

Mittleman Global Value Equity Fund – Class P

Monthly Report – February 2022

Commentary¹

The Mittleman Global Value Equity Fund (MGVEF) declined 9.0% in February, vs. a decline of 5.4% in the MSCI ACW Net Total Return Index.

In February, the top three performing stocks, from a contribution standpoint, were International Game Tech (+14.4%), Cineplex Inc. (+6.8%) and ABS-CBN holdings (+8.1%). The larger increase in ABS was less impactful than Cineplex due to its smaller weighting in the portfolio. The bottom three performing stocks, from a contribution standpoint, were AMA Group (-22.4%), Aimia Inc. (-11.3%) and Greatview Aseptic Packaging (-7.5%).

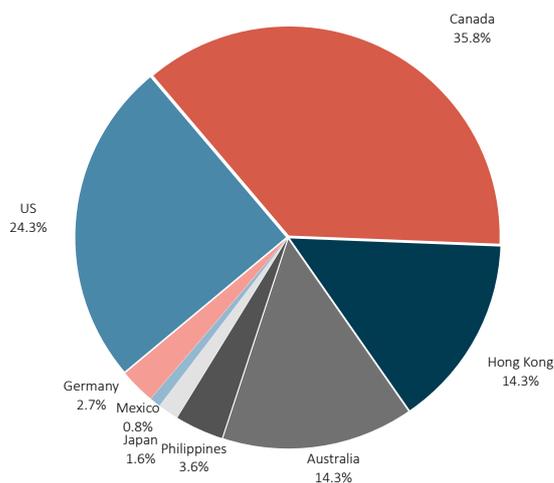
A new holding in the portfolio is NFI Group (NFI CN). Based in Canada, and formerly known as New Flyer, NFI Group is a leading manufacturer of transit buses and motor coaches, which are increasingly electric, zero-emission buses (“ZEBs”), amounting to 21% of current production and growing fast (up from 6% in 2019, projected 40% by 2025). Higher margin, less cyclical aftermarket parts make up 17% of the company’s sales. The most recent leg down in the stock price was in response to NFI’s Q4 results and reduced 2022 guidance (reported on March 10th), driven by worse than expected supply chain disruption, higher costs and delays. However, demand is recovering quickly and the company is well positioned to maintain lead market share. Based on MIM’s appraisal of NFI’s estimated fair value, it sees ~70% upside from the current stock price of ~C\$16. MIM ultimately believes NFI could be bought out by a larger, diversified global vehicle manufacturer (such as Volvo, which competes in North America via its Nova Bus subsidiary).

In relation to the current situation in Ukraine, please note that the MGVEF does not currently own any Russian stocks, and does not intend to purchase any Russian stocks. MIM will notify the Responsible Entity and investors if this position changes in future.

Fund details	
Index	MSCI All Country World Index (ACWI) Net Total Return in AUD
Fund inception date	13 June 2017
Class P inception date	13 October 2017

Performance ² – 28 February 2022			
	MGVEF (Class P)	Index (AUD)	Excess return
1 month	(9.0%)	(5.4%)	(3.6%)
3 months	(1.1%)	(5.9%)	4.7%
1 year	0.6%	15.0%	(14.4%)
2 years p.a.	11.2%	11.7%	(0.5%)
3 years p.a.	0.2%	12.7%	(12.4%)
Since inception ³	2.8%	12.3%	(9.5%)

Country allocation⁴



1. The securities herein identified and described do not represent all of the securities purchased, sold or recommended for MGVEF. The reader should not assume that an investment in the securities identified was or will be profitable. There is no assurance that any securities discussed herein will remain in the portfolio at the time you receive this report, or that securities sold have not been repurchased. There can be no assurance that investment objectives will be achieved. All dollar amounts within this report are in USD unless otherwise stated. The performance of the top and bottom three performing stocks are calculated in USD.

2. Performance figures are presented in AUD on a net, pre-tax basis and assume the reinvestment of distributions. Past performance is not an indicator of future performance. Figures in the table may not sum correctly due to rounding.

3. Since inception returns are annualised and calculated from 13 October 2017. Past performance does not guarantee future results.

4. Portfolio holdings, country allocation and sector allocation of MGVEF are as of 28 February 2022 and are subject to change and should not be considered as investment recommendations to trade individual securities. Country allocation does not include cash.

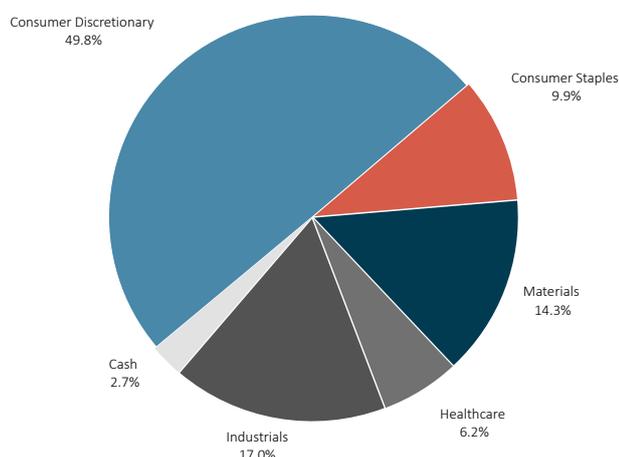
Top 10 holdings⁵

As at 28 February 2022		
Stock	Country	Weight
Aimia	Canada	22.4%
Greatview Aseptic Packaging	Hong Kong	14.3%
AMA Group	Australia	14.3%
International Game Tech	US	12.3%
Cineplex	Canada	10.6%
Revlon	US	9.9%
ABS-CBN Holdings Corp	Philippines	3.6%
Nfi Group	Canada	2.7%
Bayer	Germany	2.7%
Viatrix	US	2.0%

Portfolio statistics⁶

As at 31 December 2021		
	MGVEF	Index
Weighted avg market cap	US\$2,717m	US\$23,683m
Median market cap	US\$495m	US\$6,675m
EV/EBITDA	6.9x	13.8x
Price/FCF	11.0x	19.6x
Free cash flow yield	9.1%	5.1%
Number of securities	11	2,966

Sector allocation⁵



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6. Portfolio statistics are reported in USD and are as at 31 December 2021. The statistics are updated in the report as at the end of each quarter.

Investment strategy

Mittleman Investment Management, LLC (MIM) is an SEC-registered investment advisor based in New York that pursues superior returns through long-term investments in what it deems to be severely undervalued securities, while maintaining its focus on limiting risk. It invests in businesses that it believes are proven franchises with durable economic advantages, evidenced by a well-established track record of substantial free cash flow generation over complete business cycles, and only when the very low valuation at which the investment is made provides a significant margin of safety. MIM's value-oriented strategy is to invest in a concentrated portfolio (usually between 15 to 20 securities) of primarily common stocks, unrestricted as to market capitalisation, and in both developed and emerging markets.

BROOKVINE

MITTLEMAN BROTHERS
INVESTMENT MANAGEMENT

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