

Mittleman Investment Management, LLC (MIM)

Mittleman Global Value Equity Fund

INVESTING IN
Global value equities

BASED IN
New York, USA

MIM COMPOSITE INCEPTION
2003

AUD FUND INCEPTION
June 2017

Top 1%

OF MANAGERS RANKED BY PSN SINCE
INCEPTION OF TRACK RECORD¹

17+ year

MIM TRACK RECORD²

15-20

STOCKS IN PORTFOLIO

“We appraise the value of every company in a way that reflects its private market value in a sale today.”

Chris Mittleman, CIO and Managing Partner, Mittleman Investment Management

The Mittleman Global Value Equity Fund invests in a concentrated portfolio of long-term investments across the globe. Unconstrained by capitalisation, sector or geography the fund invests wherever the best risk/reward trade-offs are available.

A concentrated global value equity strategy

Chris Mittleman, Mittleman Investment Management’s (“MIM”) Chief Investment Officer, has used the same strategy since the early 1990s to invest in global sharemarkets.

Mittleman’s positioning is often at odds with consensus viewpoints, especially during periods of irrational and emotional extremes. MIM’s client base spans university endowments, foundations, pension plans, family offices and high net worth individuals.

Mittleman’s investment edge

Mittleman pursues superior returns through a concentrated portfolio of what it believes are extremely undervalued assets.

The firm mitigates risk, defined as the probability of long-term loss of capital, by investing in businesses that they view as proven franchises, with durable economic advantages and by buying at very low valuations. It has minimal interest in benchmarks or tracking error versus an index.

The selection process is research-intensive, relying on proprietary fundamental analysis

for all investment decisions and intrinsic value determinations. The firm capitalises on opportunities created by the short-term focus of many market participants and by the limitations of ‘street research’.

Mittleman invests in companies that share key characteristics:

- Undervalued businesses with high barriers to entry and strong free cash flow enduring through complete business cycles;
- Potential to achieve a fair or premium valuation due to market recognition of a unique franchise, scarcity value, misunderstood assets or reorganisation;
- Easy-to-understand businesses, led by strong management teams with a proven track record and a significant personal financial stake in the company; and
- Some impermanent reason for undervaluation and lack of institutional support.

Reputation

MIM ranked in the top 1% of global equity strategies since the inception of its track record¹

Client retention rate >90% since inception³

Strategy

A private equity mentality in public equity investing

Undervalued businesses with strong free cash flow enduring through complete business cycles

See footnotes on page 2 and Important Notes on last page of this document.

Mittleman Global Value Equity Fund

APIR CODE- CLASS P (PLATFORM) ONLY
ETLO370AU

INVESTMENT MANAGER
Mittleman Investment Management,
LLC

RESPONSIBLE ENTITY
Equity Trustees Limited

FUND INCEPTION DATE
13 June 2017. Class P inception date is
13 October 2017

BENCHMARK
MSCI All Country World Index (ACWI)
Net Total Return in AUD

FUND SIZE
A\$22 million⁴

MANAGEMENT COSTS
1.25% p.a. (inclusive of GST and RITC),
including all investment management
fees, responsible entity fees,
administration fees, custody fees and
other expenses incurred in operating
the Fund

PERFORMANCE FEE
20% of the excess return over the
benchmark, subject to high watermark;
see PDS for details

BUY/SELL SPREAD
0.50% on applications and withdrawals

INVESTMENT UNIVERSE
All listed securities and other permitted
securities; see PDS for details

CURRENCY HEDGING
None. The Fund does not hedge its
currency exposure. The underlying
investments will be in various global
currencies

OFFERING DOCUMENT
Product Disclosure Statement

INVESTOR CLASS
'Wholesale clients' as defined in the
Corporations Act 2001 and Retail Clients
investing indirectly via a platform
(master trust or wrap account)

MINIMUM APPLICATION
\$250,000 or via platform

APPLICATIONS & WITHDRAWALS
Daily

“Sometimes the difference between success and failure was not just about our understanding and steadfast belief in the value of a holding, but how long we were willing to wait to achieve that result.” Chris Mittleman

Investment process

Once a potential opportunity has been identified, Mittleman establishes a conservative estimate of fair value through analysis of discounted cash flows, comparable public and/or private transactions, performance metrics over extended periods of time and other assets and liabilities. Each company's extended history of financial performance is analysed to enable reasonably robust projections of likely performance over the next 5 to 10 years.

The firm employs an acquisition strategy rooted in patience, investing only when the target company is available for purchase at a significant discount to Mittleman's assessment of its fair value. Position size is based on estimated total return potential, the perceived risk-reward ratio and liquidity.

Mittleman typically exits positions when an investment reaches or exceeds estimated fair value, if there is a deterioration in the firm's fundamental outlook, or if a superior investment opportunity is found.

Challenging Convention

Stocks not typically represented in mainstream equity portfolios

One of the least correlated managers in the global value universe

Brookvine Pty Limited
ABN 53 098 072 390
AFSL 246450

Suite 2, 60 Moncur St
Woollahra NSW 2025
T: +61 2 9328 6445

brookvine.com.au

1. Mittleman Investment Management's ("MIM") ranking level for shorter periods of time may vary. Rankings provided through Informa Investment Solutions' PSN Global Equity Universe database. Comparisons are represented as gross of investment management fees. Rankings are not a guarantee of future results. Rankings are for the period ending 30 June 2020.

2. MIM Composite Performance Since Inception represents the performance of the Mittleman Investment Management Composite (the "MIM Composite") in USD since inception of the track record of the strategy in January 2003 to 30 June 2020. The firm was established in 2005. Performance of Mittleman Global Value Equity Fund (MGVEF) will differ from that of the MIM Composite. See Important Notes on last page of this document.

3. Client retention rate is the historical annual average for the annual (or shorter) periods beginning on 31 December 2002 through 30 June 2020 and is calculated based on each year's (or period's) beginning assets under management ("AUM") less outflows attributable to closed accounts for such year (or period) over total Firm beginning AUM for each such year (or period).

4. As at 30 June 2020.

Important Notes

The use of the MSCI ACWI herein has not been selected to represent an appropriate benchmark with which to compare against an investor's performance in the Mittleman Global Value Equity Fund (MGVEF), but rather it has been provided to allow for comparison of such performance to that of a certain well-known and widely recognised broad-market index. The MSCI ACWI is an unmanaged index compiled by MSCI. The index is weighted by market capitalisation and its returns include the reinvestment of dividends. The index does not account for transaction costs or other expenses which an investor might incur in attempting to obtain such returns. The index was taken from published sources and deemed reliable. You cannot invest directly in an index. Investments made by Mittleman Investment Management, LLC ("MIM") for its clients' portfolios including MGVEF differ significantly in comparison to this (and any other) index in terms of security holdings, industry weightings, and asset allocations. Accordingly, investment results and volatility will differ from those of the benchmark.

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"MIM Composite Performance Since Inception" on page 1 herein represents the performance of the "MIM Composite" in USD since inception of the track record of the strategy in January 2003 to 30 June 2020. The firm was established in 2005. MIM's ranking level for shorter periods of time may vary. Rankings provided through Informa Investment Solutions' PSN Global Equity Universe database. Comparisons are represented as gross of investment management fees. Rankings are not a guarantee of future results. Rankings are for periods ending 30 June 2020. Performance of Mittleman Global Value Equity Fund (MGVEF) will differ from that of the MIM Composite. "MIM Composite" performance results are presented in USD, are preliminary, net of fees and include the reinvestment of all income. MGVEF returns will vary from those presented due to differences in the timing of contributions and withdrawals, fund expenses, and class start dates. For the MIM Composite, MIM claims compliance with the Global Investment Performance Standards (GIPS®). MIM is a U.S. SEC-registered investment adviser. The MIM Composite was created in April 2008 and incepted on January 1, 2003. The MIM Composite includes all fully discretionary separately managed accounts which follow the firm's investment strategy and for which performance is measured using the U.S. Dollar as the currency, including those accounts no longer with the firm. MIM's value-oriented strategy is to invest in a concentrated portfolio (usually holding between 10 to 20 securities) of primarily common stocks, unrestricted as to market capitalisation, of both domestic and international companies. Performance presented prior to January 2006 occurred while the Portfolio Manager was affiliated with a prior firm and the Portfolio Manager was the only individual responsible for selecting the securities to buy and sell. Past performance is not a guarantee of future results. Returns reflect the reinvestment of dividends. For more information or for a copy of the firm's fully compliant presentation and the firm's list of composite descriptions, please contact MIM on +1 (212) 217-2340.

Client retention rate is the historical annual average for the annual (or shorter) periods beginning on 31 December 2002 through 30 June 2020 and is calculated based on each year's (or period's) beginning assets under management ("AUM") less outflows attributable to closed accounts for such year (or period) over total Firm beginning AUM for each such year (or period).

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