

## PURE Income and Growth Fund

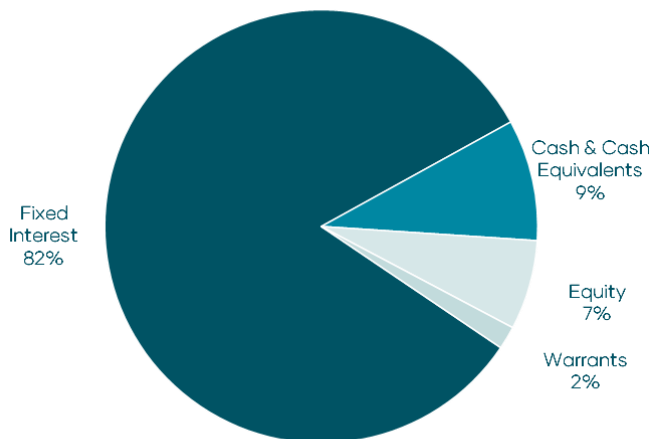


### Foundation Class Portfolio Returns (After Fees)

	1 month %	3 Months %	6 Months %	1 Year %	3 Years % p.a.	Since inception* % p.a.
PURE Income and Growth Fund	+0.4%	+0.7%	+1.3%	-6.6%	+10.4%	+11.3%
Standard Deviation (Annualised %)				6.2%	13.7%	12.2%
Sortino Ratio						1.7
Sharpe Ratio						0.6

\* Fund inception 21 December 2018

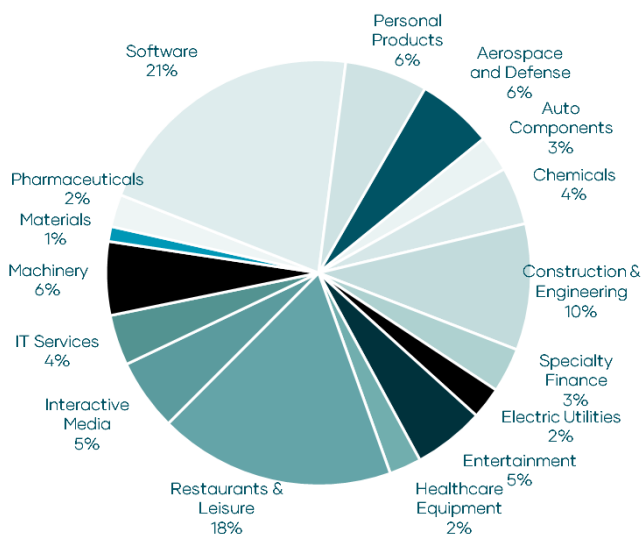
### Asset Allocation



### Fund Overview

Fund Size	\$127.2m
Foundation Class Unit Price	\$1.1635
Number of Investments	24
Average Loan Size	\$5.6m
Weighted Average Interest Rate	9.7%
Arrangement Fees Paid to Investors	\$4.0m
Trailing Fund Yield (12m)	7.2%

### Fixed Interest Sector Allocation



### Monthly Commentary

The Fund returned +0.45% in the month of May, a strong outcome given the challenging backdrop of weak equity markets. The ASX200 fell -3.0%, with the Small Ordinaries Industrials Index retreating -1.7% in a rare month of small-cap outperformance.

With limited equity exposure remaining, the portfolio is performing as we would expect in such an environment. Credit investments continue to contribute cash returns, with equity values now far less susceptible to loss. Based on what we can see, the Investment Team is hopeful a range of catalysts will crystallise in June, the key caveat being Ellume's administration process (c.2% of NAV). The administration has been extended numerous times to allow the purchaser (Hough) to secure funding. It remains unclear as to whether this will be achieved, and while completely out of our hands, each delay fails to inspire confidence. We remain hopeful, yet somewhat helpless in determining the outcome.

In May we funded an exciting initiative for portfolio company Carbonxt (CG1.ASX). Regulatory change, namely the enforcement of Drinking Water Standards by the EPA, is a game-changing opportunity for the company. Discussed in detail below, we have strong expectations of a highly profitable investment for the Fund. The transaction represented the longest start-to-finish journey of any transaction to date, with the structure, JV partners, and geography all adding to the complexity. It was satisfying to complete.

Inbound deal-flow continues unabated, with operating conditions ripe for hybrid origination. We are somewhat capital constrained in executing these opportunities, yet continue to assess a range of options that ensure our investors don't miss out.

We look forward to reporting on these initiatives over the coming months.

## **Charity: water**

In a moment of gratification, we received communication from [charity: water](#) regarding a project funded by PURE (the management company not the Funds) in 2021.

This project is complete, with a rehabilitation water well (below) now online and serving the Namissiri community in Mozambique. It is satisfying to know that we (all PURE investors) have made a difference, with 228 people now having access to safe drinking water.



## **Thank you**

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



## **PURE online application form**

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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%	0.1%	0.2%	0.3%	0.2%	0.1%	0.4%		-5.6%

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%	0.1%	0.3%	0.3%	0.2%	0.1%	0.5%		-5.6%

## 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 31 May 2023](#)

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