

Market and Fund Review

Overall investment returns were positive in June, but currency losses were more than an offset resulting in a small decline of -0.26% versus the benchmark's 2.18%.

As we wind down the fund, we do so with a degree of sadness but also with a sense of gratitude to all of you who entrusted us with your capital. It has been a privilege to manage your money and despite the frustrations, we have enjoyed the challenge.

The investment committee comprising Rob Campbell, Sam Brindle and myself have worked well together and while Sam and I continue at Saxe-Coburg, we farewell Rob and wish him well in his many endeavours. Rob has also been chairman of the management company, and we thank him for his commitment. There is little doubt he did it for the joy of it!

Both Rob and I are large investors in the Fund and have not redeemed any of our holdings along the way, so truly have eaten our own cooking!

To reinforce our previous communications, the deciding factor in winding up the fund was its small size which made it an expensive structure for our investors and our own capital. Our performance in large market drawdowns did not deliver adequate capital protection necessary to generate compounding returns sufficient to offset the high cost of the structure. We thought it would.

Our thanks also go to the managers who we have allocated to over the past 9 years. It has not been a strong period for Australian equities. The All Ords measured in NZDs has risen 6.5% p.a. versus the NZ50G index which has risen 15.9% p.a. That compounds to 249% for NZ shares vs 70% for Australia. King Tide had very little exposure to the NZ market.

At the time of writing we are well through liquidating the underlying portfolio and we are pleased to be selling into a strong market. June was disappointing but we have small gains in July from currency and a couple of funds which we still owned.

We are still aiming to make a substantial payment early in August with the balance, hopefully, before month end.

NZD \$10,000 Invested at Inception



Performance Metrics (%)	KT NZD	Benchmark *
1-Month	-0.26%	2.18%
3-Month	17.19%	21.73%
6-Month	-11.20%	-7.23%
1-Year	-6.11%	-3.59%
3-Year p.a.	2.18%	6.99%
5-Year p.a.	2.64%	5.92%
Since Inception p.a.	3.51%	7.40%

* 90% All Ords Accum/10% NZX50

Fund Overview

King Tide Asset Management ('King Tide') is a specialist, independent investment management company and the manager of the "King Tide NZ/Australian Long/Short Equity Fund". We research and select managers who employ risk based strategies to extract gains from the divergent sectors in the Australasian equity markets. The King Tide team have more than 100 years experience in capital markets as managers, investors and allocators of capital. We look for great people, an alignment of incentives, and skin in the game. The fund offers access to some of Australasia's best "risk-based" equity managers. King Tide has a simple, transparent, tax effective "PIE" structure, making it appealing to NZ and Offshore investors.

Risk Metrics	KT NZD	Benchmark
5-Yr Standard Deviation	13.38%	16.15%
5-Yr Sharpe Ratio	0.04	0.24
Standard Deviation (from inception)	11.22%	14.13%
Sharpe Ratio (from inception)	0.09	0.35
Ave Rtn in Market Positive Months	1.65%	2.89%
Ave Rtn in Market Negative Months	-2.06%	-3.36%
Up Capture	0.57	1.00
Down Capture	0.61	1.00
Annualised Tracking Error	7.86%	n/a
Beta	0.66	1.00
Maximum Drawdown	-26.59%	-26.58%
Annualised Alpha	-2.08%	n/a
Worst Month	-17.84%	-20.89%
Best Month	10.27%	12.46%

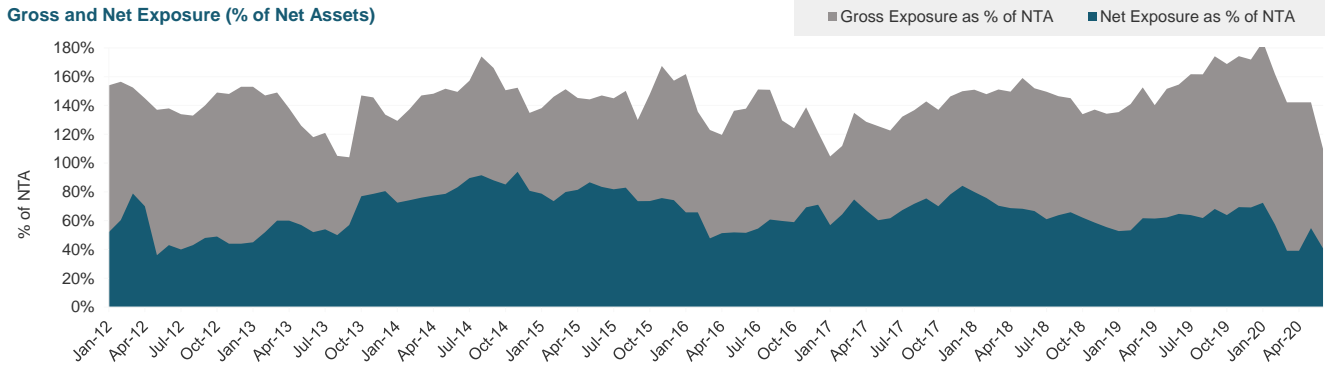
^ RFR = RBNZ 90 day bank bill rate

King Tide - Fund Performance (Net of Fees). Inception to August 2013, currency unhedged.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2012	0.29%	2.61%	-2.09%	-0.45%	-2.75%	-2.23%	1.16%	1.19%	-0.74%	1.83%	1.63%	0.15%	0.44%
2013	-0.73%	-0.23%	1.09%	-2.16%	-2.41%	-3.30%	-1.03%	4.04%	1.00%	4.44%	-1.56%	-1.53%	-2.67%
2014	-0.46%	1.81%	1.63%	0.55%	2.54%	-1.46%	3.27%	4.00%	-1.02%	1.15%	-2.99%	-1.10%	7.95%
2015	2.99%	3.40%	0.60%	0.82%	3.25%	0.00%	3.09%	0.50%	1.32%	2.26%	5.07%	2.27%	28.65%
2016	-1.73%	-3.82%	1.54%	-1.04%	2.80%	-2.32%	4.29%	-2.10%	1.83%	-2.31%	-4.16%	-1.00%	-8.10%
2017	-0.58%	0.81%	2.20%	-1.02%	-1.60%	0.93%	1.48%	3.50%	1.69%	4.47%	1.93%	2.63%	17.54%
2018	-0.17%	-3.25%	-1.43%	1.57%	1.91%	1.79%	-0.35%	0.63%	0.10%	-6.13%	-2.85%	-4.49%	-12.28%
2019	1.86%	3.57%	0.63%	4.24%	2.37%	-2.03%	3.63%	3.52%	1.82%	-0.14%	-1.52%	-1.49%	17.43%
2020	0.20%	-7.95%	-17.84%	10.27%	6.55%	-0.26%							-11.20%

Performance results are presented net of all transaction costs, investment management and performance fees incurred by the Fund.

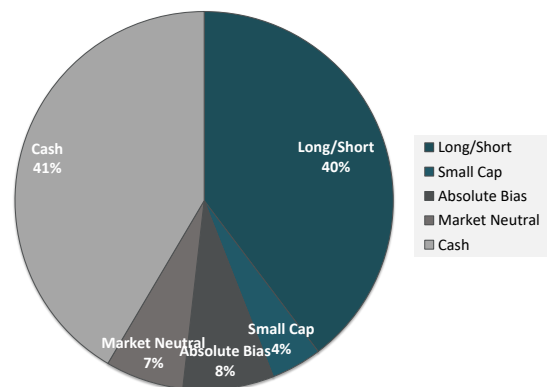
Gross and Net Exposure (% of Net Assets)



Top 10 Funds: (% of Net Assets)

Fund name	Strategy	% of assets
The Level 18 Fund	Absolute Bias	7.78%
Totus Alpha Fund	Long/Short	7.73%
Auscap Long Short Australian Equities Fund	Long/Short	7.32%
LHC Capital Australia High Conviction Fund	Long/Short	6.77%
Arnott Opportunities Fund	Long/Short	4.95%
L1 Capital Long Short Fund	Long/Short	4.78%
Atlantic Absolute Return Fund	Long/Short	4.44%
Firetrail Absolute Return Fund	Market Neutral	3.89%
QVG Long Short Fund	Long/Short	3.70%
Saville Capital Emerging Companies Fund	Small Cap	3.04%

Strategy Weightings: (% of Net Assets)



Fund Information

Name	King Tide NZ/Australia Long Short Equity Fund
Structure	Wholesale Unit Trust
Domicile / Currency	New Zealand / NZD
Inception	31 December 2011
Management Fee	0.50%
Performance Fee	10.00%
High Watermark	Yes
Minimum Investment	NZD\$10,000
Subscription Frequency	Monthly
Redemption Frequency	Monthly
Buy / Sell Spread	0.25%

Service Providers

Trustee	Guardian Trust
Fund Administrator	Adminis
Fund Custodian	Adminis
Legal Advisor	Minter Ellison Rudd Watts
Fund Auditor	PWC

King Tide Asset Management

437 Lake Road, Takapuna
 P.O.Box 33-1583
 Auckland 0740, New Zealand

Ph: +64 9 489 3757
 Email: info@kingtide.co.nz
 www.kingtide.co.nz

Note: King Tide's Information Memorandum is available on request. King Tide's performance is expressed in NZ dollars, and currency fluctuations may significantly impact the volatility of the fund. In July 2013, the manager changed the investment mandate to allow currency hedging to be used to manage this currency risk. The Manager will actively manage the Fund's Australian dollar exposure with a view to reducing risk and enhancing returns to our investors.

