

Fulcrum Diversified Absolute Return Fund

OBJECTIVE

The Fulcrum Diversified Absolute Return Fund ('the Fund') aims to achieve long-term absolute returns in all market conditions over a rolling five-year period, with lower volatility than equity markets and in excess of the Reserve Bank of Australia (RBA) cash rate.

APIR	ETL0424AU	ARSN	601 830 353
INCEPTION DATE	31 March 2015	INVESTMENT MANAGER	Fulcrum Asset Management LLP

Overview

The Fund was transitioned to Ironbark Asset Management (Fund Services) Limited ('Ironbark') as Responsible Entity in March 2021.

In seeking to achieve its aim of long-term absolute returns, the Fund will hold a diversified portfolio, typically consisting of exposures to equities, fixed income, commodities, alternatives and cash. In order to maximise risk-adjusted returns the Fund relies on four primary sources of return: (1) asset class timing, (2) relative value opportunities, (3) alternatives, and (4) hedging, with the relative weightings actively managed by the Fulcrum Investment Committee.

The Fund is classified as a hedge fund in accordance with the Australian Securities and Investments Commission, Regulatory Guide 240 'Hedge funds: Improving disclosure'. This classification is based on the fact that the Fund exhibits two or more characteristics of a hedge fund, the characteristics being:

- aims to generate returns that are not highly correlated to published indices;
- charges a performance fee (including at the underlying fund level);
- uses leverage;
- uses derivatives; and/or
- uses short selling.

Ironbark Asset Management (Fund Services) Limited ('Ironbark') as the responsible entity of the Fund, is required to provide investors with extra information on the Fund. For further information about the Fund, please see Ironbark's website www.ironbarkam.com.

Financial year net returns (%)¹

The performance figures in the table below represent the Fund's annual investment returns, net of fees and charges, for the yearly periods shown. A yearly period is the financial year ('FY'), from 1 July to 30 June of the relevant period.

	FY 2024	FY 2023	FY 2022	FY 2021	FY 2020
Fund	9.31	-3.90	1.10	9.53	7.73

¹ Past performance is not indicative of future performance. Net performance figures are calculated using exit prices, net of fees and reflect the annual reinvestment of distributions.

Liquidity^{2,3}

The percent of underlying portfolio assets able to be converted into cash over the following time periods assuming 25% of Average Daily Volume ('ADV') over the past 12 months to 30 June 2024:

	1 to 10 days	> 10 days to 30 days	> 30 days to 6 months	< 1 year	> 1 year
Fund	99%	100%	100%	100%	100%

The majority of assets expected to be traded and held by the Fund are liquid. Ironbark and Fulcrum currently expect that the Fund will be able to realise at least 80% of the Fund's assets at the value ascribed to those assets in calculating the Fund's NAV within 10 days, however assets are generally realised within 8 days.

² The estimated time required to sell the asset at the value ascribed to that asset in the Fund's net asset value as of 30 June 2024.

³ The data herein reflects an estimated liquidity in relation to the underlying investments within the Fund. The analysis includes redemption frequency plus notice period. The liquidity terms for the investor may differ substantially. There are no assurances that such liquidity estimates will reflect the actual liquidity of the Fund.

Strategy allocation (%)¹

As at 30 June 2024, the asset allocation of the Fund was per the table below:

Asset class	Allocation weight
Asia ex-Japan Equities	3.64
Commodities	14.56
Developed Rates (10 year equivalent)	7.45
Diversifying Strategies	7.50
Emerging Market Equities	-0.92
Emerging Market Rates (10 year equivalent)	0.87
European ex-UK Equities	14.28
Japanese Equities	10.51
North American Equities	18.61
Short Term Government Bonds	21.20
UK Equities	2.29
Total	100.00

¹Source: Fulcrum Asset Management LLP.

Leverage and short selling (%)

The Fund can be leveraged implicitly through the use of derivatives (including exchange traded futures and options as well as non-exchange traded (OTC) options, forwards and swaps). On 30th June 2024 the net leverage for the Fund was 318%.

The Fund will not short sell, however it may obtain short positions through derivatives.

Liabilities and maturity profile

As at 30 June 2024, the Fund did not have any liabilities.

Derivative counterparties (%)

The Fund may use derivatives for investment purposes and for efficient portfolio management. The Fund will also use hedging strategies to reduce risk over the short term without materially altering its risk profile.

The derivative counterparties engaged by the Fund for the 12-month period to 30 June 2024 were:

- Bank of America Corp
- Barclays PLC
- Citigroup Inc
- Goldman Sachs
- JP Morgan Chase & Co
- Morgan Stanley
- UBS
- HSBC

Changes to key service providers

- During the 2024 financial year, there were no changes to the key service providers of the Fund.

This information is current as at the date of this document and provided as a guideline only, it may be subject to change. No recommendation or advice has been given as to whether any investment or strategy may be suitable for you.

Issued by Ironbark Asset Management (Fund Services) Limited ABN 63 116 232 154 AFSL 298626 ('Ironbark'). Ironbark is the responsible entity for the Fund(s) referred to in this document. The relevant target market determination (TMD) and offer document for the Fund(s) is available from www.ironbarkam.com/fulcrum/dar/ or by calling Ironbark on 1800 034 402. This document contains general information only and is not intended to represent specific investment or professional advice. The information does not take into account an individual's personal financial circumstances, objectives or needs. Before making an investment decision, you should consider obtaining professional investment advice that takes into account your personal circumstances and should read the current TMD and offer document before making an investment decision to acquire or to continue to hold units in the Fund. Ironbark and its representatives believe that the information in this document is correct at the time of compilation, but no warranty of accuracy or reliability is given and no responsibility arising in any other way for errors or omissions (including responsibility to any person due to negligence) is accepted by Ironbark. To the extent permitted by law, Ironbark, its employees, consultants, advisers, officers and representatives are not liable for any loss or damage arising as a result of reliance placed on the contents of this document. While any forecasts, estimates and opinions in this material are made on a reasonable basis, actual future results and operations may differ materially from the forecasts, estimates and opinions set out in this material. No guarantee as to the repayment of capital or the performance of any product or rate of return referred to in this material is made by Ironbark. Past performance is not a reliable indicator of future performance. All currency references are shown in Australian dollars unless stated otherwise. All indices are copyrighted by and proprietary to the issuer of the index. Any investment is subject to investment risk, including delays on the payment of withdrawal proceeds and the loss of income or the principal invested. This document is not intended for distribution to, or use by, any person or entity in any jurisdiction or country where such distribution or use would be contrary to local law or regulation. No part of this material may be reproduced or distributed in any manner without the prior written permission of Ironbark. © Copyright 2024 Ironbark Asset Management Pty Ltd (Ironbark) (ABN 53 136 679 420).

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