

eInvest Better Future Fund (Managed Fund)

ASX:IMPQ
MONTHLY REPORT JULY 2022

	Month (%)	Quarter (%)	1 Year (%)	2 Year (%p.a)	Since Inception^ (% p.a.)	Since Inception Cumulative^ (%)
eInvest Better Future Fund (Managed Fund)	9.7	-6.7	-9.8	11.8	9.2	32.2
S&P/ASX Small Ordinaries Accum. Index	11.4	-9.9	-10.9	8.6	3.7	12.4
Value Added (Detracted)	-1.7	3.2	1.1	3.2	5.5	19.8

^Inception date was 23 May 2019. Performance shown above are net of fees. Fund returns are calculated using net asset value per unit at the start and end of the specified period and do not reflect the brokerage or the bid ask spread that investors incur when buying and selling units on the ASX. Past performance is not a reliable indicator of future performance.

Overview

- The benchmark rebounded in July as concerns around higher inflation and interest rates abated. The Fund finished the month up 9.7%, underperforming the benchmark by 1.7%.
- It is over three years since the inception of the Fund. It is a key goal of the Fund to demonstrate that there is no performance trade-off to invest for shaping a better future. Since inception, the Fund has delivered a +9.2% p.a. return net of fees, outperforming the benchmark by +5.5% p.a.
- Positive contributors to relative performance this month included Telix Pharmaceuticals (+63.1%), Next Science (+50.0%) and Healthco Healthcare & Wellness REIT (25.5%).
- Negative contributors this month included KMD Brands (-0.5%) Integral Diagnostics (+2.0%) and Nitro Software (-14.2%).

eInvest Better Future Fund (Managed Fund)

The aim of IMPQ is to grow the value of your investment over the long term by investing in companies predominantly outside the S&P/ASX Top 50 Index that conduct business taking into account environmental, social and governance ("ESG") considerations and/or conduct business in industries which have favourable characteristics having regard to ESG considerations. IMPQ seeks to provide a total return (after fees) that exceeds the S&P/ASX Small Ordinaries Accumulation Index.

Portfolio Manager

Damian Cottier

IMPQ FUM

\$37 million

Distribution Frequency

Annually (if any)

Management Cost

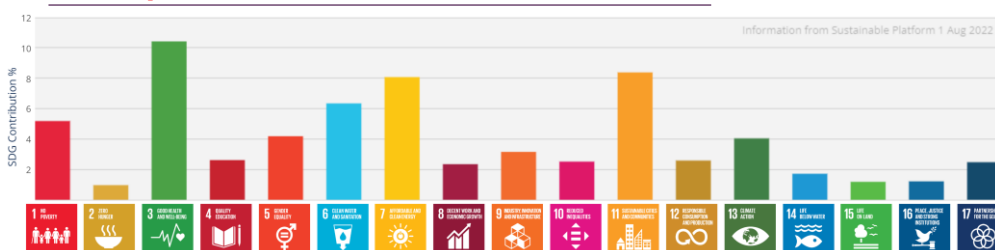
0.99% (incl of GST and RITC)

Inception Date

23 May 2019

+ performance fee

Portfolio's contribution to UN Sustainable Development Goals



Total Contribution: 67.33%

(equal to 54.83% social impact contribution and 12.5% environmental impact contribution)

Source: Data provided by the Sustainable Platform 31 July 2022; based on company revenues, based off the portfolio of the Better Future Fund

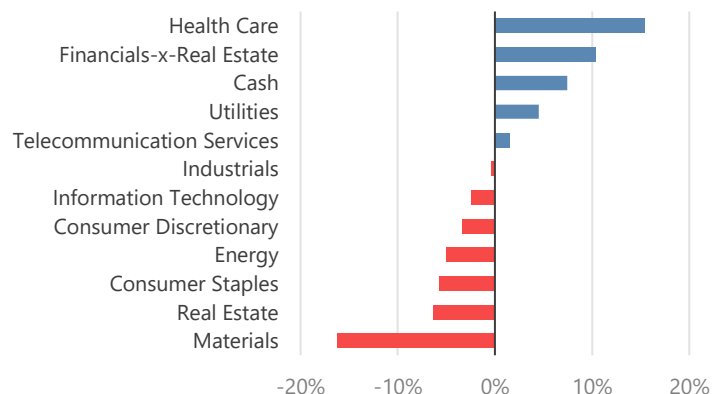
eInvest Better Future Fund (ASX:IMPQ) – Monthly Report July 2022

Better Future Highlight

Portfolio holding Telix Pharmaceuticals announced two developments during the month. The company commenced global sales of the company's Illucix product for the imaging of prostate cancer during the June quarter. Pleasingly global sales exceeded market expectations with more than \$22m in sales during the quarter. Sales are expected to increase further in subsequent quarters as US reimbursement status was only granted after the end of the quarter. The initial sales outcomes suggests there is significant demand for the product and urologists are seeing benefits for patients from Telix's technology.

The company also announced the completion of patient recruitment for the company's Phase III renal (kidney) cancer imaging study. The company's product has previously received "Breakthrough Designation" from the U.S. Food and Drug Administration (FDA). The product seeks to distinguish between benign and malignant renal lesions. Current imaging cannot reliably make this distinction, leading to invasive biopsy procedures which are not always necessary as up to 80% are malignant. Telix expects to report the outcome from the study later in 2022.

Sector Active Exposure vs Index



Fund Review

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Positive contributors to relative performance this month included Telix Pharmaceuticals (+63.1%), Next Science (+50.0%) and Healthco Healthcare & Wellness REIT (+25.5%).

Negative contributors this month included KMD Brands (-0.5%) Integral Diagnostics (+2.0%) and Nitro Software (-14.2%).

As discussed overleaf, Telix Pharmaceuticals announced better than expected sales revenue after the commercial launch of the company's Illucix prostrate cancer imaging product.

Next Science announced improved sales results and that now over 258 surgeons in 142 US hospitals are using the company's Xperience products which prevent surgical site infection, primarily in orthopaedic surgery. There were no material announcements from Healthco with performance reversing some of the stock's recent underperformance.

KMD Brands released a trading update where guided FY22 profit was weaker than expected due to COVID disruptions in Australian and New Zealand in the early part of the calendar year, with conditions having improved as the year progressed.

Integral Diagnostics also announced a weaker than expected profit result as COVID and absenteeism impacted both demand for diagnostic imaging and costs. We expect conditions for Integral Diagnostics will improve over the coming year as these headwinds abate. Nitro Software announced weaker than expected sales guidance for the 2022 calendar year as it is restructuring the business to place greater focus on profitability rather than sales growth.

Genetic Signatures released a solid quarterly update and announced that it has completed recruitment for a US clinical trial for the company's innovative enteric kit to detect gastrointestinal illness. This is a key step to support an application to the US Food and Drug Administration which is required before it can commence sales in the substantial US market. The company has some success with the enteric kit offshore having won a tender to supply enteric kits to Public Health Wales which it is in the process of implementing. The enteric kit greatly reduces the turnaround time for test results and largely automates a very manual process. This is likely to significantly improve outcomes for patients, pathology companies and medical professionals.

At month end, the portfolio held 47 stocks and cash of 8.0%.

At July end, the weighted average Perennial-derived Environmental, Social, Governance and Engagement ("ESGE") Score of the Fund was 7.3 which is 27% higher than the benchmark ESGE Score of 5.7.

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ESG Activity

Our ESG activity during the month included:

- This month, Eroad and G8 Education began reporting their emissions profile following engagements with the company on measuring, disclosing and aligning GHG emissions with the Paris Agreement.
- We engaged on gender diversity, GHG emissions, Say on Pay Vote and remuneration disclosure with Pacific Edge.
- We wrote to Chorus informing them that have assumed lead investor role for the company on the 40:40 Vision. We will meet with the company to discuss joining the Vision and gender balance in executive teams later in September.
- APM Group launched the first Social Loan Linked corporate debt facility in Australia.
- The Perennial Reconciliation Action Plan Working Group attended the Dyarubbin exhibition at the State Library as part of NAIDOC Week.

Top 5 Portfolio Positions

	IMPQ	Index
Meridian Energy Ltd	4.4%	0.0%
Telix Pharmaceuticals Ltd	4.2%	0.8%
Spark New Zealand Ltd	4.0%	0.4%
Sims Ltd	4.0%	1.0%
Chorus Ltd	3.9%	1.4%



Better Future and ESG Team

Damian Cottier – Portfolio Manager

Emilie O'Neill – Co-Head ESG & Equities Analyst