











# 8IP Australian Equity Impact Fund

Invest to accelerate progress

## OUR IMPACT FOCUS AREAS

 <p>Renewable Energy 2.6%</p>	 <p>Energy Storage and Efficiency 1.5%</p>	 <p>Education 8.2%</p>	 <p>Care and Support 19.6%</p>	 <p>Affordable Housing 4.6%</p>
 <p>Lifestyle and Healthy Living 12.9%</p>	 <p>Land and Resource Management 4.7%</p>	 <p>Wellbeing: Medical Devices 19.4%</p>	 <p>Wellbeing: Health Care Services 6.2%</p>	 <p>Wellbeing: Pharmaceuticals 5.1%</p>

## FUND SNAPSHOT

The Fund aims to deliver outperformance above the S&P/ASX All Ordinaries Accumulation Index. The fund is a diversified portfolio of Australian equities across a range of impact focus areas and aims to demonstrate a financial return and a measurable and positive impact on society or the environment.

## OUTLOOK

During the quarter, we significantly increased the portfolio's exposure to Ellex Medical Lasers. The Adelaide-based company manufactures a comprehensive range of ophthalmic lasers and a device to enable minimally invasive glaucoma surgery. Their lasers and devices target eye diseases such as diabetic eye disease, cataracts, intermediate age-related macular degeneration ("iAMD"), glaucoma and vitreous opacities ("floaters").

There is an installed base of over 35,000 Ellex lasers globally in around 100 countries. As a result, Ellex has the leading market share in a key market segment known as Selective Light Therapy laser treatment and is a trusted brand.

The incidence of eye disease is increasing due to ageing populations and rising levels of diabetes. Ellex have been investing to bring new products to market to improve the methods and reduce the costs of treating these diseases. Their aim is to make the Ellex 2RT nanopulse laser the standard of care for the more than 25 million people globally with iAMD as it is the only clinically validated laser shown to significantly decrease the rate of progression of iAMD.

As impact investors, we support the management team's decision to re-invest the profits from the core laser division into these new products. Although it causes earnings to be depressed in the short-term which has negatively affected the share price over the past 12 months, there is clearly a benefit to society and a sound long-term business case.

## KEY FACTS

<b>Inception</b>	31/01/2017
<b>Domicile &amp; Status</b>	Registered Managed Investment Scheme domiciled in Australia
<b>Holdings</b>	38 Stocks
<b>Liquidity</b>	Daily
<b>Base Currency</b>	Australian Dollars
<b>Distributions</b>	Paid annually, shortly after 30 June; reinvested unless otherwise instructed.
<b>Minimum Investment</b>	\$10,000

## FUND IDENTIFIER

APIR: ETL6826AU

Performance	1 Month	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
Fund (gross-of-fees)	+8.65%	+16.15%	+10.39%	+10.20%	-	-	+16.64%
Index	+0.70%	+11.06%	+1.09%	+11.25%	-	-	+9.40%
Active Return (gross-of-fees)	+7.95%	+5.09%	+9.30%	-1.05%	-	-	+7.24%

Source: 8IP and S&P.

All returns are shown to two decimal places. Current month performance is a manager estimate. Returns for periods of more than one year are annualised. Total returns include realised and unrealised gains and losses plus income and are time-weighted rates of return that adjust for external cash flows. Valuations are computed and performance reported in Australian dollars. Gross-of-fees performance returns are presented before management and performance fees but after all trading expenses. Past performance is not an indicator of future performance.

## WHY IMPACT INVESTING?

Directing capital to solve problems is more effective if the for-profit business sector is actively engaged. Your capital is invested in companies that **generate positive social and environmental impacts along with financial returns.**

The industries in which these companies operate tend to have structural growth tailwinds which, when combined with active stock selection, provides the opportunity to generate **superior investment returns.**

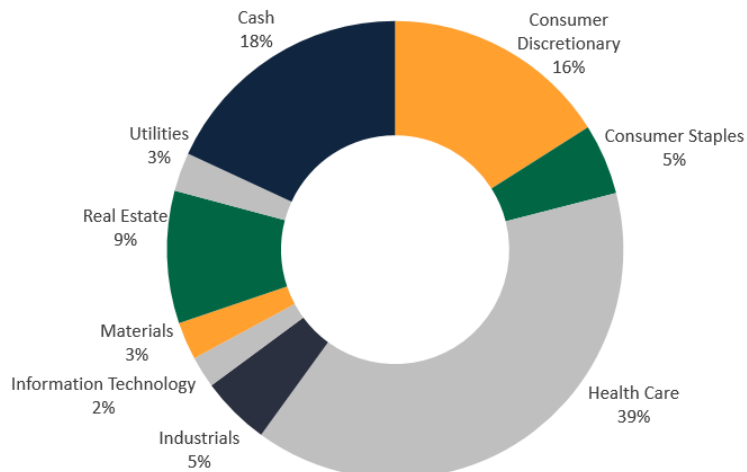
## WHY 8IP?

As a specialist equity investor with a focus on small company investing, 8IP has the investment resources and network to identify companies that combine positive impact with attractive investment potential.

8IP manages in excess of A\$200m focused on ASX listed small companies on behalf of institutions, high net worth individuals and a listed investment company.

The portfolios are managed by Kerry Series and Stephen Walsh, both experienced equity investors.

## SECTOR ALLOCATION



Source: 8IP and Bloomberg. Please note that 8IP may reallocate stocks' sector classifications where in 8IP's view it is appropriate to do so.

## FEES

Investment Management Fee	1.03% p.a.
Other Fees and Expenses	Up to 0.36% p.a.
Total Management Costs	1.39% p.a.
Performance Fee	20.5% over benchmark.
Benchmark:	S&P All Ordinaries Accumulation Index

Fees and expenses are inclusive of net GST.

## TOP HOLDINGS

Top 5 Holdings	Portfolio Weight
Avita Medical Ltd	7.3%
Ellex Medical Lasers Limited	4.9%
Probiotec Limited	4.9%
Redhill Education Limited	4.5%
Think Childcare Limited	3.7%

## IMPORTANT INFORMATION

This report was prepared by Eight Investment Partners Pty Limited (ABN 22 139 616 783, AFSL 342 305) as promoter of the Fund. The Fund was launched as an unregistered managed investment scheme on 31 January 2017 and registered with ASIC as a retail scheme on 6 March 2018. Equity Trustees Limited (Equity Trustees) (ABN 46 004 031 298, AFSL 240 975) is a subsidiary of EQT Holdings Limited (ABN 22 607 797 615), a publicly listed company on the Australian Securities Exchange (ASX:EQT). Equity Trustees was appointed Trustee of the Fund on 31 January 2017 and responsible entity on 6 March 2018.

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