AnalyTICa Property Plus Fund

Quarterly update: March Quarter 2021

EDITION 1

Greetings

Welcome to Edition 1 of the AnalyTICa Property Plus Fund (ATPF or The Fund) update. As you learned from a letter we recently sent you, the Capricorn Diversified Investment Fund (CDIF) has a new name. This name closely aligns with the major assets currently held in The Fund and the type of assets that we look forward to bringing into The Fund in the months and years ahead (i.e., property and infrastructure assets). The people and processes behind the management of ATPF/CDIF have not changed.

The Fund's investment objectives and philosophy are also unchanged. We continue to target distributions similar to the broad Australian equity market, with lower volatility of unit price change. ATPF provides indirect access to wholesale investments beyond the reach of most individuals, providing investors with a more diversified portfolio.

The Investment Collective is actively pursuing new investment opportunities in other asset classes. It is expected that new non-property assets of material size would be held outside the AnalyTICa Property Plus Fund. We look forward to introducing new investment opportunities for you to consider participating in.

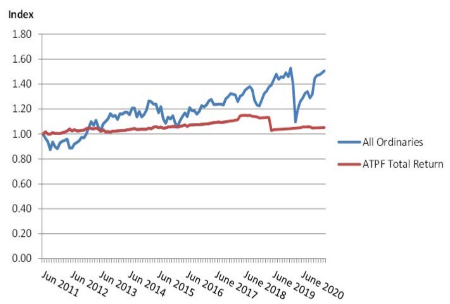
Facts

Portfolio Value	$11,519,812
Inception Date	Jan-08
Unit Price	$0.7419

Fees

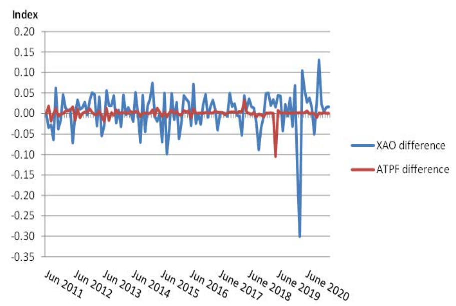
Management Fee (inc. expenses)	1.49% (inc. GST)
Performance Fee	Nil.

Performance

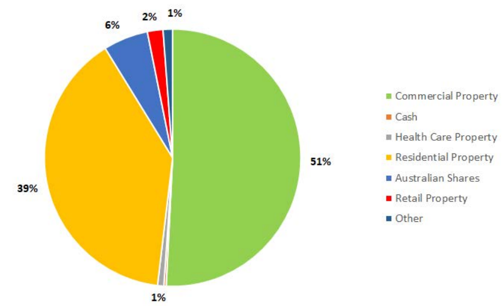


Holdings	Sector	Allocation (%)
Suncorp House	Commercial Property	50.7%
Residences Fund No. 6	Over 50's Accomodation	39.2%
AnalyTICa X100 Opportunities Fund	Australian Shares	5.6%
Haben Number 10 Trust	Retail Property	2.0%
CDIF Solar	Solar	1.2%
Elanor Health Care Real Estate Fund	Health Care Property	0.8%
Other	Other	0.2%
Cash	Cash	0.3%
Total		100.0%

Volatility



Sector Exposure



Summary

The Fund's value (net of debt) as at the end of March 2021 was $11,519,812 compared with $11,932,278 the previous year. The difference is largely due to the payment of redemption requests.

Material investment transactions in the last 12 months were a $1,230,000 capital return from Residences Fund No. 6, a $250,000 investment in the Haben Number 10 Trust, a $100,000 investment in the Elanor Healthcare Real Estate Fund and the inception of a $750,000 small cap equity strategy.

Debt secured by the Suncorp House asset reduced by $157,500 during the year to end March 2021. Loan repayments are made monthly.

The overdraft facility was partially drawn down to fund the Elanor Healthcare Real Estate Fund acquisition. Expected yield from Elanor is almost twice the interest rate on overdraft proceeds.

All tenancies of Suncorp House are occupied.

The Fund's unit price has seen minimal change during the COVID-19 pandemic, highlighting a core objective to provide returns uncorrelated with broader domestic markets.

Fund Commentary

Suncorp House is a commercial property in downtown Rockhampton and represents 51 percent of ATPF. The Suncorp Group, The Investment Collective, The Barbecue Box and Queensland Country Bank (QCB) are the current tenants. The rent holiday given to The Barbecue Box during the COVID-19 pandemic is over and has been added to the lease agreement. The asset yields 5.9 percent, now that all tenants are paying rent and a share of outgoings. The Weighted Average Lease Expiry (WALE) is 2.2 years and the next lease for renewal is with The Investment Collective at the end of 2022

Residences Fund No. 6 is a wholesale fund managed by ASX-listed Ingenia Lifestyle Communities (INA) that invest in retirement villages located in Melbourne. The portfolio comprises Federation Village Werribee, Federation Village Glenroy and Federation Village Sunshine. It represents 39 percent of the ATPF portfolio.

The Residences Fund derives its income from site fee rent charged to residents and Deferred Management Fees (DMF) that are collected upon the sale of homes in the villages. The Residences Fund is targeting a 5 percent distribution in FY21, but is expected to miss due to unplanned expenditure on personal protective equipment, security and other COVID-related items. Additionally, continued weakness in home sale volumes in the villages has resulted in DMF revenue missing budget. However, we are pleased to see 20 home sales (vs budget 28) were completed in the 9 months to the end of March 2021, even during the challenging pandemic and post-pandemic environments. We believe this highlights improved sales and marketing channels under INA's management and are confident DMF revenue will pick up due to the attractive margins between village prices and those of surrounding suburbs.

We also expect a tailwind from improved financing after INA completes negotiations with the existing lender.

Haben Number 10 Trust is a wholesale fund established to purchase the Caloundra Shopping Centre and adjacent residential block on the Sunshine Coast, QLD. It represents 2 percent of the total ATPF portfolio. The centre enjoys a strategic, high exposure corner position as part of the town centre on Bowman Road, the main arterial traffic route through Caloundra. Haben pays quarterly distributions with an annualised 8 percent target yield. This target was met in the March quarter.

The team at Haben have displayed their experience in managing retail property assets by continuing to renew leases at rates that exceed budget. Although foot traffic was 7 percent down vs the same quarter last year, all stores are now open and monthly rent collection is around 94 percent with no receivables passing 90 day terms.

There is significant capital upside potential as Haben looks to develop the adjacent residential block and begin planning for a modest retail expansion.

CDIF Solar holds a Retail 8 exemption from the Australian Energy Regulator and accounts for 1.2 percent of the total portfolio. This exemption allows us to provide solar electricity systems to commercial customers under Power Purchase Agreements (PPAs). Currently, there are systems servicing the tenants of Suncorp House in Rockhampton, another system servicing a fruit processing plant in Yeppoon and two systems servicing a customer who owns a caravan park in Yeppoon and a commercial property in North Rockhampton. The average yield across all systems is 11.2 percent.

Elanor Healthcare Real Estate Fund (EHREF) is a wholesale fund invested in healthcare real estate assets across Australia. Our $100,000 investment represents 0.8 percent of the total ATPF portfolio. The current assets held are:
- 55 Little Edward Street, Spring Hill, QLD
- Pacific Private, Nerang Street, Southport QLD
- Woolloongabba Community Health Centre, Brisbane, QLD
- 2 Civic Boulevard, Rockingham, WA.

The assets were opportunistically purchased during the early months of the pandemic and the recent revaluation of Pacific Private and Wolloongabba Health Centre has increased the portfolio value by $5.7 million, which represents an uplift of 3 percent.

Fund Commentary (cont.)

EHREF paid an annualised 7.4 percent distribution in the March quarter and pleasingly increased WALE and improved the tenancy profile with the addition of tenants such as Queensland Government Metro South Health, QScan and Icon Cancer Care. Market fundamentals continue to provide tailwinds for healthcare assets and EHREF is raising capital to facilitate another purchase in the coming months.

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AnalyTICa X100 Opportunities Fund (ATOF), is 100 percent owned by ATPF and was initially seeded with a $750,000 investment, it comprises a new trust within ATPF.

ATOF aims to provide investors with outperformance over the S&P/ASX Small Ordinaries Accumulation Index (XSOAI) through investing in a concentrated portfolio of carefully selected ASX listed companies outside the top 100 and inside the top 300. We invite you to peruse the attached AnalyTICa X100 Opportunities Fund Quarterly Update.

Our intention is to spin ATOF out into a standalone strategy when we can display constant outperformance.

Distributions

The Fund has paid $2,855,388 in distributions since 2012. We are looking forward to paying a distribution before the end of the financial year amounting to 1 cent per unit.

Redemptions

ATPF is an open-ended and unlisted managed fund that aims to provide investors with returns that are uncorrelated with equity markets. This mandate leads ATPF to invest in diversified assets that are often illiquid. As a result, redemption requests are met subject to availability of liquidity and quarterly redemption caps in order to ensure we do not become forced sellers of illiquid assets in the portfolio at unattractive prices.

All redemptions are approved by the CIP Licensing Board of Directors. If approved, under an internal policy document, a maximum of 1.25 percent of the Fund's net assets can be redeemed per quarter.

AnalyTICa X100 Opportunities Fund

Quarterly update: March Quarter 2021

Portfolio Managers	Owen Evans and Jake Brown
Portfolio Value	$711,489
Inception Date	3 December 2020
Unit Price	$0.9487

Fees

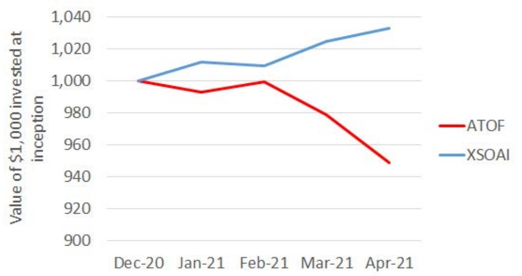
Management Fee*	1.20%
Performance Fee	20% of return above the benchmark Subject to a high water mark

**Management fee will not be charged while the trust is 100% owned by ATPF*

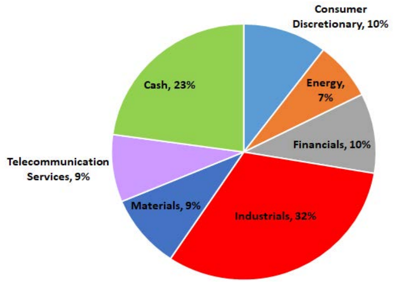
Performance	Fund (%)	XSOAI (%)	Alpha (%)
1 Month	-3.1%	0.8%	-3.9%
3 Months	-4.4%	2.1%	-6.5%
6 Months	N/A	N/A	N/A
1 Year	N/A	N/A	N/A
3 Year (% p.a.)	N/A	N/A	N/A
5 Year (% p.a.)	N/A	N/A	N/A
Since Inception (% p.a.)	-5.1%	3.3%	-8.4%

Top 5 Holdings	Sector	Allocation (%)
Lycopodium Limited	Industrials	11.2%
Capral Limited	Industrials	10.8%
Shaver Shop Group Limited	Consumer Discretionary	10.3%
Perpetual Limited	Financials	10.1%
SC Electrical Engineering Ltd	Industrials	9.6%
Cash		22.8%

Performance Chart



Sector Exposure



Fund Commentary

In the March quarter, The Fund fell 4.4 percent. Its benchmark, the S&P/ASX Small Ordinaries Accumulation Index (XSOAI) increased by 2.1 percent.

Capral (CAA) is a long established producer of extruded aluminium with operations in all capital cities. CAA is primarily exposed to single family housing as large apartment blocks import fabricated windows directly. Record low interest rates have improved the demand outlook as approvals for single family housing accelerated after 6 years of stagnation and decline. In addition, the relatively low AUD has provided some protection from dumped imports.

CAA had struggled to earn good returns for 20 years due to volatile end markets and high import penetration. The poor performance led to an unrecognised tax loss asset of 3x CAA's market capitalisation. The balance sheet is in good condition and carries no interest bearing debt. We purchased the stock in late February at a Price to Earnings (PE) multiple of 4.2x. CAA rose 13.3 percent to the end of March. The company received a takeover bid at $7/share after trading at $6.30/share ex-dividend. The stock price appreciated to around $8/share after the largest shareholders voiced their reluctance to approve the sale. We exited our position at an average price of $7.50/share, which represented a 36 percent gain in 2 months.

Shaver Shop Group (SSG) is a retailer that sells men's and women's grooming equipment. It listed in 2016 with the stated goal of growing the footprint of owned stores in Australia and New Zealand, buying out franchises and developing an internet based presence to participate in the growth of the sector. The share of internet sales increased from 6 percent in 2015 to 23 percent in 2020, leading to margin expansion and improved cash generation. This allowed SSG to retire equity and pay down debt. We purchased the stock in January before it reported its results for the December quarter. This is typically a very busy period for retailers. SSG was trading at a P/E ratio of 8x and a dividend yield of 6 percent. The stock rose 1.8 percent to the end of March.

Cooper Energy (COE) fell 30.8 percent in the March quarter as gas production at the Orbost Gas Processing Plant (OGPP) continued to fall short of nameplate capacity due to absorber foaming issues. While the issue has been resolved, COE is purchasing gas from third parties to fulfil its sales agreements with customers. Under the transition agreement with APA, COE is reimbursed so that its margins are consistent with what would be achieved if all gas was produced at OGPP. We were pleased to see that COE extended this transition agreement with APA to May 2022. We have met with management and the company's largest shareholders and remain confident the issue will be resolved.

Fund Commentary (cont.)

Deterra Royalties (DRR) was spun out of Iluka Resources in October 2020 and owns the royalty over all iron ore production from the BHP-owned Mining Area C (MAC) in the Pilbara. The site is currently being expanded to increase capacity from 56 Million Tonnes Per Annum (MTPA) to 139 MTPA. DRR is entitled to 1.232 percent of dry ore shipped from MAC plus $1 million for every additional production capacity added to the site. We purchased the stock in January because it had not appreciated in line with the iron ore price and the other miners listed on the ASX (RIO, BHP, FMG).

The business has low operating expenses and a very high dividend payout ratio. The high margins and dividend profile means DRR tends to trade like a 'bond proxy' when the market expects increasing interest rates. This characteristic caused DRR to fall 10.5 percent since we established the position as bond markets reacted to future inflation expectations. We believe the stock will re-rate when the market sees the FY21 results and a dividend from 8 months of operations.

Market Commentary

The Small Ordinaries rallied 2.1 percent in the March quarter.

Across the All Ords, Financials (+11.3 percent), Consumer Discretionary (+7.4 percent), Communications (+7.1 percent) and Energy (+2.9 percent) were the best performing sectors in the March quarter. While Information Technology (-11.5 percent), Healthcare (-2.9 percent) and Utilities (2.6 percent) were the worst performing.

The story of the quarter has been an increasing view that inflation will hit economies sooner than Central Banks have planned. Many market participants in the US viewed President Joe Biden's COVID relief plan as excessive fiscal policy that will create too much inflation. The US 10 year Treasury bond yield increased from 0.92 percent to 1.75 percent as a result. This has caused a rotation out of 'expensive' technology and healthcare equities as well as utilities into cyclical stocks.

The AUD/USD remained relatively flat in the March quarter at $0.76. Increasing iron ore prices (+13 percent in USD) were offset by the steepening of the US 10 year yield curve. We expect the rotation from high P/E stocks into cyclicals to continue, which will benefit value managers such as ourselves.