

| | Month % | Quarter % | FYTD % | 1 year % p.a. | Since Inception % p.a. |
|--|-------------|--------------|-------------|------------------|---------------------------|
| Perennial Value Microcap Opportunities Trust (Net) | 2.1 | 4.3 | 45.0 | 58.6 | 43.3 |
| S&P/ASX Small Ordinaries Accum. Index | 2.8 | 0.4 | 18.6 | 18.5 | 18.0 |
| Value Added (Detracted) | -0.7 | 3.9 | 26.4 | 40.1 | 25.3 |

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^Since inception: February 2017. Past performance is not a reliable indicator of future performance.

Overview

- ▶ The Trust was up 2.1% in April, and up 58.6% over 1 year (net of all fees).
- ▶ Markets were notably stronger in April with Small Resources up 6.9% dragging the benchmark Small Ordinaries Accumulation Index up 2.8%
- ▶ Valuations remain at elevated levels across the market however microcap investors have an advantage of choosing from a very large investment universe. As a result the portfolio still looks attractive from both a valuation perspective (9.5x EV/EBIT in FY20 – 18.8% discount to market) and growth profile (3yr average EPS growth of 27.2%).

Growth of \$100,000 since inception



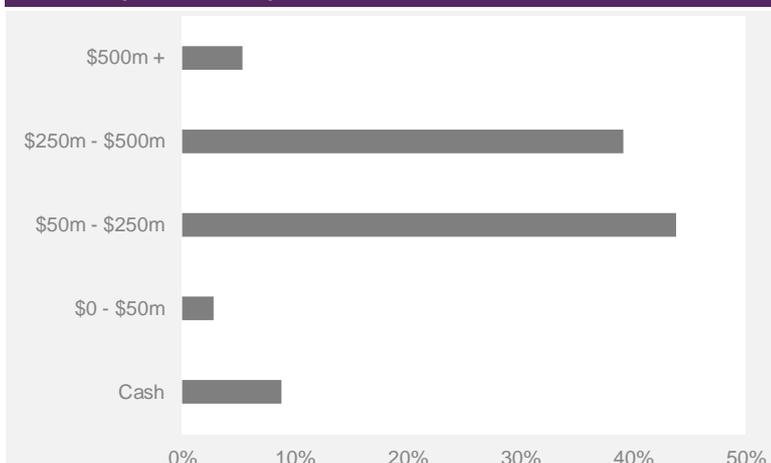
Performance shown net of fees with distributions reinvested. Does not take into account any taxes payable by an investor. Past performance is not a reliable indication of future performance.

Perennial Value Microcap Opportunities Trust

The aim of the Trust is to grow the value of your investment over the long term by investing in a portfolio of Australian companies that are either listed or unlisted companies found outside the S&P/ASX Top 100 Index, and to provide a total return (after fees) that exceeds the S&P/ASX Small Ordinaries Accumulation Index measured on a rolling three-year basis.

| | |
|----------------------------|--|
| Portfolio managers | Andrew Smith, Sam Berridge, Damian Cottier |
| Trust FUM | \$32m |
| Distribution frequency: | Annual |
| Minimum initial investment | \$25,000 |
| Trust Inception Date | February 2017 |
| Fee | 1.20% + Perf fee |
| APIR code | WPC3982AU |

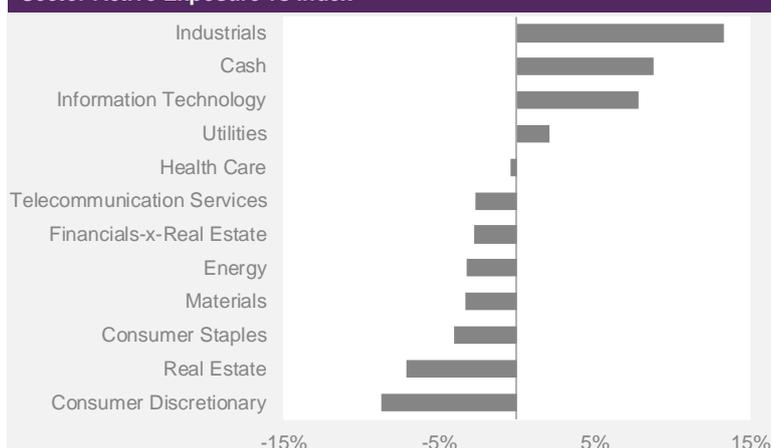
Market Capitalisation Exposure



Top 5 Positions

| Top 5 Positions | Trust (%) | Index (%) |
|--|-----------|-----------|
| Pwr Holdings Limited | 3.9 | 0.0 |
| Acrow Formwork and Construction Services Limited | 3.7 | 0.0 |
| Hrlholding | 3.3 | 0.0 |
| Otto Energy Limited | 3.2 | 0.0 |
| Austin Engineering | 3.0 | 0.0 |

Sector Active Exposure vs Index



Trust Review

The Trust delivered a 2.1% net return during April – this was slightly behind the ASX Small Ordinaries Accumulation Index which returned 2.8% lifted by the Resources which was up 6.9%

The Trust invested in two IPO's which made a positive impact during the month.

Acrow Formwork and Construction Services (+25.0% from the issue price) came to market via a backdoor listing. We rarely buy from private equity but in this case the assets looked stranded and neglected, in addition it was the last asset in the private equity fund and thus there was a sound motivation for selling. Management now have fresh capital to position new assets into the East Coast infrastructure market where they are expecting to generate a 40% return on invested capital (ROIC) once equipment is deployed.

Smiles Inclusive (+10.0%) is pursuing a corporate model in dentistry and bringing together close to 50 practices predominately in a joint venture model leveraging shared services and technology. Management have a history in corporate dentistry and believe they can help lift the efficiency of the underlying practices

Clover Corporation Limited (+31.1%) continued to perform well with increasing interest in their DHA supply capability in the infant formula sector.

Investors also responded positively to the quarterly from **Oliver's Real Food** (+12.2%) as well as the decision to hire an experienced CEO to take the business to the next level of growth.

Several resource names also helped performance, notably **Sino Gas and Energy** (+13.3%), **Explaurum Limited** (+13.0%) and **Metals X** (+9.0%).

Trust Activity

The small position in **Eastern Goldfields** (-36.2%) provided a drag on performance after it resumed trade after an extended period spent improving the balance sheet and bolstering the management team. As expected there was some emotional selling post relisting but given the stronger A\$ gold and the addition of a high calibre CEO in Victor Rajasooriar we took the opportunity to add to our position on weakness. Indeed we wouldn't be surprised to see both Eastern Goldfields and Doray Minerals capture the attention of their larger mid-cap gold peers, which by-in-large have high cash flow multiples but short on mine lives.

We exited several positions during the month including our long-held position in **Kogan.com** on valuation grounds and given the mixed quarterly update. We also cut some underperforming positions such as **Ellex Medical Lasers** but remain open minded to reinvesting if the iTrack product in particular can show consistent quarter on quarter growth.

At month end the Trust held 60 stocks and cash of 8.8%.

As always, our focus will continue to be on investing in quality companies which are offering attractive valuations.

| Market Review - Australia | % | Global, Currency & Commodities | % |
|--------------------------------|-------|--------------------------------|------|
| S&P/ASX Small Ordinaries Index | +2.8 | S&P500 | +0.3 |
| Energy | +12.2 | Nikkei 225 | +4.7 |
| Materials | +5.6 | FTSE100 | +6.4 |
| Industrials | +4.9 | Shanghai Composite | -2.7 |
| Consumer Discretionary | 0.0 | RBA Cash Rate | 1.50 |
| Health Care | +3.8 | AUD / USD | -1.6 |
| Financials-x-Real Estate | -5.8 | Iron Ore | +3.1 |
| Real Estate | +0.6 | Oil | +7.0 |
| Information Technology | +2.2 | Gold | -0.8 |
| Telecommunication Services | +8.6 | Copper | +0.9 |
| Utilities | -0.4 | | |

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