

Aurora Global Income Trust (ASX:AIB)

Performance ₁	1 month	3 months	FYTD
Aurora Global Income Trust	-13.71%	-12.95%	-13.16%
Benchmark	0.02%	0.06%	0.04%
Outperformance	-13.73%	-13.01%	-13.20%

Investment Objective

The Aurora Global Income Trust ("Fund") seeks to achieve absolute returns and income through the use of several different global investment strategies. The focus on absolute returns differs from traditional funds in that the Fund aims to produce returns not correlated with market conditions or global market indices.

Investment Strategy

The Fund seeks to take advantage of market mispricing and arbitrage opportunities using a diverse range of investment strategies. The Investment Manager of the Fund researches various criteria for each investment, including fundamental and quantitative analysis, company event situations such as takeovers and mergers, earnings announcements, demergers and restructuring, liquidity events, recapitalisations, multiple share classes, option availability and pricing. The Fund will invest in opportunities that are considered to offer attractive risk return characteristics with a focus on potential catalysts that seek to generate a profitable return regardless of the market direction. The Fund may use derivatives for risk management as well as to create new positions and may opportunistically short sell securities that may be overpriced or to reduce risk on the overall portfolio.

Portfolio Position Analysis

Number of Positions

Long	6
Short	0

Fund Overview

ASX Code	AIB
NAV per Unit	\$0.1089
Structure	Trust
Investment Style	Market Neutral
Investment Universe	Global
Inception Date	24 December 2007
Management fee (incl.GST)	Nil
Performance fee (incl.GST)	25%
Buy / sell spread	+/- 0.20%
Entry / Exit fees	Nil
Benchmark	RBA Cash Rate
Distributions	2.0% ^a pa, semi-annually

Fund Update

Aurora Funds Management Limited (Aurora), in its capacity as the responsible entity of the Aurora Property Buy Write Income Trust, Aurora Fortitude Absolute Return Fund, Aurora Global Income Trust and the Aurora Dividend Income Trust (Fund(s)), provides the following update in relation to the RNY Property Trust (RNY).

RNY has been suspended from trading on the Australian Securities Exchange (ASX) since 1 April 2019, due to delays experienced in finalising its audited financial statements for the year ended 31 December 2018 and half year ended 30 June 2019, followed by the Audit Disclaimer Opinion issued in relation to the year ended 31 December 2019. Aurora understands that RNY is due to release its Audit Reviewed financial statements for the half year ended 30 June 2020. In the event a clear audit review statement is issued, Aurora understands that RNY will then be in a position to apply for recommencement of trading on the ASX.

On 23 September 2019, RNY announced it had completed an independent valuation of its 5 commercial office properties in the New York tri-state area, resulting in a 16% uplift on previous valuations and a material uplift in RNY's Net Tangible Asset (NTA) backing. Given RNY's suspension from trading on the ASX, there was no actively traded market available for Aurora to determine the market value for RNY's securities. As such, the independent valuation obtained by RNY was considered the most appropriate basis on which to determine the carrying value of RNY, with Aurora's direct investments being carried at a small discount to RNY's improved NTA.

On 29 June 2020, Keybridge Capital Limited (Keybridge) announced its intention to make an off-market all scrip takeover bid for RNY at an implied offer price of \$0.011 per RNY unit¹ (Keybridge Offer), with its Bidder's Statement being dispatched on 28 August 2020. On 28 September 2020, Keybridge issued a substantial holder notice stating it had acquired a relevant interest of 1.01% in RNY (from parties other than Aurora) through acceptances into the Keybridge Offer. Aurora has also elected to accept a portion of its Funds holdings into the Keybridge Offer. Consistent with its previous "truth in takeovers" statement, Aurora has limited its acceptances into the Keybridge Offer at 41,450,000 RNY units.

As a consequence of the acceptances into the Keybridge Offer, the implied offer price of \$0.011 per RNY unit is now the most readily observable price for RNY securities. As such, this has resulted in the carrying value of Aurora's direct investments in RNY being reduced from \$0.044 to \$0.011 per RNY unit, across its various Funds.

Following the recommencement of trading in RNY securities on the ASX, Aurora will continue to adjust its direct investment in RNY to reflect the last traded market price.

About Aurora

Aurora Funds Management Limited ("Aurora") is the Responsible Entity and Investment Manager of the Fund. Aurora is an Australian-based alternative asset manager that specialises in managing absolute-return strategies for high net worth, retail and institutional investors. Aurora specialises in value-orientated event-driven investments that aim to provide investors with positive risk-adjusted returns that are independent of benchmarks or investment cycles.

Aurora is also the Responsible Entity of the:

- Aurora Fortitude Absolute Return Fund (APIR Code: AFM0005AU)
- Aurora Absolute Return Fund (ASX:ABW)
- Aurora Dividend Income Trust (APIR Code: AFM0010AU)
- Aurora Property Buy-Write Income Trust (ASX:AUP)
- HHY Fund (ASX:HHY)

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1. This number represents a cumulative return and assumes reinvestment of distributions and is generated with compounded monthly returns/net of fees.
^2.0% pa of distributable taxable income.

Disclaimer: This information has been prepared by Aurora Funds Management Ltd (ABN 69 092 626 885, AFSL 222110) in its capacity as Responsible Entity for the Fund (ARSN 127 692 406). It has been prepared without taking into account the objectives, financial situation or needs of any investor, which should be considered before investing. Investors should carefully review the Product Disclosure Statement (PDS) for the Fund and seek their own financial advice prior to investing in the Fund. The information in this Portfolio Update is of a summary nature only and does not constitute advice of any kind, nor is it an offer of any financial product. Past performance is not a reliable indication of future performance. In particular the investment strategy of the Fund was materially altered in November 2010, and performance prior to this date (being from inception to November 2010) cannot be relied upon. The investment objective for the Fund is expressed after the deduction of fees and before taxation. See the PDS for details on taxation. The investment objective is not intended to be a forecast, and is only an indication of what the investment strategy aims to achieve over the medium to long term. While the Fund will aim to achieve the objective, the objective and returns are not guaranteed. The payment of franking credits to investors is subject to the Fund achieving a taxable profit in that year.