

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.

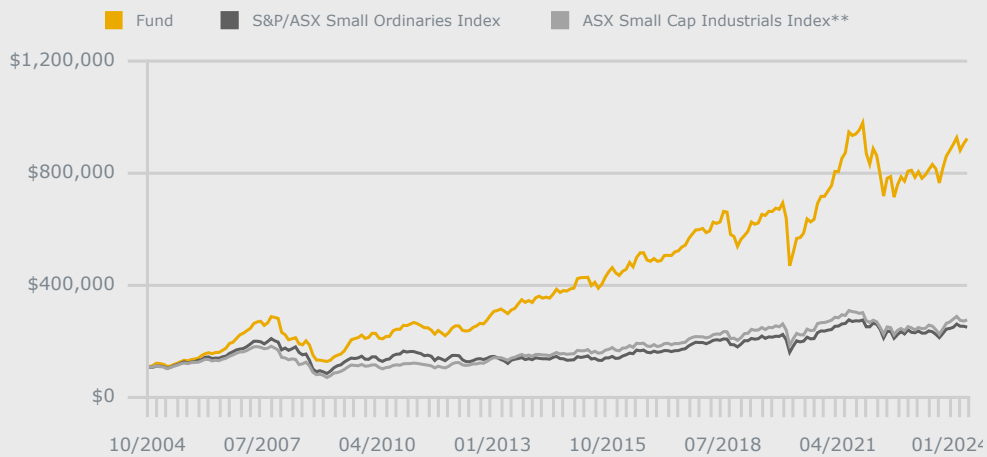
PERFORMANCE TABLE

NET PERFORMANCE FOR PERIODS ENDING 30 Jun 2024¹

	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	2.1%	16.5%	2.7%	8.3%	10.2%	12.9%	11.9%
S&P/ASX Small Ordinaries Index	-1.4%	9.3%	-1.5%	3.7%	6.4%	5.4%	4.7%
Outperformance	3.5%	7.1%	4.3%	4.6%	3.7%	7.4%	7.3%
ASX Small Cap Industrials Index**	1.4%	12.4%	-2.2%	2.9%	6.6%	7.8%	5.2%
Outperformance	0.6%	4.1%	4.9%	5.4%	3.6%	5.0%	6.7%

PERFORMANCE CHART

NET PERFORMANCE SINCE INCEPTION²



JUNE REPORT

COMMENTARY

The Fund rose 2.1% in June, outperforming the Small Industrials by 0.6% and outperforming the Small Ordinaries by 3.5%. For the 12 months to June, the Fund was up a strong 16.5%, outperforming the Small Industrials and Small Ordinaries Indices by 4.1% and 7.1%, respectively.

Global markets were mixed over June, with the tech heavy US market (S&P 500 Index) up 3.6% however European indices were generally lower. The US market continues to be buoyed by strong investor appetite for artificial intelligence stocks with the bellwether NVIDIA up 37% over the June quarter and in the process becoming the world's largest public company. The US market is also being supported by the bigger picture view from the US Federal Reserve that inflation is moderating and an easing in interest rates is likely this year.

The Australian market (ASX200 Acc Index) rose 1.0% over June. Locally on the economic front markets remain volatile around key data prints. May CPI increased to 4% year on year (from 3.6% in April) and first quarter GDP fell to just 0.1%. Stage 3 tax cuts have now come into effect which some economic commentators suggest is the equivalent of a full 1% RBA interest rate cut in stimulation to the economy. This stimulus however has the potential to be quite inflationary and this is at a time when Australia, more than most, has struggled to gain control over inflation.

July is traditionally a quieter period in the lead up to the August reporting season however the market will remain focussed on profit updates as the company's Directors gather to sign off their yearly accounts. Looking forward we continue to see fertile ground for identifying mispriced small cap industrial stocks.

Our positive contributors in June included:

Jumbo Interactive (+6.7%) benefited from large Powerball Lotto jackpots which tends to grow their customer base. **Pro Medicus** (+19.2%) rose after announcing key hospital contracts for their imaging software. **AUB Group** (+7.2%) continued to rebound after underperforming early in the year. **Generational Development Group** (+18.7%) rallied after announcing the strategically sensible purchase of the remaining balance of financial services company Lonsec. The acquisition was funded through an equity raising which we participated in. **Propel Funerals** (+5.7%) performed well in a soft market, again highlighting the resilience of their business model in terms of both organic and acquisitive growth.

Our negative contributors in June included:

Seven Group (-3.9%) due to feared delays with infrastructure projects at Coates hire and Boral. We expect outperformance at Westrac will more than offset these short term influences. **Charter Hall Group** (-5.9%) fell in response to rising bond yields. The broader property trust sector was also very weak over the quarter. **Coast Entertainment** (-8.0%) drifted as consumers reduce discretionary spending. **Megaport** (-17.2%) fell after strong gains as the market now awaits further evidence of success with its new sales team.

TOP HOLDINGS (ALPHABETICALLY)

ALS Ltd	Industrials
AUB Group Ltd	Financials
Aussie Broadband Ltd	Communication Services
CAR Group Ltd	Communication Services
EQT Holdings Ltd	Financials
HUB24 Ltd	Financials
Jumbo Interactive Ltd	Consumer Discretionary
Netwealth Group Ltd	Financials
Propel Funeral Partners Ltd	Consumer Discretionary
Webjet Ltd	Consumer Discretionary

FEATURES

APIR CODE	PER0270AU
REDEMPTION PRICE	A\$ 2.3475
FEES *	Management Fee: 1.3340% Performance Fee: 20.5% of the performance above the benchmark
FUM AT MONTH END	A\$ 758.74m
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

PENGANA CAPITAL LIMITED

ABN 30 103 800 568

AFSL 226566

CLIENT SERVICE

T: +61 2 8524 9900

F: +61 2 8524 9901

E: clientservice@pengana.com



PENGANA.COM

Pengana Capital Ltd (ABN 30 103 800 568, Australian financial services license number 226566) is the issuer of units in the Pengana Emerging Companies Fund (the "Fund"). A Product Disclosure Statement (PDS) and Target Market Determination are available and can be obtained from our distribution team. A person should obtain a copy of the product disclosure statement and should consider the product disclosure statement carefully before deciding whether to acquire, or to continue to hold, or making any other decision in respect of, the units in the Fund. This report was prepared by Pengana Capital Ltd and does not contain any investment recommendation or investment advice. This report has been prepared without taking account of any person's objectives, financial situation or needs. Therefore, before acting on any information contained within this report a person should consider the appropriateness of the information, having regard to their objectives, financial situation and needs. Neither Pengana Capital Ltd nor its related entities, directors or officers guarantees the performance of, or the repayment of capital or income invested in, the Fund. An investment in the fund is subject to investment risk including possible delays in repayment and loss of income and principal invested.