

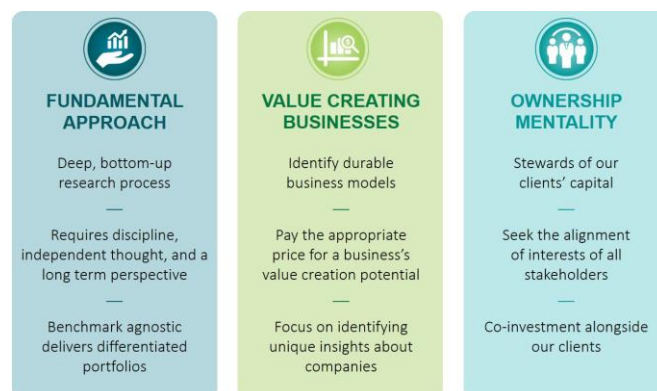
February 2020

Fund overview

The Cambridge Global Smaller Companies Fund focuses on identifying companies with a sound, sustainable business and not overpaying for this value creation.

- Access to a portfolio of high quality global smaller companies
- Focus on companies with attractive capital appreciation potential
- A high conviction portfolio of 30-50 companies
- Aims to deliver strong risk-adjusted returns
- High active share makes it a complementary investment to passive investment strategies
- The investment team co-invests in the Fund, creating a strong alignment of interests between the team and the Fund's investors.

Investment philosophy



Highlighted holding

Seria

Seria Co. (TYO: 2782) – ~4.0% of the fund, Japanese-based Seria operates 100-yen chain stores nationwide selling a broad range of products such as household goods and snacks. The company has a leading market share position in the country that has allowed them to generate operating margins that are well above peers. The company has consistently grown organically throughout its history and is run by a very capable CEO. They recently announced very strong same store sales in February of +9.1%. This was aided by the additional day in February, a new cosmetics line and COVID-19. We expect this growth to slow to a more sustainable rate of low single digits as these one-time tailwinds abate. The company remains a top 10 holding in the portfolio and we have confidence they can continue to compound value for shareholders.

Performance

As at 29 February 2020

	1 month %	3 months %	1 year %	3 years % pa	5 years % pa	Since inception ¹ % pa
Fund ²	(2.65)	(1.19)	(0.73)	-	-	(3.51)
Benchmark ³	(5.61)	(4.12)	7.59	-	-	0.91
Value added	2.96	2.93	(8.32)	-	-	(4.42)

Performance components

	1 month %	3 months %	1 year %	3 years % pa	5 years % pa	Since inception ¹ % pa
Distribution ⁴	0.00	0.00	0.00	-	-	0.00
Growth	(2.65)	(1.19)	(0.73)	-	-	(3.51)
Total ²	(2.65)	(1.19)	(0.73)	-	-	(3.51)

1. Inception date: 31 August 2018

2. Fund returns are calculated net of management fees and assume distributions are reinvested

3. MSCI World ex- Australia Small Cap Index in \$A, Net dividends reinvested

4. Distribution may include income, realised capital gains, and any return of capital

Past performance is not a reliable guide to future performance.

Fund facts

Top 5 holdings	Sector	Weight%
Great Canadian Gaming	Consumer Discretionary	4.9
Euronext NV	Financials	4.9
Middleby Corporation	Industrials	4.5
Etsy, Inc.	Consumer Discretionary	4.1
Seria Co., Ltd.	Consumer Discretionary	4.0

Regional allocation	Fund%	Index% ¹
United States	35.0	58.2
United Kingdom	17.8	7.2
Canada	14.2	3.9
Japan	6.1	12.2
Australia	5.5	--
France	4.9	1.4
Israel	3.4	0.8
Denmark	3.3	0.8
Germany	3.2	2.5
Netherlands	2.9	1.1
Sweden	2.1	2.6
Switzerland	1.0	2.2
Austria	0.6	0.4
Other	--	6.8
Total²	100.0	100.0

Sector allocation	Fund%	Index% ¹
Consumer Discretionary	24.7	11.7
Financials	20.0	14.1
Information Technology	17.4	13.5
Industrials	14.8	17.4
Energy	5.6	2.7
Communication Services	3.9	3.5
Health Care	3.3	11.3
Materials	2.6	6.1
Consumer Staples	2.1	4.4
Real Estate	--	12.2
Utilities	--	3.0
Cash	5.6	--
TOTAL²	100.0	100.0

¹ MSCI World ex- Australia Small Cap Index in \$A, Net dividends reinvested
² May not total 100 due to rounding

The data presented in these tables is unaudited and may change at any time. The data is shown for informational purposes only and is not indicative of any future portfolio characteristics.

Source: FactSet at 29 February 2020

Manager commentary

The Cambridge Global Smaller Companies Fund returned -2.65% for the month ended February 29, 2020, outperforming the MSCI World ex-Australia Small Cap Index that returned -5.61%.

Relative to the benchmark, stock selection drove the fund's outperformance during the month of February. All sectors were lower on the month for the benchmark as the market was led lower by economically cyclical industries on coronavirus fears. Security selection was driven by positive contributions in the Consumer Discretionary and Information Technology sectors, while our positions in Communication Services detracted relative to the benchmark. The Fund maintained its overweight positions in the Consumer Discretionary and Financials sectors, while remaining underweight in the Real Estate and Utilities sectors. The decision not to hold Real Estate or Utilities hurt relative performance slightly on the month as these interest rate sensitive businesses were supported by falling rates throughout the month.

One of the top contributors over the period was Great Canadian Gaming (TSX:GC), a Consumer Discretionary sector holding. They are a Canadian-based gaming and hospitality company that operates casinos across the country. The company has a geographic monopoly, which provides meaningful barriers to entry and a long-term runway for disciplined capital allocation. The recent transactions with OLG to secure gaming rights around Toronto provides a sizeable opportunity to operate and grow one of the best gaming assets in North America. As a result of the significant investment required to buildout these new locations, current year cash flows are depressed, and the market has not yet recognized the cash generative nature of the business. This month, GC announced they would use cash to buy back about 20% of the company using a substantial issuer bid, which will support meaningful earnings per share and cash flow per share growth going forward. We believe this is a good use of their cash and see this as a positive signal from management.

Conversely, the portfolio's positioning in the Communication Services sector underperformed the benchmark over the past month. A detractor in this sector was CarGurus (NASDAQ:CARG), a global online automotive marketplace. Despite the company beating analysts' top- and bottom-line estimates during Q4-2019, the firm saw their shares drop after the company issued guidance for 2020 that was below consensus estimates. This company is a large holding in the portfolio which impacted results on the month.

The Cambridge Global Small Cap team sees the portfolio as a collection of businesses that can compound value for shareholders and allow us to grow and protect wealth over time. Throughout this volatile period, we continue to focus on robust business models that we've identified as the highest quality and are well positioned to weather a range of economic scenarios. These are the types of businesses that can potentially become stronger through challenging environments by gaining share from weaker competitors within their respective industries. We continue to execute our investment process and are continuing to find attractive risk/reward opportunities that will benefit shareholders going forward.

See gsfm.com.au for more information about the Cambridge Global Smaller Companies Fund.

Important Information

GSFM Responsible Entity Services Limited ABN 48 129 256 104 AFSL 321517 (GRES) is the responsible entity of the Cambridge Smaller Companies Fund ARSN 629 676 544 (Fund) and is the issuer of this information. The Fund is registered as a managed investment scheme under the Corporations Act 2001 (Cth). GRES has appointed Cambridge Global Asset Management as the investment manager of the Fund. Class A Units in the Fund are available for issue by GRES, as responsible entity of the Fund. This information has been prepared as general information only without taking account the objectives, financial situation or needs of individuals. Before making an investment decision in relation to a Fund, investors should consider the appropriateness of this information, having regard to their own objectives, financial situation and needs. Prospective investors should read and consider the product disclosure statements (PDS) for the Fund dated 25 March 2019 and the Additional Information to the PDS. Copies of these documents can be obtained by calling 1300 133 451 or from this website. Applications to invest in the Fund must be made on the application form which can be downloaded from this website or obtained by calling 1300 133 451. Past performance information given in this document is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance. None of GRES, its related bodies or associates nor any other person guarantees the repayment of capital or the performance of the Funds or any particular returns from the Funds. No representation or warranty is made concerning the accuracy of any data contained in this document. This document is issued on 10 March 2020.