

Returns

As at 31 May 2023	1m %	3m %	1y %	3y %pa	5y %pa	Inception %pa (Nov13)
Castlereagh Equity	-2.3	-1.8	3	6.3	12.8	11.5
All Ordinaries	-3	-2.5	-2.45	7.4	3.5	3.1
XBI	4	1.3	24	-6.8	-2.8	NA

Portfolio Composition

NAV per share	% in Cash	% shares in USD	% shares in AUD
1.65*	52	15	33

Commentary

We passed another month stalking and waiting for opportunities, whilst continuing to sell parcels of non-core positions on the ASX. CE portfolio continues in a “holding pattern” with a large cash holding. Markets continue to behave as they do, whilst the financial news are filled with premonitions of recession, inflation and geopolitical tensions.

We continued to hunt down the various critical suppliers of goods and services to the life sciences industry. To recap, our major overarching thesis is that the life sciences industry is poised for a multidecade period of above average growth rates. This is mainly driven by demographic trends, technological advances, and government regulations.

We are already invested in Oxford Nanopore and 10x Genomics. We broadly view these companies as suppliers of tools for genomics. They are both riding the tailwinds in research and discovery, and the next leg of their journey will be adoption into clinics and workflow. Both companies’ business model revolves around establishing an installed base of equipment and the sales of consumables. We have also previously mentioned our basket of investment in industrialised drug discovery, and also our exposure to the areas of hospital informatics (\$BMT) and cold chain logistics (\$CTE).

Our watchlist of potential investments at the right price can be understood as follows:

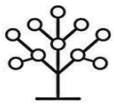
1. Software supplier to the life sciences industry in CRM and R&D workflow and compliance;
2. Software and services supplier to drug developers for simulation studies, sort of akin to flight simulators for the aviation industry;
3. Data analytics software and services for the healthcare industry;
4. Supplier of specialised widgets and components for biological drugs manufacturing;
5. Cold chain logistics and storage providers;
6. Medical imaging, storage, archival and analysis;
7. Specific medtech players.

Whilst timing is uncertain, opportunities will present themselves in due course. My job is to be prepared to seize them when they arise.

Thank you for your trust and confidence in us.

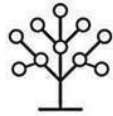
Regards
Peter Phan

Portfolio Manager



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31 May 2023
Monthly Report



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Appendix 1: Performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	XAO	XBI
2022	-5.5	0	0.5	-4.5	1	-0.5	2	-1	-5	2	4	-0.5	-7.5	-7.2	-29
2023	2	2	-1.2	1.8	-2.3								2	0.7	2.9

XAO= All Ordinaries Index

XBI= S&P Biotech ETF

Appendix 2: Top 5 Holdings= 35% of total portfolio

Company
Beamtree
Cryosite
Industrialised Drug Discovery Basket
Avita Medical
Suppliers of Genomic Tools Basket

*note: holdings not ranked in any order

Appendix 3: CE NAV

CE commenced on 1 November 2013 with shares issued at \$1 per share, backed by \$1 of cash per share. CE NAV is after payment of dividend and director fees in calendar month February of each year. These payments “reset” the NAV as follows:

- (a) 1.52 to 1.34 in Feb 2017,
- (b) 1.46 to 1.39 in Feb 2018,
- (c) 1.39 to 1.39 in Feb 2019,
- (d) 2.29 to 2.10 in Feb 2020,
- (e) 2.53 to 2.25 in Feb 2021,
- (f) 2.03 to 1.77 in Feb 2022,
- (g) 1.77 to 1.65 in Feb 2023.

Total gross dividends paid by CE since inception is \$1.10.