VALUE EARTH FUND

Latest Unit Price	Return Since Inception	Return 1 Month	Monthly Currency Impact
$1.0522	**5.22%**	**-2.44%**	**HEADWIND MODERATE (1-3%)**

FUND OUTLINE

Fund Manager:

Declan McLenaghan (PM)

The Value Earth Fund is a wholesale fund investing in a portfolio of undervalued global companies that meet our minimum ESG criteria. Companies are located in developed economies around the world.

	Country Break Up	% of NAV
	Australia	15.0%
	Europe	11.6%
	Nordics	11.4%
	United States	26.2%
	UK	15.4%
	Israel	5.3%

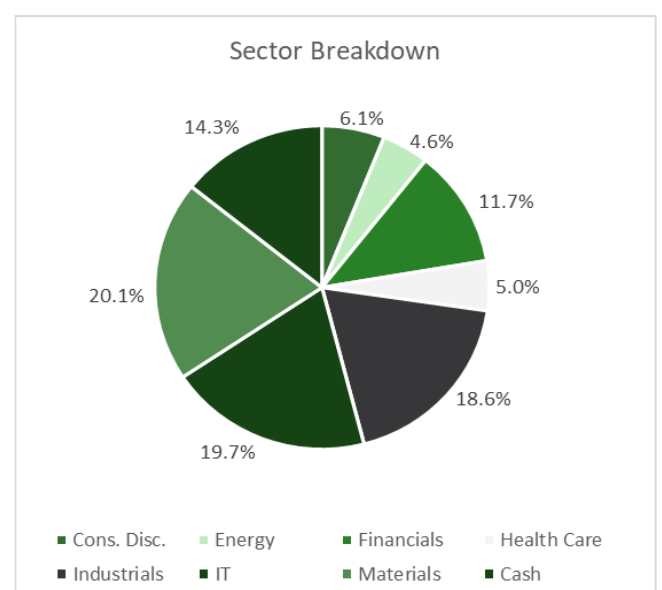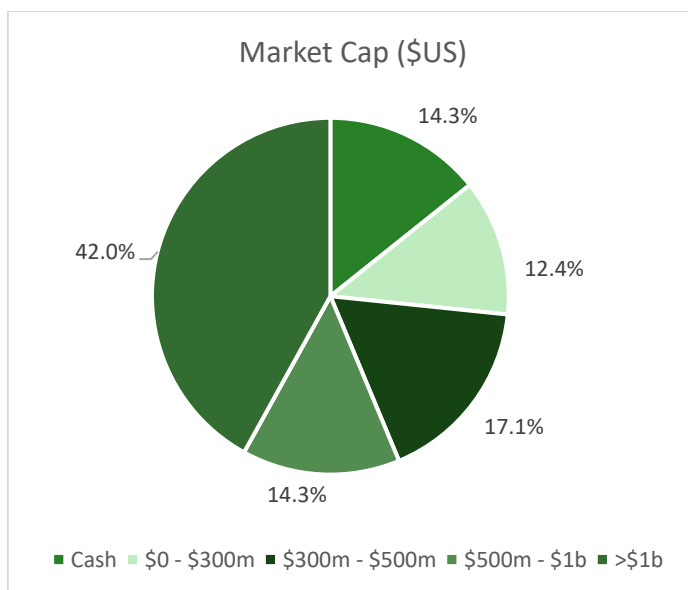|	Total since inception*	6 Month	3 Month	1 Month
VEF	5.22%	-	-	-2.44%
Benchmark**	5.49%	-	-	-3.44%

*Inception date 1 July 2024. **MSCI World Small Cap in Australian Dollars

Market Cap ($US)

- 42.0%
- 14.3%
- 12.4%
- 17.1%
- 14.3%

■ Cash ■ $0 - $300m ■ $300m - $500m ■ $500m - $1b ■ >$1b

Sector Breakdown

- 14.3%
- 6.1%
- 4.6%
- 11.7%
- 5.0%
- 18.6%
- 19.7%
- 20.1%

■ Cons. Disc. ■ Energy ■ Financials ■ Health Care
■ Industrials ■ IT ■ Materials ■ Cash

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MARKET UPDATE AND COMMENTARY

The US Federal Reserve's preferred measure of inflation, the Personal Consumption Expenditure Price Index (PCE), remained unchanged at 2.5%, slightly below the market expectation of 2.6%. This stable figure paves the way for the Fed to consider a rate cut at the next meeting on the 17th of September. This data point follows comments made earlier this month by Federal Reserve Chairman Jerome Powell, who noted that "the time has come for policy to adjust," reflecting growing confidence that the US economy is moving toward the Fed's inflation target of 2%. This shift marks a significant moment in US monetary policy, after a period during which the central bank raised rates to their highest levels in over 20 years. In another indication of the US economy's remarkable soft landing, consumer spending for July increased by a solid 0.5%, a robust figure suggesting that the Fed is unlikely to cut rates by more than 25 basis points at its upcoming meeting. Meanwhile, domestically, Australia is unlikely to see a rate cut in 2024, as persistent wage increases continue to stoke inflation, which is more structural in nature and therefore harder to reduce.

Value Earth Fund returned -2.44% in August.

As anticipated, August was a busy month, with 16 of the 27 companies in the Fund reporting their financial results, with most broadly in line with expectations. Of note, Elopak, the Norwegian carton packaging and equipment manufacturer, reported 2Q24 earnings. While growth in some markets was impacted by softer consumer spending and production delays with board suppliers in the USA, Elopak grew revenue and profit margins, and the positive momentum in 1H24 is expected to continue in H2. The company continues to take share in key markets, helping drive the shift from plastic to more sustainable carton packaging. Elopak is holding their Capital Markets Day in early September, and we look forward to hearing more about the business and strategy at that time.

Investors should note that we have exited our holdings in Volue, which received a takeover offer in early July, at the end of August. This explains why the number of investee companies fell by 1 during the month, and our elevated cash position. Given the uncertain timeline to complete the takeover and the shares trading very close to the SEK 42 takeover price, we sold to redeploy the cash elsewhere. We are currently researching several interesting companies and will redeploy the proceeds in the very near future.

Projected EPS Growth 1-year forward (on a weighted basis)	8.4%
Projected EPS Growth 2-year forward (on a weighted basis)	21.4%

Number of companies	27
Top 5 Holdings % of NAV	30.90%
Top 10 Holdings % of NAV	50.16%
Top 20 Holdings % of NAV	76.38%
Cash Position % of NAV	14.27%