FORAGER

DECEMBER 2021 QUARTERLY REPORT

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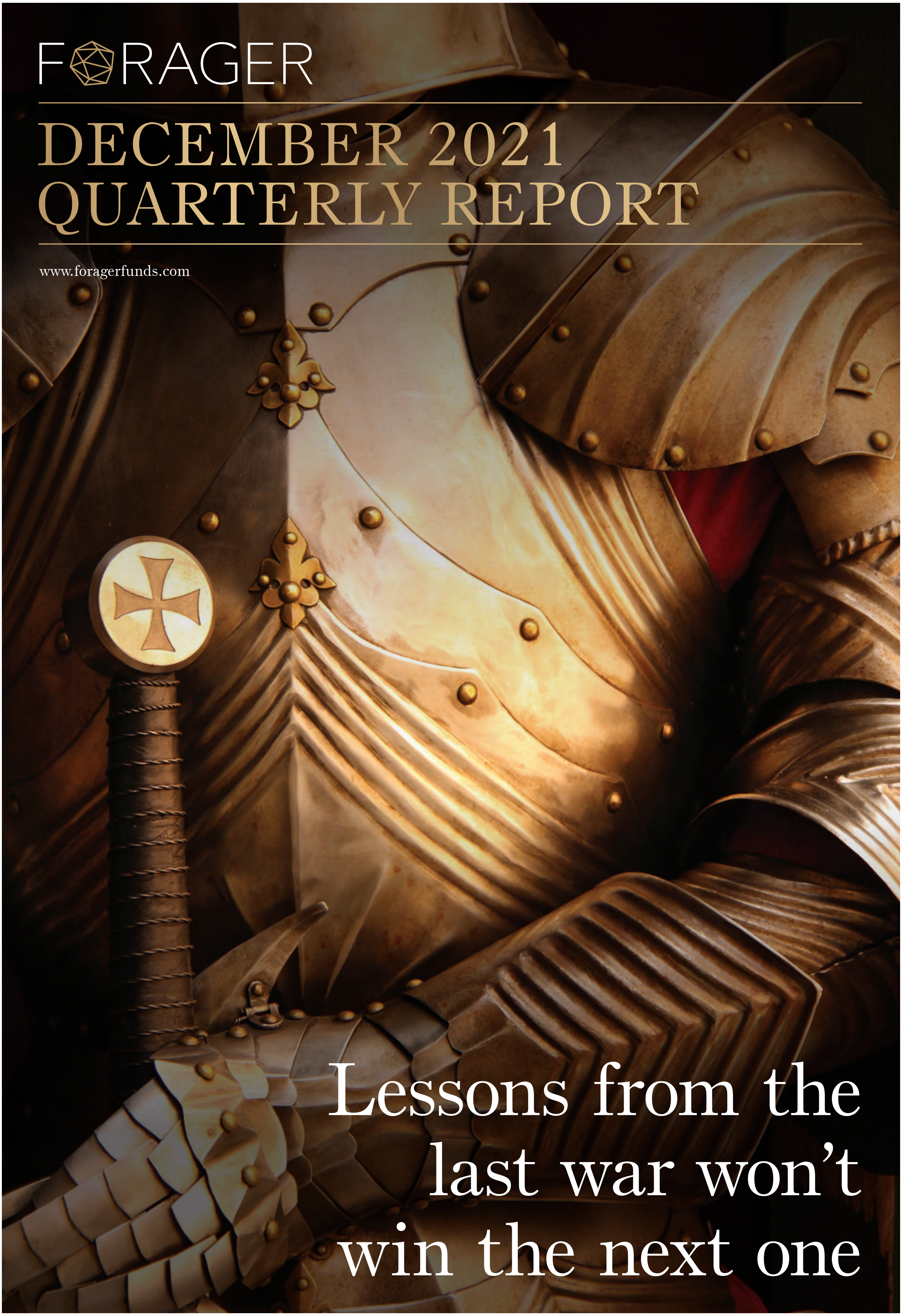

Lessons from the last war won't win the next one

CHIEF INVESTMENT OFFICER LETTER

QUARTERLY LETTER DECEMBER 2021

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FORAGER FUNDS PERFORMANCE SUMMARY (as at 31 December 2021. Net of all fees and expenses)								
	1 month return	3 month return	6 month return	1 year return	3 year return (p.a.)	5 year return (p.a.)	10 year return (p.a.)	Since inception* (p.a.)
Forager Australian Shares Fund	2.81%	3.02%	11.47%	31.31%	18.15%	10.68%	16.17%	12.55%
Forager International Shares Fund	-4.61%	-5.13%	-12.43%	14.92%	25.22%	14.22%	-	16.13%

*8 February 2013 for FISF and 30 October 2009 for FASF

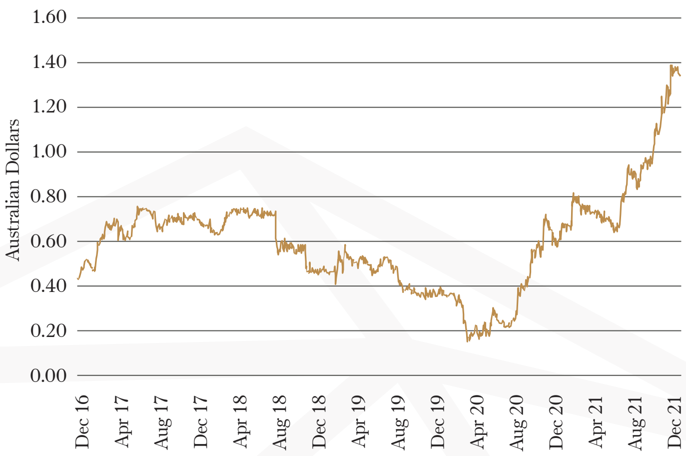
Past performance is not indicative of future performance and the value of your investments can rise or fall.
Performance in FASF is calculated using Net Asset Value (NAV), not the market price.

LESSONS FROM THE LAST WAR WON'T WIN THE NEXT ONE

Forager's first investment in Kiwi media company NZME was made in June 2016. The research piece I wrote for the investment was concise and simple: I added up the worth of its radio and newspaper assets to reach a per-share value of $1.25. Given a $0.77 share price at the time, that looked like an attractive investment.

A brief glance at today's share price would show that we got it mostly right.

NZME 5-YEAR SHARE PRICE



Source: Bloomberg

NZME last traded at $1.34 a share and has paid a touch over $0.20 in dividends over the ensuing five years, making for an annualised return of roughly 14% per annum. Far from the greatest investment ever, but roughly in line with expectations at the time. However, as anyone invested in our Forager Australian Shares Fund over the period will know, it hasn't been anywhere near that straightforward. The share-price path from $0.77 to $1.34 went via $0.20. It traded well below that first purchase price for most of the time the Fund owned it.

NZME wasn't on its own. The period 2016-2019 was a horrible bear market in "value" stocks (for simplicity, let's define them as businesses that are seen as having lower-than-average future prospects). What started as a proportionate response to overly optimistic stock prices and concerns about industry obsolescence soon became indiscriminate and self-fulfilling extreme selling. Super funds withdrew mandates, value-based fund managers were forced to close and those that remained were asking serious questions of themselves. Including us.

I learned a great deal through that period and my CIO letters over the past few years contain plenty of investing lessons. The thing about 2021, though, is that most of our Australian Fund's outperformance came from the businesses that were doing all of the teaching. The lessons are still applicable—it's just that 2021 was a time to ignore them.

Lesson number one, for example, was that it is hard to pay a low enough price for a business in decline—but that doesn't mean it's impossible.

NZME announced a NZ$30 million buyback of its own shares with excess cash, which is just shy of the company's entire market capitalisation at the share price low in March 2020. Tyre distributor National Tyre's profit in 2021 was 70% of the whole company valuation less than two years ago. That's a price-earnings ratio of 1.5 times.

It's an important lesson (and perhaps we *should* wait for these businesses to trade at three times earnings rather than six), but you can make an awful lot of money where the future is far from exciting if you pay an absurdly low price.

Lesson number two: portfolio liquidity and diversity are important.

I don't ever want to be back in a position where it is nigh on impossible to sell half the stocks in the portfolio. Our ability to capitalise on the turmoil of March 2020 was constrained by the lack of liquidity at the time (in the Forager Australian Shares Fund, that is). But stocks are often illiquid because no-one else is interested in them. In 2020, it wasn't uncommon for NZME shares to not trade at all for days on end.

That can be a trap, but it's also where the best opportunities are likely to be found. Now that the company is paying dividends and buying back shares, hundreds of thousands of dollars worth trade every day. Once again, it's important to be wary. But swearing off illiquidity altogether in March of 2020 was the worst thing an investor could have done.

None of this is to suggest that the lessons of 2018 and 2019 should be forgotten. The scar tissue is thick enough to last a lifetime, I can assure you. But the biggest lesson of 2021?

Generalisations can be right at one price and wrong at another.

The vast majority of our Australian Fund's 31% return in 2021 came from stocks we've owned for many years. They were mostly illiquid and perceived as mediocre businesses. Most of the big contributors (with the notable exception of RPMGlobal) were trading at fractions of Forager's purchase prices in March 2020. Had we been hell-bent on improving portfolio liquidity and exiting underperforming businesses, 2021's returns would have been severely diminished. As it was, we left a lot of money on the table by selling some of those long-held stocks far too early.

As if to prove the point that there are very few hard and fast rules in investing, our other Fund has suffered from exactly the opposite problem. The Forager International Shares Fund experienced a difficult second half in 2021 as a number of our previous high-flyers (perceived as high-growth and relatively liquid) came crashing back to earth.

Great businesses can justify extremely high share prices. When you find a successful investment, selling it too early can be a huge mistake. But share prices, on the upside, can still incorporate all of that and more. Many new investors are learning that lesson as I write. By the time they decide to implement it, it is likely time to be buying those growth stocks.

One of my Twitter followers likened the problem to "learning how to fight the last war". Because when it comes to investing, you're often taught the most important lessons at the worst possible time to implement them.

Kind regards,

Steven Johnson
Chief Investment Officer

FORAGER

INTERNATIONAL SHARES FUND

MONTHLY REPORT DECEMBER 2021

www.foragerfunds.com

FORAGER INTERNATIONAL SHARES FUND PERFORMANCE SUMMARY (as at 31 December 2021. Net of all fees and expenses)							
	1 month return	3 month return	6 month return	1 year return	3 year return (p.a.)	5 year return (p.a.)	Since inception* (p.a.)
International Shares Fund	-4.61%	-5.13%	-12.43%	14.92%	25.22%	14.22%	16.13%
MSCI AC World Net Index in $A	1.40%	5.42%	8.34%	25.47%	18.91%	14.03%	15.33%

MSCI AC World Net Index in $A is an abbreviation of MSCI All Country World Investable Market Index (Net) in Australian dollars.
Past performance is not indicative of future performance and the value of your investments can rise or fall.

*8 February 2013

December brought to a close a tough end to the year for the Forager International Shares Fund. Over the past six months, the Fund's unit price declined 12% while the MSCI ACWI IMI (in Australian dollars) returned 8%. Over the December quarter, the numbers were -5% and 5% respectively.

The return for the year was still positive at 15%, thanks to a stellar first-half performance. With a few notable exceptions, it was largely the same small-cap stocks contributing to both sides of the ledger. Small-stock outperformance was a significant tailwind to the Fund's returns in the 2021 financial year and you should note that there is little crossover between the Fund's holdings and any index. We provide those references so you can see which way the wind is blowing.

It has been blowing against us. The S&P 500, the bellwether gauge of US large-cap stock performance, is up 10% in US dollars since 1 July. The Russell 2000, a broad index of much smaller stocks, is down 4%.

The Fund's focus is long-term returns from the businesses we invest in and we are mostly happy with our progress. However, share prices clearly got a long way ahead of reality. We were taking profits along the way for most of these stocks and completely sold out of some positions, such as **Celsius Holdings** (NASDAQ:CELH). Some of our bigger, safer plays have performed very well—including **Keysight Technologies** (NYSE:KEYS) and **Zebra Technologies** (NASDAQ:ZBRA), up 34% and 12% respectively since 30 June. A focus on finding larger, more defensive businesses like **Tesco** (LSE:TSCO), which is up 13% on our second-half purchase price, has paid some early dividends. That's why the Fund's return for the year was still healthy. We stepped in the right direction, but clearly not far or fast enough.

Boohoo (AIM:BOO), though, is a poorly performing investment that can't be attributed to wider market conditions.

The online fashion retailer disappointed us again in December with an unscheduled trading update on its third-quarter results. After lower-than-expected growth in the first half of the year, the anticipated rebound in demand did not materialise. At least, not universally. While sales in its home market of the United Kingdom grew an impressive 32% above the previous year, other geographies suffered. Boohoo's management team blamed the stunted demand on supply chain issues and delivery delays that are being seen across most industries, as well as higher-return rates than what's considered normal. Sales weren't the only issue, though. Margins are also expected to be impacted well into 2022. Combine lower sales growth with higher-return rates and inflated distribution costs and the results aren't pretty.

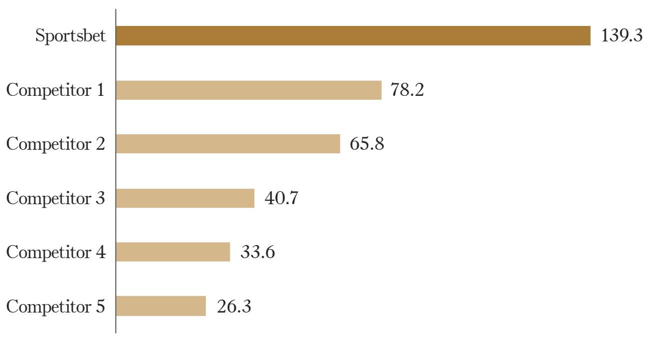
Our original thesis hinged on Boohoo overcoming its earlier ESG-related concerns to continue growing revenue above 20% per year, doing so as profitably as it had in the past. While the first point of the thesis looks to be on track, the second two are not. If the operational issues we've seen are short term in nature, then Mr Market is providing a wonderful opportunity to own a profitable, fast-growing business at a reasonable price. The stock price is now down 59% from our first purchase 15 months ago. We need to see more evidence of that or an even cheaper price. For now, we've decided to watch from the sidelines and have replaced it with another UK stock in which we have significantly more confidence.

Flutter Entertainment (LSE:FLTR) is a business we've long known well. It's a global sports-betting and online-gaming company. Australians would be most familiar with its main local offering, Sportsbet. It has a similar positioning in the UK and Ireland through PaddyPower and Betfair (which the Fund owned when it was listed). It also owns PokerStars, a market-leading online poker company, and recently announced the acquisition of Sisal, Italy's leading online gambling company. More valuable than all of these, though, is its leading position in the more nascent US sports-betting market via FanDuel.

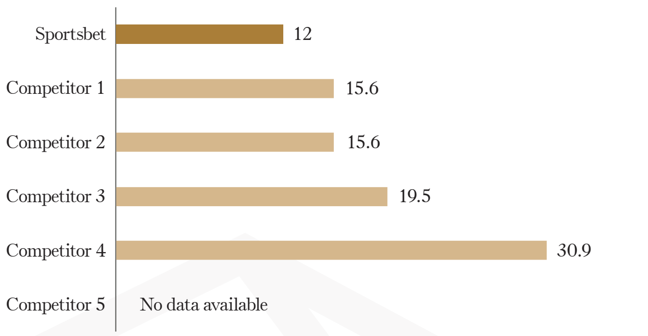
Along with competitor DraftKings, FanDuel received an unbelievably valuable free kick versus other players in the industry, which stems from their history as the leading fantasy sports companies. When US states began legalising sports-betting, other industry players had to build a customer database from scratch, meaning lots of expensive marketing. However, DraftKings and FanDuel already had a very long database of highly qualified sports nuts to whom, at almost no cost, they could market. But unlike DraftKings, FanDuel is part of an international juggernaut that brings immense knowhow in conventional marketing, upsell, technology and product development and this is reflected in market share differences.

We know from experience in Australia that this is an industry where the market leader wins an outsized share of the spoils. It can spend more absolute dollars on marketing, technology and product development than competitors, while spending a lower percentage of revenues.

2020 MEDIA SPEND ESTIMATES ($M)



MARKETING AS % OF NET REVENUE

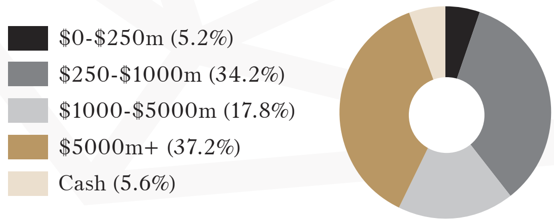


Source: Sportsbet Presentation

Two years ago we did very well from owning backend system provider **GAN Limited** (NASDAQ:GAN), whose biggest customer was FanDuel. Back then, it was our theory that FanDuel could build a market-leading position. Today, that's a fact. Since then, it's achieved higher market share than we predicted in a market that's growing faster than first anticipated.

In the US, FanDuel has a market-leading share in excess of 40% in each of the six biggest sports-betting states (excluding the historical gambling state of Nevada). That bodes well for the states still to legalise sports-betting and online gaming. Our variant perception revolves around the market underestimating the immense difference in profit potential between market leader and second place. That, and it's also possible that the American market can grow strongly for years longer than most analysts have in their models. If those expectations prove realistic, market-leading positions outside North America may give us some good downside protection from today's share price, heavily discounted over the past six months.

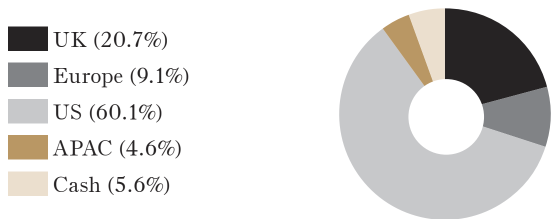
PORTFOLIO DISTRIBUTION ACCORDING TO MARKET CAPITALISATION



AN ATTRACTIVE PLATFORM FOR 2022

Through share price falls and active rebalancing, the smaller, growthier part of the portfolio has shrunk versus other types of investments. We've been decreasing rather than increasing exposure and aren't currently rushing out to buy more. There are mild echoes of the year 2000, when value outperformed growth for half a decade. That's not a prediction, rather an observation that there's no reason share price falls have to stop at fair value. We have the dry powder needed to participate if things become ridiculous.

STOCK EXPOSURE BY GEOGRAPHY



TOP 5 HOLDINGS (as % of NAV)		
Meta Platforms Inc	**(NASDAQ:FB)**	4.5%
Motorpoint Group Plc	**(LSE:MOTR)**	4.4%
Flutter Entertainment Plc	**(LSE:FLTR)**	4.2%
Whole Earth Brands Inc	**(NASDAQ:FREE)**	3.9%
Blancco Technology Group Plc	**(AIM:BLTG)**	3.9%
Cash		5.6%

FUND OBJECTIVE

The Fund is an international equities fund, targeting undervalued securities on the world's stock markets. The Fund's investment objective is to outperform the MSCI All Country World Investable Market Index (Net) in Australian Dollars (MSCI AC World Net Index in $A) over a rolling 5-year period. The Fund's goal is to produce superior long-term returns from a portfolio of 20–40 businesses, irrespective of short-term share price movements^.

FUND PERFORMANCE BY MONTH AND FINANCIAL YEAR

FY	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total Return
2013								-0.26%	-0.62%	2.88%	8.74%	3.47%	**14.73%**
2014	3.61%	1.11%	-1.26%	4.59%	6.58%	2.82%	1.40%	1.92%	-4.64%	1.85%	1.46%	-0.16%	**20.54%**
2015	-1.81%	-0.82%	1.47%	-2.93%	2.43%	3.63%	1.33%	3.59%	1.47%	2.84%	4.54%	-2.17%	**14.06%**
2016	5.61%	-0.29%	-2.07%	2.55%	-3.19%	-2.74%	-5.08%	3.36%	0.09%	3.64%	5.84%	-6.36%	**0.44%**
2017	4.55%	3.84%	1.91%	0.52%	4.65%	5.55%	-0.63%	-0.13%	2.25%	4.97%	1.69%	-4.25%	**27.42%**
2018	-0.76%	-0.43%	3.99%	2.31%	1.62%	-2.76%	0.97%	-1.78%	-1.22%	4.64%	0.97%	1.21%	**8.81%**
2019	-0.55%	1.50%	2.22%	-6.62%	-5.49%	-3.66%	5.11%	5.19%	-4.03%	4.79%	-2.68%	1.85%	**-3.31%**
2020	0.07%	-1.92%	3.09%	0.95%	4.83%	4.73%	3.62%	-6.03%	-15.53%	9.78%	12.60%	-0.22%	**13.74%**
2021	1.36%	10.05%	1.63%	2.36%	10.85%	5.98%	2.07%	6.56%	2.20%	8.05%	1.41%	7.75%	**78.88%**
2022	-4.25%	-0.03%	-3.57%	-1.79%	1.27%	-4.61%							**-12.43%**

Past performance is not indicative of future performance and the value of your investments can rise or fall.

FACTS

Fund inception	8 February 2013
Minimum investment	$20,000
Monthly investment	Min. $200/mth
Distribution	Annual, 30 June
Applications/Redemption	Weekly

UNIT PRICE SUMMARY

As at	31 December 2021
Buy Price (cum distribution)	$1.8509
Redemption Price (cum distribution)	$1.8435
Mid Price (cum distribution)	$1.8472
Portfolio Value	$248.9m

The Fund is forward-priced; you will receive the price struck subsequent to the receipt of your application/redemption.

ABOUT FORAGER

With approximately $480 million of funds under management and a focus on long-term investing, Forager Funds is a unique Australian asset management company.

Following a strong ten-year track record, Forager is a sustainable business but is nimble enough to invest in smaller listed companies not accessible to many investment managers.

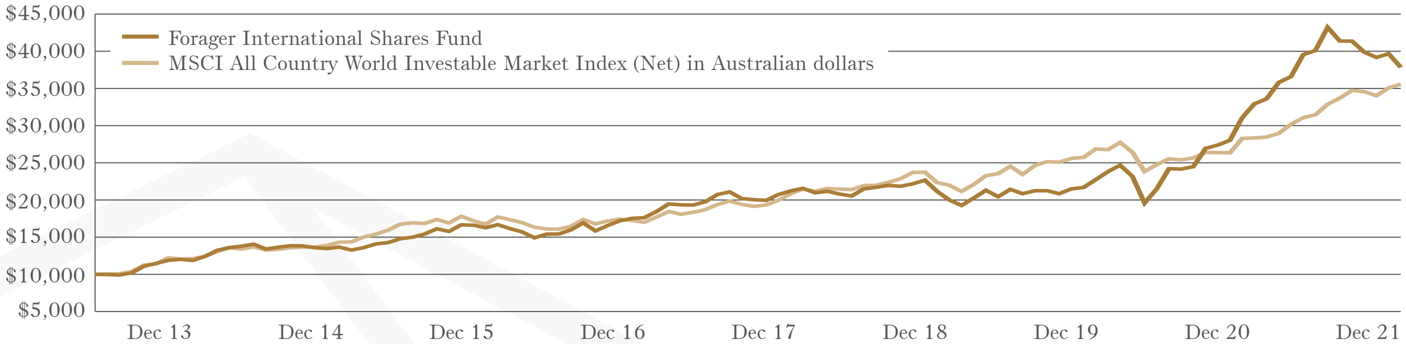
The company is majority owned by staff. Forager's shareholders support the desire to place performance before revenue. That means capping the size of funds before too much money becomes an impediment to performance.

Key investment staff are strongly aligned with investors through co-investment and / or equity in the Forager business.

FUND CHARACTERISTICS

- Concentrated portfolio of global equities
- A combination of large liquid resilient businesses
- With smaller value based opportunities
- Flexible mandate allows for a wide range of markets
- Investment team with deep pockets of expertise
- Strong focus on managing portfolio risks
- Weekly applications and redemptions

COMPARISON OF $10,000 INVESTMENT OVER TIME



Source (MSCI AC World Net Index in $A): S&P Capital IQ. The above figures assume that all distributions have been reinvested. Past performance is not indicative of future performance.

FORAGER AUSTRALIAN SHARES FUND PERFORMANCE SUMMARY (as at 31 December 2021. Net of all fees and expenses)

	1 month return	3 month return	6 month return	1 year return	3 year return (p.a.)	5 year return (p.a.)	10 year return (p.a.)	Since inception* (p.a.)
Australian Shares Fund (ASX:FOR)	2.81%	3.02%	11.47%	31.31%	18.15%	10.68%	16.17%	12.55%
All Ordinaries Accumulation Index	2.67%	2.48%	4.58%	17.74%	14.82%	10.43%	11.01%	8.66%

The value of your investments can rise or fall. Performance is calculated using Net Asset Value (NAV), not the market price.
Past performance is not indicative of future performance.

*30 October 2009

A GOOD YEAR

The curtains have closed on an eventful 2021 for the Forager Australian Shares Fund. Lockdowns, new COVID strains, inflation, labour shortages, takeovers and IPOs all made an impact this year. The Fund delivered a return of 31%—a strong 14% above the benchmark for the calendar year.

The positive contributors were numerous, but the largest contributions came from long-held (and, in some cases, long-suffering) investments.

The **Mainstream** (MAI) takeover saga, which we chronicled in our June Monthly Report, finished with Apex Group paying $2.80 per share and driving the share price 180% higher for the year. It was the Fund's largest success to date.

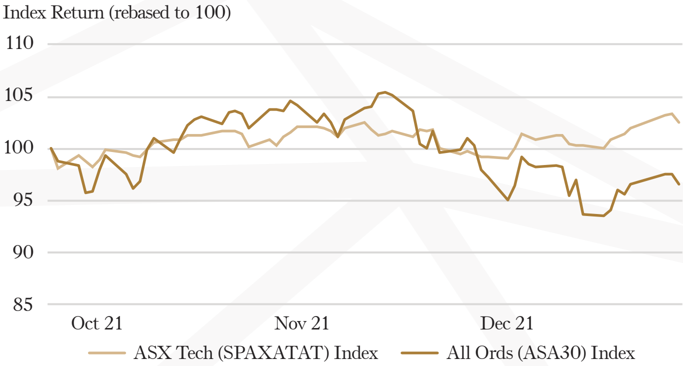
Mining software provider **RPMGlobal** (RUL) came in second place, with great momentum in its subscription software sales and some investor recognition driving the share price up 73% for the year. It was, and remains, a large investment and looks like it still has more in the tank (see below).

Rounding out the top three contributors to performance was a stock that has been part of the portfolio for more than a decade. Marketing services group **Enero** (EGG) saw its investment in US-based ad-tech business OB Media yield fantastic results, driving earnings per share growth of 76% and a share price increase of 94%.

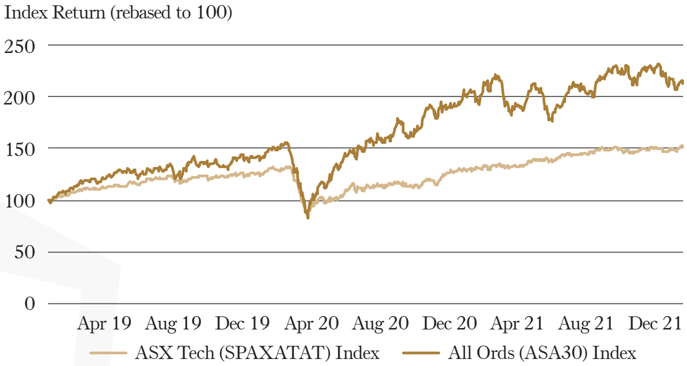
The share prices of **NZME** (NZM), **Life360** (360) and **MSL Solutions** (MSL) all more than doubled, too, though we didn't own NZME or Life360 for the entirety of the year. That was something of a theme for 2021. If the end-of-year share prices are anything to go by, we either significantly reduced or exited exposure to a number of the Fund's best performers too early.

Further reducing returns were the Fund's investments in higher-growth businesses, which fell by 17% on average in the face of a rout in small-cap growth stocks in the last quarter of the year. Communications platform **Whispir** (WSP), sales-enablement platform **Bigtincan** (BTH) and sports tech business **Catapult** (CAT) grew their sticky and highly recurring revenue streams by an average of more than 35%,

ASX TECH INDEX UNDERPERFORMING ALL ORDS INDEX FOR Q2 FY22



ASX TECH INDEX OUTPERFORMING ALL ORDS INDEX OVER 3 YEARS



Source: Bloomberg

acquired complementary businesses and progressed in new geographies. With their starting weights relatively small, the overall damage has been manageable so far. This provides some very interesting opportunities in 2022.

NEW NEWS IN DECEMBER

Despite being a large contributor during the calendar year, the business of RPMGlobal continues to strengthen. In late November, the company's regular updates confirmed that RPM secured a large customer contract worth $7 million, which will contribute $2 million per year when the software is fully deployed. For now, with only a quarter of this contract in place, RPM increased subscription revenues by $3.5 million during the first half of this financial year to a total of $25.4 million. The business also made three small acquisitions to bolster its technology offering. But one of the more interesting bits of news wasn't from RPM itself. Major competitor Deswik was sold to mining equipment behemoth **Sandvik Mining** (STO:SAND) in December. The price paid implies that, if RPM is ever sold to a larger group, the premium to the current traded price is likely to be significant.

While on the lucrative topic of mergers and acquisitions, two of the Fund's investments have proposed a merger. Recreational vehicle operator **Tourism Holdings** (NZX:THL) has bid for rival **Apollo Tourism** (ATL) in an all-share deal at a 33% premium to Apollo's share price.

Both did a fantastic job navigating the COVID-induced international visitor decimation over the last two years. And both have credible plans to recover when international tourists return. But the businesses are stronger together.

For one, the operating cost synergies of NZ$18 million are significant. With an overlapping presence in Australia, New Zealand, North America and Europe, the ability to reshuffle the RV fleet will reduce debt by more than NZ$38 million. The Trouchet family, major shareholders of Apollo, will end up with 13% of the combined entity. Lastly, the ASX will gain another major tourism group as THL, previously only listed in New Zealand, will dual list in Australia. It's a great deal which should be consummated by June, provided the relevant competition regulators are favourably disposed.

THE LAY OF THE LAND IN 2022

Last year was one of transitions for the Forager Australian Shares Fund. With a number of our oldest investments coming to fruition in 2021, they are either no longer in the portfolio or are much smaller weightings. That has freed up capital to redeploy.

The top five holdings should give you a good feel for the most prospective opportunities we are finding, with plenty of upside remaining in idiosyncratic opportunities like RPMGlobal and **AMA Group** (AMA).

But it is also a time for patience.

It is hard to see 2022 breaking the trend of particularly eventful years. In the face of dangerously persistent inflation, monetary policy—a constant tailwind for the past decade—is likely to become a headwind for asset valuations. While remaining highly supportive, fiscal policy is also becoming less expansionary than it was in the thick of the pandemic.

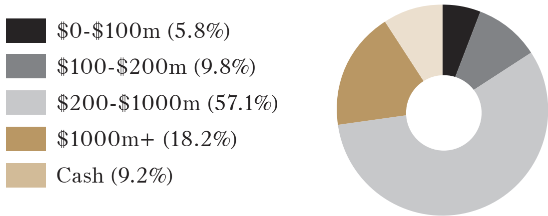
New COVID variants; a looming Federal election; a cooling housing sector; a decelerating Chinese economy eroding demand for commodities and the Aussie dollar. There is a long list of known potential speed bumps and, undoubtedly, a few that no-one is yet thinking about. The ability to capitalise on any ensuing panic will be key, hence a relatively balanced Forager Australian Shares Fund at present.

Along with a healthy cash balance, the current portfolio is well distributed across exciting, early stage companies with considerable upside potential, stable and more mature companies that offer the potential for steady returns and good liquidity, as well as a selection of beaten up, idiosyncratic opportunities.

Although the portfolio remains mostly smaller companies, the Fund's exposure to stocks with market capitalisations below $200 million dropped from 64% at 31 December 2020 to 17% at the end of 2021. The top three stocks in the portfolio are now a combined 14% weighting in contrast to 24% two years ago.

While we are optimistic about the returns this portfolio can generate, there will be a time for more aggressive positioning. Hopefully in the year ahead.

PORTFOLIO DISTRIBUTION ACCORDING TO MARKET CAPITALISATION



TOP 5 HOLDINGS (as % of NAV)

RPMGlobal Holdings Limited	**(ASX:RUL)**	6.5%
Experience Co Limited	**(ASX:EXP)**	3.8%
Tourism Holdings Ltd	**(NZE:THL)**	3.7%
AMA Group Limited	**(ASX:AMA)**	3.6%
Seven West Media Limited	**(ASX:SWM)**	3.6%
Cash		9.2%

FUND OBJECTIVE

The Fund targets securities that Forager believes are undervalued and invests predominately in securities listed on the ASX. Its investment objective is to outperform the All Ordinaries Accumulation Index over a rolling 5-year period and its goal is to produce superior long-term returns from a select number of underlying investments, irrespective of short-term price movements^. The portfolio has historically generally held 15 to 25 securities but in recent times the number of investments has increased to around 35 securities. This has reflected the fact that the Fund has grown, the investment team has grown and the Manager has enhanced the portfolio liquidity requirements as a result. We expect that the portfolio will remain relatively concentrated and the number of portfolio investments will generally be in the 15 to 50 range.

FUND PERFORMANCE BY MONTH AND FINANCIAL YEAR

FY	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total Return
2010					-0.69%	2.52%	-1.66%	0.08%	-0.34%	4.60%	-4.27%	-4.40%	**-4.41%**
2011	4.97%	-2.40%	-2.80%	-1.54%	3.12%	6.59%	1.58%	0.47%	-1.49%	3.40%	-5.39%	-0.82%	**5.12%**
2012	-1.00%	-2.61%	-7.20%	9.89%	-0.02%	-4.62%	1.53%	8.90%	5.02%	2.17%	-0.51%	-2.64%	**7.76%**
2013	8.70%	0.44%	2.83%	-3.07%	4.57%	0.33%	5.83%	4.86%	4.51%	1.41%	2.65%	-0.69%	**36.87%**
2014	10.45%	1.13%	4.77%	2.50%	-0.11%	0.38%	1.05%	0.48%	-1.28%	-3.44%	1.28%	-0.15%	**17.73%**
2015	6.70%	2.56%	-1.23%	-2.06%	-0.21%	-1.15%	0.94%	3.38%	4.87%	-2.42%	3.13%	-2.34%	**12.31%**
2016	7.94%	-4.46%	-1.38%	12.87%	-2.97%	0.22%	-1.33%	2.70%	4.40%	2.48%	1.51%	-3.91%	**18.06%**
2017	6.99%	3.25%	4.50%	-1.99%	-4.65%	1.76%	7.20%	1.29%	1.60%	1.16%	1.16%	1.00%	**25.16%**
2018	2.32%	-0.95%	2.69%	0.95%	0.21%	4.06%	-0.57%	-3.18%	-2.64%	2.77%	-0.97%	1.91%	**6.50%**
2019	-0.62%	-1.90%	-2.19%	-6.16%	-3.78%	-3.68%	0.98%	4.46%	-0.95%	-2.02%	-3.97%	-1.46%	**-19.66%**
2020	6.67%	-1.09%	4.38%	1.54%	-3.22%	-1.50%	2.46%	-10.97%	-39.71%	20.57%	18.04%	-2.16%	**-18.36%**
2021	3.70%	18.80%	2.00%	7.79%	13.22%	3.56%	-3.05%	4.07%	1.21%	13.23%	0.26%	1.62%	**87.09%**
2022	5.01%	2.58%	0.45%	1.57%	-1.35%	2.81%							**11.47%**

Past performance is not indicative of future performance and the value of your investments can rise or fall. Performance is calculated using Net Asset Value (NAV), not the market price.

FACTS

Fund inception	30 October 2009
ASX Code	FOR
Distribution	Annual, 30 June

UNIT PRICE SUMMARY

As at	31 December 2021
NAV (cum distribution)	$2.12
Market Price	$1.77
Portfolio Value	$227.9m

ABOUT FORAGER

With approximately $480 million of funds under management and a focus on long-term investing, Forager Funds is a unique Australian asset management company.

Following a strong ten-year track record, Forager is a sustainable business but is nimble enough to invest in smaller listed companies not accessible to many investment managers.

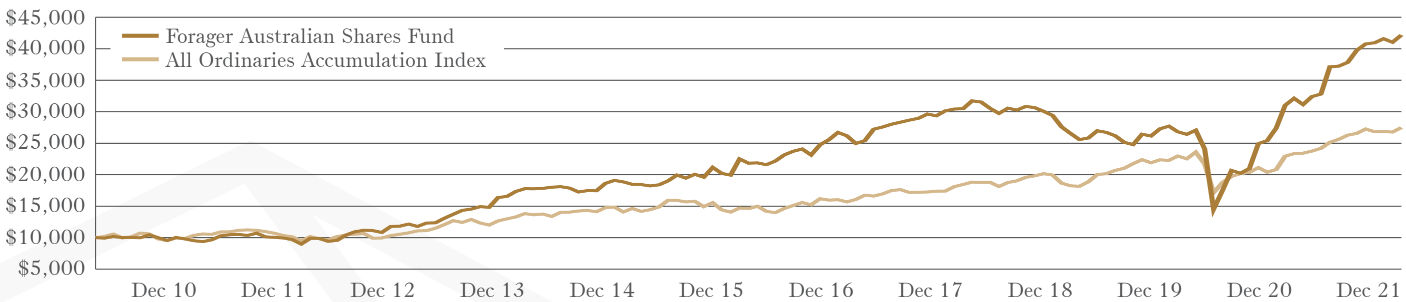
The company is majority owned by staff. Forager's shareholders support the desire to place performance before revenue. That means capping the size of funds before too much money becomes an impediment to performance.

Key investment staff are strongly aligned with investors through co-investment and / or equity in the Forager business.

FUND CHARACTERISTICS

- Concentrated portfolio of ASX-listed stocks
- Long track record in identifying unloved gems
- Restricted fund size allows investment in smaller businesses
- Strong focus on managing portfolio risks
- Listed on ASX as a Listed Investment Trust (LIT)
- Structure offers Forager flexibility in distressed markets

COMPARISON OF $10,000 INVESTMENT OVER TIME



Source (All Ords): S&P Capital IQ. The above figures assume that all distributions have been reinvested. Performance is calculated using Net Asset Value (NAV), not the market price. Past performance is not indicative of future performance.

FORAGER

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