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1 August 2018

**Annual Investment Managers Report to Investors
Cyan SIV Emerging Companies Fund**

Dear Investors

We are pleased to provide you with commentary on the Cyan SIV Emerging Companies Fund for the period of 1 July 2017 to 30 June 2018.

The Fund was established to provide a total positive return (both income and capital growth) that exceeds the S&P ASX Emerging Companies Accumulation Fund over the medium to long term.

The Fund invests in the securities of between 20 and 35 companies, each of which is listed on the ASX and has a market capitalisation of less than \$500 million. Our investment style includes an initial review of the company's liquidity and solvency followed by extensive research on a range of factors including the outlook for the industry sector in which the company operates, the company's market position within its industry sector, its financial strength, the quality of the company's management and the company's growth prospects.

Market Environment

For the period of 1 July 2017 to 30 June 2018 the ASX Emerging Companies Accumulation Index delivered a total return of 23.2%. The emerging companies sector enjoyed positive sentiment through the first half of the 2018 fiscal year, however after peaking in January, retreated 5% for the period to 30 June 2018. The volatility in the Emerging Companies Index presents short to medium term risk to investors, which is why the Cyan SIV Emerging Companies Fund holds a cash weighting approaching the maximum 20% and does not invest in more volatile sectors of the market including resources and biotechnology. At certain times these sectors outperform, but the associated risk metrics are difficult to justify.

Performance of the Cyan SIV Emerging Companies Fund

The Fund ended the period with a diversified portfolio of 25 ASX listed emerging companies and a cash weighting of 19% of the total invested capital. The returns of the Fund, compared to the 10% p.a Absolute Return Benchmark for the 12 month period to 30 June 2018 are illustrated below.

Table 1: Performance

	1 July 2017 - 30 June 2018 %
Cyan SIV Emerging Companies Fund	15.6%
Absolute Return Benchmark (10% p.a)	10.0%
Return Relative to Performance Fee Benchmark	5.6%

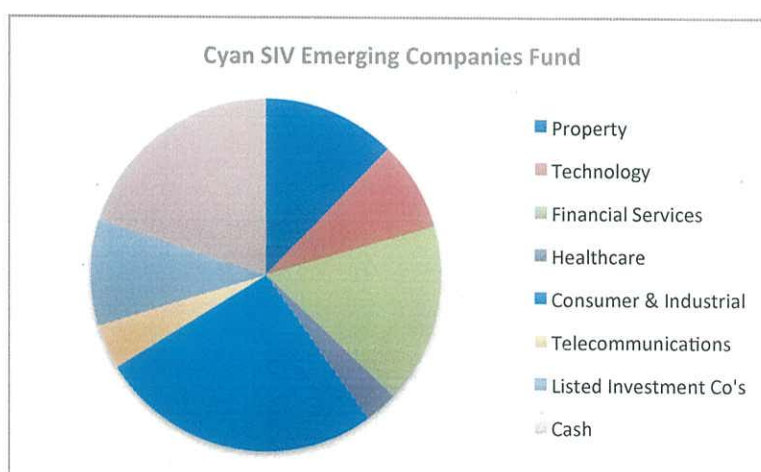
Pleasingly, the absolute return of 15.6% outperformed the targeted benchmark by 5.6% over the period. The top company specific contributors to the positive performance were:

Table 2: Top Contributors to performance

ASX Code	Company Name
APT	Afterpay Holdings
AJD	Asia Pacific Data
AOF	Australian Unity Office Fund
AXL	Axess Today
CAJ	Capitol Health
HUB	Hub24
IDR	Industria REIT
MCP	McPhersons
SRG	SRG Ltd
ST1	Spirit Telecom

The portfolio composition by industry sector is illustrated below:

Figure 1: Sectoral Portfolio Composition



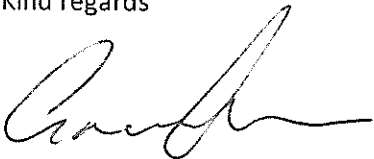
Future Strategy

At Cyan, we pride ourselves on a proven, consistent and conservative investment philosophy and process. We continue to extensively research prospective opportunities to maximise investment returns within an appropriate risk framework. **Capital preservation is the cornerstone of our investment philosophy.**

We expect that over the coming 12 months we will continue to hold a cash balance towards the top end of the maximum 20% portfolio weighting. We will also continue to invest in the listed property sector and listed investment companies to ensure that the portfolio has an appropriately defensive positioning.

We would like to thank you for your continued support in the Fund. Please do not hesitate to contact our office if you have any questions.

Kind regards

A handwritten signature in black ink, appearing to read 'Graeme Carson', written in a cursive style.

Graeme Carson

Director

Cyan Investment Management Pty Ltd