

ARA Update March 2024

Welcome

Downsizer contributions



Downsizer contributions



Sale of home

- Property must be in Australia
- 'Main residence'
- Owned for at least 10 continuous years

Downsizer contributions



Super contribution:

- Up to \$300,000 each post-sale
- No work/age tests or total balance limits
- Over 55 years of age at time of contribution
- Within 90 days of settlement

Case Study



- John and Mia Movenhaus sell home for \$1.5m.
 - Contract of Sale March 2024
 - Settlement in May 2024
- Home owned by them for the past 15 years
 - Lived in it for 7 years
 - Rented it out for 8 years



Case Study

John – Age 78	Mia – Age 74
\$1M in pension	\$300k in pension
\$500k in joint bank account	

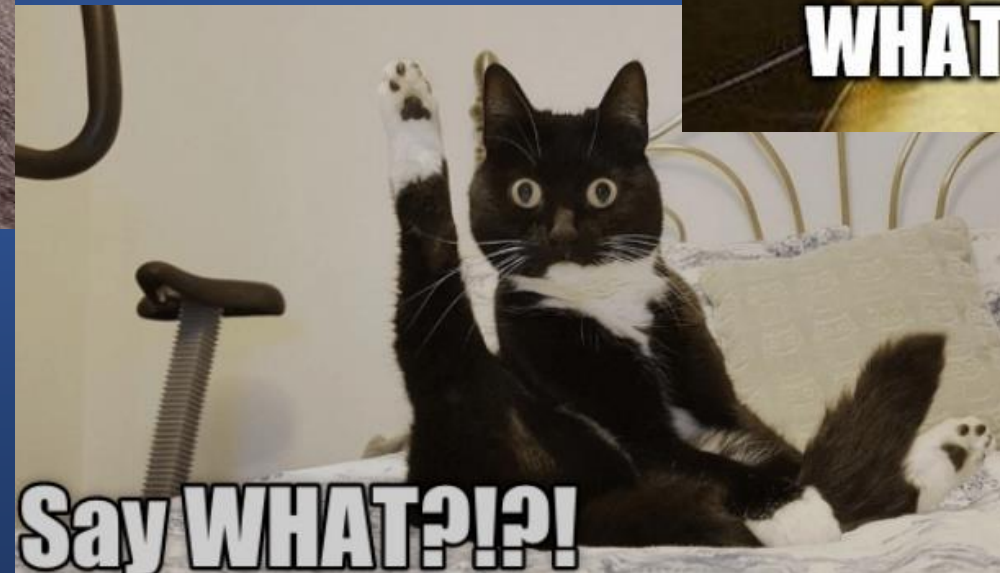
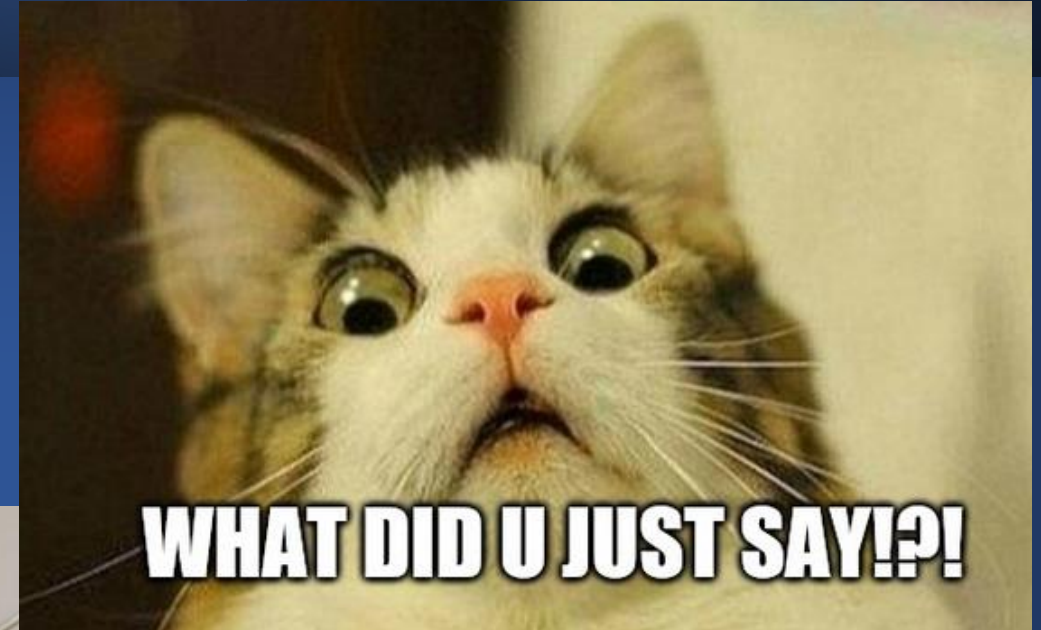
- John adds \$300,000 to his super as a downsizer cont'n.
- Mia adds \$630,000 to her super
 - \$300,000 as a downsizer contribution plus
 - \$330,000 as a non-concessional contribution
- Both complete ATO downsizer contribution forms
- They subsequently purchase a new home for \$1m.

Highlights



- No age, work or balance limits
- Independent of other contribution limits
- Source of contribution \$ not specified
- 10-year rule – ownership not occupancy
- Downsize, Upsize, Ex-size

Questions?



Investment Fund Update

Returns



Financial year To:	Defensive	Growth	Equities	Long Term Income Builder
30/6/2020	-0.1	-1.5	-2.4	N/A
30/6/2021	7.7	18.1	20.3	27.7
30/6/2022	-0.6	-1.9	-2.8	-8.7
30/6/2023	6.6	13.5	14.2	12.2

Returns



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FY24 FYTD	3.3	5.0	5.9	10.4

Attribution – FYTD returns

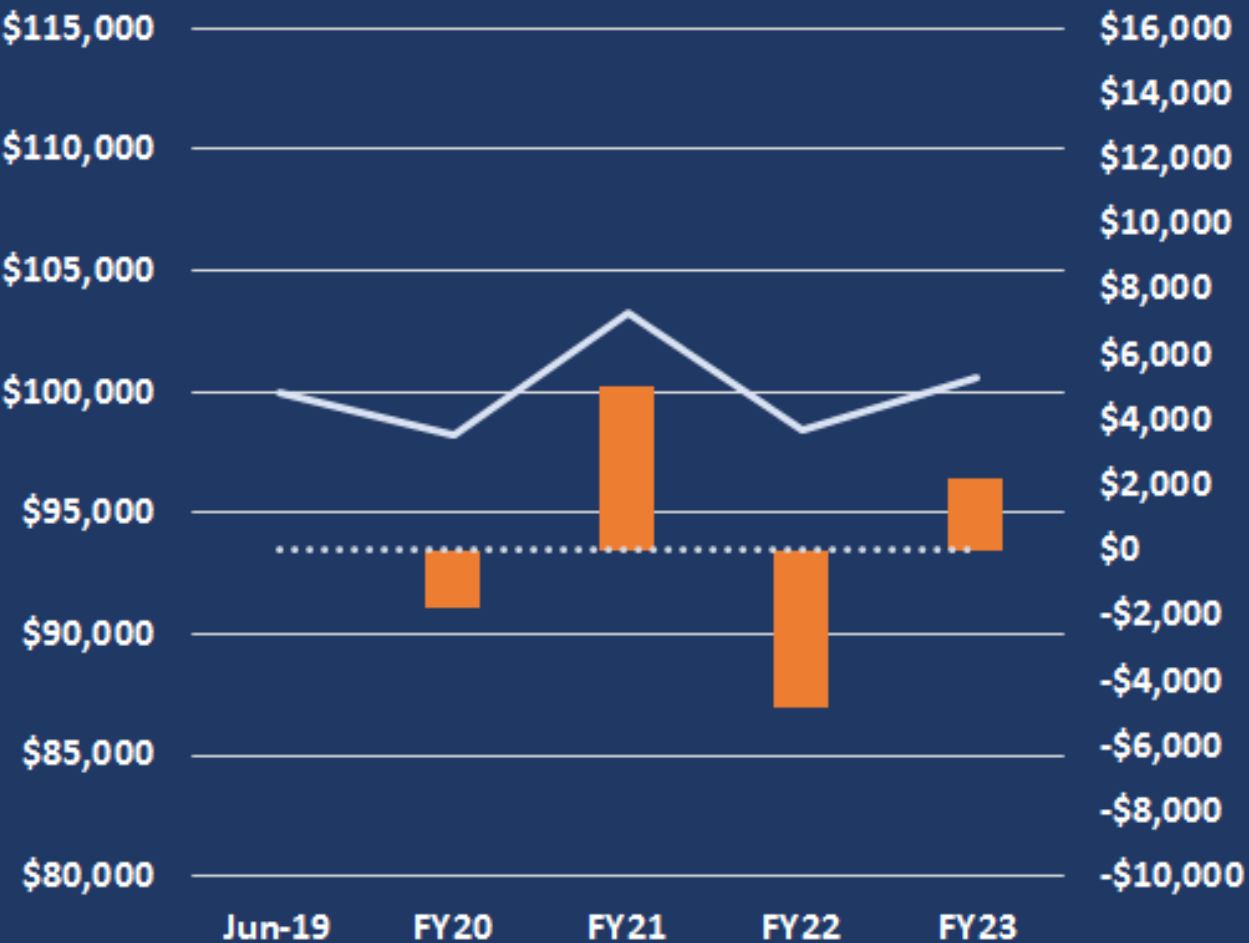


Diversified portfolios – major holdings		Long Term Income Builder	
Sterling Equity	10.9%	Aust Foundation	8.1%
Anacacia Wattle Fund	6.4%	Argo	5.3%
Dimensional Aust	10.4%	Djerriwarrh	9.2%
Dimensional Global	13.6%	WH Soul Patts	10.3%
VEU – World Ex-US	10.1%	Sandon Capital	24.4%
Anacacia Fund 3	3.0%	MVB – Banks ETF	21.9%

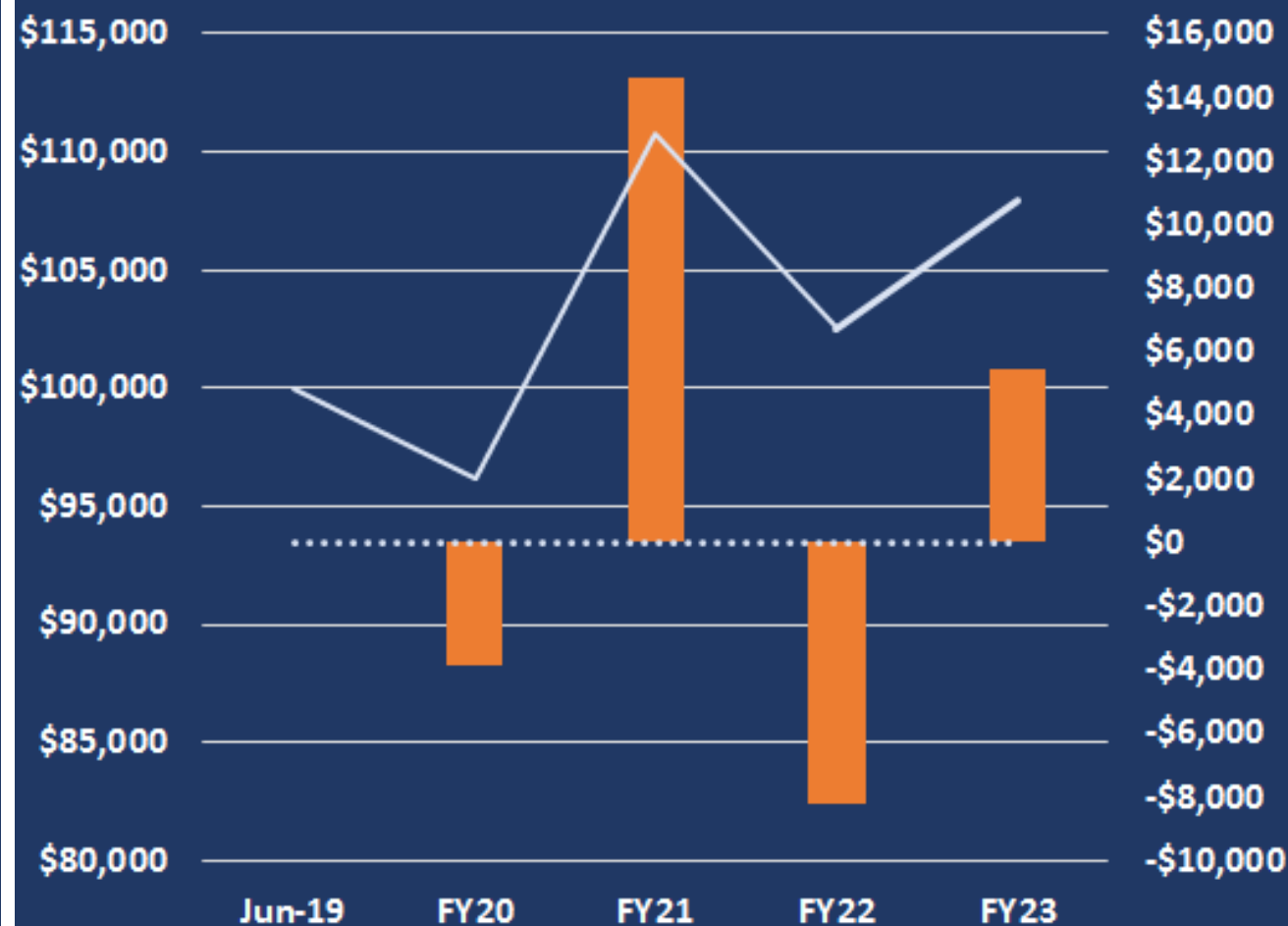
\$100k invested 30/6/2019



Defensive



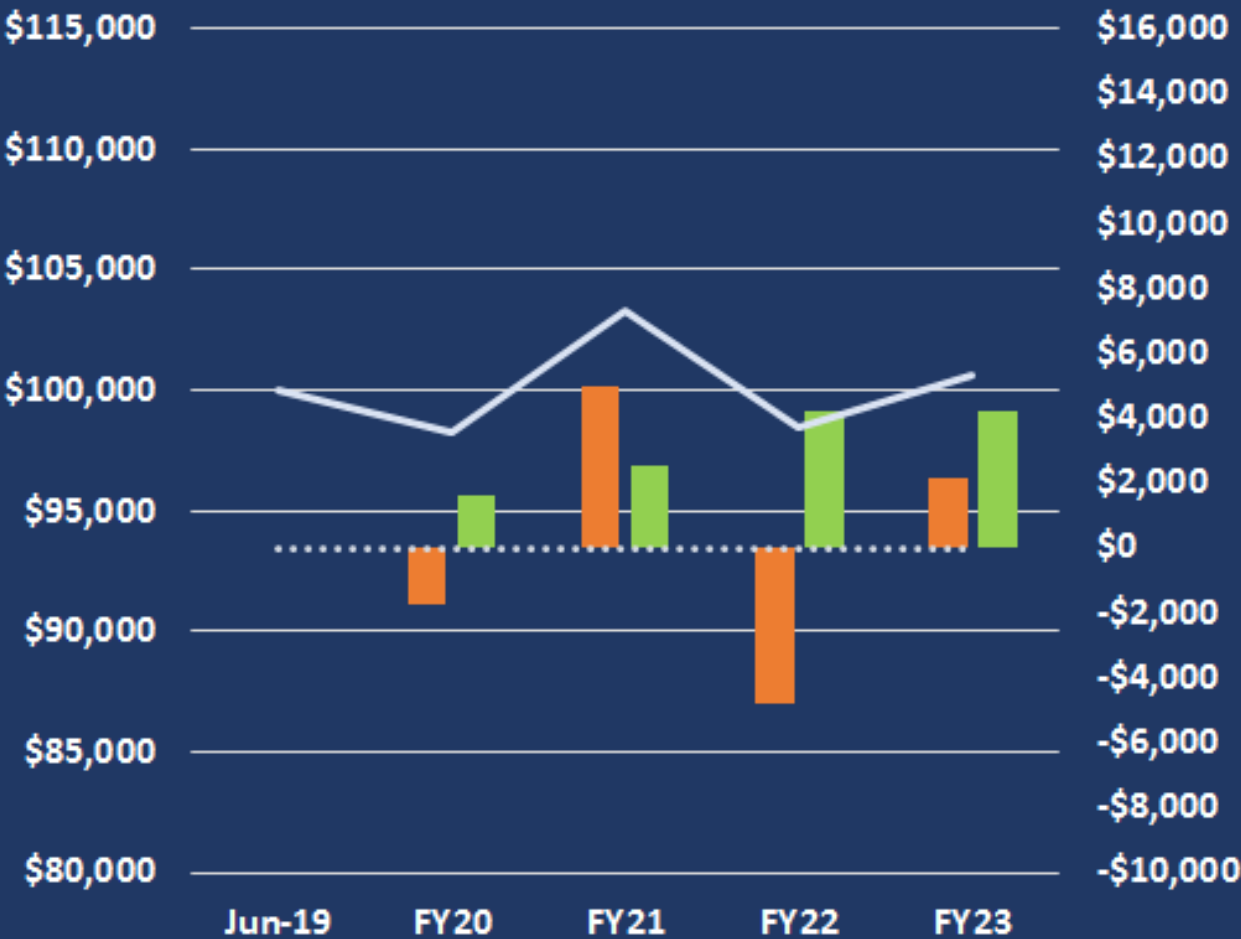
Growth



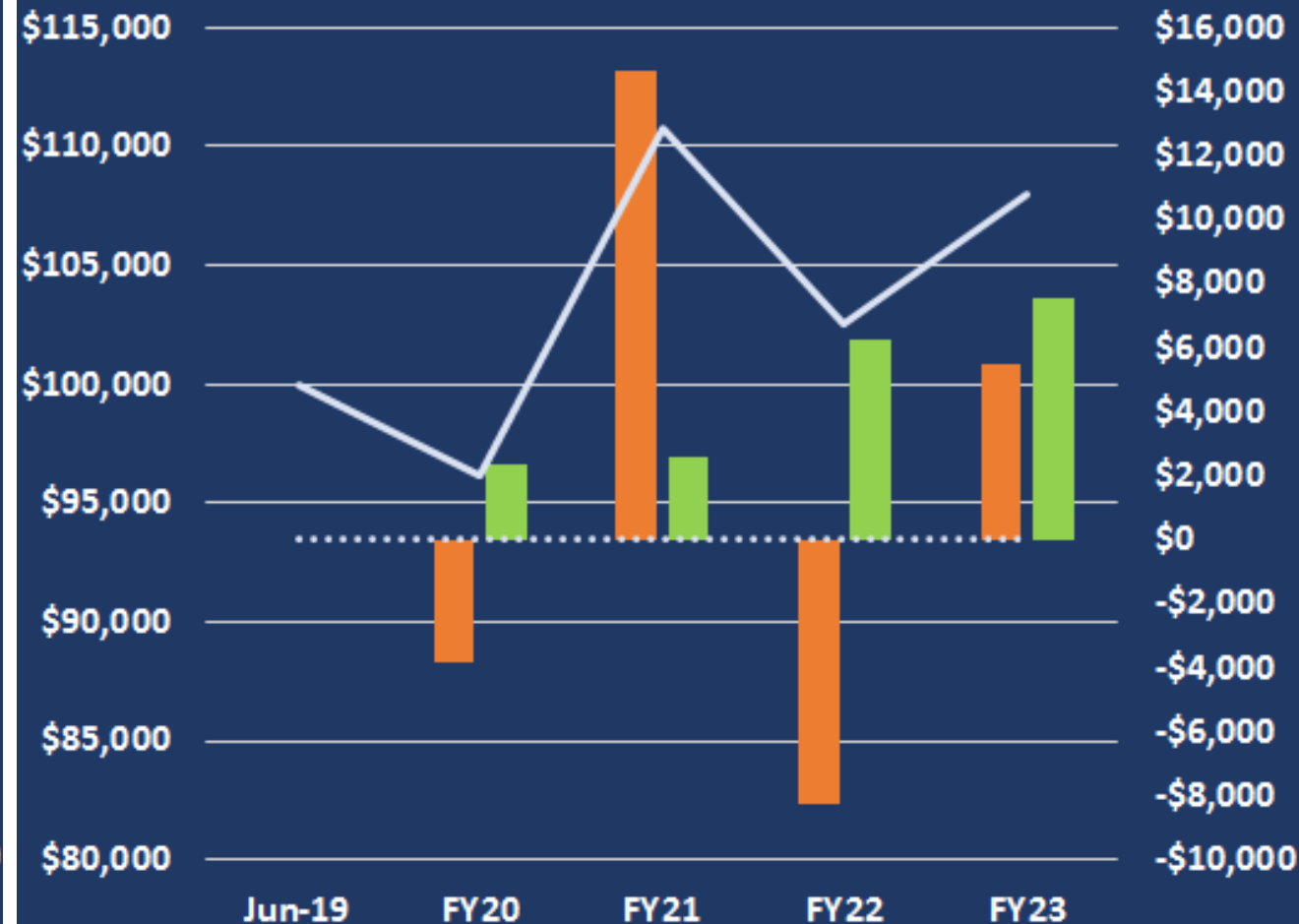
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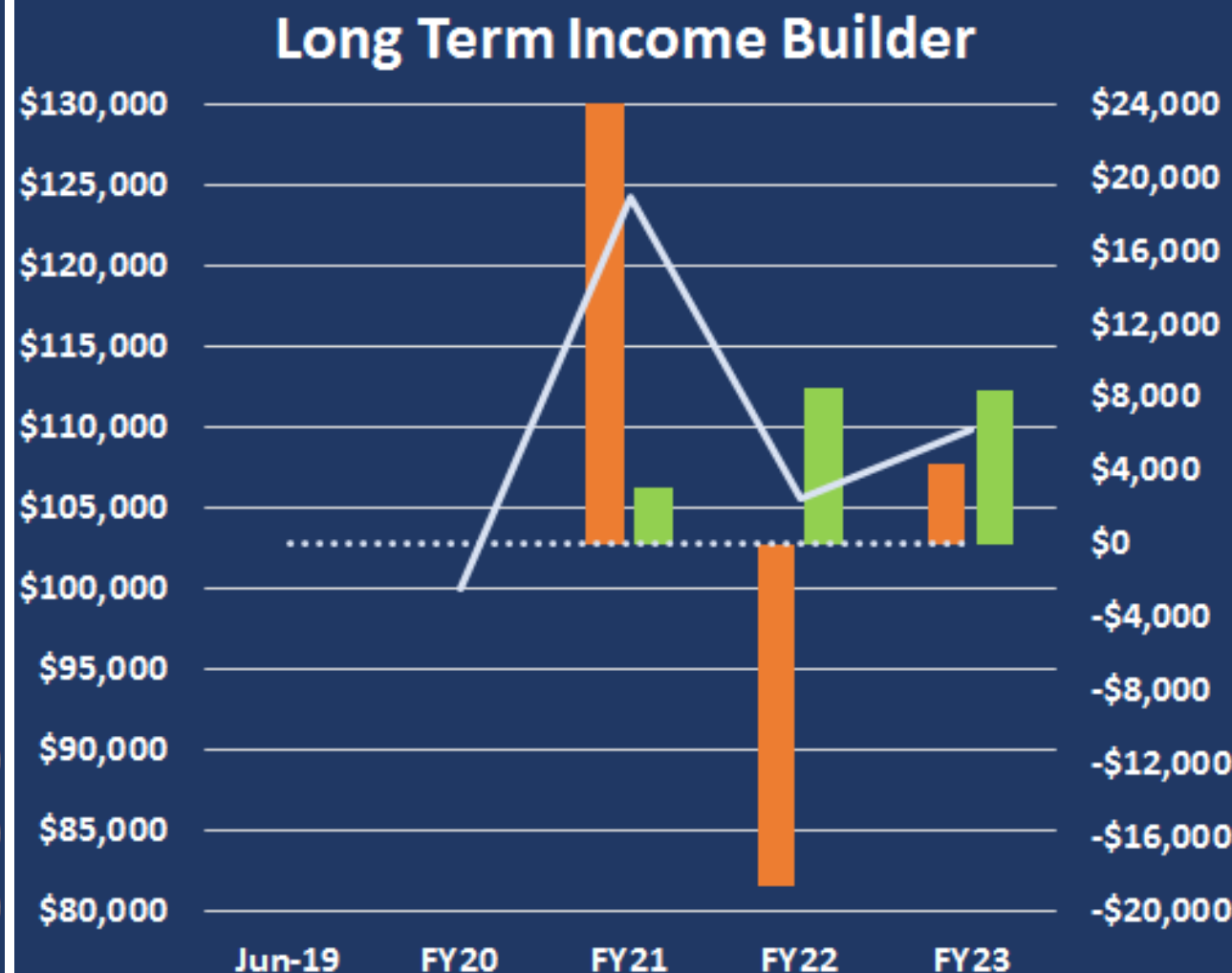
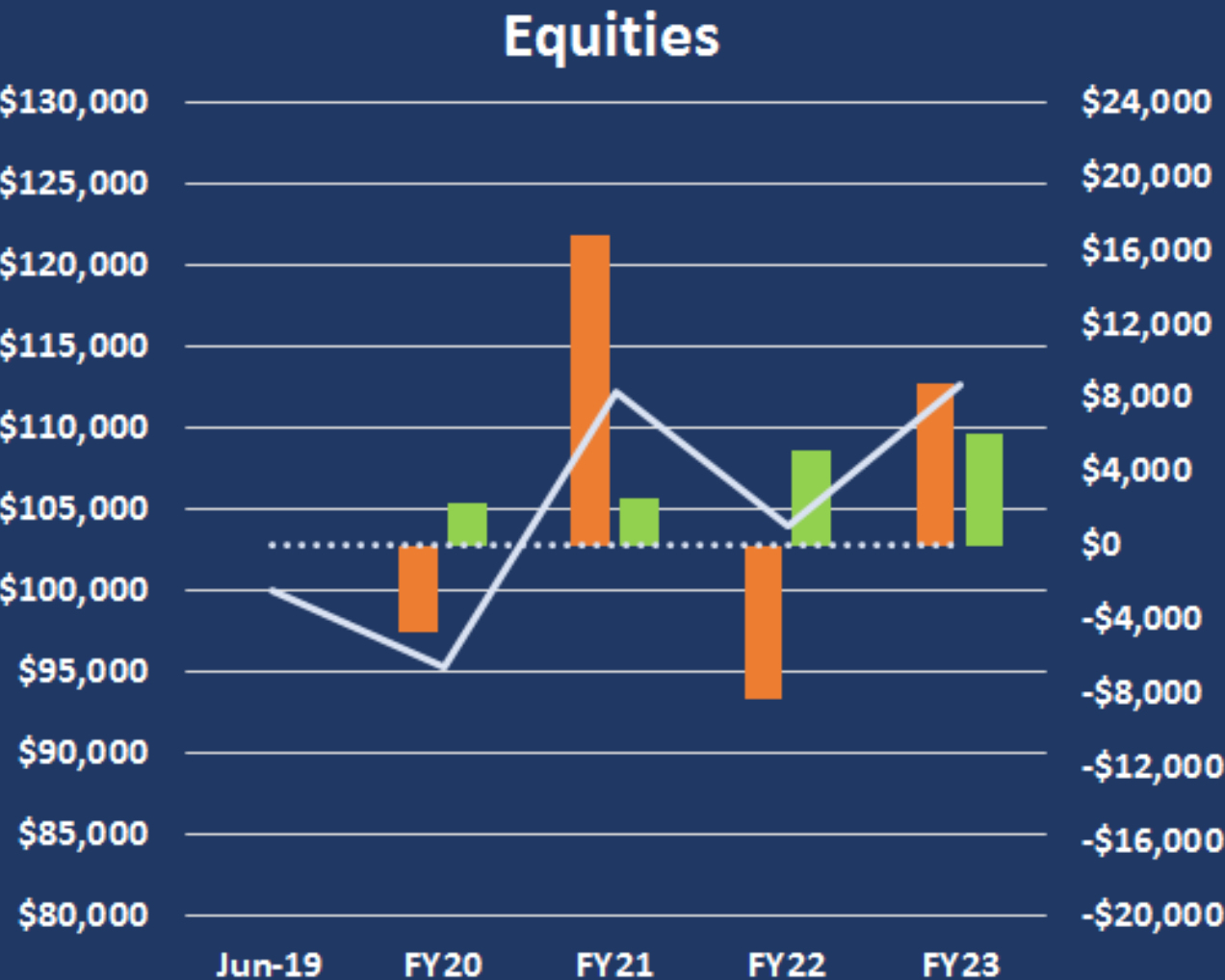
Defensive



Growth



\$100k invested 30/6/2019



What's New.....?

Anacacia Fund 4 (Private Equity)

Infradebt Energy Transition Fund

IETF – What is it?



Loans to build utility scale batteries

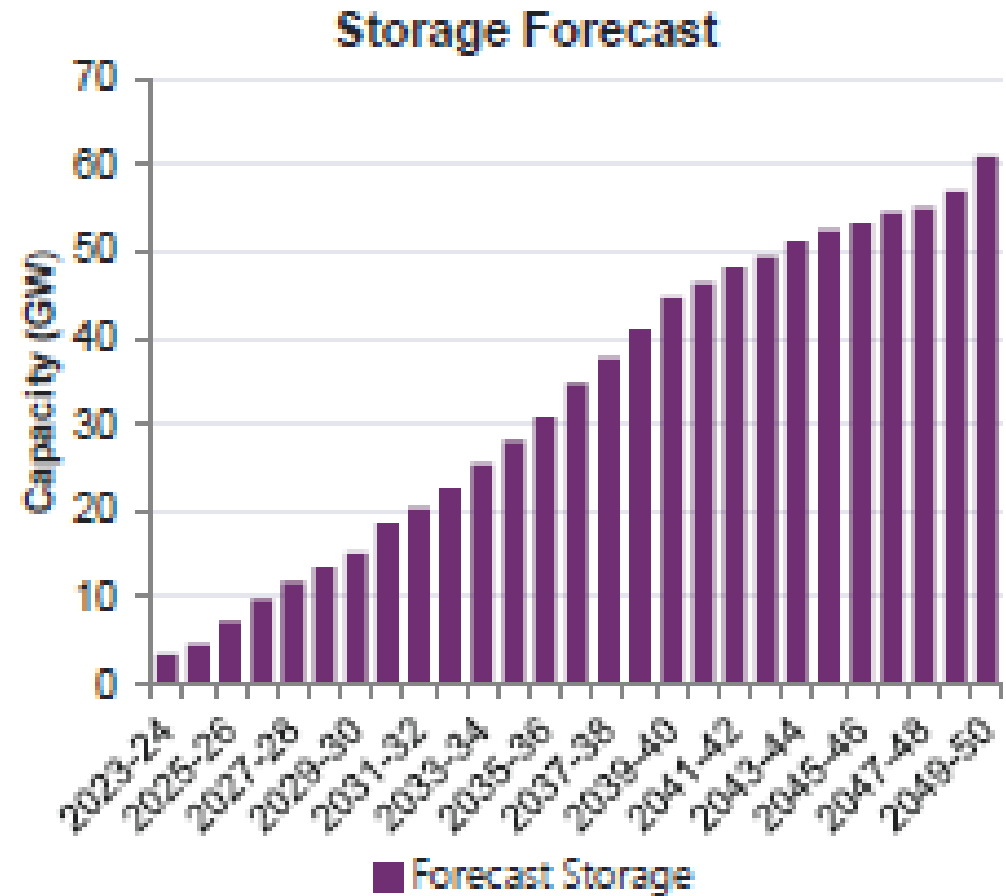
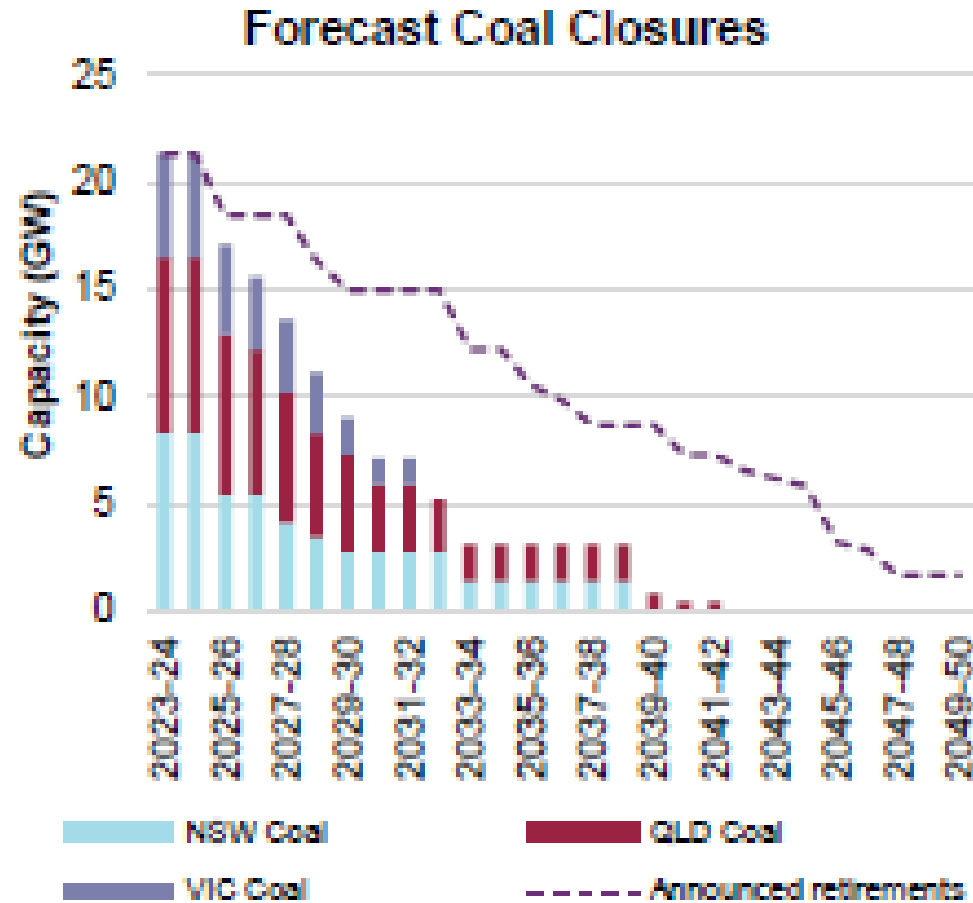
Portfolio of 6 – 8 loans

Total fund size \$750M - \$1B

Why?



Energy Transition Fund



Source: AEMO Integrated Systems Plan 2022 – Chart Data

The Opportunity



- Transition to alternative energy generation sources is happening
- Key to managing intermittent renewable generation is large scale storage
- Lack of competition in debt finance market creates attractive first-mover advantage

The Opportunity



- > 6 GW needed to replace scheduled closures of coal plants
- Currently 0.756GW battery storage in the NEM
- ETF will finance 1.5 – 2GW storage

The Opportunity



Revenue

- Interest charged – est 7% - 9% pa
- Establishment and line fees
- Potential sale of loan book

The Opportunity



Risks & Risk Mitigation

- Operator revenue
 - Arbitrage
 - Supply response
- Low LVR – typically maximum 50%
- Loans are Principal & Interest
- Diversified by state, supplier and project

Energy Transition Fund



Opportunistic

- Time is right
- Early Mover advantage

Good risk:return outlook

Questions??

