



Affluence Small Company Fund Fund Report - December 2021

Fund Commentary

The Affluence Small Company Fund increased by 0.7% in December, compared to the ASX Small Ordinaries Index which increased by 1.4%. For the 2021 calendar year the Fund returned a pleasing 21%. The Fund has now returned 10.8% per annum since inception in April 2016, compared to the ASX Small Ordinaries Index which has increased by 11.4% per annum.

The strongest performing investments in December included our holding in the CD Private Equity Series (CD1, CD2 and CD3) and the Phoenix Opportunities Fund.

At the end of December the portfolio included eight unlisted funds (50% of the portfolio), seven LICs (17%) and six ASX listed Small Companies (19%). The balance 14% was cash and hedges.

If you would like to know more about the investment portfolio, including our top holdings and weightings, visit the Affluence Small Company Fund page at <https://affluencefunds.com.au/asf/> or the Members area of our website. You must be registered as an Affluence Member to view the portfolio.

The Affluence LIC Fund is currently only available to existing clients who are also Wholesale and Sophisticated Investors. If you hold an investment in any Affluence Fund, you can apply to invest in the Affluence LIC Fund. If you already have an investment in the Fund, you can continue to add to your investment. For existing Affluence clients, applications are accepted monthly, and the minimum initial investment amount is \$20,000. The cut-off for applications is the last business day of the month, with units issued effective the first day of the following month. Click the "Invest Now" button on our website to apply online or download application forms.

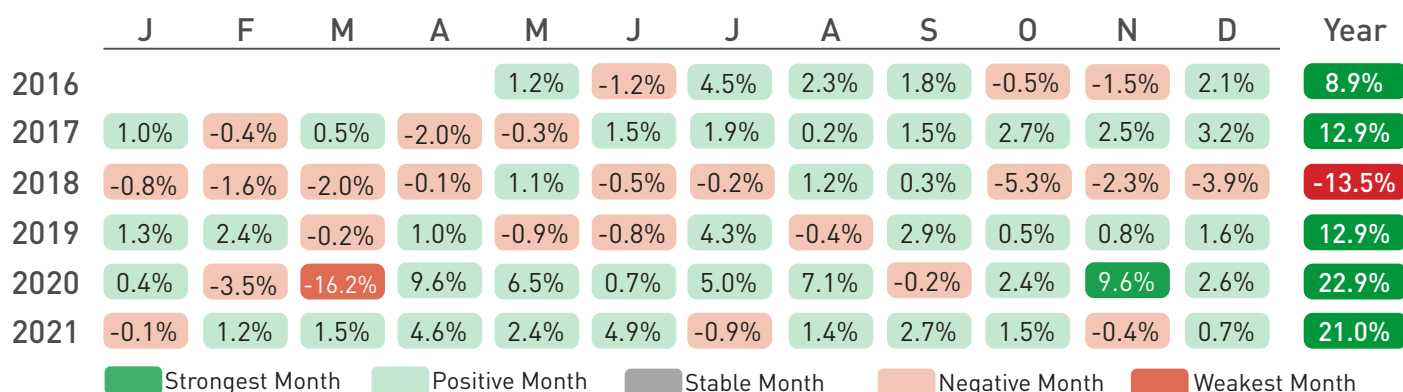
Fund Performance

To 31 December 2021

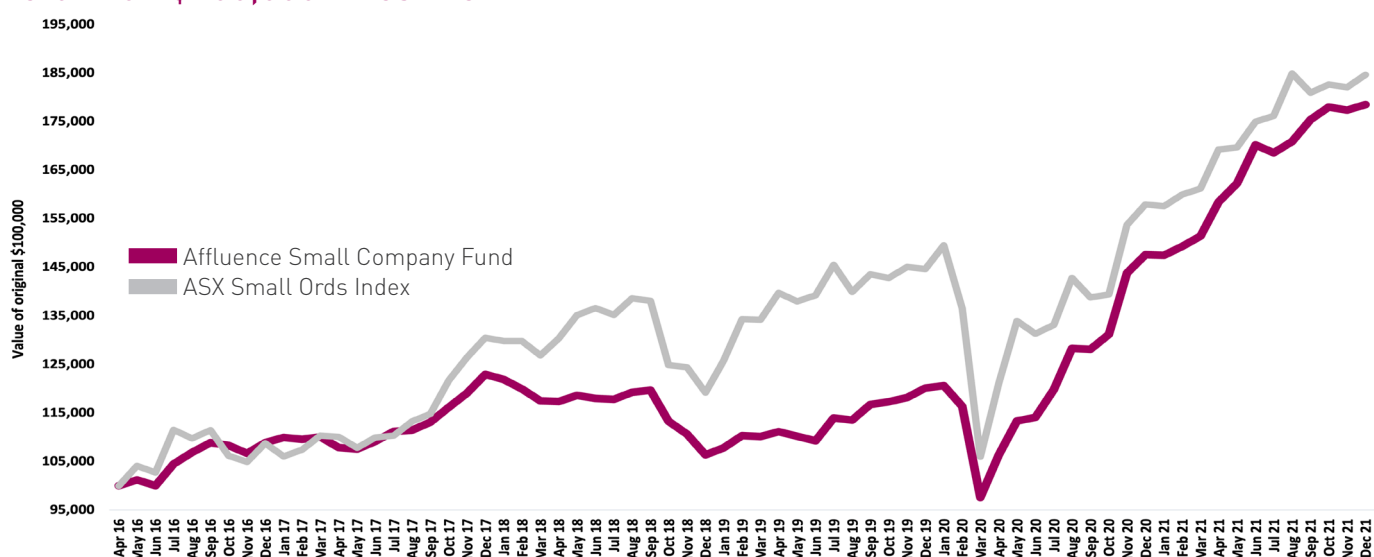
	1 Month	1 Year	3 Years	5 Years	Inception
Affluence Small Company Fund Total Returns	0.7%	21.0%	18.8%	10.4%	10.8%
ASX Small Ordinaries Index (Small Ords)	1.4%	16.9%	15.7%	11.2%	11.4%
Performance compared to Small Ords Index	(0.7%)	4.1%	3.1%	(0.8%)	(0.6%)

Total returns are net of fees and costs (excluding buy-sell spread) using the mid prices and assume the reinvestment of distributions. Returns of more than 1 year are annualised. Inception date is 21 April 2016. Past performance is not indicative of future performance.

Fund Monthly Return History

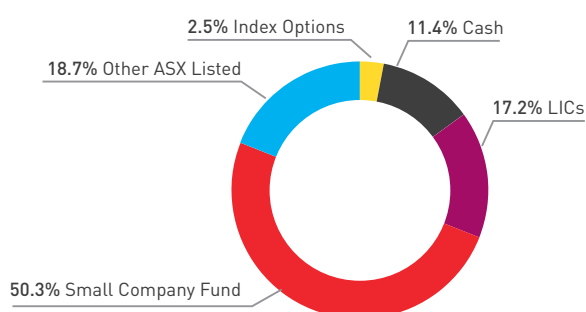


Return on \$100,000 Investment



Portfolio Summary

Underlying Investment Type



Five Largest Investments

Samuel Terry Absolute Return Fund
 Phoenix Opportunities Fund
 Kiland Ltd (KIL)
 Terra Capital Natural Resources Fund
 QVG Opportunities Fund

What Makes This Fund Different

Traditional Fund Managers	Affluence - Invest Differently
Follow The Herd: Traditional managers are too scared to fail, so they don't succeed. Most don't outperform the index.	Actively Pursue Out-performance: From our fee structure alignment to our investment methodology, our strategy targets positive returns and low volatility.
Restricted Product Selection: Commonly places clients into their own managed funds or choose from a restricted list of 'approved' funds.	Best Of Breed: We will seek the best fund managers, and combine them in a way which cushions against market corrections.
Traditional Asset Classes: Manage large amounts in traditional asset classes (e.g. ASX200 equities), which minimises chances of excess performance.	Unique Strategies: We prefer managers who operate in specialised markets with less funds under management and a competitive advantage.
High, Fixed Fees: Take fees regardless of performance.	No Fixed Fees: Our fees are 100% performance based.

Key Statistics

Investment Class	ASX Small Companies
Minimum Investment	\$20,000
Suggested Timeframe	At least 5 years
Benchmark Returns	ASX Small Ords Accumulation Index
Entry Price	\$1.2505
Exit Price	\$1.2417
Distributions	Quarterly, target 5% p.a.
Applications	Monthly
Withdrawals	Monthly
Management Fees	Nil
Performance Fee	12.5% of positive performance
Buy/Sell Spread	0.35%/0.35%

Investment Strategy

We believe that exposure to Small Companies through quality investments across different managers, investment strategies and structures can provide higher risk adjusted returns from this asset class.

The Fund provides access to a diversified portfolio of Small Companies via unlisted funds, LIC's and direct investments. We aim to outperform the ASX Small Ordinaries Accumulation Index over rolling 5 year periods and to deliver these returns with lower volatility.

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Meet The Portfolio Managers



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