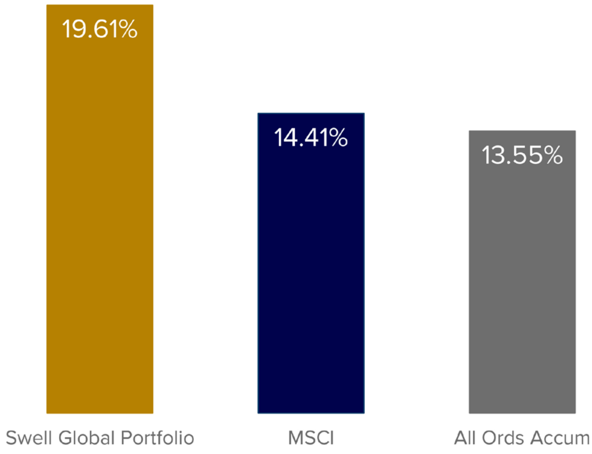
Swell Asset Management

The Swell Global Portfolio

- Our vision is to build our clients' wealth through the pursuit of superior risk adjusted returns
- Our mission is to deliver successful investment outcomes through strict adherence to our investment process
- We target an absolute return of 9% per annum over rolling three-year periods
- Our principal objective is capital preservation thus we place a greater emphasis on preventing losses than reaching for higher returns

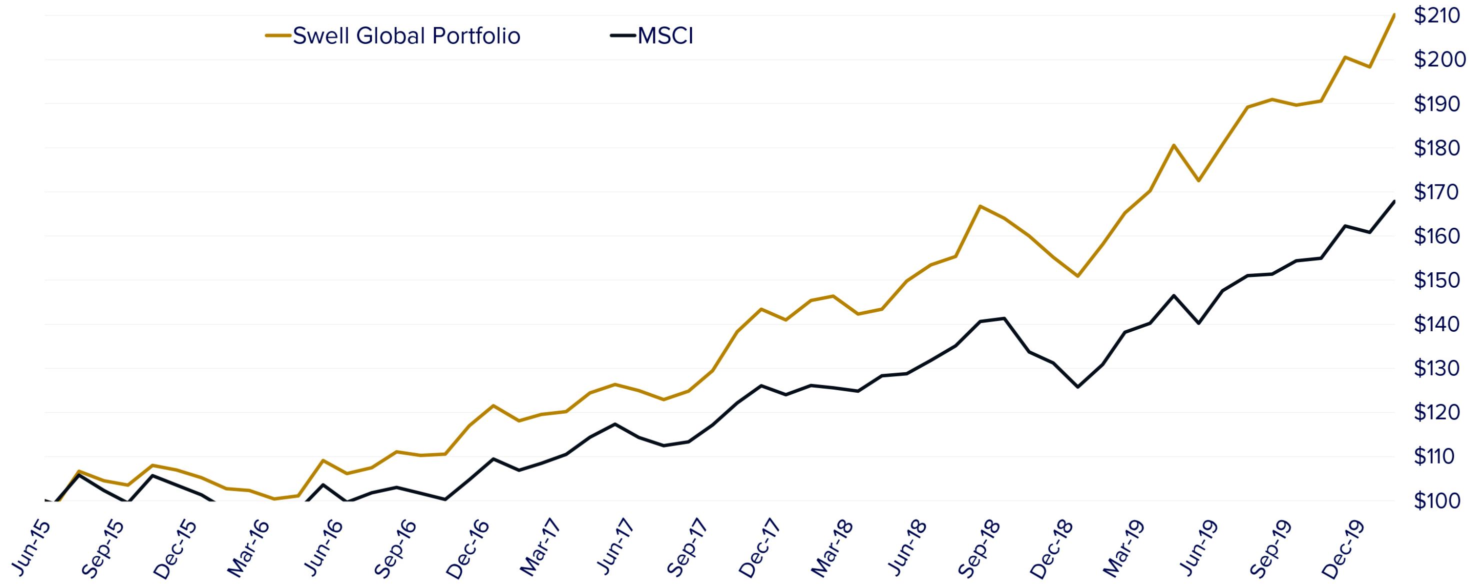


In the four years to January 31 2020, the Swell Global Portfolio returned 19.61% pa

Our Guiding Investment Principles

Quality	Conviction	Value	Horizon
Exceptionally managed companies with a clearly articulated strategy for creating value over the long term.	Concentrated approach to portfolio construction allocating meaningful weights to each holding.	Acquisition of companies at discounts to their conservatively estimated intrinsic value.	Invest in high quality companies that can be held for more than three years.
These companies are likely to carry substantially less risk than the overall market.	The search for quality yields very few outstanding companies.	Purchasing companies below their intrinsic value helps to preserve investment capital.	Price efficiency declines as the investment horizon lengthens.

$100 invested in the Swell Global Portfolio at establishment on June 18 2015 grew to $210 by January 31 2020



Invest in the Swell Global Portfolio

Directly with Swell Asset Management

Minimum investment	$500,000
Management fee	1.25%
Performance fee	15%
Qualification	Wholesale investor

Through an adviser on HUB24 or Mason Stevens platforms

Minimum investment	$25,000
Fees	Determined by your adviser

Favourable
SQM RESEARCH

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Investment Strategy

Objective	9% pa return over rolling 3 year periods after fees	Time horizon	5 – 7 years
Holdings	10 - 20 high quality large market cap international companies	Investment universe	Companies listed in developed countries
Concentration	High	Cash weighting	2 - 25% determined by available share purchase opportunities
Portfolio turnover	Low	Index	Portfolio construction is not determined by reference to any index or benchmark

In 2014 Lachlan Hughes set out to create a unique investment offering - a global equities portfolio with a genuine, long term focus. In June 2015 he established the Swell Global Portfolio to hold a concentrated selection of the highest quality companies in the world each with a durable competitive advantage and capacity to deliver exceptional returns over the long term. Since then the Portfolio has consistently outperformed the MSCI World Net Total Return Index and the ASX All Ordinaries Accumulation Index after fees and expenses. The Portfolio has an absolute return focus targeting 9% per annum after all fees over rolling three year periods. While we compare performance against an index our goal is to overreach our targeted return.

Swell is a value investor, but unlike traditional value managers our approach to value investing emphasises the acquisition of companies at discounts to their conservatively estimated intrinsic value. When considering an investment, we want the potential return to provide asymmetry to the upside. Our principal objective is capital preservation thus we place greater emphasis on preventing losses than reaching for higher returns.

Our investment universe is companies in developed markets. Although our desire to own entrenched global businesses means we generally focus on larger capitalisation companies, we do consider smaller cap companies that meet our investment criteria.

We adopt a concentrated approach to portfolio construction allocating meaningful weights to each holding. When our investment process and our search for quality yield results we make a substantial investment.

Although our strategy is simple our investment process is detailed and strict. We seek companies exhibiting a sustainable competitive advantage that can be perpetuated through time, which are likely to carry substantially less risk than the overall market. Our investment team spends months researching and analysing a business prior to an investment. Therefore when we commit to purchasing a stock we can be confident in its future prospects. Our appraisal of quality is forward looking, based on a company's capacity to identify new markets, sectors and products. We find and value opportunities the market regularly overlooks.

We are unconcerned by day to day fluctuations in share prices based on market gossip or political point-scoring. The breadth and depth of our research process gives us greater insights into the companies in the Portfolio and a significant edge over short term investors who do not take that time and are swayed by market sentiment.

We align our interests with our investors, investing alongside our clients. Our relationships with our clients are important to us and we work hard to ensure they understand our philosophy and strategy.

Investment Team

Lachlan Hughes — Founder and CIO

Lachlan founded Swell Asset Management in 2014 and has spent over a decade investing in public equity markets.

He is a CFA charterholder and Member of the Responsible Investment Association Australasia. Lachlan holds a Bachelor of Commerce (Finance) from Wollongong University and a Bachelor of Laws from Bond University.

Alex Clunies-Ross — Senior Investment Analyst

Alex commenced his career with Swell in August 2015 and is a Senior Investment Analyst. He holds a Bachelor of Commerce (Finance) from Griffith University and is a CFA Level 3 candidate.

Sally Fang — Investment Analyst

Sally joined Swell as an Investment Analyst in January 2020. She holds a Bachelor of Economics and Finance from Hong Kong University and an MSc (Distinction) in Investment and Wealth Management from Imperial College London. Sally is a CFA Level 3 candidate.

Denis Vukovac — Investment Analyst

Denis commenced with Swell as an Investment Analyst in January 2020. He holds a Bachelor of Commerce (Distinction) from Griffith University and is a CFA Level 3 candidate.

Swell has adopted the CFA Institute Code of Ethics, Standards of Professional Conduct and Asset Manager Code of Professional Conduct