

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.

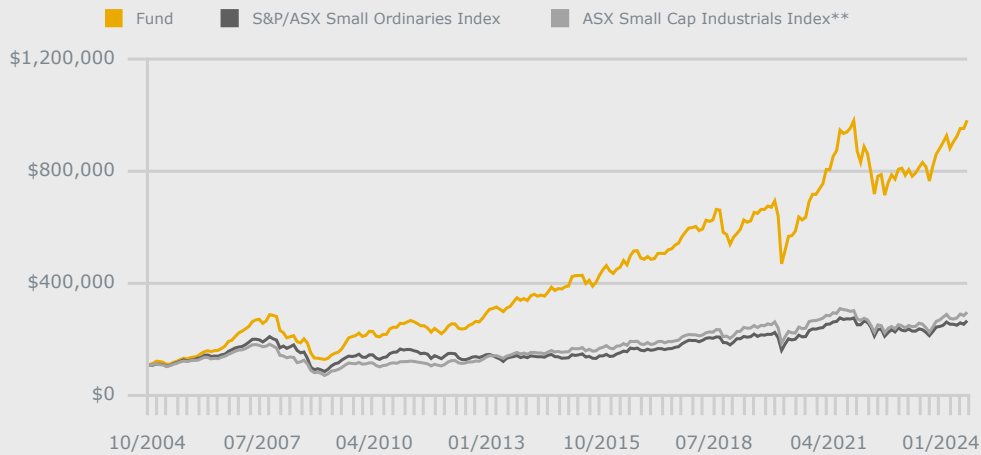
PERFORMANCE TABLE

NET PERFORMANCE FOR PERIODS ENDING 30 Sep 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	3.1%	20.5%	1.7%	8.2%	10.2%	11.1%	12.1%
S&P/ASX Small Ordinaries Index	5.1%	18.8%	-0.6%	4.4%	7.0%	4.5%	4.9%
Outperformance	-2.0%	1.7%	2.2%	3.8%	3.3%	6.7%	7.2%
ASX Small Cap Industrials Index**	4.3%	23.3%	-1.0%	3.6%	6.9%	6.7%	5.5%
Outperformance	-1.2%	-2.8%	2.7%	4.6%	3.3%	4.4%	6.6%

PERFORMANCE CHART

NET PERFORMANCE SINCE INCEPTION²



SEPTEMBER REPORT

COMMENTARY

The Fund was up 3.1% in September, underperforming the Small Industrials by 1.2% and underperforming the Small Ordinaries by 2.0%. For the 12 months to September, the Fund was up 20.5%, underperforming the Small Industrials Index by 2.8% and outperforming the Small Ordinaries Index by 1.7%.

Co-Portfolio Manager Steve Black recently provided an exclusive webinar as the Fund approaches its 20-year milestone. In this insightful session, Steve dives into the current portfolio, breaks down the factors driving recent performance, and shares valuable perspectives on the market trends the investment team is closely monitoring for the road ahead. CPD points are applicable for Australian Financial Planners [HERE](#).

After a brief wobble early in the month, global markets edged higher in September with a larger than expected interest rate cut in the US driving the American market up 2.5% and boosting bond prices slightly. Oil prices fell sharply, while the gold price rose to another all-time high driven primarily by central bank demand and investors seeking a hedge against a potentially weaker USD. The Chinese government revealed a dramatic change in policy, unveiling a range of monetary and fiscal measures aimed at curtailing deflation, stabilising a weak property market, and reigniting consumer demand.

Australian shares rose 2.2% with mining stocks up 12% driven by the Chinese stimulus and higher gold prices. Domestic smallcaps stocks rose 4.4% with small mining stocks outperforming strongly.

Our key positive contributors in September were:

Aussie Broadband (+15%) bounced after a positive research report brought attention to the stock. **Catapult** (+15%) and **Promedicus** (+18%) continue to re-rate as the market appreciates the global growth opportunity for two global leaders in their respective software fields. **Netwealth** (+10%) remains in a good position to gain further market share in the domestic platform market, while **ZIP Co** (+15%), which is a small investment for us, is exposed to the rising trend of buy-now-pay-later in the US market.

Our key negative contributors in September were:

ALS Group (-8%) retraced after a mild profit warning based on lower volumes in the gold assay market – an effect we see likely to reverse given the recent strength in the gold price. **Coast Entertainment** (-15%) has drifted as domestic tourism activity is under pressure due to poor consumer sentiment. **Infomedia** (-9%) and **Propel Funerals** (-5%) faded in the absence of any stock specific news. **Steadfast** (-11%) was hit following an investigation into potential conflicts of interest in its strata insurance arm.

TOP HOLDINGS (ALPHABETICALLY)

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

FEATURES

APIR CODE	PER0270AU
REDEMPTION PRICE	A\$ 2.4435
FEES *	Management Fee: 1.3340% Performance Fee: 20.5% of the performance above the benchmark
FUM AT MONTH END	A\$ 802.03m
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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