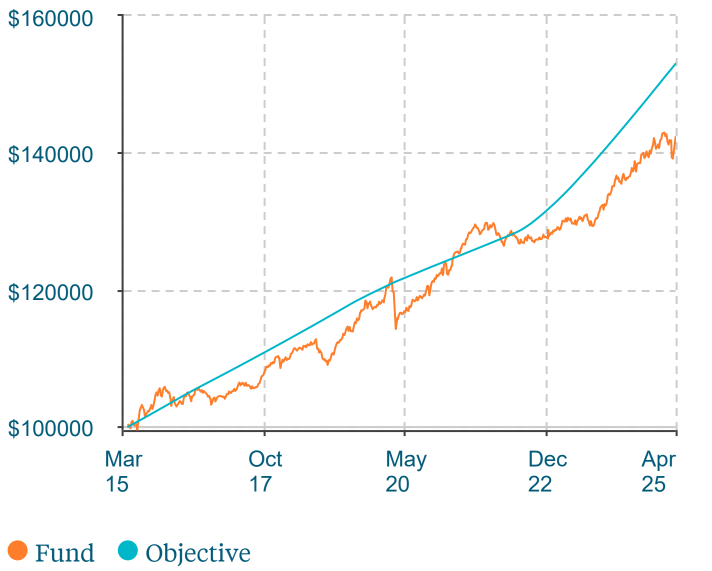
Atrium Evolution Series – Diversified Fund AEF 5

As at 30 April 2025

Growth of $100,000 over 10 years



Performance

	Fund	Objective
Since inception (% p.a.)	4.66%	4.71%
10 Years (%p.a.)	3.59%	4.35%
7 Years (%p.a.)	3.63%	4.41%
5 Years (%p.a.)	4.10%	4.71%
3 Years (%p.a.)	3.44%	6.11%
1 Year	4.76%	
6 Months	2.03%	
3 Months	-0.33%	
1 Month	0.36%	

Objective refers to the Return objective as stated in the Key Facts table.

Source: Atrium Investment Management, Bloomberg. Inception date is 24 June 2011. Past performance is not a reliable indicator of future performance. Future performance and return of capital are not guaranteed. Performance figures are based on input data available as at the date of this report. Performance is after fees and costs and assumes re-investment of all distributions. Return objectives are internal return objectives which are measures that Atrium considers internally when managing the portfolio. Internal return objectives are not performance benchmarks and are not features set out in the PDS. Note that the internal return objectives for AEF 7P Units and AEF 9P Units align to the performance return hurdles for these Units (as set out in the PDS for these performance-based fee products). Please refer to the Fund's Product Disclosure Statement (PDS) for more information on returns.

A rating is only one factor to be taken into account when deciding whether to invest.

Investment objective

To maximise returns while ensuring portfolio risk, or volatility, does not exceed 5% over a rolling three (3) year time period.

Investment strategy

The Fund has a Risk Targeted, multi asset investment strategy.

Atrium uses a dynamic, unconstrained approach to asset allocation providing flexibility to take full advantage of opportunities in the market and to mitigate downside risk.

The Fund may be invested in a broad universe of assets across multiple asset classes.

Atrium may also use derivatives to gain exposure to assets or asset classes more efficiently, for currency management, and to mitigate downside risk.

Key facts

Inception date	24 June 2011
Product code	COL0029AU
Investment strategy	Diversified - Risk Targeted
Volatility limit (p.a.)	5.00%
Return objective	RBA Cash + 2.5%
Investment horizon	3 years
Pricing	Weekly
Platform availability	Various

Volatility & Sharpe Ratio

	10 Years	7 Years	5 Years	3 Years
Volatility (% p.a.)	2.95	2.83	2.37	2.30
Sharpe Ratio	0.58	0.60	0.78	-0.10

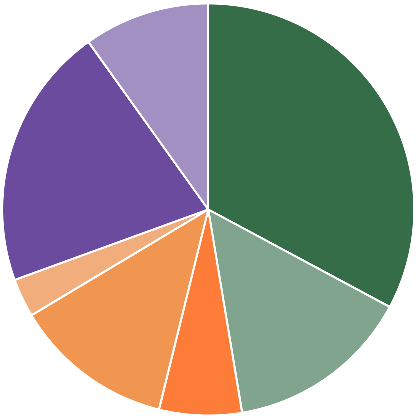
What is volatility?

Volatility measures the fluctuations, or changes, in the price of an asset or market index. Assets with higher volatility generally have greater price changes, both positive and negative, and so higher volatility is generally an indication of higher risk.

What is the Sharpe Ratio?

The Sharpe Ratio measures returns relative to the volatility, or risk, that was taken to achieve that return. The higher the ratio, the better the risk-adjusted performance has been - in other words, the investment risks taken have delivered better returns to the portfolio.

Asset allocation



●	Rates & credit	32.84%
●	Cash	14.54%
●	Australian equities	6.47%
●	International equities	12.58%
●	Listed infrastructure	3.02%
●	Liquid alternatives	20.68%
●	Private markets	9.87%

Source: Atrium Investment Management. Asset allocations may change at any time. May not include all open futures or derivatives positions. Cash may include allocations to shorter term rates and credit investments that may, at times, be subject to capital volatility. Figures are based on input data available as at the date of this report. Due to rounding, numbers might not add up to 100%.

Atrium aims to achieve its investment objectives by investing across a range of asset classes on a global basis that provide exposure to different risk factors.

Each asset is included in the Portfolio for its ability to contribute to returns on a stand alone basis.

The investment universe comprises of 3 broad categories - Preservers, Growth Drivers and Diversifiers.

Preservers

Assets that protect the portfolio during periods of heightened equity market volatility and preserve capital, such as cash, government bonds and high quality investment grade bonds.

Growth Drivers

Assets that are expected to deliver higher rates of return over time with higher levels of associated volatility (risk).
This predominantly comprises equities but also includes other assets that are highly correlated to equities such as listed property and infrastructure.

Diversifiers

Assets that generate additional real returns, with performance that is typically uncorrelated to the growth drivers and preservers within the portfolio.
Importantly, they are a source of portfolio diversification away from equity market and interest rate risks, such as liquid alternatives and private markets.

Top holdings

Holding	Weight	Asset Class
CASH POSITION	13.84%	Cash
KAPSTREAM ABSOLUTE RETURN INCOME FUND CLASS I	8.06%	Rates & credit
COOLABAH SHORT TERM INCOME FUND	5.73%	Rates & credit
RUSSELL AUSTRALIAN EQUITY OPPORTUNITIES FUND	4.93%	Equities
JP MORGAN GLOBAL STRATEGIC BOND FUND	3.88%	Rates & credit
CROWN ATRIUM SEGREGATED PORTFOLIO SERIES 1 USD	3.75%	Liquid alternatives
LGT (LUX) DYNAMIC CAT BOND FUND AUD CLASS S	3.41%	Liquid alternatives
MAN ALTERNATIVE RISK PREMIA - CLASS A SHARES (AUD)	3.39%	Liquid alternatives
DAINTREE CORE INCOME TRUST	3.32%	Rates & credit
RUSSELL GLOBAL LISTED REAL ASSET FUND	3.02%	Equities

Source: Atrium Investment Management. Asset allocations may change at any time. May not include all open futures or derivatives positions. Cash may include allocations to shorter term rates and credit investments that may, at times, be subject to capital volatility. Holdings are based on input data available as at the date of this report.

Market update

In April 2025, global share markets fell sharply due to concerns over US President Donald Trump's aggressive trade policies, including reciprocal tariffs on over 180 countries. Hard-hit nations like China and the European Union retaliated, escalating fears of a global trade war. The US economy showed signs of slowing, contracting by 0.3% in the March quarter, with consumer spending at its weakest since 2023. Inflation rose modestly and consumer confidence dropped to a five-year low, with recession fears mounting. Trump's unpredictable behavior, including flip-flopping on tariffs, caused significant market volatility, though concessions late in the month brought some calm.

Central banks globally responded to economic uncertainty. The US Federal Reserve held rates steady but warned of inflationary risks from tariffs. The European Central Bank cut rates further, citing disinflation and deteriorating growth prospects. The Bank of England and Reserve Bank of Australia are expected to lower rates in May, while the Bank of Japan maintained its rate amid trade concerns.

Corporate earnings were mixed, with strong results from companies like Microsoft and Meta, but misses from Tesla and BP. China's GDP grew 5.4%, exceeding expectations, though manufacturing contracted due to tariffs. Australian shares performed well late in the month, aided by speculation of eased tariffs and rate cut expectations.

The Australian dollar rose against the US dollar but fell against other major currencies. Looking ahead, we see risks to both growth and inflation, but a severe recession is not our base case, and we remain neutral on equities. Diversification remains key, with non-US equities offering value. Bonds and infrastructure continue to be resilient investment options, while the USD appears overvalued compared to currencies like the AUD and Japanese Yen. Global trade tensions and policy uncertainty remain critical watchpoints for markets.

Performance

The Fund advanced for the month despite a fall in global equity markets. Australian equities contributed positively and there were solid relative returns from underlying global equity strategies that helped cushion market falls. Gains from the Fund's tail risk hedging strategies, through the volatility created by US tariff policies and retaliation from China and Europe, helped returns, as did the decision to increase the Fund's currency hedging (reducing US dollar exposure in particular) as the AUD fell to 59c but then recovered to above 64c. Listed real assets performed relatively well as investors sought defensive assets.

In equities, Hyperion Global Growth Companies Fund bounced, outperforming the broader market and Antipodes Global Fund and Fairlight Global Small and Mid-Cap Fund both again outperformed. Northcape Capital Emerging Markets strongly outperformed the emerging markets index thanks to overweight allocations to Mexico and India, both relative winners from aggressive "Liberation Day" US tariff announcements, particularly the 145% tariff on China which has since been tapered. Our recent allocations to the Russell Australian Equity Opportunities Fund and the Russell Global Listed Real Assets Fund were marginally behind the benchmark for the month.

Liquid alternatives allocations were a detractor over the month as trend following strategies including One River Systematic Trend were hurt by continued choppy markets and a reversal in longer-term trends. Crown Diversified Macro was hurt by a long position in energy commodities and short positions in some of the more defensive currency exposures including the Swiss Franc and the Japanese Yen but benefited again from the rally in gold.

Credit strategies were modestly lower as spreads widened on the perception of increased recession risk.

Portfolio changes

Key changes over the month were limited to an adjustment to currency and interest rate duration hedging. In foreign currency we reduced total exposure but also diversified away some of the US dollar exposure which is at risk of further declines from the aggressive US trade policy, which is causing economic growth to slow and investors to look elsewhere to allocate their capital. We added to interest rate duration via 10-year Australian government bond futures to enhance diversification and collect a term premium above the cash rate which has become reasonable after years of low rates.

Outlook

Volatility in global markets has increased as tariffs and policy uncertainty begin to offset the positive effects earlier in the year of the anticipation of lower interest rates and a business-friendly US administration. Diversification outside of bonds has increased in importance as traditional safe havens like USD and US treasuries become more correlated to equities. We remain positive and have positioned the portfolio to weather volatility with high levels of diversification including tail risk hedging strategies and alternatives to equity and bond markets.

For more information

If you have any questions, please contact your Financial Adviser or www.atriuminvest.com.au

Important Information:

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