

PENGANA EMERGING COMPANIES FUND

DESCRIPTION

The Pengana Emerging Companies Fund combines the skills of highly experienced small company investors (collectively over 45 years' experience) with a limited fund size and an objective of providing above market returns over the medium term. Our benchmark is the S&P/ASX Small Ordinaries Accumulation Index. The fund managers Steve Black and Ed Prendergast are part owners of the business and investors in the Fund, providing a strong incentive to perform. The Fund has strong research ratings from all major research houses and over the period since its inception has delivered returns well above benchmark.

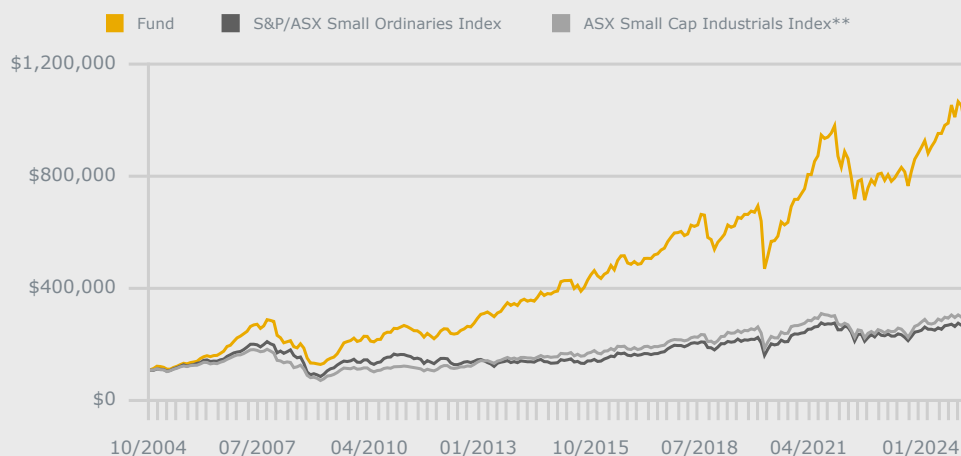
PERFORMANCE TABLE

NET PERFORMANCE FOR PERIODS ENDING 30 Apr 2025 ¹

	1 MTH	1 YEAR	3 YEARS P.A.	5 YEARS P.A.	10 YEARS P.A.	15 YEARS P.A.	SINCE INCEPTION P.A.
Emerging Companies Fund	0.7%	12.2%	4.7%	14%	8.8%	10.4%	11.8%
S&P/ASX Small Ordinaries Index	1.8%	3.7%	0.3%	7.7%	6.3%	4.2%	4.7%
Outperformance	-1.1%	8.5%	4.4%	6.3%	2.5%	6.2%	7.1%
ASX Small Cap Industrials Index**	1.9%	3.2%	1.7%	6.4%	5.6%	6.3%	5.1%
Outperformance	-1.2%	9.1%	3%	7.5%	3.2%	4.1%	6.7%

PERFORMANCE CHART

NET PERFORMANCE SINCE INCEPTION ²



APRIL REPORT

COMMENTARY

The Fund was up 0.7% in April, underperforming the Small Industrials by 1.2% and underperforming the Small Ordinaries by 1.1%. For the 12 months to April, the Fund was up 12.2%, outperforming the Small Industrials Index by 9.1% and outperforming the Small Ordinaries Index by 8.5%.

April saw chaotic volatility in global markets driven by the White House trade policies. Uncertainty abounded, tariff strategies were altered without warning, rhetoric was combative, and implications were very difficult to calmly assess. The US market fell 15%, only to recover and close the month up by 1.7%. Bond markets were also erratic, with yields initially falling on a safe-haven basis, only to rise sharply due to concerns about the US debt position. The oil price fell 16% on fears of a global economic slowdown, while the gold price rallied a further 5%, again as a safe-haven asset. The Australian market fell 12% at the lows, only to recover to show a positive monthly gain of 3.6%. Smallcap stocks rose 1.8%, notwithstanding a dramatic 13% drop in the first two weeks of April.

Making sense of this volatility is difficult. Our portfolio has minimal exposure to stocks affected by US tariffs (**Breville** and **Lovisa**, both small positions in the fund), and the vast majority of our positions are companies whose earnings have little or no reliance on the strength of the economy. We do not see the need to dramatically adjust our portfolio, and will watch for more certainty about trade policies and economic risks as the situation evolves.

Our key positive contributors in April were:

ALS Group (+12%) rose after a positive trading update, and increasing confidence that high gold prices will drive exploration activity through its laboratories. Various high growth stocks that had earlier underperformed in the market correction recovered very strongly during the month in the absence of any stock specific news – for example, **Catapult** (+18%), **CAR Group** (+6%), **Technology One** (+8%), and **Netwealth** (+10%).

Our key negative contributors in April were:

Generation Development (-17%) corrected sharply following a quarterly update, which showed a slight delay in the on-boarding of a larger account in the newly acquired Evidentia business. The market wiped off almost 100% of the purchase price of Evidentia, which we saw as a major overreaction. **Breville** (-9%) fell due to fears that tariffs will prove disruptive to their US sales (we note the 2018 tariffs had no material impact on earnings growth, and will monitor this closely). Sentiment toward **Worley** (-14%) was impacted by the lower oil price. **Propel Funerals** (-3%) and **EQT Holdings** (-5%) faded as their relatively defensive business models were overlooked in the volatility.

🏆 TOP HOLDINGS (ALPHABETICALLY)

ALS Ltd.	Industrials
Breville Group Limited	Consumer Discretionary
CAR Group Limited	Communication Services
Charter Hall Group	Real Estate
Generation Development Group Limited	Financials
HUB24 Limited	Financials
Netwealth Group Ltd.	Financials
Propel Funeral Partners Ltd.	Consumer Discretionary
SGH Limited	Industrials
Technology One Limited	Information Technology

☑️ FEATURES

APIR CODE	PER0270AU
REDEMPTION PRICE	A\$ 2.4128
FEES *	Management Fee: 1.3340% Performance Fee: 20.5% of the performance above the benchmark
FUM AT MONTH END	A\$ 813.77m
STRATEGY INCEPTION DATE	1 November 2004
BENCHMARK	S&P/ASX Small Ordinaries Accumulation Index

👤 FUND MANAGERS



Ed Prendergast
Senior Fund Manager



Steve Black
Senior Fund Manager

¹ Net performance figures are shown after all fees and expenses, and assume reinvestment of distributions. No allowance has been made for buy/sell spreads. Please refer to the PDS for information regarding risks. Past performance is not a reliable indicator of future performance, the value of investments can go up and down.

² Inception 1 November 2004.

* For further information regarding fees please see the PDS available on our website.

** The Fund does not invest in resource stocks.

PENGANA EMERGING COMPANIES FUND

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