

14 September 2021

## NET TANGIBLE ASSETS

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Gross portfolio return for this month was -0.34%

### Net Tangible Assets

Benjamin Hornigold Limited (Company or BHD) advised that the company's monthly unaudited Net Tangible Asset (NTA) per share in cents is:

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|                        | 30 September 2021<br>cents |
|------------------------|----------------------------|
| <b>NTA before tax*</b> | <b>35.95</b>               |

*\* the NTA excludes 9 cents per share of estimated unrecognised deferred tax assets (comprised of prior years' and current year's tax losses at 26%).*

ENDS

Michael Glennon



Chairman / Company Secretary

**Benjamin Hornigold Ltd**

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# INVESTMENT STRATEGY

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It is our intention to continue to maintain a wide mandate and we remain of the view that the ongoing volatility requires our investment focus to be flexible. To date, we have been gradual in allocating funds to investments to ensure capital preservation. The primary strategies we have targeted are;

- Discount Capture – The Company aims to take advantage of large discounts to NTA among Listed Investment Companies.
- Arbitrage – Typically companies in the later stages of a takeover providing shorter term trade opportunities to benefit from lower risk arbitrage trades. Depending on our view of the stock, we may look to short stocks\* in order to hedge out risk or retain the underlying market exposure.
- Deep Value Investments – Overlooked and out of favour investments where we expect an eventual re-rating of the share price.
- Event Driven – Our preference has been to take a position with an expected Event leading to an increase in the share price

Our expectation in the current climate is to continue to focus on these strategies. The Company's investment style is best described as **Opportunistic with the aim of providing an absolute return.**

## Ongoing Litigation

The loans to John Bridgeman and JB Financial Group remain outstanding. Although both companies ability to repay these loans looks questionable, a recovery for BHD would provide a significant uplift to shareholders. As a result, we have continued to pursue the outstanding debts.

## Significant Holdings

| Allocation (%) | Holding                         | Strategy/ Rationale            | Investment Summary                                                                                                                                                                                                                                                                                                                                                                                                           |
|----------------|---------------------------------|--------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 9.10%          | Ellerston Global Mid Small Fund | Event Driven/ Discount Capture | Initial investment via ASX listed LIC (EGI.ASX) in the weeks running up to delisting. Investors remaining in the unlisted fund benefit from no management fee (2 years) and the distribution of retained franking credits                                                                                                                                                                                                    |
| 6.29%          | Ausbil Global Resources Fund    | Market Exposure                | Small/Mid Cap commodities exposure                                                                                                                                                                                                                                                                                                                                                                                           |
| 4.50%          | Link Administration Holdings    | Deep Value                     | Out of favour Deep Value Investment accumulated over recent months. Link owns 44% of the high growth PEXA business and also has 30% market share of the fund administration business in Australia. We believe these assets are being undervalued by the market and expect Link to be positively re-rated in the future. If a re-rating does not occur, Link may again become a target for Mergers and Acquisitions activity. |
| 3.90%          | Z Energy                        | Takeover/ Deep Value           | We have accumulated Z Energy over a number of months as a Deep Value Investment which has since received a Takeover bid.                                                                                                                                                                                                                                                                                                     |

*We have highlighted some of our larger investments to provide investors with some insight into the current drivers of performance. Investors should note that there may be other large holdings that remain undisclosed*