

The Eley Griffiths Group Emerging Companies Fund (Fund) increased +1.2% in June compared to the Small Ordinaries Accumulation Index which fell -1.4%. Over the financial year, the fund achieved a gain of +23.2%. Since its inception in March 2017, the Fund has delivered a return of +14.5% per annum after fees for its unitholders.

The trajectory of interest rates remains the focal point for investors globally. In the US, the market is still pricing at least one rate cut by the end of CY24, with confidence in that view firming given both inflation (CPI) and employment pressures (eg. unemployment rate, payrolls) appear to be moderating.

Notably, June saw the commencement of easing cycles by both the Canadian and European Central Banks, with the Swiss Central Bank cutting for a second time (the first was in March). Australia may well prove to be the outlier, with the market increasingly betting on a rate hike before the year is out. Time will tell.

Financials, Health Care and Information Technology were among the better performing sectors in June, but not enough to offset weakness elsewhere, particularly amongst Materials and Energy names.

On the corporate front, notable activity for the Fund included Infratil (IFT; +5.0%) raising NZ\$1b to fund its data centre growth pipeline, as well as the IPO of Mexican QSR player Guzman y Gomez (GYG; +24.6%). Finally, radiology group Integral Diagnostics (IDX; +9.4%) made a play for peer Capitol Health (CAJ).

Spartan Resources (SPR; +31.3%) attracted the attention of neighbouring gold producer Ramelius Resources (RMS), following a share price raid in June. RMS initially acquired ~9% and have since topped up their holding to ~18% of SPR.

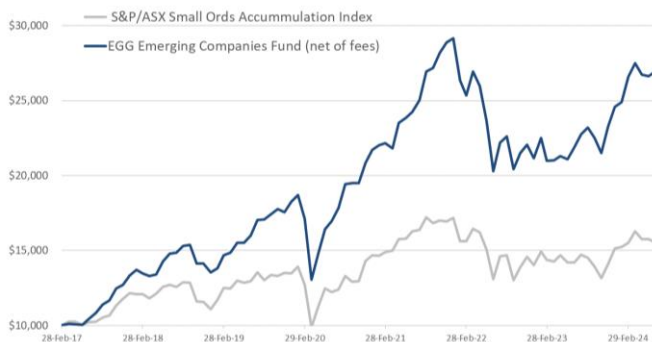
Other contributors to Fund performance included Superloop (SLC; +13.8%), which confirmed continued momentum in customer adds in 2HFY24 and the commencement of its wholesale contract with Origin Energy.

Commodity plays AIC Mines (copper) and Silex Systems (uranium) were among the major detractors. Playside Studios (PLY; -9.5%) was a drag on performance as well, despite upgrading FY24 guidance in late May.

Returns post fees	1 Month	3 Months	1 Year	3 years p.a.	5 years p.a.	7 years p.a.	Incep <sup>A</sup> p.a.
EGG Emerging Companies Fund	+1.21%	-2.01%	+23.23%	+3.58%	+10.99%	+14.52%	+14.48%
S&P/ASX Small Ord Accumulation Index (XSOAI)	-1.39%	-4.46%	+9.35%	-1.55%	+3.70%	+6.15%	+6.19%
<b>Outperformance</b>	<b>+2.60%</b>	<b>+2.45%</b>	<b>+13.88%</b>	<b>+5.13%</b>	<b>+7.29%</b>	<b>+8.37%</b>	<b>+8.29%</b>

<sup>A</sup>Fund inception March 2017. Total net returns represent past performance only. **Past performance is not a reliable indicator of future performance.** Total returns (net) have been calculated using exit prices and take into account the applicable buy/sell spread and are net of Eley Griffiths Group's management fees and assumes reinvestment of distributions. No allowance has been made for taxation or any fees charged by operators of master trusts or wrap accounts through which the products are offered. Returns of more than one year are annualised. Returns of the Fund can be volatile and in some periods may be negative. The return of capital is not guaranteed. Numbers may not sum due to rounding

### \$10,000 SINCE INCEPTION (AFTER FEES)



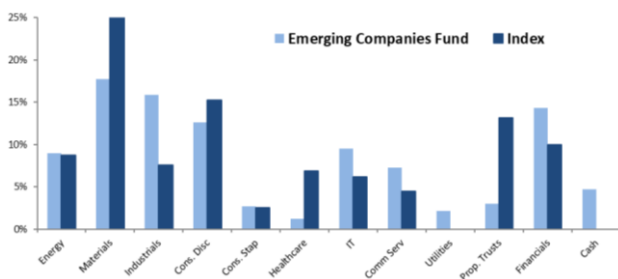
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### STOCK ATTRIBUTION\*

Code	Stock	Sector
<b>Top 3 Contributors</b>		
PNI	Pinnacle	Financials
SPR	Spartan Resources	Materials
SLC	Superloop	Communication Services
<b>Bottom 3 Detractors</b>		
A1M	AIC Mines	Materials
PLY	Playside Studios	Communication Services
SLX	Silex Systems	Industrials

\* Alphabetical order as at 30 June 2024

### FUND SECTOR ALLOCATION



### TOP 5 ACTIVE POSITIONS\*

Code	Stock	Sector
GEM	G8 Education	Consumer Discretionary
GMD	Genesis Minerals	Materials
IFT.NZ	Infratil	Industrials
PNI	Pinnacle	Financials
SLC	Superloop	Communication Services

\* Alphabetical order as at 30 June 2024

## ELEY GRIFFITHS GROUP

Founded in 2003, Eley Griffiths Group (“EGG”) is an Australian specialist investment management company. EGG is 100% owned by its staff and the investment team is heavily aligned with client outcomes.

**Philosophy:** EGG believes that markets do not always price small and mid cap companies efficiently and that these inefficiencies can be exploited using market experience and a disciplined stock selection methodology. The investment case for a stock can only be established through rigorous qualitative and quantitative analysis on a company-by-company basis and subject to several risk filters. The application of a proven investment process combined with active risk management is key to adding value through the market cycle.

**Style:** EGG is not constrained by traditional growth or value styles, believing an investment process and style needs to be flexible and adaptable to a dynamic global economy. Our portfolios are built from the “bottom up” and are based on forward-looking relative earnings growth subject to valuation and a qualitative overlay - an approach that ensures we are not anchored to any one *style* of investing. This approach aims to provide consistent outperformance through all market conditions, irrespective of the economic cycle and is generally known as style *neutral* or style *agnostic* investing.

## FUND INFORMATION

**Benchmark:** S&P/ASX Small Ordinaries Accumulation Index

**Number of stocks:** 35-55

**Universe:** ASX/NZX listed stocks outside the S&P ASX 200

**Fund Inception:** March 2017

**Cash distributions or unit reinvestments:** Annually

**Management fees:** 1.25%p.a.

**Performance fees:** 15.375% p.a. of Outperformance above the S&P/ASX Small Ordinaries Accumulation Index (After Base Management Fee)

**Fund size:** \$272.8m

**Minimum Investment:** \$10,000

**Unit Price:** Daily

**APIR Code:** PIM5346AU

**ARSN CODE:** 616328128

### Investment Enquires:

John Price | Head of Distribution & Operations

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### Existing investor administration:

Link Fund Solutions

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## ELEY GRIFFITHS GROUP EMERGING COMPANIES FUND

The Fund offers investors exposure to a diversified portfolio of Australian listed emerging companies that reside outside the S&P ASX200 Index. The Fund is benchmarked against the S&P ASX Small Ordinaries Accumulation Index.

The team combines fundamental bottom-up research of companies with an in-depth qualitative assessment of their management and industry structure. Our proprietary investment process, known as SCOPE (Small Company Optimal Portfolio Evaluation), is a relative stock scoring tool that ranks stocks from highest to lowest based on their score. The portfolio comprises the best scoring stocks, subject to a number of risk constraints, such as maximum active position size and liquidity.

This fund is appropriate for investors with “High” and “Very High” risk and return profiles. A suitable investor for this fund is prepared to accept high risk in the pursuit of capital growth with a medium to long investment timeframe. Investors should refer to the [TMD](#) for further information.

## PORTFOLIO MANAGERS



**Ben Griffiths** is the managing director and a portfolio manager at EGG and has around 40 years of financial markets experience. He co-founded EGG in 2003 with Brian Eley following a successful career as joint head of small companies at both BT Financial Group and ING Investment Management. Ben is a graduate of the Australian Institute of Company Directors and holds a Bachelor of Commerce from the University of NSW.

**David Allingham** David Allingham is a portfolio manager at EGG and has over 19 years’ experience analysing mid, small and emerging companies at EGG. Prior to joining EGG in 2004, David worked in marketing at EMI Music Australia. David holds a Bachelor of Commerce from the University of Sydney.

**Tim Serjeant** is a portfolio manager at EGG and has over 17 years’ experience analysing mid, small and emerging companies. Prior to joining EGG in July 2012, Tim was a Resources Analyst at Argonaut, a boutique investment bank and stockbroking firm. Tim holds Bachelor of Commerce (Honours in Finance) and Bachelor of Arts degree from the University of Western Australia.

**Nick Guidera** is a portfolio manager at EGG with over 13 years of financial market experience. Nick joined Eley Griffiths Group in September 2016 after 6 years with stockbroker CLSA, in both analytical and research sales roles locally and in the US. Prior to financial markets, Nick spent 4 years as a practicing lawyer. Nick holds a Bachelor of Laws & Graduate Certificate of Legal Practice from University of Technology and a Master of Financial Management from the Macquarie Graduate School of Management.

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