

MONTHLY PERFORMANCE AS AT 30/11/2024







Latest Unit Price	Return Since Inception	Return 1 Month	Monthly Currency Impact
\$1.0919	9.19%	1.69%	TAILWIND LOW (0-1%)

FUND OUTLINE

Fund Manager:

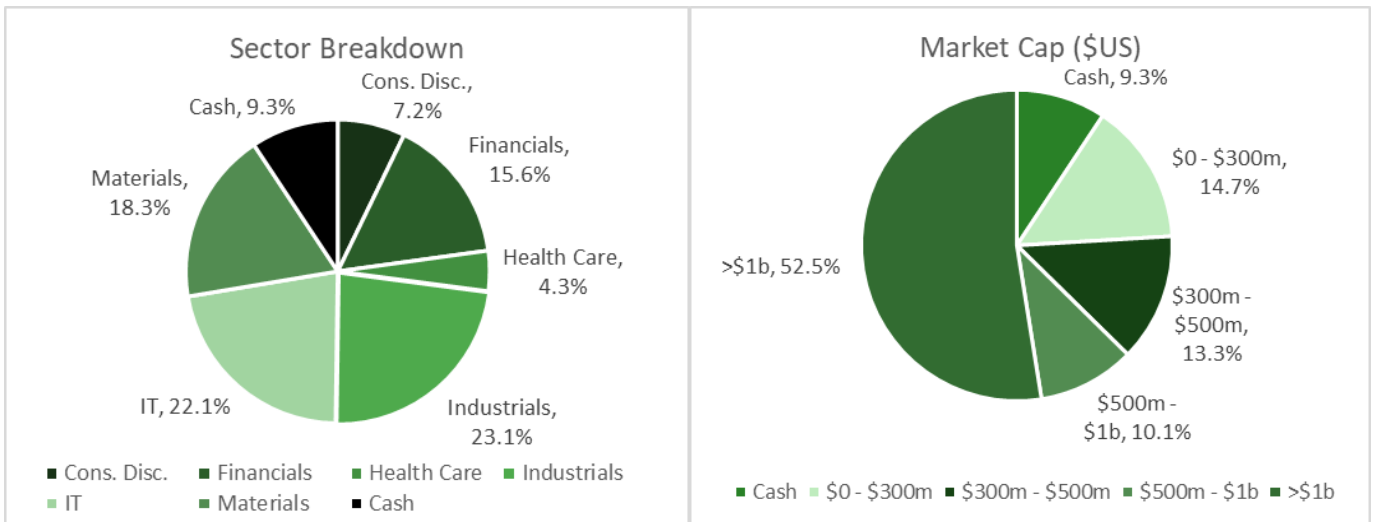
Declan McLenaghan (PM)

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	16.6%
 Europe	14.4%
 Nordics	9.9%
 United States	27.6%
 UK	14.8%
 Israel	7.5%

	Total since inception*	6 Month	3 Month	1 Month
VEF	9.19%	-	3.77%	1.69%
Benchmark**	15.58%	-	9.56%	6.95%

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



MARKET UPDATE AND COMMENTARY

Australia’s underlying inflation remains sticky and uncomfortably above the Reserve Bank of Australia’s (RBA) 2–3% target band. The October CPI figure, published by the RBA in late November, showed headline inflation falling to 2.1%. However, trimmed mean inflation, which reduces the impact of irregular or temporary price changes and provides a better measure of underlying inflation, rose from 3.2% to 3.5%. This increase in the underlying inflation rate cements the RBA cash rate at 4.35%, likely extending well into 2025. Australia’s labour market remains tight, with wage growth uncomfortably high at 3.7% on an annual basis. In a late November data print, Eurozone inflation rose slightly to 2.3% (in line with expectations), while underlying inflation (excluding volatile energy and food prices) remained stable at 2.7%. The headline figure of 2.3% is slightly above the European Central Bank’s (ECB) 2% target. These numbers may lead the ECB at its December meeting to favour a 25-basis-point interest rate cut instead of 50 basis points, though some argue that the 2% target itself is too conservative. In the United States, the election of Donald Trump triggered a broad-based rally in U.S. equity prices, driven by his campaign’s “pro-growth” economic agenda.

Value Earth Fund returned 1.69% in November.

It was a fairly quiet month for the Fund despite the US election. Our Israeli company, which operates in financial data and technology, reported reasonable results with revenue growing 14% in Q3 and EBITDA increasing by 17%. Pleasingly, the recurring components of revenue outgrew transactional revenue, as the company has introduced meaningful price increases over the last year to more accurately reflect the value it provides. The company has a net cash balance sheet, high margins and excellent free cash flow generation, and has been a key contributor to returns since the Fund’s inception.

Elsewhere, our UK-based payments business reported their HY25 results. Active customers grew by 25% and total transaction volumes (‘TTV’) grew by 19%, as did revenue. Underlying earnings grew by 52%, a pleasing result. The company continues to expand their service offering and adoption of new products has been pleasing. The company reiterated their targets for mid-teens to low-20’s growth in earnings for FY25 and over the medium term. While a small holding for the Fund, we are happy to continue holding as fundamental performance has been robust and the outlook remains positive.

Projected EPS Growth 1-year forward (on a weighted basis)	9.8%
Projected EPS Growth 2-year forward (on a weighted basis)	23.1%

Number of companies	28
Top 5 Holdings % of NAV	32.6%
Top 10 Holdings % of NAV	53.8%
Top 20 Holdings % of NAV	78.9%
Cash Position % of NAV	9.3%

Important information: This information is not intended to be financial advice. Past performance is not indicative of future performance. Microequities Asset Management Pty Ltd is a corporate authorised representative, number 462438, as appointed by Microequities Asset Management Group Limited holder of AFSL number 287526.

Application for units in the Fund is limited to investors that are wholesale or sophisticated investors within the meaning of Section 761G(7) and 761GA(7) of the Corporations Act 2001.