BENTHAM
ASSET MANAGEMENT

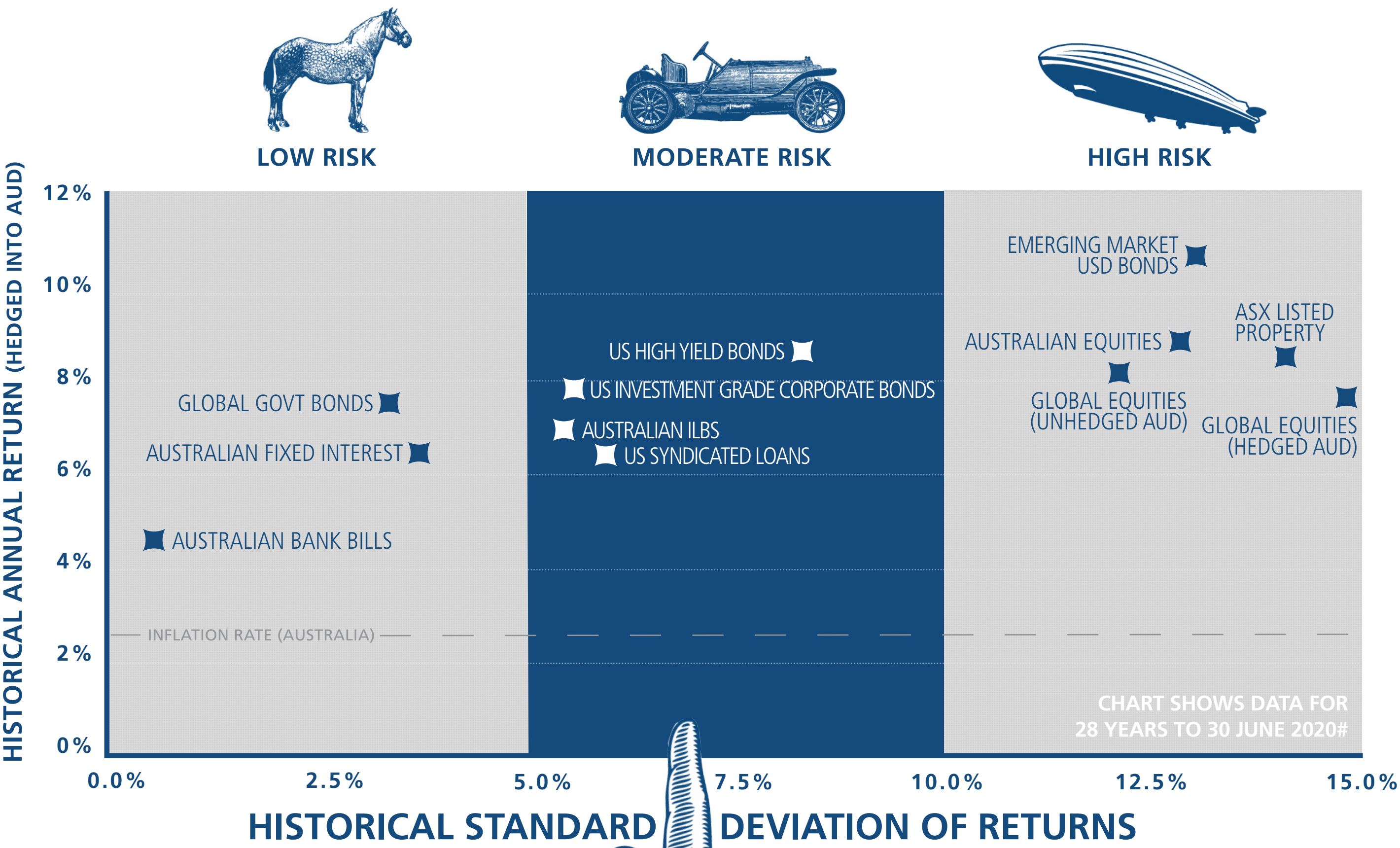
The Odd Case Of The Missing Asset Class.

WITH INTEREST RATES AT NEAR-HISTORIC LOWS, AUSTRALIAN INVESTORS FACE A CONUNDRUM: INVEST IN LOW-YIELDING FIXED INTEREST ASSETS AND ACCEPT AN INCOME REDUCTION, OR CONTEND WITH THE HIGH VOLATILITY ASSOCIATED WITH EQUITIES IN PURSUIT OF HIGHER RETURNS.

This is an unnecessary dilemma because there is a third alternative, a world of income-producing securities that sits comfortably in the gap between fixed interest and equities, an asset class that many investors are simply not aware of: The Missing Asset Class.

This asset class offers both higher levels of income and reduced volatility (relative to equities), and is well suited to investors seeking an alternative in the prevailing low interest rate environment.

THE MISSING ASSET CLASS IS LOCATED IN THE GAP BETWEEN FIXED INTEREST AND EQUITIES.



Sources: Barclay's Capital, Bentham, BoA Merrill Lynch, Bloomberg, Credit Suisse, JP Morgan, Morgan Stanley & UBS. **Past performance is not a reliable indicator of future performance.**

TODAY

Government bond yields are low relative to historical returns.

TODAY

Investors are buying equities in pursuit of yield, while potentially risking their capital year to year.

There it is!

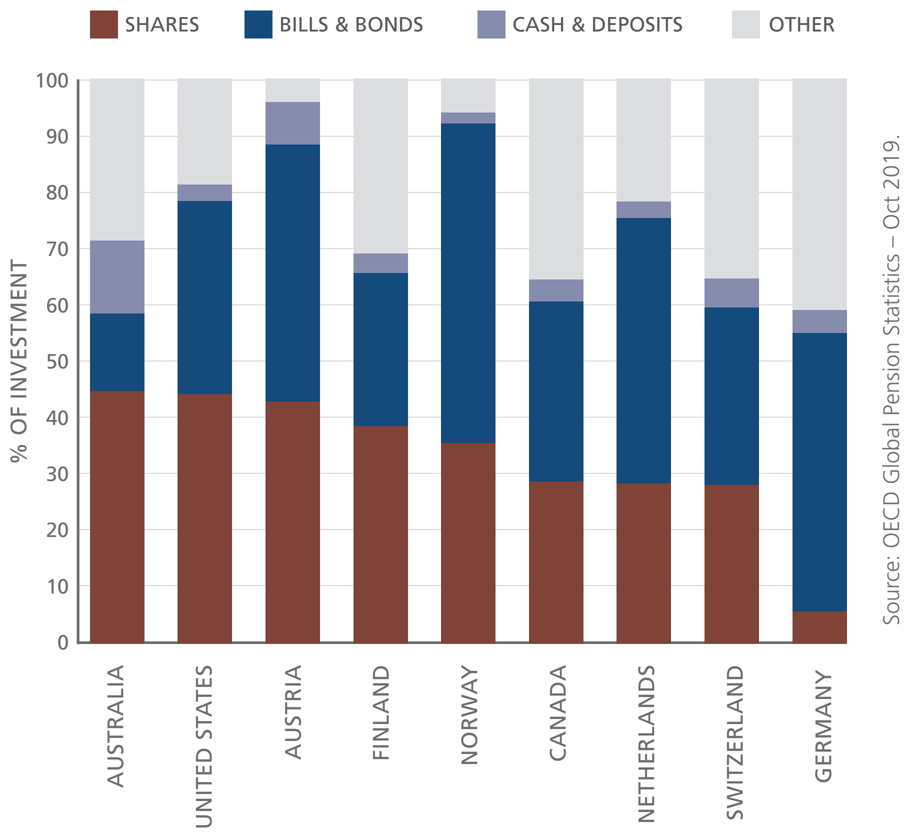
Global credit markets have the potential to offer an attractive combination of security and predictability of income. *This* is The Missing Asset Class.

THE AMERICANS LIKE IT. THE SWISS, CANADIANS AND GERMANS LOVE IT. SO WHY ARE AUSTRALIANS MISSING OUT?

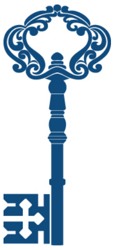
Other markets are well aware of the benefits of global credit as an asset class.

A glance at the graph below shows that Australians have notably larger allocations to equities and cash/deposits than comparable nations. This is due in large part to a local country investment bias towards the Australian sharemarket. As investors move from the wealth accumulation phase of their lives to drawing down on that wealth to provide income in retirement, they may need to consider income-generating investments that pose less risk to their capital. Global credit markets are potentially an attractive option in this context.

PENSION FUND ASSET ALLOCATION FOR SELECTED INVESTMENT CATEGORIES IN SELECTED OECD COUNTRIES



SO, WHAT'S SO GOOD ABOUT CREDIT?

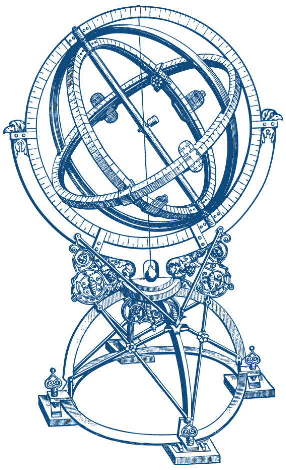


Seniority

Credit investors have priority of payment above equity investors. A creditor generally has a legal right to be paid before anyone else, including shareholders. Furthermore, creditors are entitled to take legal action to recover their investment. In the event of a default (such things happen, and are planned for), creditors generally rank ahead of suppliers and others in the queue for payment (note that the unfortunate shareholders rank last in a situation like this).

Security

In addition to seniority, some credit instruments also provide investors with the benefit of security over specific assets of the borrower. This normally takes the form of a mortgage over property and/or other realisable assets.



Global Liquidity

The global credit market is large and deep. For example, the US corporate debt market alone is worth US$8.7 trillion‡ (that's trillion with a 't'). The size of the market, the number and size of issuers, the number and size of investors, and the wide variety of credit products can help an active manager to access liquidity, even in difficult times.

Yield

Credit markets typically offer higher income than equities and government bonds, with historically lower volatility than equities.

Diversification

Credit issuers come from many industry sectors in many regions of the world, creating more credit opportunities than are available locally. Global credit markets give active managers and investors the opportunity to achieve a high level of diversification - an important factor for credit portfolios. Downgrades and defaults tend to be unexpected and occur in industry clusters. Global diversification reduces overall volatility and mitigates the impact of defaults.

Credit types

There are many types of credit instruments, enabling an active manager with a global perspective to construct a portfolio of diversified investments. Credit sectors include:

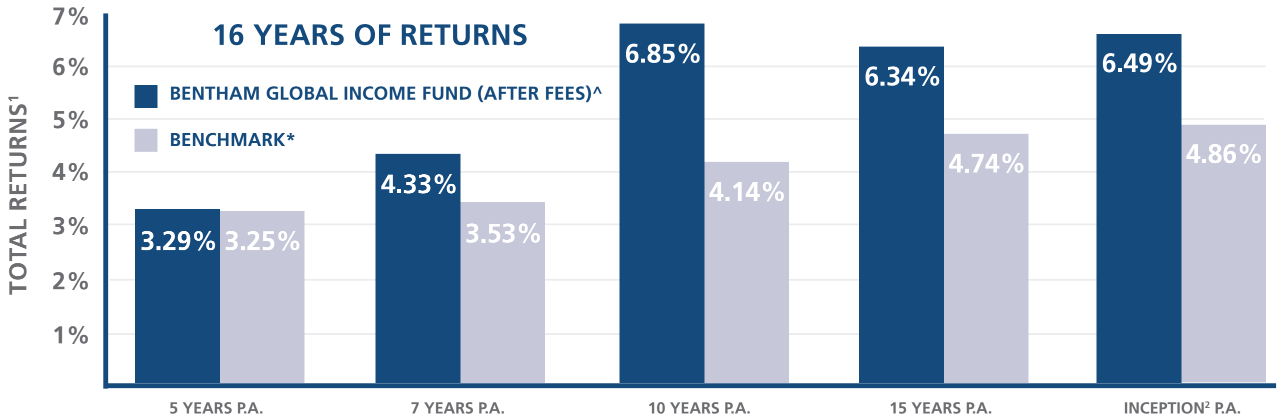
- Investment grade bonds
- Securitised debt
- Global syndicated loans
- Convertible bonds
- High yield bonds
- Capital securities
- Hybrid securities
- Asset backed securities
- Mortgage backed securities
- Emerging market debt

A Cautionary Note

Like all investment funds there are risks to consider before making an investment. The Bentham Global Income Fund invests predominantly in global and domestic credit and fixed income securities. As such, a key risk associated with investing in the Fund is the risk that the issuer of the securities in which the Fund invests may not meet its obligations in full and/or on time to pay interest and repay capital or other financial obligations. Other risks associated with investing in the Fund relate to counterparty risk, currency risk, derivatives risk, equity securities risk, fixed interest securities and credit investment risk, fund risk, interest rate risk, liquidity risk, market risk, and withdrawal risks, each of which is discussed in the Product Disclosure Statement. Before choosing to invest in the Fund, an investor should read the Product Disclosure Statement and consider factors such as the risks of investing and their investment timeframe.

A TIME-TESTED WAY TO ADD CREDIT TO A PORTFOLIO.

The Bentham Global Income Fund was established 16 years ago, and has a track record through all market cycles.

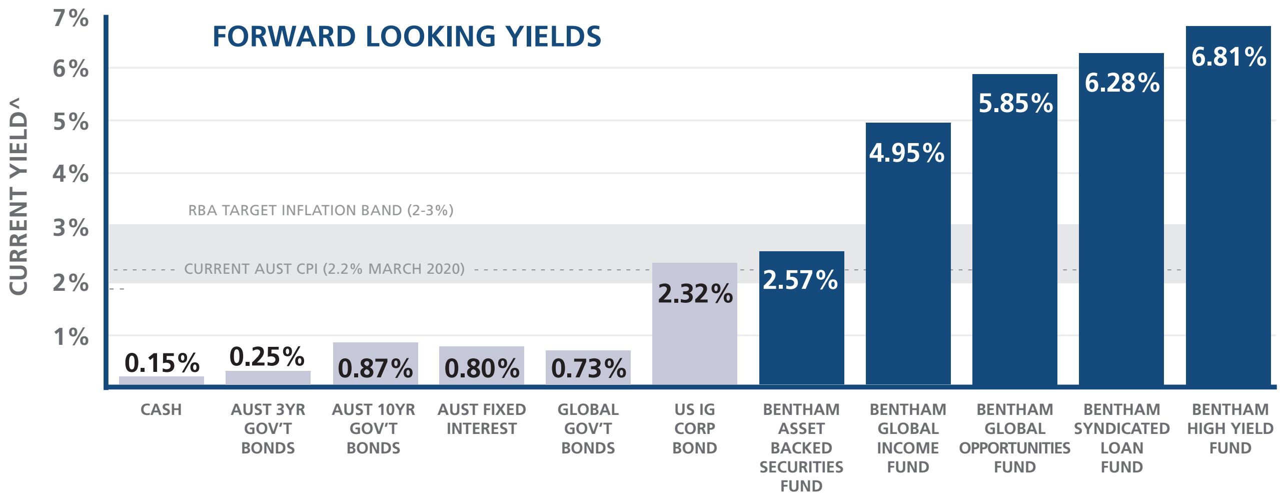


Source: Fidante Partners, Bloomberg. Past performance is not a reliable indicator of future performance. Returns may be volatile and may vary from year to year.
* Benchmark: 50% Bloomberg Ausbond Composite Bond Index and 50% Bloomberg Ausbond Bank Bill Index.
[1] Total Returns (after fees and expenses) are calculated to 30 June 2020 using pre-distribution month end withdrawal unit prices and assumes all distributions are reinvested. Please refer to the Fund's PDS for more information on fees and expenses. [2] The inception date of the Fund is 16 September 2003.

Bentham is a specialist global credit asset manager with a systematic investment process and a focus on the preservation of principal and protection against downside risk.

The Bentham Global Income Fund (the Fund) is actively managed and aims to generate regular, monthly investment income by providing a diversified exposure to domestic and global credit markets. The Fund has the ability to invest across a broad investment universe which includes government bonds, investment grade securities, loans, high yield bonds, capital securities and asset backed securities.

This flexibility has enabled the Fund to generate equity-like returns with comparatively less volatility.



^ As at 30 June 2020. The yield of global indices are hedged into AUD. Index definitions: Cash is AUD 1yr swap, Aust Fixed Income is Bloomberg AusBond Composite 0+ Index, Global Gov't Bonds is JPM Gov't Bond Index (GBI) Global, US IG Corp Bond is Bloomberg Barclays US Corporate Bond Index. This prospective yield chart does not consider the differing risk profiles of the fixed income and credit sectors shown. Source: Bentham, Bloomberg Finance LLP and JP Morgan.

OVER 600 SOURCES OF INCOME FROM A SINGLE INVESTMENT.

The Bentham Global Income Fund has a number of compelling features that investors may want to consider.

Firstly, the Fund has the ability to increase diversification within a portfolio. Not only are investors likely to be entering a new asset class, but the Fund is designed to be extremely diverse by region, industry and credit sector. In fact, the Fund currently receives income from over 600 issuers across the globe.

Secondly, the Fund provides investors with access to high-yielding wholesale asset classes like syndicated loans that would otherwise remain inaccessible to individuals. Why should individual investors not share in this global investment bounty?

And thirdly, the Fund is an Australian domiciled trust, its investments are hedged into Australian dollars, and it provides daily pricing and monthly income distributions - useful features, particularly for those investors who are used to checking their share prices frequently or receiving a regular payment from an interest bearing account.

BRANDS YOU MIGHT RECOGNISE AMONG OUR GLOBAL INVESTMENTS*

COMPANY	INDUSTRY	SECURITY TYPE	YIELD TO MATURITY
Dell Inc	Electronics	Loan	4.90%
JP Morgan	Banking	Capital Security	7.90%
Valeant Pharmaceuticals	Pharmaceuticals	High Yield	5.50%
T-Mobile	Telecommunications	High Yield	6.00%
Yum Brands	Restaurants	Loan	4.75%

* As at 30 June 2020

THE FUND'S REGIONAL DIVERSIFICATION*

REGION	% OF PORTFOLIO
North America	50.9
UK	19.4
Europe	18.2
Australia & NZ	7.1
Emerging Market	0.2
Japan	0.0
Asia ex-Japan	0.0
Africa & Middle East	0.0
Other	0.0
Cash & Derivatives	4.2

* As at 30 June 2020

THE FUND'S CREDIT SECTOR DIVERSIFICATION*

ASSET SECTORS	% OF PORTFOLIO
Global Syndicated Loans	43.4
Collateralised Loan Obligations	22.9
Bank Capital Securities	11.0
Residential Mortgage Backed Securities	7.2
Corporate Credit	6.3
Hybrids	3.8
Asset Backed Securities	3.2
Global High Yield	0.5
Equity	0.1
Basis Trades	0.1
European Convertibles	0.0
Sovereign	-0.6
Derivatives	-4.9
Cash	7.0

* As at 30 June 2020

THE FUND'S INDUSTRY SECTOR DIVERSIFICATION*

TOP 10 INDUSTRY EXPOSURES	% OF PORTFOLIO
Banking	9.4
Residential Mortgage Backed Securities	7.2
Electronics	7.2
Healthcare, Education & Childcare	6.7
Collateralised Loan Obligations	5.2
Telecommunications	5.0
Buildings & Real Estate	4.5
Leisure, Amusement, Movies, Entertainment	4.3
Chemicals, Plastics & Rubber	4.2
Diversified /Conglomerate Service	3.9

* As at 30 June 2020

Source: Bentham Asset Management.

IT'S TIME INVESTORS KNEW WHAT THEY'VE BEEN MISSING.

An allocation to the Fund may help investors achieve their financial goals.

It might be increased security for someone currently chasing yield by investing in equities, or higher income for someone presently investing in cash or government bonds.

Investors intrigued by The Missing Asset Class can obtain more information by contacting their Financial Adviser or by calling 13 51 53.

FOR FURTHER INFORMATION PLEASE VISIT

www.benthamam.com.au

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A FINE PIECE OF FINE PRINT

Page 2: Asset Class Returns Chart - definitions; Australian Cash is 50% Bloomberg AUSBond Bank Bill Index, Global Govt Bonds is JP Morgan GBI, Australian Fixed Interest is 50% Bloomberg AUSBond Composite Bond Index, US IG Corporates is Barclay's US Corporates, US Leveraged Loans is Credit Suisse Leveraged Loans Index, US High Yield Bonds is Credit Suisse High Yield Bond Index, World Equities (Unhedged) is Morgan Stanley MSCI Index (Developed), Australian Equities is S&P/ASX200 Accumulation Index, US Hybrid Securities is Merrill Lynch BoA Preferred Hybrids Index, Emerging Market Bonds is JP Morgan EMBI+, and Australian Property Trusts is S&P/ASX200 Accumulation A-REIT Index. Overseas index returns (except World Equities) are fully hedged into Australian dollars.

‡ Page 4: Total market value of Barclays Investment Grade Index; Barclays High Yield Index & Credit Suisse Leveraged Loan Index as at 31 May 2020. Source: Bloomberg.

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If you acquire or hold an interest in the Fund, we will receive the fees and other benefits, which are generally disclosed in the PDS and any AIB for the Fund. Neither Bentham nor a related company and our respective employees receive any specific remuneration for any advice provided to you. However, financial advisers may receive fees or commissions if they provide advice to you or arrange for you to invest in the Fund.

Past performance is not a reliable indicator of future performance. Neither Bentham nor Fidante Partners nor any of their related entities guarantees the performance of the Fund, nor capital invested in the Fund. The PDS and any AIB can be obtained from your financial adviser, our Investor Services team on 13 51 53, or on our website www.benthamam.com.au. Please also refer to the Financial Services Guide on the Bentham website.