



Growth With Value
Your investment can make
the difference

Email: alistair.cowley@growthwithvalue.com

Address: PO Box 1078 Nairne, SA 5252

Mobile: 0417 836 202

Growth With Value Investment Fund – 30 June 2018 Full Year Report

The Growth With Value Investment Fund focuses mainly on investing in Australian listed businesses. Our concentrated portfolio will consist primarily of businesses which are able to generate strong Returns on Capital, provide solid Profit Margins, carry little or no Debt and present long-term growth prospects. We also apply an ethical perspective when investing in a business. We look for a business which respects our environment, including both flora and fauna, and cares for its people and customers. We also avoid businesses which produce or provide a service that is considered an addictive substance. Our investment decisions are based on fundamental analysis with a long-term mind set, paying little regard to short term fluctuations in the market. We choose to invest only when the business presents us with an opportunity to buy below its Intrinsic Value. You can expect, over the long term, this portfolio to outperform our benchmark, the ASX 200 Accumulation Index (XJOA).

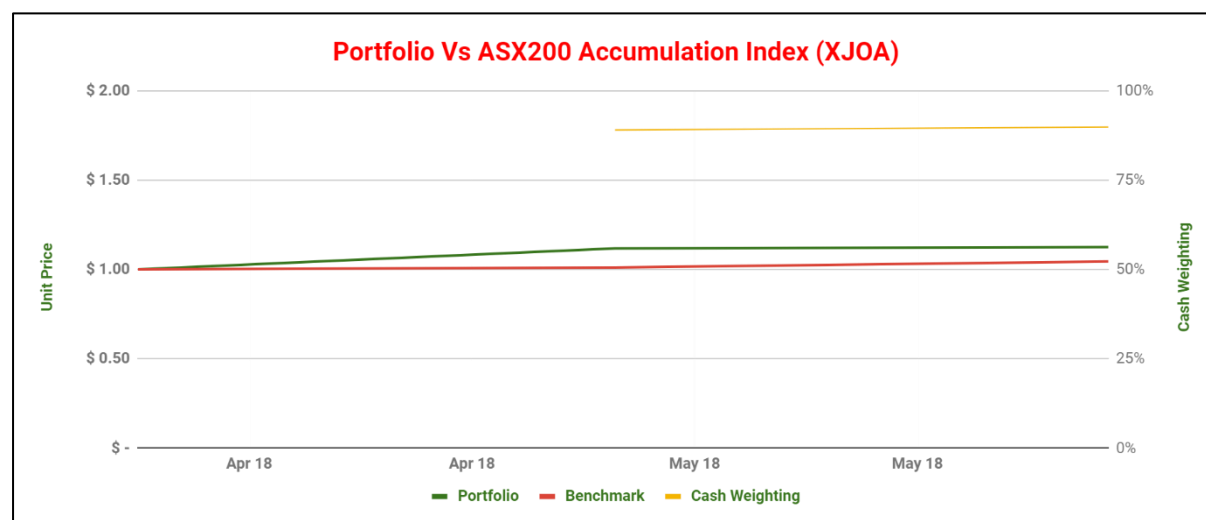
Fund Performance Since Inception (May 2018):

GWV Investment Fund versus ASX 200 Accumulation Index – Total and Annualised Returns			
Annualised Return		Total Return	
GWV Fund Annualised Return	12.5%	GWV Fund Annualised Return	12.5%
Benchmark Annualised Return (XJOA)	3.3%	Benchmark Annualised Return (XJOA)	3.3%
Outperformance / (Underperformance)	9.2%	Outperformance / (Underperformance)	9.2%

Fund Month by Month Performance Since Inception (May 2018):

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	FYTD
GWV FY18	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	11.8%	0.6%	12.5%
XJOA FY18	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1.1%	3.3%	3.3%

Fund versus Benchmark:



Performance:

In its inaugural year, albeit just two months, the Growth With Value Investment Fund returned 12.5% versus 3.3% for our Benchmark, the ASX 200 Accumulation Index (XJOA). This is an outperformance of



Growth With Value
Your investment can make
the difference

Email: alistair.cowley@growthwithvalue.com
Address: PO Box 1078 Nairne, SA 5252
Mobile: 0417 836 202

9.2%. At the end of this period we held 89% in cash and had one open position. We did not make any sales during the period.

Since its inception, the Fund has provided an annualised return of 12.5%, resulting in a total return of 12.5%. Our Benchmark has an annualised returned of 3.3%, resulting in a total return of 3.3% over the same period.

Portfolio Activity:

We opened our first and only position in the two months of FY18. Our investment in InvoCare (IVC) was made after the company experienced a steady decline in share price from its lofty highs of around \$18 in November 2017 to around \$12 in May, when we opened our position. The decline in price was due to the 'Protect and Grow' strategy, which is going to result in the prolonged, but staged closures of most of InvoCare's funeral homes, resulting in a temporary reduction in earnings. The ultimate outcome after the 'Protect and Grow' strategy is completed, will be to provide customers with updated facilities and being able to meet the modern requirements expected by its customers, whom these days prefer a more celebratory approach to remembering a loved one's life. The updated premises will increase InvoCare's competitive advantage, with the aim of attracting more customers to the newly refurbished funeral homes.

InvoCare provides us with an investment into a well-established business that commands a large market share across Australia, New Zealand and Singapore. It operates within a stable industry in terms of demand, as the need for funeral services will continue into the foreseeable future. InvoCare holds a large presence within the industry, with its national brands in Value Cremations, Simplicity Funerals and its flagship brand, White Lady Funerals, as well as many other smaller funeral homes.