



Investor Update

9 September 2023

Steve McKnight

General Advice Warning:

This information is of a **general nature only** and does not take into account your objectives, financial situation or needs. Past performance is not a guarantee of future performance. No earnings estimates are made.

Any discussion of forecast profitability, distributions, redemptions, etc. are derived from unaudited financial projections. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Responsible Entity. The Responsible Entity cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.



Agenda

- Half year financials
- Recent property sales
- Forecast future distributions
- New Fund update
(for US Fund Investors)
- Q & A + Wrap up





Part 1

Understanding Unit Pricing (& Accounting Anomalies)

Unit Prices

Issue Price

- NTA / Issued Units
- Fair market value used in NTA
- Excludes sales costs



Unit Prices

Redemption Price

- $(NTA - \text{Transaction Costs}) / \text{Issued Units}$
- Fair market value used in NTA
- Estimated sales costs deducted



Unit Prices

Issue vs Redemption Price

- Issue price higher than redemption price
- Difference is
 - Sales transaction costs
 - Other wind up costs



Accounting Anomaly

- Higher contract price feeds through to NTA
- Period end reporting
- Sales costs hit P&L when property closes



Conclusion

The accounting “loss” in the issue price arises from the ‘booking’ of sales costs already factored into redemption price.



Unit Pricing

The Responsible Entity is pleased to provide the following information in accordance with the disclosure principles outlined in the P

Month	Unit Issue Price	Unit Redemption Price
July 2023	\$0.8313	\$0.7857
June 2023	\$1.0354	\$0.9895
May 2023	\$1.4064	\$1.3448
April 2023	\$1.4196	\$1.3464
March 2023	\$1.3601	\$1.2773
February 2023	\$1.3599	\$1.2887
January 2023	\$1.2940	\$1.2228

4.56¢



7.12¢



Capital Distributions

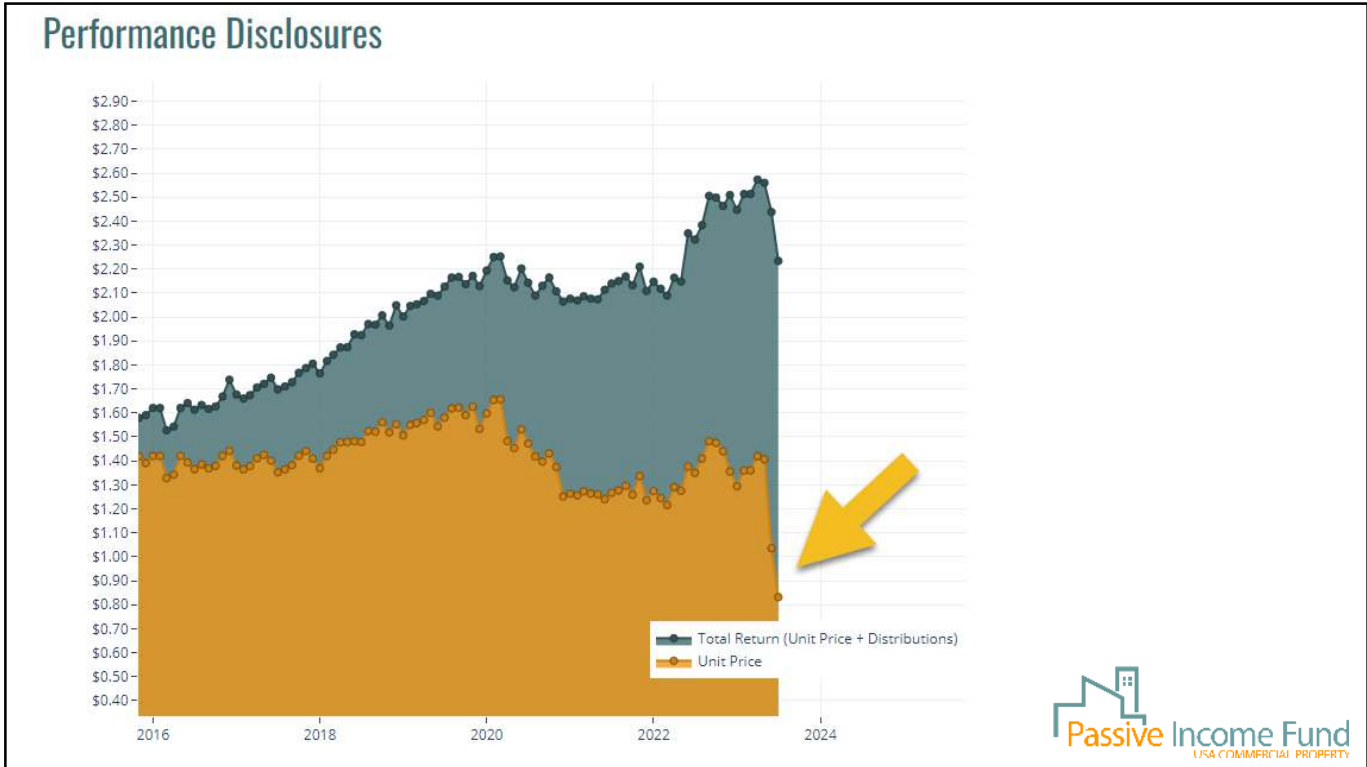
And don't forget,

the **return of capital**

portion of a distribution

will also reduce the unit price.





Part 2

Half year Audited Financial Statements



Profit & Loss

INCOME	6/2023	6/2022
Rental Income	\$4,067	\$5,973
FV Capital Gains	\$114	\$14,040
Realised Capital Gains	(\$105)	\$727
All Other Income	\$593	\$292
Total Income	\$4,669	\$21,032

Dollars in thousands



Profit & Loss

EXPENSES	6/2023	6/2022
Property	\$3,377	\$2,591
Finance	\$562	\$355
RE Fees	\$1,017	\$1,037
Other	\$195	\$132
Total Expenses	\$5,151	\$4,115

Dollars in thousands

Profit & Loss

BEFORE TAX	6/2023	6/2022
Income	\$4,669	\$21,032
Expenses	(\$5,151)	(\$4,115)
Operating Profit Before Tax	(\$482)	\$16,917

Dollars in thousands



Profit & Loss

AFTER TAX	6/2023	6/2022
Operating Profit Before Tax	(\$482)	\$16,917
Taxation	\$2,821	(\$4,589)
Operating Profit After Tax	\$2,339	\$12,328

Dollars in thousands



Balance Sheet

ASSETS	6/2023	12/2022
Property	\$53,858	\$101,423
Cash	\$49,779	\$24,644
Other	\$1,210	\$1,603
Total Assets	\$104,847	\$127,670

Dollars in thousands



Balance Sheet

LIABILITIES	6/2023	12/2022
Borrowings (Property)	\$5,533	\$13,451
Deferred Tax Liability	\$5,665	\$13,890
Distributions Payable	\$18,191	\$9,128
Other	\$5,778	\$4,552
Total Liabilities	\$35,167	\$41,021

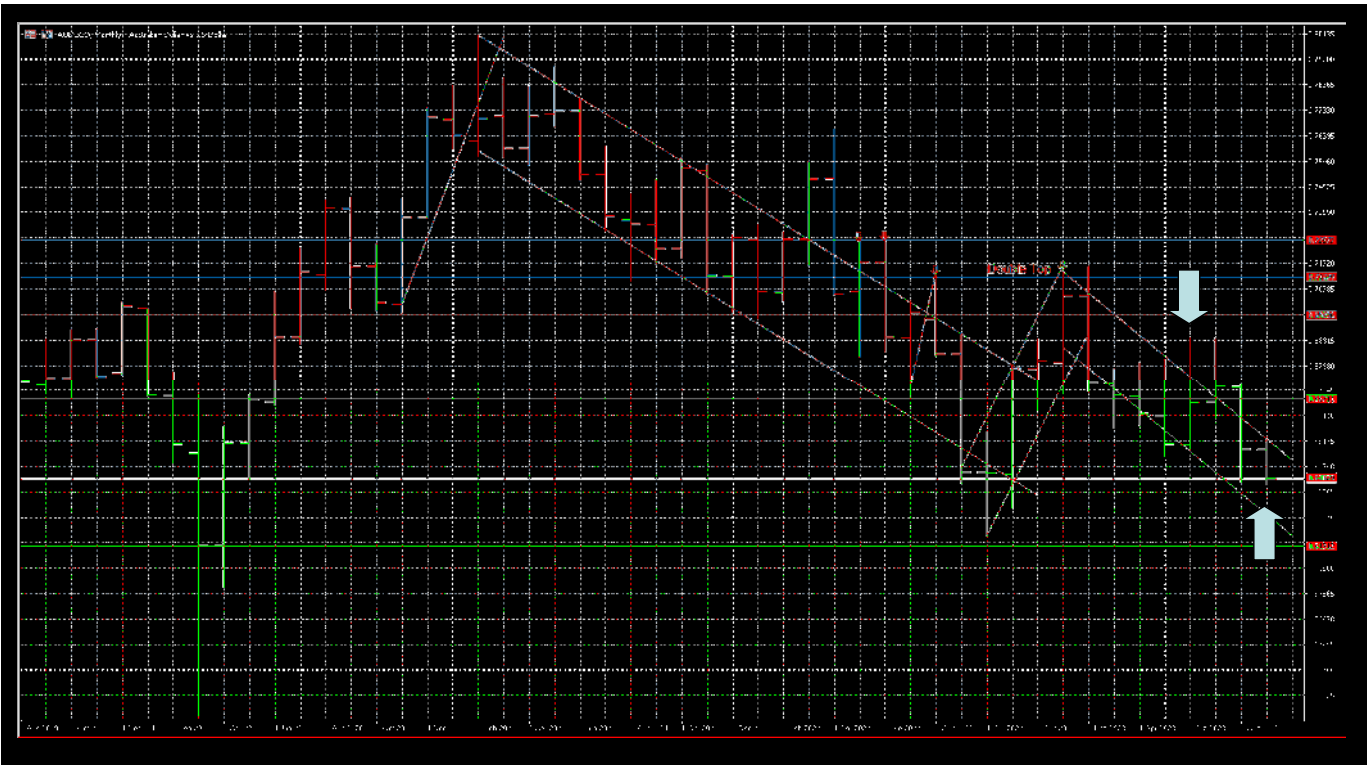
Dollars in thousands



Balance Sheet

EQUITY	6/2023	12/2022
Unitholder Funds	\$82,205	\$84,930
FCTR	\$23,723	\$22,115
Distributions (Paid/Payable)	(\$36,248)	(\$20,396)
Total Equity	\$69,680	\$92,609

Dollars in thousands



AUD:USD

30/06/23	0.66559
09/09/23	0.63760
MVT	-2.799¢ (4.2%)

Conclusion

- ‘Accounting’ losses
are a unit price ‘true up’
- Fund winding up
so assets decreasing
- FX gains an added bonus



Part 3

Latest Property Sales Info

Property	Status	
Palmetto	Closed 7 Sept	
Hamlin	Closed 7 Sept	
Scientific	Sale Price \$5.145m	Closing +30 days CofO
49CW	FMV \$7m Retrade \$6.655m	DD 15/9 Closing 30/9
Westlake	Last appraised: \$9m	





Part 4

Forecast Distributions

Disclaimer

Payments depend on:

- Properties closing
- FX
- Actual Expenses
- Contingencies



Distributions

Redemption Price 0.78¢	
Oct 23	Target 30¢
Dec 23	Target 30¢
Feb 24	Target 10¢
??? 24	Final Distn Balance



Part 5

Commonly Asked Admin Questions

Common Questions

- Change of non-bank details
- Change of bank details
- Distribution statements
- Tax statements



Part 6

What's Ahead

Rest of 2023

- Close out 49CW & Scientific
- Get Westlake under contract
- Wind up Sunizo
- Pay out distributions
- Process DRAFs



Part 7 SOGIF Update

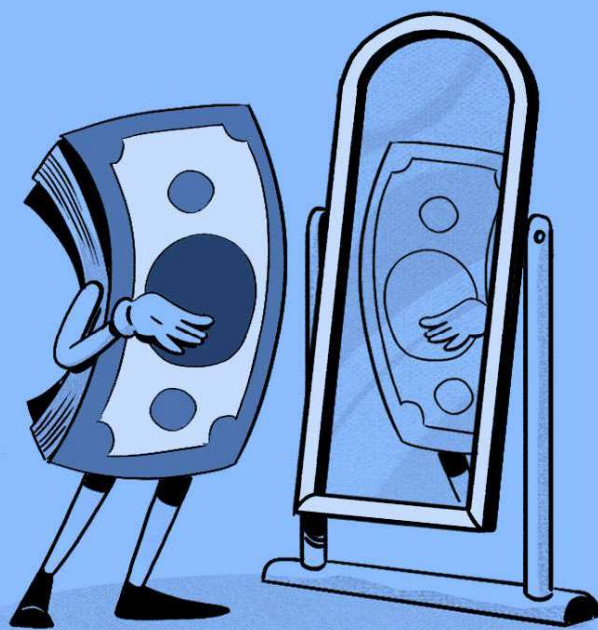


General Advice Warning:

This information is of a **general nature only** and does not take into account your objectives, financial situation or needs. You should consider the Product Disclosure Statement issued by Plantation Capital Limited (ACN 133 678 029 AFSL 339481) in respect to your investment in the **Strategic Opportunities (Growth & Income) Fund**. Past performance is not a guarantee of future performance. No earnings estimates are made.



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Efficient Market Hypothesis

['i-'fi-shənt 'mār-kət hī-'pā-thə-səs]

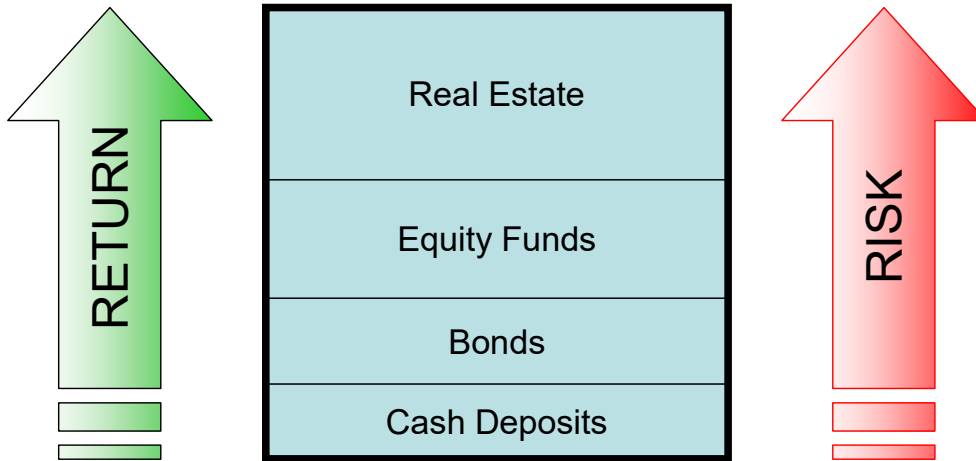
A hypothesis that states that share prices reflect all information and consistent alpha generation is impossible.

Principles

- Risk and return are related
- Expect efficient returns from efficient opportunities
- Higher returns come from inefficient opportunities but the risk is higher



SOGIF Profit Stack



Managing Risk

- Strategy
- Diversity
- Skill



Long-Term Target Returns

- Estimates, not guarantees
- Read as ‘as much as’, not ‘at least’
- Growth and income returns
- Before tax and fees



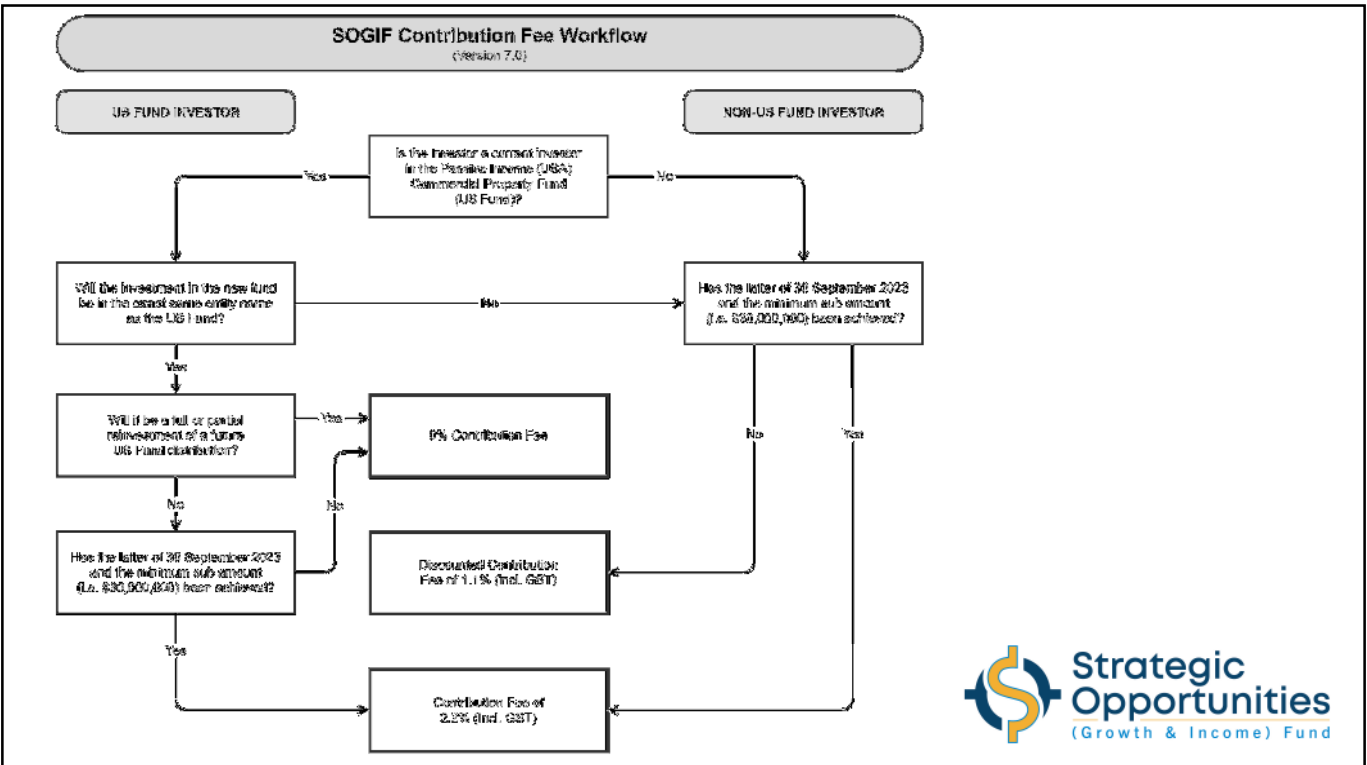
Long-Term Target Returns

Inefficient	10%
Efficient	8%
Bonds	RBA + 3%
Cash	RBA + 1%



Fee Structure

- Management Fee
- Performance Fee
- Inefficient Asset
- Expenses



Reinvest US Fund Distributions

1. Open SOGIF account
2. Obtain SOGIF investor ID
3. Download and complete DRAF
4. Email to admin@passiveincomefund.com



Strategic Opportunities
(Growth & Income) Fund

HOME NEWS CONTACT US INVESTOR PORTAL

Current Unit Price **\$1.0000**
The Fund is currently open
▶ Online Application
▶ Offline Application

Quick Navigation

- How To Invest
- About the Fund
- Forms**
- Unit Pricing
- RG 46 Benchmarks
- Policies
- Announcements
- FAQs
- Management Team

About The Fund

The Strategic Opportunities (Growth & Income) Fund ARSN 668 357 837 ("Fund") is an unlisted fund that seeks to generate growth and income returns by investing in a diversified portfolio of cash and money market instruments, bonds, strategic efficient assets and entrepreneurial inefficient investment opportunities.

Highlights of Investing

- ▶ Passive investment
- ▶ Quarterly income distributions (from 6/24)
- ▶ Long-term growth upside
- ▶ Trusted expert management
- ▶ Diversified asset base

Who Can Invest?

Download PDS Here

Online Application
Offline Application

Strategic Opportunities
(Growth & Income) Fund

DISTRIBUTION REINVESTMENT AUTHORITY FORM Page 1 of 2
PASSIVE INCOME (USA COMMERCIAL PROPERTY) FUND
ARSN 155 770 095

1. CONTACT PERSON

Title:

Given name/s:

Surname:

Telephone: () Mobile:

Email address:

2. EXISTING US FUND INVESTOR DETAILS

Full Investor name:

US Fund Investor ID:

3. SOGIF INVESTOR DETAILS

Full Investor name:


SOGIF Investor ID:

4. PARTICIPATION

Place an X in the box below the percentage of your US Fund distribution you want paid over to your SOGIF account (as identified in Section 3).

0%	25%	50%	75%	100%
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

5. DECLARATION AND SIGNATURE/S

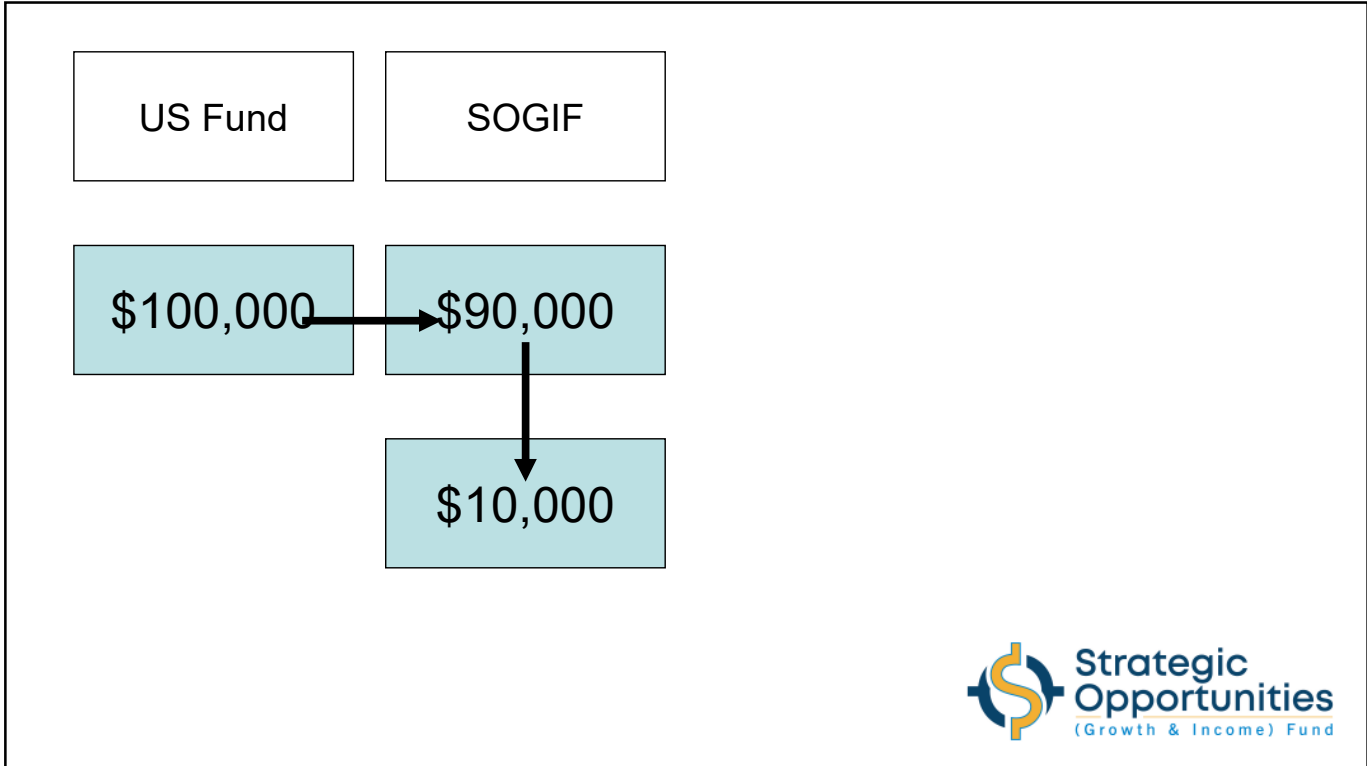
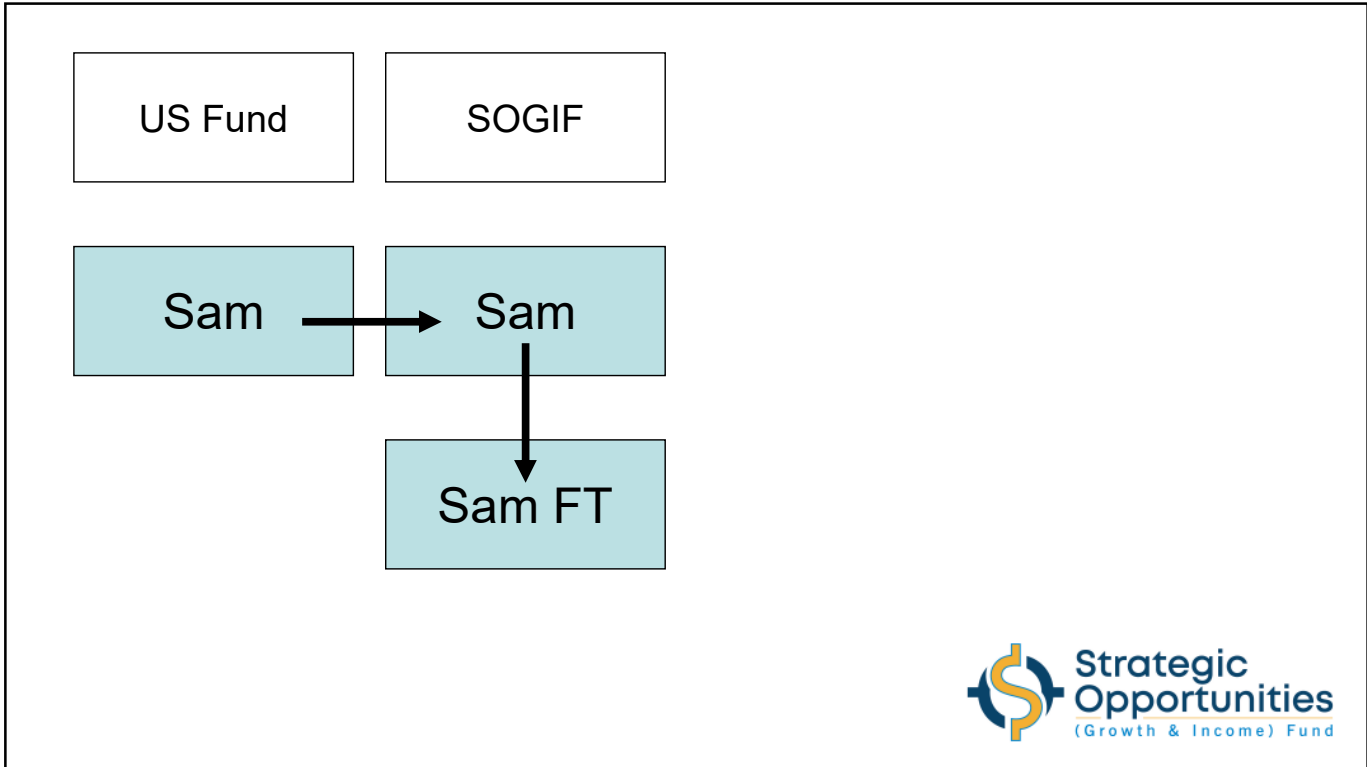


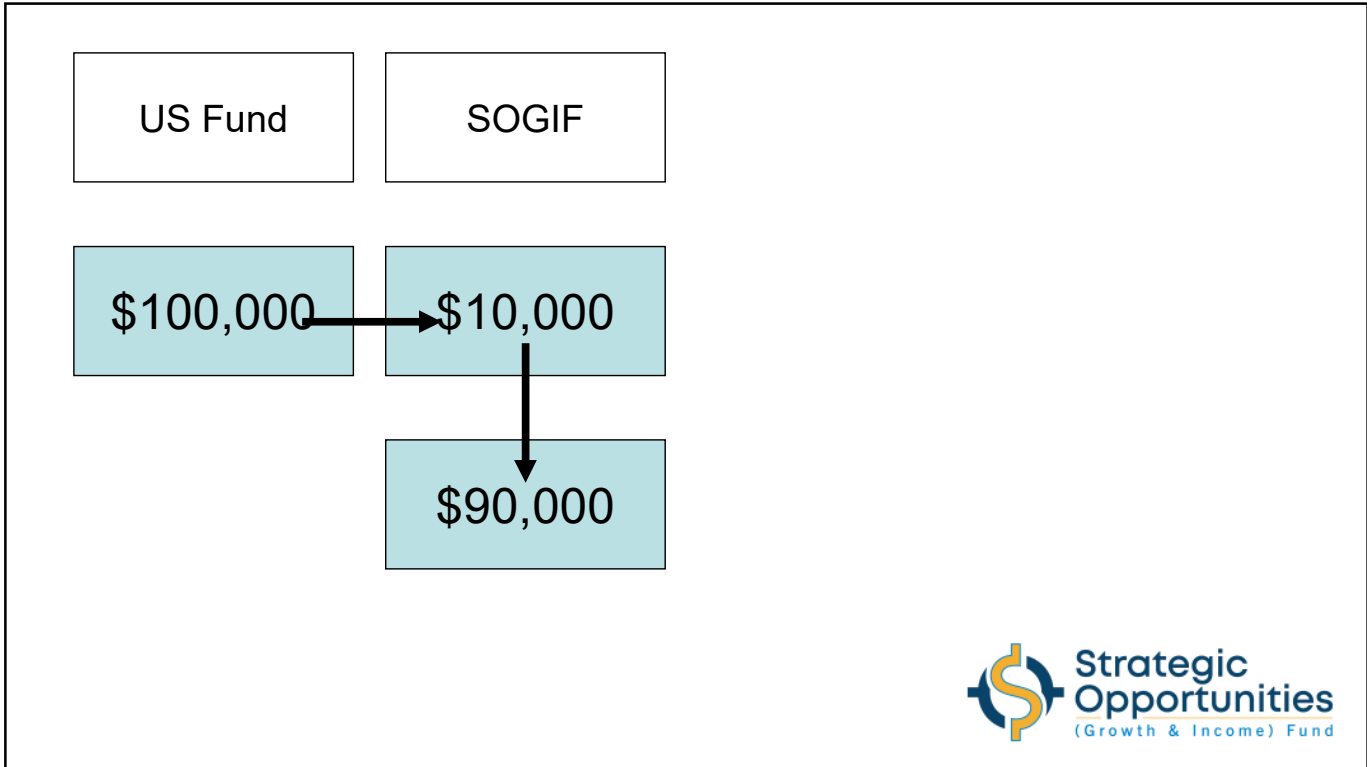
Common Issues

SOGIF Application:

Nominate your initial investment, not total investment







Contribution Fees

Sam	0%
Sam FT	1.1% (\$110)
Saving	\$1,000



Caveats

- Time sensitive!
- Won't work for SMSF accounts
- Taxation implication
- Stamp duty implications



How To Invest

www.sogif.au

- Online application
- Offline application
- Identification
- Investment sum



Time To Act

- 50% min sub in 10 days
- Official launch Tuesday night
- Highly likely the min sub will be achieved in September
- Then 2.2% contribution fee applies (except for reinvested US Fund distns)



Thanks

