

## The Income and Growth Fund

Dear Investor,

We enclose the November 2022 update for the PURE Income and Growth Fund.

The PURE Income and Growth Fund is open for investment.

### Foundation Class Portfolio Returns (After Fees)

The PURE Income and Growth Fund returned -5.7% in November 2022.

	1 Month	3 Month	6 Month	1 Year	3 Years	Since inception
<b>Returns (%) p.a.</b>	-5.7%	-6.4%	-7.8%	-7.6%	+13.5%	+12.5%
<b>St Dev (Annualised %)</b>				6.8%	14.5%	12.9%
<b>Sortino Ratio</b>						2.0
<b>Sharpe Ratio</b>						0.7

*\*After fees and assuming reinvestment of all income distributions. Fund inception 21 December 2018.*

#### Fund overview as at 30 November 2022

<b>Funds Under Management</b>	\$144.1m
<b>Since Inception Annualised Return After Fees (Foundation Class, Dist. Re-Invest)</b>	+12.5%
<b>Foundation Class Current Unit Price</b>	\$1.1919
<b>Total Distributions Paid After All Fees</b>	38.1cpu
<b>Number of Investments</b>	31
<b>Average Loan Size</b>	\$5.6m
<b>Weighted Average Portfolio Interest Rate</b>	9.7%
<b>Total Establishment and Arrangement Fees Paid to Investors (Gross)</b>	\$3.8m

#### Current Portfolio Exposure

<b>Fixed Income</b>	71.4%
<b>Equity/Warrants</b>	14.2%
<b>Cash</b>	14.4%
<b>Total</b>	100.0%

**PURE online application form**

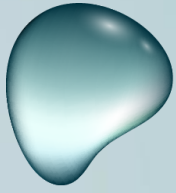


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PURE Asset Management Pty Ltd | ABN 46 616 178 771 | AFSL 520396



**PURE**  
ASSET MANAGEMENT

## Portfolio Summary

During recent months the PURE Investment team, has focused on Ellume Health (Ellume), which entered Voluntary Administration on 1 September 2022. Since this time we have been working tirelessly to get an outcome for investors. As part of the sales process, binding offers for the business were submitted on 30 November, with the administrator selecting Hough Consolidated (“Hough”) as the preferred buyer.

The proposed Offer value of US\$38m grossly undervalues Ellume, but despite our best efforts to establish an alternative plan, we have been unable to do so within the required time frame nor have we been able to convince the administrators, or other creditors to extend the deadline for the vote on the Offer. As such, we have resolved to write down the carrying value of Ellume to a level representative of Hough’s cash offer. The result of these actions is November performance of -5.7%.

We are sincerely sorry to share this outcome, and very disappointed to not achieve a return on the work undertaken since Ellume’s administration process began. Most frustratingly, Ellume has won US\$47m of work from the US Government since administration and now expects to receive a further US\$15m order and a US\$19m grant.

Should Ellume receive this support it will have received a total of US\$343m in funding and orders from the US Government, and with other savings it has achieved since administration, the company’s financial health, although not restored, is considerably improved on the situation that led to administration.

Ultimately, however, the inflated cost of building its facilities in the US; overstocking of inventory in the expectation of demand (which was significantly impaired by the US Government decision to give away 1 billion tests); and the cost of the product recall, put significant financial pressure on the Company, from which it has been unable to recover.

We have turned over every rock in an attempt to preserve investor capital, and yet, while the funding requirement has been reduced dramatically, it is too large for PURE alone to solve.

## Thank you

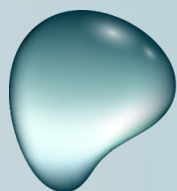
As 2022 draws to a close, we would like to thank everyone that has supported us on the journey. Investment markets were a treacherous place at times this year, and while we were disappointed not to deliver more, we have negotiated improved terms in across a range of positions, which we hope will deliver a much improved performance in 2023.

Merry Christmas, enjoy time with those closest to you, and we look forward to speaking with you in the new year.

Nick, Mike, Tim, Dan, Jonathan and Jean-Luc

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## Monthly Returns – After Fees

The Income and Growth Fund – Foundation Class													
Year	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Fin YTD
FY19						2.4%	-1.8%	1.2%	0.3%	-1.0%	2.5%	1.7%	5.4%
FY20	2.6%	-1.4%	2.1%	1.4%	-0.8%	3.8%	2.8%	-2.2%	-3.8%	3.8%	5.7%	0.7%	15.0%
FY21	15.9%	8.8%	-1.0%	12.2%	0.7%	2.6%	-1.0%	-1.0%	-3.5%	2.1%	0.0%	0.8%	40.9%
FY22	3.4%	-3.2%	2.3%	1.2%	-2.2%	1.0%	-0.1%	-2.3%	1.6%	0.5%	-0.5%	-1.0%	0.5%
FY23	1.3%	-1.7%	-1.6%	0.9%	-5.7%								-6.8%

The Income and Growth Fund – Platform Class (APIR: PUA7226AU)													
Year	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Fin YTD
FY21	16.0%	8.9%	-0.9%	12.4%	0.7%	2.7%	-0.9%	-1.0%	-3.5%	2.1%	0.0%	0.8%	41.8%
FY22	3.4%	-3.2%	2.3%	1.2%	-2.2%	1.0%	-0.1%	-2.3%	1.6%	0.5%	-0.5%	-1.0%	0.5%
FY23	1.3%	-1.7%	-1.6%	0.9%	-5.7%								-6.8%

## Unit Price Data Download

Please click on the link below to download the updated unit price data for each unit class.

[The Income and Growth Fund – unit price data to 30 November 2022](#)

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