



Trans-Tasman Fund

May 2020

Performance Commentary

The Trans-Tasman Fund was up 9.68% in April versus the S&P/NZX50 benchmark, which was up 7.51%.

The outperformance versus the benchmark was largely due to Corporate Travel, Sezzle, Redbubble and Kogan.com. The market appears to have accepted that Corporate Travel will survive the current crisis. Sezzle, Redbubble and Kogan.com all performed strongly after demonstrating that their business models remain largely unaffected. As the fund does not hold shares in Air New Zealand or SkyCity Entertainment their recovery in April was a detractor to relative performance.

We added an overweight position in The Reject Shop. It is a classic turnaround story; a new and highly capable management team with a clear mandate to fix the discount retailer. If they succeed, as we believe they can, there will be a significant increase in medium term earnings. One of the pluses of the recent volatility is that we have been able to build a position in this company at what we believe are very attractive prices.

Portfolio Strategy

The Castle Point Trans-Tasman Fund invests in New Zealand and Australian Listed Companies and is benchmarked to the S&P/NZX 50 Index. The objective of the portfolio is to outperform the benchmark over rolling three year periods. With its high active share the portfolio targets a tracking error of between 3-6% and will typically have less than 5% in cash at any time.

Performance to 30 April 2020 (Net of fees & excl ICs)*

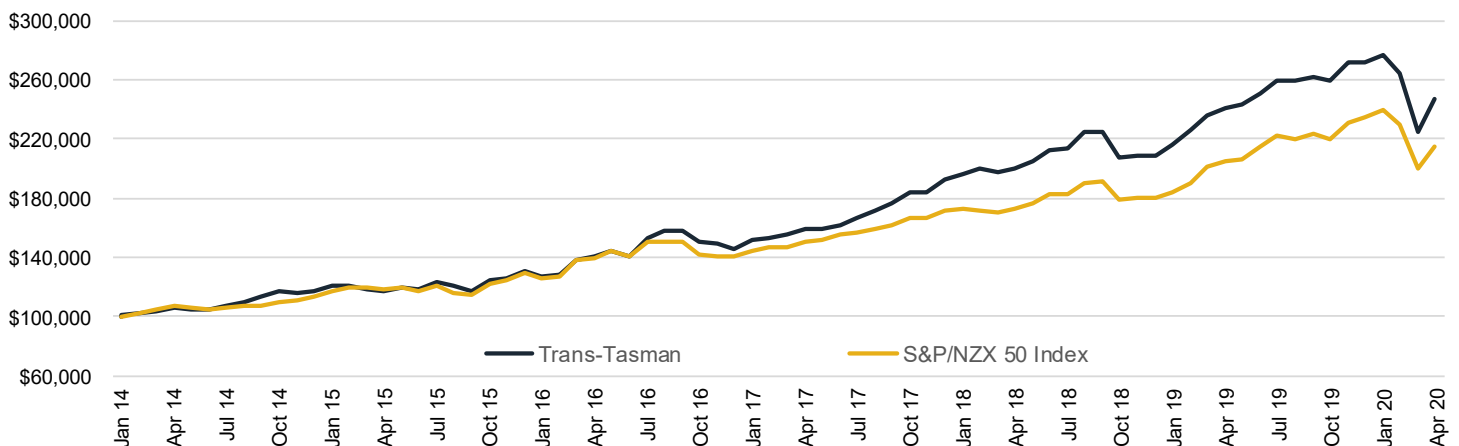
| | Past Month | Past Quarter | Past Year | Past 3 Years (p.a.) | Past 5 Years (p.a.) | Since Inception (p.a.) |
|--------------------------------|------------|--------------|-----------|---------------------|---------------------|------------------------|
| Trans-Tasman Portfolio | 9.68% | -10.65% | 2.23% | 15.79% | 15.94% | 15.47% |
| S&P/NZX50 Index excluding IC's | 7.51% | -10.12% | 5.18% | 12.59% | 12.71% | 12.97% |
| Out/Under Performance | +2.17% | -0.53% | -2.95% | +3.20% | +3.23% | +2.50% |

*The inception date of the PIE fund is 20 November 2018. The performance numbers from 17 January 2014 to 20 November 2018 are from a Wholesale Individually Managed Account with the same strategy.

Key Facts

| | | | |
|---------------|--------------|--------------------------------|------------------------------|
| Supervisor | Public Trust | Distribution | Quarterly |
| Custodian | MMC limited | Return Target | S&P/NZX50 Index |
| Administrator | MMC limited | Recommended Investment Horizon | Long term (at least 5 years) |
| Auditor | Deloitte | Minimum Initial Investment | \$10,000 |
| Liquidity | Daily | Minimum Additional Investment | \$1,000 |

Growth of \$100,000 (Net of fees & excl ICs)





Trans-Tasman Fund

May 2020

Largest Overweight Positions

| | | |
|-----------------------------|-----|------|
| Corporate Travel Management | AUD | 2.2% |
| Redbubble | AUD | 2.0% |
| Contact Energy | NZD | 2.0% |
| Macmahon Holdings | AUD | 1.9% |
| Retail Food Group | AUD | 1.7% |
| Australian Vintage | AUD | 1.5% |
| Kogan.com | AUD | 1.5% |
| Boom Logistics | AUD | 1.4% |
| The Reject Shop | AUD | 1.3% |
| OFX Group | AUD | 1.3% |

Largest Underweight Positions

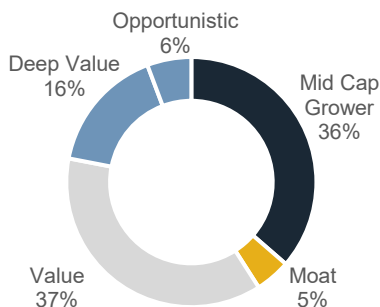
| | | |
|--------------------------------|-----|-------|
| Auckland International Airport | NZD | -2.4% |
| Sky City Entertainment Group | NZD | -1.7% |
| Summerset Group | NZD | -1.3% |
| Ryman Healthcare | NZD | -1.2% |
| Chorus | NZD | -1.1% |
| Port of Tauranga | NZD | -1.1% |
| Ebos Group | NZD | -1.1% |
| A2 Milk Company | NZD | -1.1% |
| Spark New Zealand | NZD | -1.0% |
| Fisher & Paykel Healthcare | NZD | -0.9% |

Distribution History

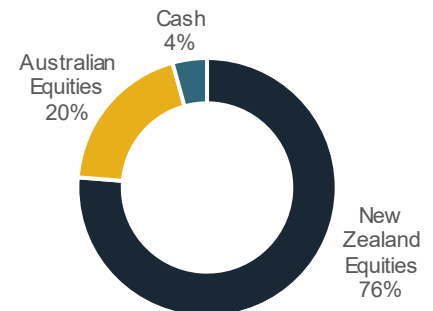
| Date | Dollars per Share (\$) | Unit Price (\$) | Yield per distribution |
|------------|------------------------|-----------------|------------------------|
| 20/04/2020 | 0.018 | 2.3790 | 0.76% |
| 20/01/2020 | 0.013 | 2.6805 | 0.48% |
| 21/10/2019 | 0.025 | 2.5637 | 0.98% |
| 25/07/2019 | 0.013 | 2.551 | 0.51% |
| 26/04/2019 | 0.020 | 2.3702 | 0.84% |
| 25/01/2019 | 0.011 | 2.1608 | 0.51% |

Distributions are paid quarterly in January, April, July and October

Equity Overweights by Category



Holdings by Country



Fees

1.05% capped management fee which covers our management fee and normal operating expenses of the fund.

No entry or exit fees are currently charged, but there is a buy/sell spread of 0.30% of each investment / withdrawal.



- Zenith FundSource Australasian Equities Manager of the Year 2019
- Zenith FundSource Boutique Manager of the Year 2019

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