

Everest Alternative Investment Trust

September 2019 Factsheet



The Everest Alternative Investment Trust (EAIT) has exposure to a portfolio of absolute return funds. The objective of the Investment Portfolio has been to generate attractive risk-adjusted absolute returns over the medium-to-long term.

Fund Facts as at 30 September 2019

Estimated monthly return ¹	(55.17)%
Estimated monthly return excluding FX	(55.09)%
NTA as at 30 September 2019 ^{1,2}	\$0.0182

Investment manager summary

Investment positions posting positive returns	-
Investment positions posting negative returns	-
Largest manager allocation	nil%

Fund NTA returns (net)

	Jan	Feb	Mar	April	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2019	-4.64	2.19	-0.48	-1.67	0.49	0.49	0.00	0.25	-55.17 ¹				-57.77%
2018	-4.92	0.79	-2.76	0.20	-2.83	-1.04	-2.31	0.43	-3.21	-0.44	-2.44	-1.82	-18.69%
2017	-5.73	-0.96	-3.88	0.00	-1.46	-4.89	-5.26	-0.13	0.41	0.47	-0.94	-3.63	-23.34%
2016	1.09%	-2.23%	-6.92%	-0.59%	4.26%	-4.16%	-2.39%	0.23%	-2.22%	-0.94%	0.16%	2.51	-11.64%
2015	-0.04%	2.64%	2.83%	-5.63%	3.85%	-9.00%	3.97%	0.90%	0.60%	-1.85	-2.06	-3.16	-7.56%
2014	-1.96%	1.17%	-2.12%	0.26%	0.83%	-1.84%	-0.45%	-2.05%	-0.26%	5.12%	3.08%	2.30%	3.86%
2013	1.89%	0.00%	0.00%	0.00%	6.38%	2.50%	5.26%	0.00%	0.00%	-2.50%	5.88%	0.00%	20.73%
2012	-1.92%	2.67%	2.60%	0.00%	5.06%	-3.61%	-2.50%	1.28%	1.89%	1.85%	-3.64%	0.00%	3.31%
2011	2.04%	-0.14%	0.14%	-4.64%	3.08%	-0.75%	-1.59%	1.77%	6.09%	-6.56%	2.63%	-2.80%	-1.41%
2010	1.18%	0.60%	1.84%	1.63%	-1.64%	-0.71%	2.03%	-0.37%	2.28%	0.49%	2.20%	-3.49%	6.03%
2009	-2.97%	0.00%	-0.44%	0.44%	1.75%	1.97% ³	0.23%	1.60%	1.02%	0.04%	0.75%	1.72%	6.16%
2008	-4.18%	0.77%	-2.29%	1.04%	1.80%	-2.15%	-1.58%	-2.14%	-9.84%	-15.15%	-8.57%	-7.81%	-41.02%
2007	2.60%	-0.13%	2.33%	2.51%	-4.89% ⁴	0.65%	0.00%	-3.44%	1.27%	3.27%	-1.70%	0.74%	2.90%
2006	4.15%	-0.21%	2.63%	2.01%	-3.94%	0.32%	-2.40%	1.72%	1.69%	2.85%	3.70%	2.67%	15.92%
2005	-	-	-	-3.60%	1.00%	2.71%	4.80%	0.23%	3.20%	-3.76%	2.76%	2.46%	9.83%

- 1 Unaudited – in calculating the NTA, EAIT asset values have been calculated using unaudited absolute return fund performance estimates for the month being reported.
- 2 For the purposes of calculating the above figures, the Australian Equivalents to International Financial Reporting Standards (AEIFRS) have been applied (other than for classification of net assets attributable to unitholders of EAIT where Australian Generally Accepted Accounting Principles, as applied before the introduction of AEIFRS, have been used).
- 3 Following the announcement of the intention to separate EAIT into two funds, performance data from 1 June 2009 onwards represents the underlying absolute return funds only. Prior to 1 June 2009 the performance data reflects both the absolute return funds and direct investments.
- 4 The May 2007 monthly NTA performance was impacted by the EBI rights issue and placement which were completed that month and does not include the implied value of EBB shares received by investors who successfully participated in the EBI capital raising. The May 2007 performance of the underlying investment portfolio (excluding the effect of the capital raising) was +2.40%.

Fund Distributions

Distribution Record Date	Distribution Rate (CPU) (last Eight - including 30 June)	Tax Treatment
30 June 2019	NIL	NIL
30 June 2018	NIL	NIL
19 February 2018	0.76	Return of Capital
20 October 2017	0.97	Return of Capital
12 September 2017	0.62	Return of Capital
30 June 2017	NIL	NIL
19 January 2017	2.28	Return of Capital
19 December 2016	0.68	Return of Capital

Additional information is available on One Investment Group's website

[Tax Factsheets](#) | [Fund Financial Reports](#) | [Monthly Factsheets](#)

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Fund Update

Recent updates from underlying fund managers have indicated that key positions including Axon and Fortress (representing over 60% of the investment portfolio) will require at least 2 further years to start generating meaningful liquidity. EAIT's total asset base as at 30 June 2019 was approximately \$1.5 million and, as a registered scheme, it incurs a number of fixed expenses that are largely unavoidable, thereby making it costly for the Fund to continue to wait for liquidity. In consultation with the Investment Manager, an analysis was undertaken to determine whether it was in the best interests of members to continue to hold the remaining positions as opposed to selling the assets now in the secondary market at a discount to their reported net asset values. Using the information provided by the underlying managers, the analysis concluded that it was in the best interests of members to sell assets into the secondary market.

A process was undertaken to seek to sell the remaining positions held by the Fund. Duff & Phelps, an international specialist secondary market broker, was appointed to run the process and reached out to their network of potential buyers. The process included a reserve price which was a minimum level that ensured that the benefits of a sale were maintained. The EAIT holding structure is complex as it involves three different underlying holding structures and is considered small by international secondary market standards. The portfolio was offered to more than 10 parties, due to the complexity of the structure and the size of the positions most of the parties elected not to participate. Ultimately, the highest price (being a level above the reserve price) involved combining two bids for pieces of the portfolio from separate entities that have existing positions in the assets being offered for sale. As the combined bids were above the reserve price, it was determined that accepting these bids was in the best interests of investors in the Fund.

The underlying fund positions are now in the process of being transferred to the new buyers. Once all the positions have been transferred, we will then look to conclude the wind up of the Fund. We anticipate that the Fund will be wound up prior to 30 June 2020.

Contact us

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