TOTAL		100.0%
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The figures shown against each Australian equities fund listed above are not shown on a look through basis. As a result, where any underlying fund holds cash or cash equivalents, the Fund's total investment in cash or cash equivalents would be higher.

Fund performance

It is the aim of Third Link Growth Fund to outperform, after fees and over rolling five year periods, the S&P/ASX 300 Accumulation Index¹.

As at the end of September 2018 the Fund performance relative to the Fund benchmark was as shown in the table opposite.

Over the last 6 months the Fund produced a return of +8.9% after fees compared to the S&P/ASX 300 Accumulation Index of +10.0% over the same period.

The longer term performance of the Fund, as shown in the table opposite, continues to be very pleasing. This has been

Our active approach to adding value for investors over the long term is proving to be rewarding.

achieved because of solid long-term investment results by the fund managers utilised by the Fund, validating their continuing inclusion. This result also continues to demonstrate that our active approach to adding value for investors over the long term is proving to be rewarding. ■

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improvements in their resilience, relationships, confidence, coping strategies, ability to set and achieve goals, engagement with education and employment, and their ability to ask trusted adults for help. In achieving this, Raise Foundation has trained more than 3,200 community minded volunteers to be professional youth mentors.

Raise Foundation uses funding from Third Link to continue operating these successful programs. Excitingly, Third Link

also provided seed funding for a collaboration between Raise Foundation and industry experts at the start of 2018 to develop a robust strategy to dramatically scale-up the availability of its youth mentoring programs into every public high school in Australia. Subsequent project funding from Third Link is enabling Raise Foundation to properly resource the strategy implementation whilst maintaining the delivery of its existing best practice mentoring programs year-on-year.



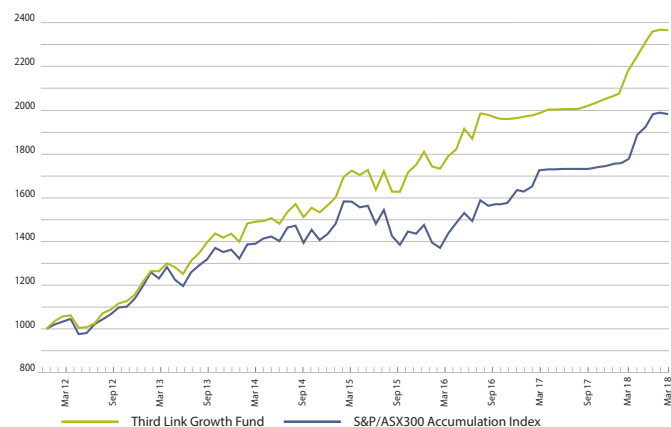
	three months	six months	one year	two years (pa)	three years (pa)	five years (pa)	since February 2012 (pa) ²
Third Link Growth Fund	+1.6%	+8.9%	+16.6%	+10.3%	+13.7%	+11.4%	+14.0%
S&P/ASX 300 Accumulation Index ¹	+1.5%	+10.0%	+14.0%	+11.5%	+12.2%	+8.2%	+10.6%
Fund performance relative to benchmark	+0.1%	-1.1%	+2.6%	-1.2%	+1.5%	+3.2%	+3.4%

Returns are calculated after fees have been deducted and assuming reinvestment of distributions. Figures greater than one year are expressed as annual compound returns. No allowance is made for tax. The benefits of franking credits from dividends received have not been included.

¹ The S&P/ASX 300 Accumulation Index covers the largest 300 shares listed on the Australian market.

Being an accumulation index, it measures changes in both the value and income of the shares.
² February 2012 reflects the date when the Fund's investment strategy changed from multi sector growth to Australian equities.

Third Link Growth Fund vs S&P/ASX300 Accumulation Index
Value of \$1,000 since February 2012



Charities we support

- ▶ Act for Kids
- ▶ batyr
- ▶ Children's Ground
- ▶ Dismantle
- ▶ Ganbina
- ▶ Foundation for Young Australians
- ▶ Mirabel Foundation
- ▶ National Centre for Childhood Grief
- ▶ Raise Foundation
- ▶ Social Ventures Australia
- ▶ The Song Room
- ▶ Wayside Chapel

Amount donated

Third Link has donated the following amounts to our charitable partners:

- ▶ **\$10.0million to date.**
- ▶ **\$1.4m in the six months to 30 September 2018**



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