



INVESTMENT OBJECTIVE

To provide investors with capital growth and attractive risk-adjusted returns over the long-term through exposure to a portfolio of global listed equities.

PORTFOLIO UPDATE

September was a negative month for stock markets, with the MSCI World falling -3.3% in Australian dollar terms. The Orca Global Fund (Fund) returned -2.3%¹, outperforming by 1.0% due to a more defensive positioning. During the month, US central bank implemented aggressive monetary policy, increasing the likelihood of a weak economy, which hit stock market sentiment. At the same time, more attractive returns on bonds offered a tangible alternative to stocks for investors. This continues the trend in stock markets that has dominated 2022. October is the start of the third quarter earnings season, when companies report profits for July to September. Stronger profits could reverse recent market falls.

The biggest driver of Fund outperformance for the Orca Global Fund was the skew towards Healthcare investing, responsible for about half of the Fund's outperformance. Healthcare stocks are more defensive, as the industry is more driven by natural population health conditions than the economy. Our biggest negative by industry allocation was Communication Services, which underperformed.

Our best performing stock by positive contribution was **Dollar General** (+7.7%), a discount US supermarket which should benefit from recessionary conditions as consumers look to save money. The next best stocks were US pharmaceutical companies **Merck** (+8.4%) and **Johnson & Johnson** (+8.0%). The worst performing stock was leading offshore wind farm developer **Orsted** (-13.2%). Despite increasing demand for wind farms and success in bidding for projects, Orsted declined due to uncertainty over energy pricing and cost inflation, along with the impact of higher interest rates on their debt. Leading salmon farmer **Mowi** (-33.4%) also declined, due to a new supertax that has been suggested by the Norwegian government. **Google** (-5.8%) rounded out the three weakest stocks following a broader tech selloff.

We view our portfolio positioning as appropriate given current market conditions, and have been trading to take advantage of market conditions. The Fund continues to be cautiously positioned due to market volatility and economic uncertainty.

This fund is appropriate for investors with a "Medium to High" risk and return profiles. A suitable investor for this fund is prepared to accept high risk in the pursuit of capital growth with a medium investment timeframe. Investors should refer to the **TMD** for further information.

PORTFOLIO MANAGERS



Ted Alexander
Portfolio Manager



Kunal Valia
Assistant
Portfolio Manager



Jumana Nahhas
Assistant
Portfolio Manager

| Unit price (Exit) | Fund size | 12-month distribution yield (target: 4%) ² | Performance since inception (6 July 2018) ¹ |
|----------------------|-----------------------|--|---|
| \$1.5997 | \$63.9 million | 4.7% | 7.4% |

FUND PERFORMANCE¹

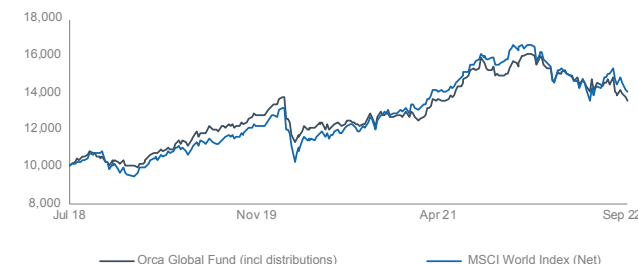
| | 1 Month | 3 Months | 6 Months | 1 Year | 2 Years (p.a.) | 3 Years (p.a.) | Since Inception (p.a.) |
|-----------------------------|---------|----------|----------|--------|----------------|----------------|---------------------------|
| Orca Global Fund | -2.3% | -3.6% | -9.6% | -9.1% | 5.0% | 3.5% | 7.4% |
| MSCI World Index (Net, AUD) | -3.3% | 0.8% | -8.3% | -9.8% | 7.5% | 6.3% | 8.2% |
| Excess Return | 1.0% | -4.5% | -1.3% | 0.7% | -2.5% | -2.8% | -0.7% |

Note: Numbers may not sum due to rounding. Past performance is not a reliable indicator of future performance.

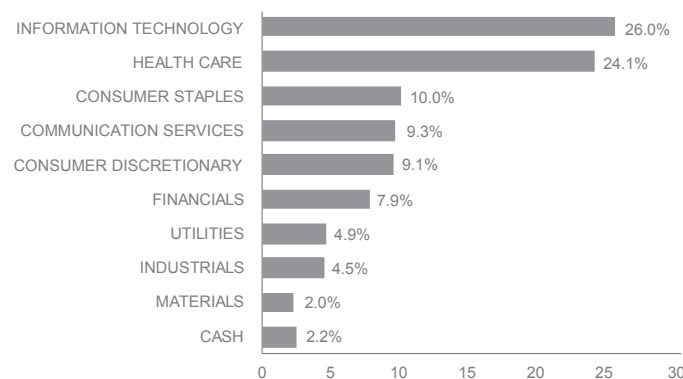
TOP 10 PORTFOLIO HOLDINGS

| | |
|---------------------|----------------------|
| Alphabet Inc | Microsoft Corp |
| Danone SA | Novartis AG |
| Dollar General Corp | Orsted AS |
| Mastercard Inc | Royal Bank of Canada |
| Merck & Co Inc | Unilever PLC |

PERFORMANCE CHART¹

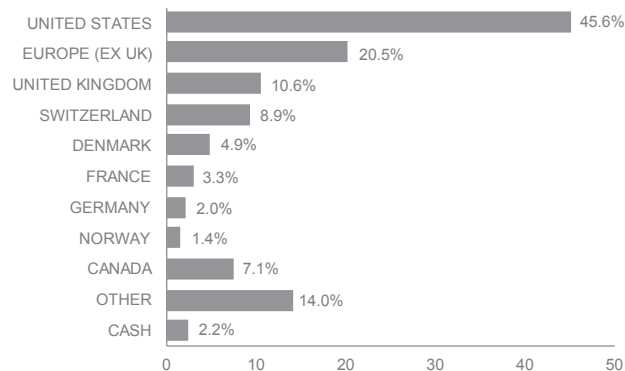


SECTOR EXPOSURE



Source: Investment Manager, Bloomberg

COUNTRY EXPOSURE



Source: Bloomberg, Country of Domicile

Notes: Data as at 30 September 2022 unless stated. Numbers may not sum due to rounding.

1. All returns are total returns, inclusive of reinvested distributions and net of fees and costs using net asset value per unit from inception to, and including, 31 January 2021 and exit unit price from this date. Past performance is not a reliable indicator of future performance. Inception 6 July 2018.

Chart data range: 6 July 2018 to 30 September 2022. 2. Distribution yield is a historical measure. The Fund has a target distribution yield of 4%. There is no guarantee the Fund will meet its investment objective. The payment of a semi-annual distribution is a goal of the Fund only and neither the Manager or the Responsible Entity provide any representations or warranty in relation to the payment of any semi-annual cash income. The Fund reserves the discretion to amend its distribution policy. Initial index value 10,000. Index Source: Bloomberg.

ABOUT ORCA FUNDS MANAGEMENT

Orca Funds Management is the investment manager for the Orca Global Disruption Fund, Orca Asia Fund and the Orca Global Fund. The Orca Funds Management Investment Team has more than two decades of experience in managing global equities and fixed income funds. Orca Funds Management has an investment team of seven investment professionals who, as at 30 June 2022, collectively manage over \$450 million of funds.

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IMPORTANT INFORMATION

This report has been prepared and issued by Orca Funds Management Pty Limited (**Investment Manager**) (ACN 619 080 045, CAR No. 1255264), as investment manager for the Orca Global Fund (**Fund**) (ARSN 158 717 072). The Trust Company (RE Services) Limited (ABN 45 003 278 831, AFSL 235150) is the Responsible Entity of the Fund. For further information on the Fund please refer to the PDS and Target Market Determination which is available at orcafunds.com.au.

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