

MARKET ANNOUNCEMENT

CBG Fund March 2018 Quarterly Report

The March 2018 Quarterly Report from CBG Asset Management Limited (CBG) on the performance of its CBG Australian Equities Fund (Wholesale) (CBG Fund) is attached.

As at 31 March 2018, Bentley had ~\$2.50 million (21.86% of its net assets) invested in the CBG Fund (31 December 2017: ~\$3.02 million (24.27%)).

About the CBG Fund¹

The CBG Fund is a wholesale fund not open to retail investors. The objective of the fund is to outperform the S&P/ASX 200 Accumulation Index over the medium term. The Investment Manager is “style neutral” and invests in growth stocks, value stocks, stocks with maintainable dividend yields and special situations.

CBG Fund details as at 31 March 2018:

- The equity weighting was 98.22% (31 December 2017: 97.25%);
- 76.59% of the equity portfolio is invested in companies contained within the S&P/ASX 200 Index (31 December 2017: 81.64%) with the balance of 23.41% invested in companies outside of the S&P/ASX 200 Index (31 December 2017: 18.36%); and
- The equity portfolio contained 40 holdings (31 December 2017: 43 holdings).

CBG Australian Equities Fund – Performance

Returns To:	3mths	6mths	1yr	3yrs	5yrs	Since Inception
31 March 2018	(%)	(%)	(%)	(% p.a.)	(%)	(% p.a.)
CBG Fund	-0.9%	7.1%	8.1%	1.7%	8.0%	9.1%
ASX/ S&P 200 Accumulation Index	-3.9%	3.5%	2.5%	3.8%	7.7%	8.0%

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¹ Based on information provided by [CBG Asset Management Limited](http://www.bel.com.au).



CBG Australian Equities Wholesale Fund update – March Quarter 2018

The Directors of Bentley Capital Limited
Level 2, 23 Ventnor Avenue, West Perth, WA 6005

Market commentary

The CBG Australian Equities Fund returned -0.9% in the March quarter, compared to a -3.9% fall in the S&P/ASX 200 Accumulation Index.

Market volatility increased markedly in the quarter as US markets were dragged down by the prospect of rising interest rates and tension between the US and China. This was counterbalanced to some degree by relatively good results reported by companies for the period ending December. A positive outcome to these disagreements has become more likely following President Xi's address to the Bao Forum for Asia on 11th April.

US quarterly earnings releases in April have also generally been positive which has helped stabilise markets. Economic indicators remain broadly positive and global growth continues to support rising corporate earnings.

In the March quarter Health Care (+6.1%), Information Technology (+0.7%) and Consumer Staples (-1.3%) were the best performing sectors. Reflecting the impact of rising bond rates Telecoms (-12.8%), Utilities (-8.3%) and Energy (-7.7%) were the worst performing sectors.

Returns across international equity markets in the March quarter were: S&P500 (-1.2%); Shanghai Composite (-4.2%); Japan's Nikkei 225 (-5.8%); German Dax (-6.4%); FTSE (-8.2%); and French CAC 40 (-2.7%).

While the Australian market finished the quarter at a low for the period share prices have rebounded strongly leaving the S&P/ASX 200 Accumulation Index -0.6% for the four months to the end of April.

Since the end of the quarter the Banks have been in the headlines on an almost daily basis as the Royal Commission proceeds. The extent of failings laid out to date suggests that the banks will need to incur additional costs to improve processes. We remain underweight the sector.

Performance and commentary (to 31 March 2018)

Unit price (exit): \$1.8026	3 months	6 months	1 year	3 years (pa)	5 years (pa)	Since inception (pa)
	%	%	%	%	%	%
CBG Australian Equities Fund	-0.9	7.1	8.1	1.7	8.0	9.1
S&P/ASX200 Accumulation Index	-3.9	3.5	2.5	3.8	7.7	8.0

Performance figures are net of fees. Inception date 9th April 2002

The strongest relative contributors within the portfolio in the quarter were Bravura (**BVS**), Lovisa (**LOV**), and CSL Ltd (**CSL**). The biggest detractors were IPH Ltd (**IPH**), Janus Henderson (**JHG**) and EML Payments (**EML**).

BVS (2.6% weight) returned 58.7% following the sell-down of the remaining Ironbridge holding. This provided improved liquidity and removed a perceived overhang on the stock.

LOV (2.8% weight) returned 45.3% as investors continue to be attracted to the significant potential for store roll-out in new geographies.

CSL (6.3% weight) returned 10.7% after reporting a strong first half result which highlighted the potential for earlier than expected returns from the acquired Flu

vaccine business and strong demand for blood plasma products.

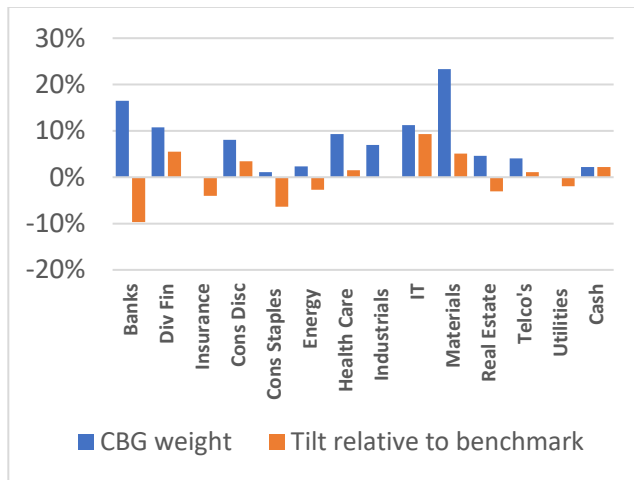
IPH (1.2% weight) returned -36.3% after disappointing the market with a half year result which showed the business to be sound but not growing as strongly as expected.

JHG (4.4% weight) returned -13% in the context of a negative quarter for markets. Expectations for FUM growth were moderated, however synergies from the merger remain on track.

EML (0.7% weight) declined -38.2% following a disappointing result. We believe this is largely timing related and retain our position.

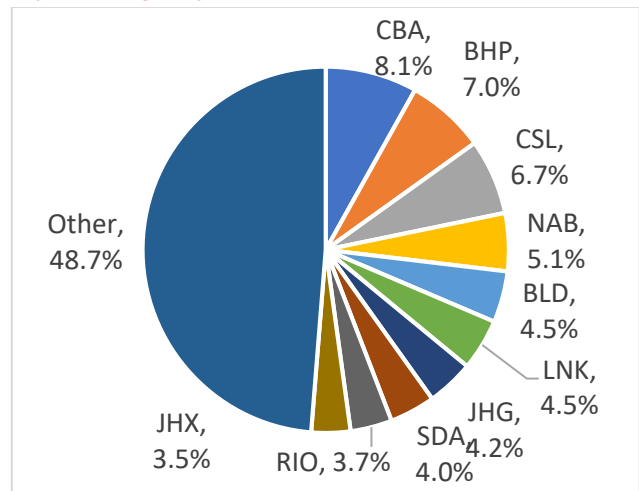
Portfolios statistics (as at 31 March 2018)

Sector allocations vs benchmark



SOURCES: CBG, IRESS

Top 10 holdings at quarter end



SOURCE: CBG

Value of \$100,000 invested in the CBG Australian Equities Fund compared to the benchmark (before fees)



SOURCE: CBG

Ronni Chalmers

Chief Investment Officer

Disclaimer: Past performance is no guarantee of future performance. Performance shown is net of fees, but before taxes. The content of this fact sheet has been prepared without taking into account any individual's objectives, financial situation or needs. Because of that, before acting you should consider the appropriateness of what is included here, having regard for your own objectives, financial situation and needs. Before making any decision about whether or not to acquire or continue to hold a financial product mentioned in this fact sheet, you should obtain and consider the latest disclosure document for the product. You should also obtain advice from your qualified Financial Adviser.

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