

Calnan Flack Dynamic Diversified Markets Model

Fund Update 30th June 2022

Model Portfolio Name: Calnan Flack Dynamic Diversified Markets Model

Manager: Flack Group

Platform: Praemium

Investment Objective

The Calnan Flack Dynamic Diversified Markets Model provides investors with exposure to a mix of both capital growth and income assets in an environment where the manager can make changes to the asset allocation.

The Flack Group investment philosophy is for long-term holdings whose characteristics are determined through recognition of the existence of different price directional movements at times within a longer cycle.

Portfolio Construction

The Dynamic Diversified Markets Model SMA is constructed of 20 selected Australian listed ETPs that cover both local and global markets. The Australian market is represented by only 4 of these. Generally, the active portfolio of the model has contained 75%-80% internationally based assets, with the 80% limit being intentionally applied. Consistent with the philosophy described above the selection process emphasises demonstrated high growth, which leads again to a heavy emphasis on assets that represent global technology markets.

The SMA is considered to have relatively low long-term capital risk because of the nature of each included asset. In terms of market coverage, it is highly diversified. Each ETP represents a full national or sector market index, such that use of only one asset as the active portfolio would represent passive management of that corresponding index. In terms of scope any tracking error in comparison with a large global market index therefore would arise from the intentional emphasis on the higher growth components of that index.

Risk-limiting mandates are applied that control the size of individual asset weightings, ensure a level of diversification, and provide the option of moving completely into cash when thought necessary. Each included asset is reviewed regularly to ensure that its desired growth and volatility characteristics are maintained.

June 2022 Quarter Review

Relative Performance

The Model SMA performed well under the normal market conditions up to the beginning of 2022, outperforming the S&P/ASX 300 Accumulation Index to that point. The Model was then adversely affected due to the growth-to-value rotation (See Charts #1 & #2 below). Although Australian assets were a minor proportion of the active portfolio, the charts do place the effect of the Model having a technology emphasis into some context.

Chart #1. Calnan Flack Dynamic Diversified Markets Model Relative Performance to 30th June 2022

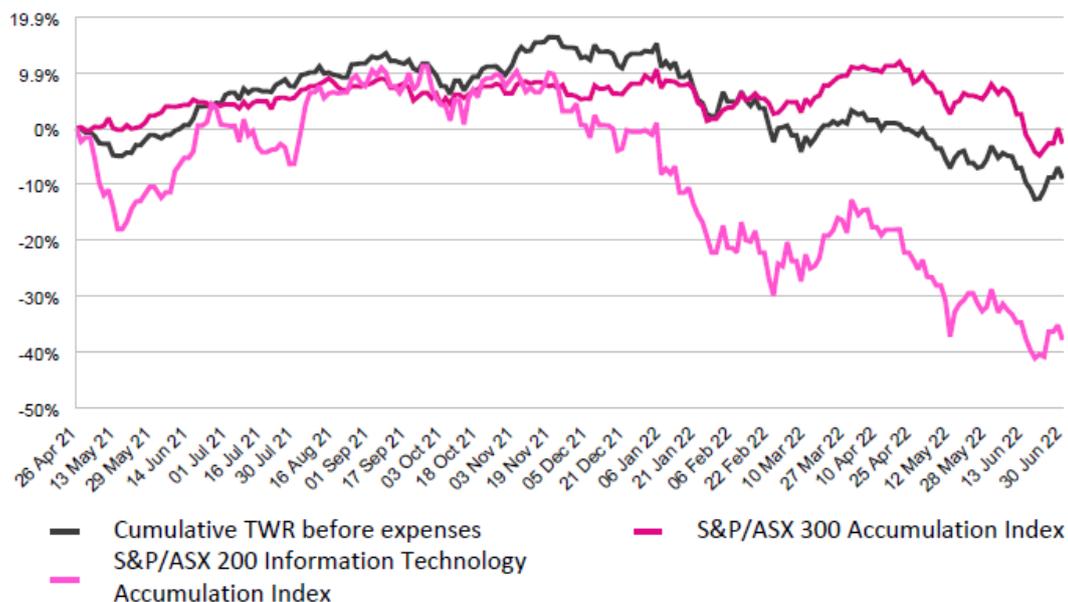
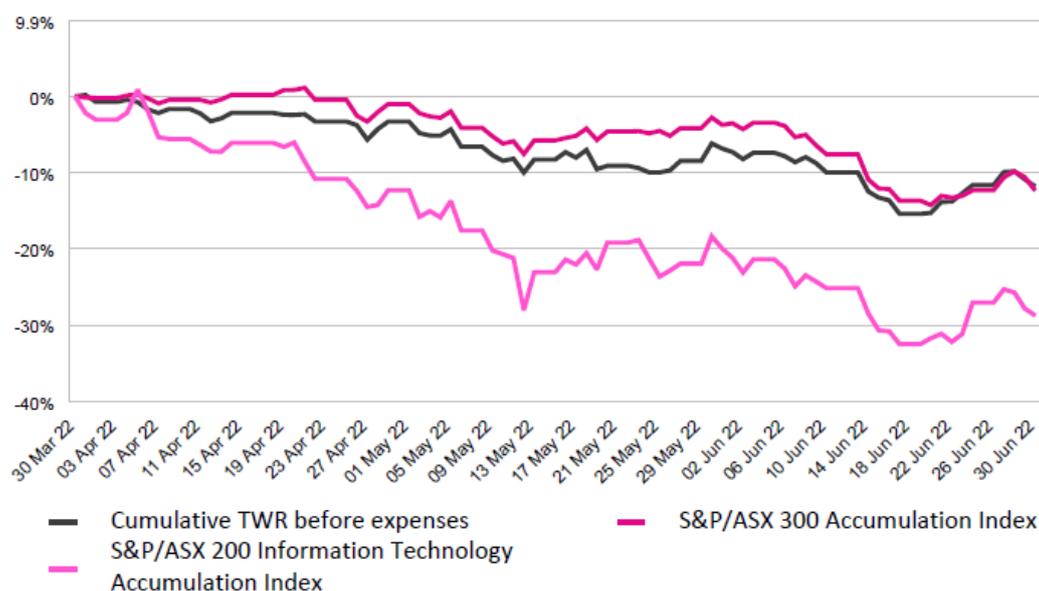


Chart #2. Calnan Flack Dynamic Diversified Markets Model Relative Performance throughout Q2 2022



The negative overall performance of approximately –10% TWR experienced for the SMA over Q2 2022 was attributed to global market declines over the period, including the local market. With its higher technology mix, its performance could be compared with falls of –24.5% in the ASX All Technology Index and –22.4% in the NASDAQ Composite Index over the period. The comparison is even more pronounced when made with the ASX200 IT Index illustrated in Chart #2.

As may be seen in Chart #2 the Calnan Flack Dynamic Diversified Markets Model Fund has performed in line with the ASX 300 Accumulation Index over the June quarter.

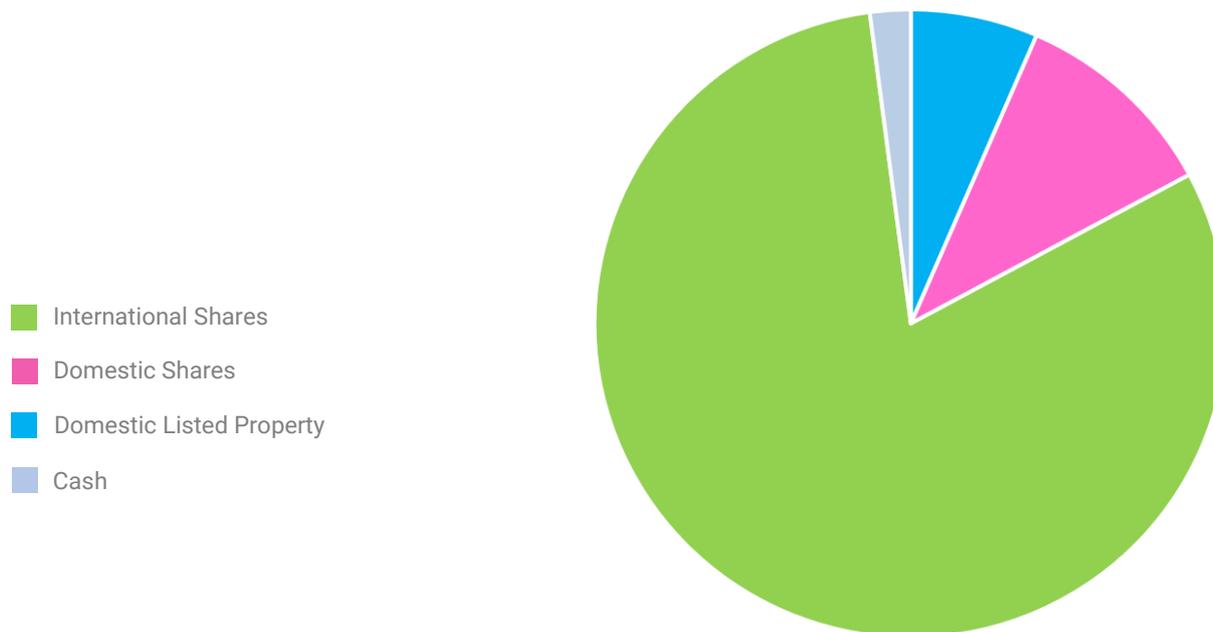
Percentage Returns

| | 3 mths | 6 mths | 1 yr | Since Inception p.a.* |
|---|----------------|----------------|----------------|-----------------------|
| Calnan Flack Dynamic Diversified Markets Model | -11.99% | -19.93% | -14.23% | -7.78% |
| RBA Cash Rate +2% | 0.59% | 1.11% | 2.17% | 2.16% |

*Inception date 1/10/2020. Prior to this date a similar model was managed under a different mandate, longer-term historical performance with the previous mandate is available upon request. Past performance is not an indicator of future performance. No allowance has been made for taxation and fees are not taken into account. Returns quoted are for the model portfolio.

Major Active Positions

Asset Allocation as at 30 June 2022



Holdings– Calnan Flack Dynamic Diversified Markets Model

| Code | Name |
|------|---|
| F100 | BETASHARES FTSE 100 ETF |
| GEAR | BETASHARES GEARED AUSTRALIAN EQUITY FUND (HEDGE FUND) |
| IEU | ISHARES EUROPE ETF |
| IIND | BETASHARES INDIA QUALITY ETF. |
| IJR | ISHARES S&P SMALL-CAP ETF |
| IVV | ISHARES S&P 500 ETF |
| IXI | ISHARES GLOBAL CONSUMER STAPLES ETF |
| IXJ | ISHARES GLOBAL HEALTHCARE ETF |
| MVE | VANECK S&P/ASX MIDCAP ETF |
| NDQ | BETASHARES NASDAQ 100 ETF |
| VAP | VANGUARD AUSTRALIAN PROPERTY SECURITIES INDEX ETF |
| VGS | VANGUARD MSCI INDEX INTERNATIONAL SHARES ETF |

*Holdings and returns as at 30th of June 2022.

Performance of your investment in the fund is not guaranteed, past performance is not a reliable indicator of future performance. Percentage returns quotes have been calculated using the Time Weighted Return (TWR) method for the Model Portfolio. Performance is calculated using the closing prices of the Model Portfolio and will include any distributions, income entitlements but excludes franking credits, taxes and fees. Investor performance may differ from the Model Portfolio performance. This document provides general information only and has not been prepared having regard to your objectives, financial situation or needs. Before making an investment decision, you need to consider whether this information is appropriate to your objectives, financial situation, and needs. No person should act on the basis of any matter contained in this document without obtaining specific professional advice. This is not an offer document and does constitute a recommendation, offer or a solicitation of an offer to buy or sell securities. This material has been prepared as general information only and is only intended to provide a summary of the subject matter covered.

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