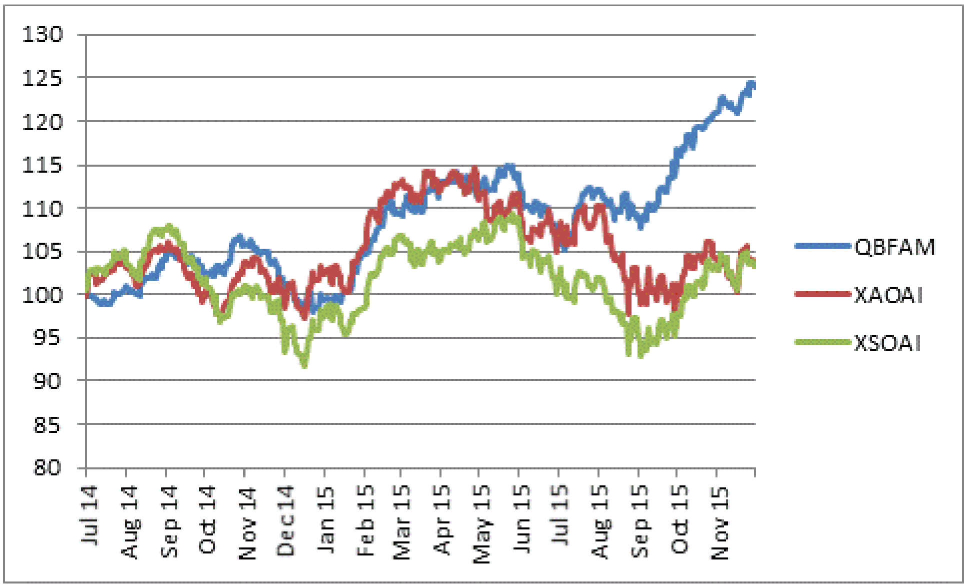
Quick Brown Fox Asset Management

Monthly Report – November 2015

November was a mixed month across the board for the equity markets with the All Ordinaries finishing -0.69%. The fund performed substantially better than the market +2.52%.

	1 month	3 months	6 months	1 year	Since Inception
					1-Jul-14
QBFAM	2.52%	13.85%	8.99%	21.96%	24.22%
XAOAI	-0.69%	1.27%	-7.43%	3.05%	3.40%
XSOAI	0.02%	6.57%	-4.95%	6.61%	3.51%

The fund maintained its recent momentum and the continue rise gave us an opportunity to realise profits in certain positions.

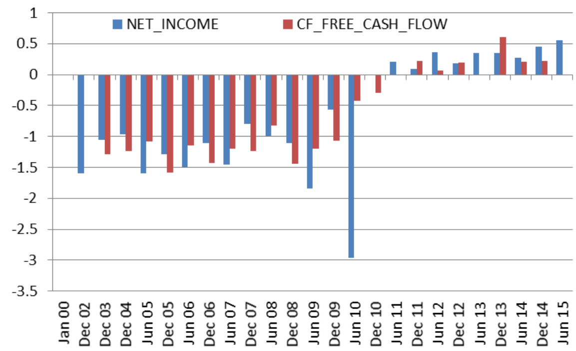


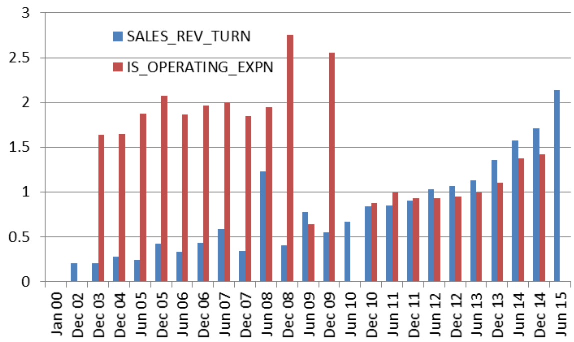
New Positions

ICSGlobal Limited

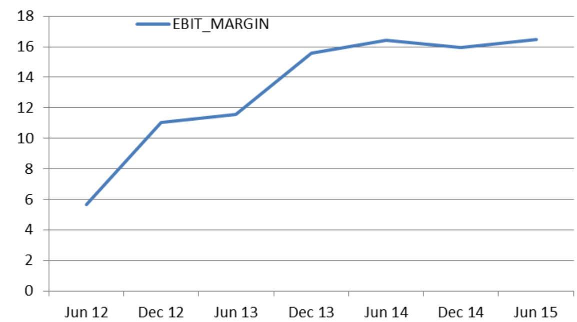
ICSGlobal is a holding company with the key investment being its 100% owned subsidiary Medical Billing and Collection (MBC). This business provides medical billing services in the UK. Effectively the company takes over 100% of the billing operations for medical practitioners and allows them to focus on the patients.

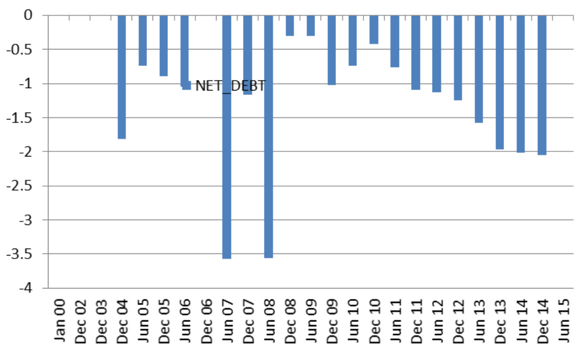
The business has been consistently profitable since 2011 and revenues are growing strongly. At the recent AGM the company stated that in July to September revenues have grown 40% over the same period last year. This comes from recent contract wins and underpins continued growth going forward.





Margins have increased with increased scale and the company has built up a cash pile. It now pays a regular dividend and growth in profits should underpin dividend growth. This makes the company an attractive investment proposition.

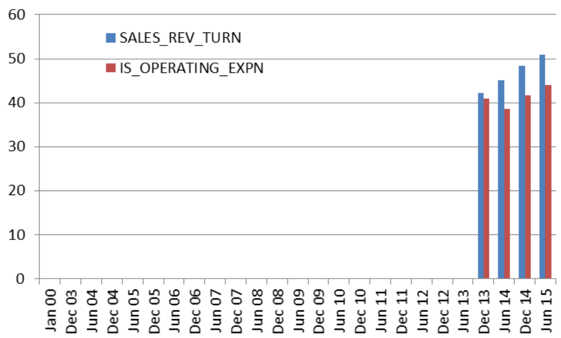


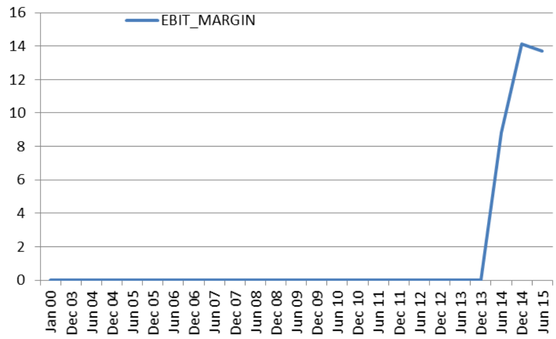


Lifeheathcare Group

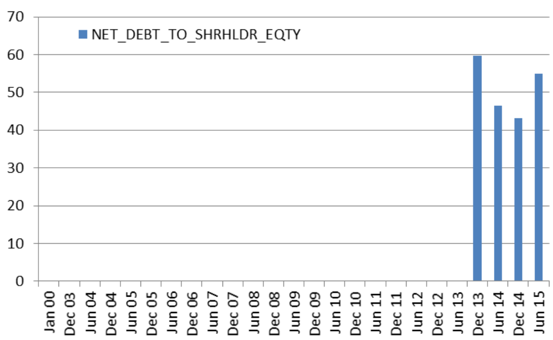
Lifehealthcare Group is a distributor of medical products. They have a diverse suite of clients and a strong network of medical professionals. Through this diversity on both sides the company's earnings have been resilient in recent years.

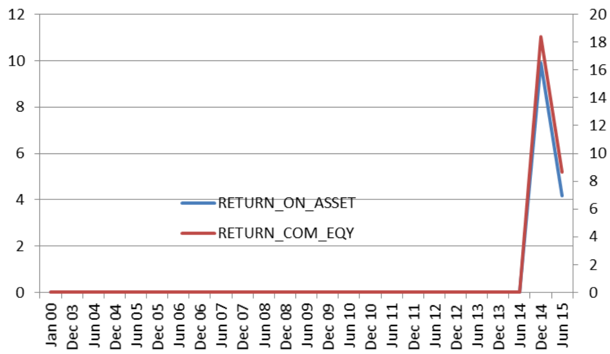
The company has seen strong revenue growth as new products are introduced and they acquire smaller competitors. Margins are very stable indicating stable pricing.





Gearing has risen recently on the back of a recent acquisition which led to a one-off decline in returns. We would expect both to improve in upcoming periods.



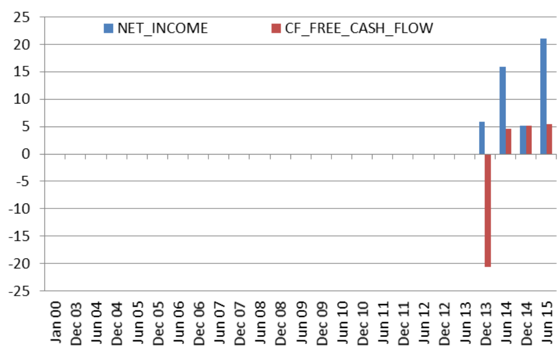


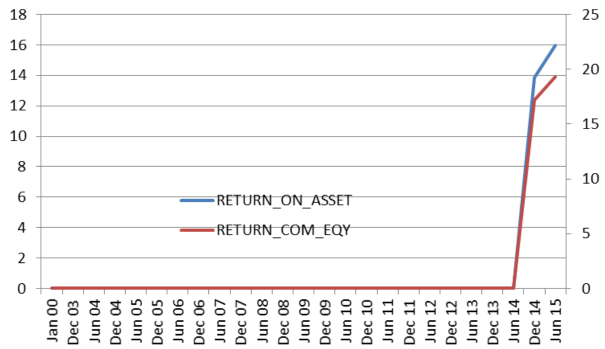
The key risks for the business are loss of distribution contracts as they don't own the products. For this reason some investors may consider this a low quality business but the attraction of the distribution network remains their key advantage. This as well as a P/E of 12x suggests the stock looks like an attractive investment proposition at this time.

Asia Pacific Data Centre Group

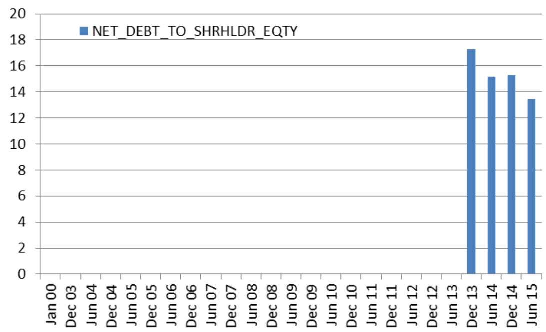
Asia Pacific Data Centre Group (AJD) is a REIT that was spun out of Data Centre operator NextDC in 2013. Whilst Data Centres have been a hot sector in the investing world we feel that the REIT component has been ignored to a degree. AJD is the first such play in Australia and as a result has an opportunity to lead the consolidation of the sector once its partnership agreement with NextDC ends in December.

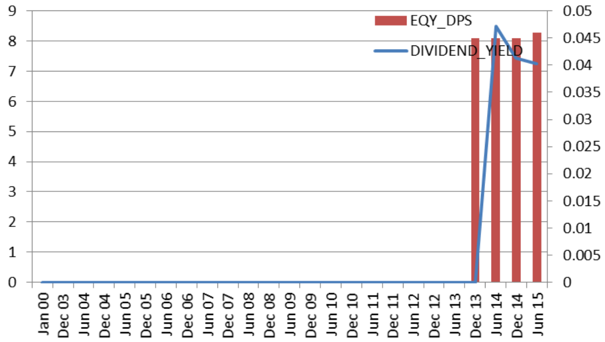
The company has been comfortably profitable since listing and has very high returns on capital for a REIT (boosted by revaluations over the last 2 years).





It pays a solid dividend (over 7% on a 1 year forward basis) and has very low gearing. This balance sheet strength gives it plenty of flexibilty to expand.





The Portfolio

The fund is currently invested in 14 positions and retains a cash balance of 34%. The cash balance is up from 30% at the end of October. This is despite introducing the 3 new positions above and comes about from exiting AGI and OFX as well as reducing positions in TME and BGL.