For the 4-week period to the end of January the Insync funds underperformed the benchmark. With a fresh focus on tightening interest rates in response to rising inflation, it is typical at this juncture for rapid investor shifts towards the current perceived short-term winning sectors like energy and financials. At the same time, an indiscriminate move away from growth stocks always occurs. And for some growth stocks, deservedly so as their financial position and prospects are less enthusiastically assessed. January's moves follow a well-worn pattern of investor behaviour at these points in the investment cycle.

The cyclical stocks and sectors currently basking in the sunshine of rapid price-appreciation do not meet Insync's disciplined financial requirements, primarily because of their low ROICs (profitability*) through* the cycle. *Over an investment cycle*, they do not align with delivering consistent and sustainable investment performance.

The senior team's 90 years of investment experience has witnessed many sharp market corrections. Time and again investors try to anticipate markets, rotating between sectors, jockeying for a specific economic environment. Sadly, this results in inconsistent and lower returns and increased risk. As we frequently state, a ***quality defensive growth*** approach to investing can produce temporary underperformance at these junctures. This is the price paid for outperformance over a *full* investment cycle. Our results below support this statement.

Should interest rates rise too quickly (which the market is currently pricing into the interest rate futures market), it may induce a broader economic slowdown. This favours the type of profitable growth businesses we hold. If they do not overshoot, our ROIC + megatrends approach also allows these same companies to thrive in a higher inflation/ interest rate setting. Our approach is not reliant on these factors' settings to the extent of most other managers.

Short term, investors typically fret over interest rate rises and *most* growth stocks suffer, as indiscriminate machine-gun approach to selling occurs. Over time however, the more profitable businesses with strong revenue growth start to reassert their upward price trajectory. Investor's value their consistent earnings power, which is why over time, stock prices are closely correlated to their earning's. Insync's portfolio has an expected earnings growth rate of 13%p.a. for the next two years (longer term expected growth significantly in excess of global GDP). Additionally, even after employing *high discount rates* in our valuation models, the current portfolio sits at a 50%+ discount to its long-term value. This sets the stage for outperformance consistent with the longer-term history of the funds. Patience rewards.

	1 Month	3 Months	6 Months	1 Year	2 Years	3 Years	5 Years	10 Years	Since Incep#
Insync Global Quality Equity Portfolio ^	-6.94%	0.62%	-1.09%	**22.66%**	**13.87%**	**21.41%**	**18.43%**	**16.97%**	**14.04%**
Insync Global Capital Aware Fund*	-6.76%	0.77%	-1.62%	**20.47%**	**14.84%**	**21.31%**	**17.81%**	**14.96%**	**12.20%**
MSCI ACWI (ex AUS) NTR (AUD)~	-1.80%	3.02%	4.15%	23.59%	12.41%	16.90%	14.47%	15.46%	12.07%
Global Quality Active Out-Performance	-5.14%	-2.40%	-5.24%	**-0.93%**	**1.46%**	**4.51%**	**3.96%**	**1.51%**	**1.97%**
Global Capital Aware Active Out-Performance	-4.95%	-2.25%	-5.77%	**-3.12%**	**2.43%**	**4.41%**	**3.34%**	**-0.50%**	**0.13%**

Source: Insync Funds Management - Past Performance is not a reliable indicator of future performance. *Represents net of fees and costs performance, assumes all distributions reinvested. ^Returns prior to July 2018 represent the underlying Insync Global portfolio (including cash) inclusive of a 0.98% p.a. MER. ~ MSCI All Country World ex-Australia Net Total Return Index in Australian Dollars. # Inception date 9/10/2009

Pet Humanisation Megatrend update

This just keeps getting better: An American Pet Products Association Survey bodes well for the continued GDP plus growth in the year ahead. Below are some of the highlights that were particularly noteworthy.

- **Pet ownership is up**. 14% brought home a new pet during the pandemic.
- **Spending increased**. 35% spent more on their pets in the past year than previously.
- **Millennials are the largest 'pet parents'**. And will be the largest generation by 2030.

Spending is up post pandemic, as 'pet parents' are more than ever before willing to sacrifice more of their paycheques to provide premium care and services for their pets. The $100 Bn pet industry is poised to nearly triple to **$275 billion by 2030** (Morgan Stanley). An annual compound rate in excess of 14% p.a. growth.

Multiple megatrends lower risk and improve compounding returns

30 highly profitable companies across 16 Megatrends in tech and non-tech sectors clearly delivers consistently strong returns with lower risk complementing other investment styles in a portfolio.

January 2022 Statistical Monthly Update

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Risk Measures – Global Quality Equity Portfolio^

	1 Year	3 Years	5 Years
Standard Deviation	16.92%	15.05%	13.56%
Tracking Error	10.27%	8.58%	7.39%
Information Ratio	-0.08	0.53	0.62
Sharpe Ratio	1.33	1.39	1.33
Batting Average	41.67%	61.11%	60.00%

Risk Measures – Global Capital Aware Fund*

	1 Year	3 Years	5 Years
Standard Deviation	16.68%	14.07%	12.56%
Tracking Error	10.21%	9.37%	7.98%
Information Ratio	-0.30	0.47	0.42
Sharpe Ratio	1.22	1.48	1.35
Batting Average	41.67%	61.11%	55.00%

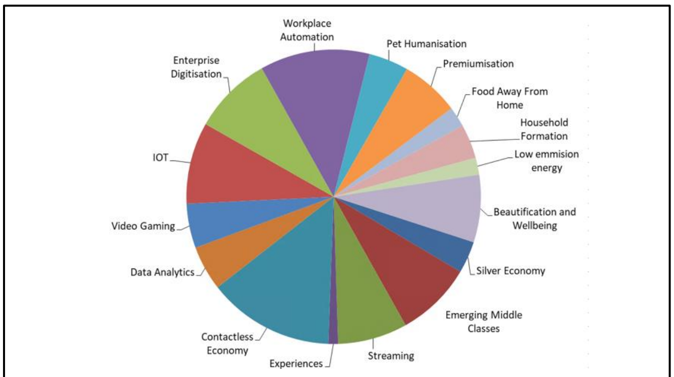
Capture Ratios – Global Quality Equity Portfolio^

	3 Years	Since Incep#
# Index Positive Months	25	95
# Index Negative Months	11	53
Up Market Capture	1.23	0.98
Down Market Capture	1.18	0.73
Capture Ratio	1.04	1.35

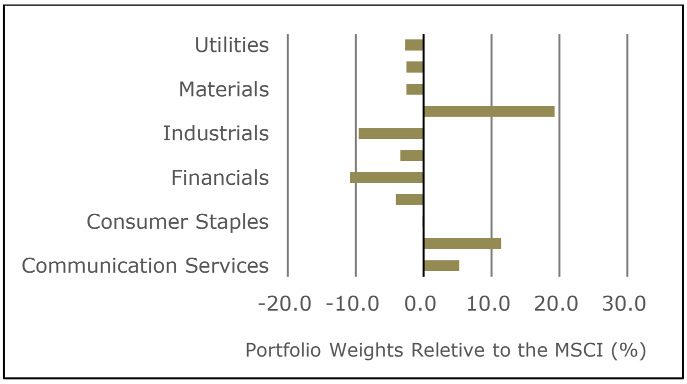
Capture Ratios– Global Capital Aware Fund*

	3 Years	Since Incep#
# Index Positive Months	25	95
# Index Negative Months	11	53
Up Market Capture	1.14	0.85
Down Market Capture	0.94	0.65
Capture Ratio	1.21	1.31

Megatrend Exposures



Portfolio Sector Weights vs MSCI



Top 10 Active Holdings

Stock	%
Qualcomm	5.4%
Apple	4.3%
Meta Platforms Inc	3.7%
Domino's Pizza	3.6%
S&P Global	3.6%
Nintendo	3.4%
Home Depot	3.2%
Qorvo Inc	3.1%
KLA Corp.	3.1%
Visa	2.9%

Key Portfolio Analytics

	Portfolio	Index
Forward PE	25.67	17.19
ROIC	**73.03**	**15.20**
Market Cap (USD Bln avg)	542.63	46.81
Market Cap (USD Bln median)	150.31	18.03
Std deviation (ex ante)	17.73	14.54
Interest Cover	**174.26**	**57.12**
Net Debt to Equity	**9.54**	**35.00**
Total Debt to Ebitda	1.62	3.35

Key Fund Information

	Insync Global Quality Fund^	Insync Global Capital Aware Fund*
Portfolio Managers	Monik Kotecha and John Lobb	
Inception Date	1 July 2018	7 October 2009
Management Fee	0.98%p.a. of the NAV	1.3%p.a. of the NAV
Performance Fee	Nil	Nil
Buy/Sell Spread	0.20% / 0.20%	0.20% / 0.20%
Distribution Frequency	Annually	Annually
APIR Code	ETL5510AU	SLT0041AU
Trustee	Equity Trustees Limited	Equity Trustees Limited

Disclaimer

Equity Trustees Limited ("EQT") (ABN 46 004 031 298), AFSL 240975, is the Responsible Entity for the Insync Global Quality Fund and the Insync Global Capital Aware Fund. EQT is a subsidiary of EQT Holdings Limited (ABN 22 607 797 615), a publicly listed company on the Australian Securities Exchange (ASX: EQT). This information has been prepared by Insync Funds Management Pty Ltd (ABN 29 125 092 677, AFSL 322891) ("Insync"), to provide you with general information only. In preparing this information, we did not take into account the investment objectives, financial situation or particular needs of any particular person. It is not intended to take the place of professional advice and you should not take action on specific issues in reliance on this information. Neither Insync, EQT nor any of its related parties, their employees or directors, provide and warranty of accuracy or reliability in relation to such information or accepts any liability to any person who relies on it. Past performance should not be taken as an indicator of future performance. You should obtain a copy of the Product Disclosure Statement before making a decision about whether to invest in this product.