

The ORAH Project

December 2017 Monthly Fund Update

Fund Description

The ORAH Fund is a fund of funds aiming to produce risk-adjusted returns in excess of a composite benchmark comprising 50% of the MSCI World and 50% of the ASX 300 Index.¹ To achieve the Fund's objectives, the investment manager seeks to identify a set of specialist Underlying Funds that possess varied investment styles and strategies. This diversification is expected to result in reduced volatility and more stable returns over time. The Fund's investments are geographically diversified with the Underlying Funds investing in assets held both domestically and abroad.

The ORAH Project was established in order to benefit charities supporting Jewish related causes, and all management and performance fees charged by the ORAH Fund are donated to charity. Importantly, the donations do not dilute the investment returns to unitholders. This is due to the philanthropy of the managers of the Underlying Funds who do not charge management or performance fees for their services.

Fund Features

Application price at month end	A\$1.1007	Redemption price at month end	A\$1.0919
Style	Fund of Funds	FUM at month end	A\$12.9m
Investors	Wholesale Clients only	Management fee (donated to charity)	1.025% p.a. of NAV (incl. GST net of RITC).
Benchmark	50% of the MSCI World Net Total Return Index (AUD Unhedged) and 50% of the ASX 300 Accumulation Index	Performance fee (donated to charity)	10.25% (incl. GST net of RITC) of the increase in net asset value
Inception date	21 December 2016	Minimum initial investment	A\$20,000

Performance Summary ²

Monthly Fund performance (A\$, net of charitable contributions)													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2017	-0.87%	0.60%	1.56%	1.59	0.98%	0.28%	0.15%	0.37%	1.46%	2.53%	1.36%	0.78%	11.30%

Trailing return statistics (as at 29 December 2017)				
	Fund	Benchmark	Std Dev	Sharpe
1M	0.78%	0.12%	-	-
3M	4.74%	6.81%	-	-
6M	6.82%	8.58%	-	-
1Y	11.30%	12.73%	3.06%	3.2
3Y	-	-	-	-
5Y	-	-	-	-

Fund holdings (in alphabetical order)
L1 Capital Australian Equities
L1 Capital Long Short
Pengana Absolute Return Asia Pacific
Pengana Australian Equities
Pengana Global Small Companies
Pengana International Equities
Pengana PanAgora Absolute Return Global Equities
VGI Partners
Wentworth Williamson
Yarra Australian Equities Pooled Fund

¹ Fund benchmark is 50% of the MSCI World Net Total Return Index (AUD Unhedged) and 50% of the ASX 300 Accumulation Index. The benchmark is rebalanced monthly.

² Total return performance figures are provided by the Fund's administrator and are shown after all fees and expenses, and assume reinvestment of distributions. Investments can go up and down. Past performance is not a reliable indicator of future performance.

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Performance Summary

The ORAH Fund has delivered another positive monthly return, generating +0.78% for December 2017. The Fund outperformed the benchmark which was up +0.12%. For the calendar year, the Fund is up +11.30%, compared to the benchmark which returned +12.73% over the same period.

The biggest news of the month arrived in the early hours of Saturday the 2nd of December as the US Senate voted to pass the "Tax Cuts and Jobs Act". This was the last real hurdle to Trump's tax reform and the bill was signed into law on the 22nd of December. It is the largest update to the US tax legislation since 1986 and touches nearly every element of the tax code. The biggest impact is a significant reduction in US corporate tax rates. This, combined with a co-ordinated global economic growth, helped drive risk assets higher in December and topped off an exceptionally strong year for equity markets.

The table below shows world stock market returns in 2017 (local currency)

MSCI Asia ex Japan	MSCI Emerging markets	Japan TOPIX	US S&P500	MSCI Europe ex UK	UK FTSE100	Australia S&P/ASX 300
35.9%	31%	22.2%	21.8%	14.5%	11.9%	11.94%

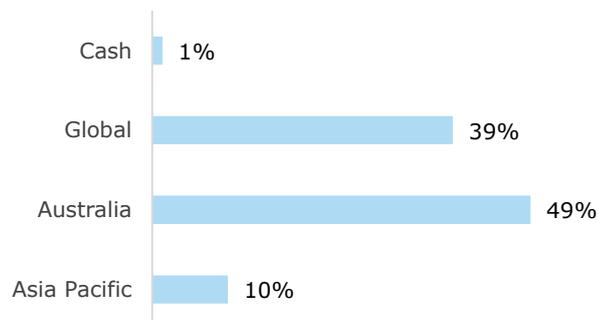
Returns experienced by local investors were reduced as the Australian Dollar strengthened by almost 8.5% through the year with a 3% appreciation occurring in December on the back of increasing commodity prices. This effect alone resulted in the international portion of the benchmark declining by 1.63% for the month, notwithstanding the bullish comments above.

The performance of the underlying funds was mixed and those with the greatest offshore/USD exposure were hardest hit. Notable contributions were made by both of the L1 funds, which were the two strongest performers for the month.

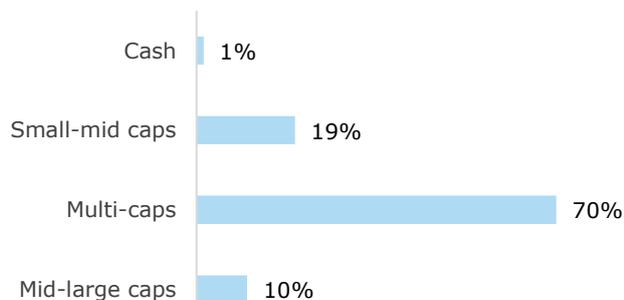
We are delighted to announce that The ORAH Project will be donating a second round of allocations to various charities in February. The total amount donated in the first year of the ORAH Project will exceed \$200,000. We will send out an email in February with more details. This amount will continue to grow as more investors are attracted to the ideal of doing both good, and doing well. We are very grateful to the managers whose philanthropy makes these donations possible, as well as to all our investors who committed early to this worthy cause.

Fund Allocations

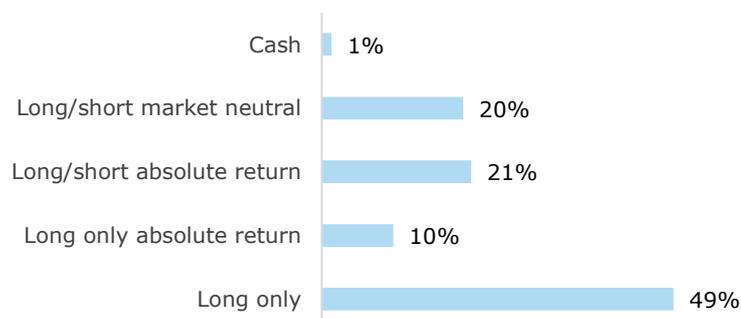
Regional focus



Market cap focus



Strategy exposures



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Underlying Fund Managers and Service Providers



Contacts

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Pengana Capital Ltd (ABN 30 103 800 568, Australian financial services license number 226566) is the issuer of units in the ORAH Fund (the "Fund"). An Information Memorandum for the Fund is available and can be obtained from the contacts listed in the Contact Details section in this newsletter. A person should obtain a copy of the information memorandum and should consider the information memorandum carefully before deciding whether to acquire, or to continue to hold, or making any other decision in respect of, the units in the Fund. This report was prepared by Pengana Capital Ltd and does not contain any investment recommendation or investment advice. This report has been prepared without taking account of any person's objectives, financial situation or needs. Therefore, before acting on any information contained within this report a person should consider the appropriateness of the information, having regard to their objectives, financial situation and needs. Neither Pengana Capital Ltd nor its related entities, directors or officers, nor any of the managers of the underlying funds guarantees the performance of, or the repayment of capital or income invested in, the Fund.