

HARRINGTON PARTNERS

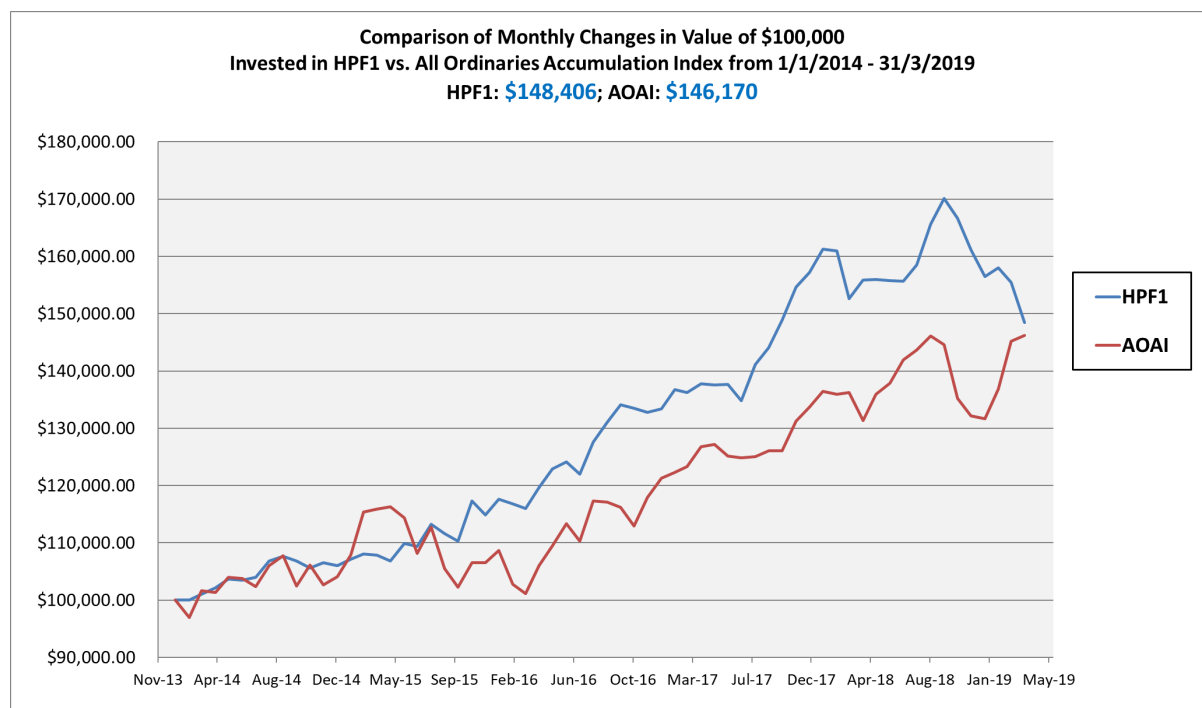
Investment Management

Harrington Partners Fund 1 (HPF1) – 31 March 2019

Harrington Partners primary goal is to protect investors capital and outperform the Australian All Ordinaries Accumulation Index (AOAI) by 3-5% annually as measured over rolling 5-year periods. The Fund managers have the majority of their investable assets in the Fund, this creates a very strong alignment of interests between the managers and investors with a concentration on achieving the highest possible risk adjusted returns.

	HPF1 Net Return*	AOAI Return [#]	Relative Performance
6 Months to 30/06/2014	3.71%	2.36%	1.35%
30/06/2015	5.51%	5.67%	-0.16%
30/06/2016	11.50%	2.01%	9.49%
30/06/2017	10.48%	13.12%	-2.64%
29/06/2018	15.49%	13.73%	1.76%
9 Months to 31/3/2019	-4.68%	2.97%	-7.65%
Annualised Performance	7.81%	7.50%	0.31%
Cumulative Performance	48.39%	46.17%	2.22%

#Data source for AOAI Returns: S & P Dow Jones Indices LLC. *Net Return to investors which is less fees and charges but includes reinvested distributions. Past returns are not a good indication of future returns.



The Fund returned -4.68% net of all fees over the nine months to March 31st, 2019, this compares to a return of 2.97% for the All Ordinaries Accumulation Index over the same period. The strong start to FY19 has been reversed as several of the larger portfolio holdings experienced significant share price declines over the last 6 months. More importantly, the majority of the core portfolio holdings continue to improve their trading performance, free cash flow generation, balance sheet health, and have solid growth prospects. We will outline our thesis for the Funds largest and as yet undisclosed position within the financial year 2019 letter.

The top 10 holdings at March 31, 2019 were:

Rank	Holding	Total Equity Weighting	Total Portfolio Weighting
1	Undisclosed	18.78%	13.24%
2	Macmahon Holdings (ASX:MAH)	13.58%	9.58%
3	Undisclosed	12.86%	9.06%
4	Boom Logistics (ASX:BOL)	11.47%	8.09%
5	Undisclosed	6.73%	4.74%
6	Fleetwood Corporation (ASX:FWD)	6.32%	4.45%
7	Undisclosed	5.19%	3.66%
8	United Overseas Australia (ASX:UOS)	4.28%	3.02%
9	Konekt (ASX:KKT)	3.14%	2.21%
10	Undisclosed	2.55%	1.80%

The top ten holdings made up 60% of the total portfolio and cash allocation has increased over the period to 29%.

We are privileged that you have chosen to partner with us on this journey. As always, we welcome any feedback and if you have any questions, comments or investment ideas please do not hesitate to contact us.

Yours Sincerely,



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The All Ordinaries Accumulation Index represents an unmanaged, broad-based basket of stocks. Index returns assume that dividends are reinvested and do not include the effect of management fees or expenses. You cannot invest directly in an index.

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