



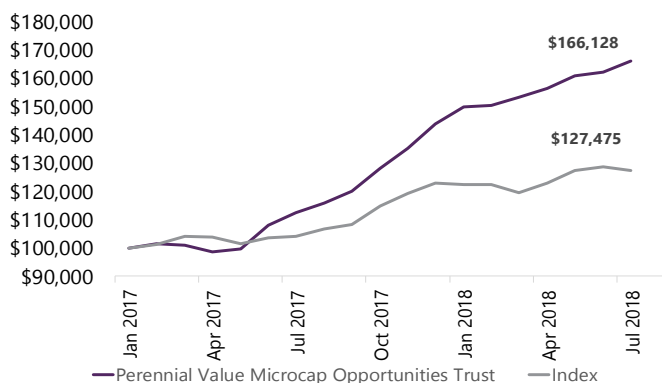
	Month (%)	Quarter (%)	FYTD (%)	1 Year (% p.a.)	3 Years (% p.a.)	5 Years (% p.a.)	Since Inception (%p.a.)
Perennial Value Microcap Opportunities Trust (Net)	2.4	6.1	2.4	47.5	-	-	40.4
S&P/ASX Small Ordinaries Accum. Index	-1.0	3.7	-1.0	22.6	-	-	17.6
Value Added (Detracted)	3.4	2.4	3.4	25.0	-	-	22.8

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

Overview

- The Trust was up 2.4% (net of all fees) in July to deliver an annual performance of 47.5% (net of all fees). Cumulative net returns since inception now sits at 66.1%.
- Activity remained elevated in July with IPO's and placements as well as earnings from microcaps looking to beat the rush of results scheduled for August.
- 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 (10.8x PE in FY20 – 29.0% discount to market) and growth profile (3yr average EPS growth of 43.3%).

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

Trust FUM

AUD \$57 million

Distribution Frequency

Annual

Minimum Initial Investment

\$25,000

Trust Inception Date

February 2017

Fees

1.20% + Perf fee

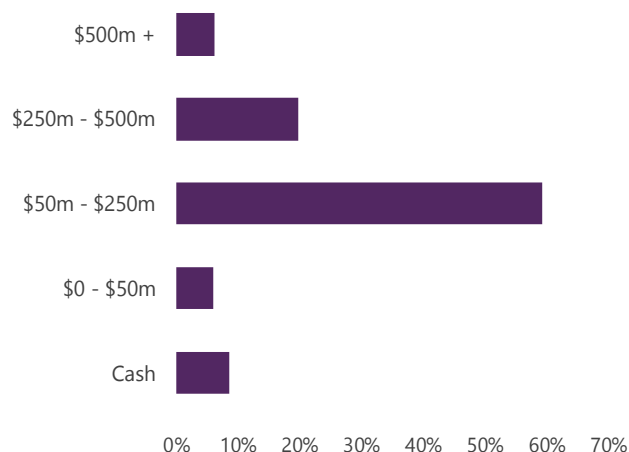
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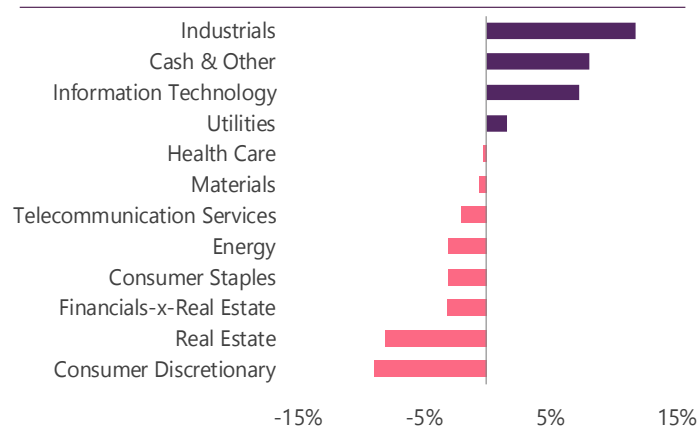
Top 5 Positions

	Trust (%)	Market (%)
Clover Corporation	3.6	0.0
Ainsworth Game Technology Limited	3.2	0.1
Acrow Formwork and Construction Services Limited	3.0	0.0
Pwr Holdings Limited	2.9	0.0
EML Payments Ltd	2.8	0.2

Market Capitalisation Exposure



Sector Active Exposure vs Index



Trust Review

The Trust delivered a 2.4% net return during July with returns coming from a diverse range of sectors as well as placements and IPO's.

The highlight was the IPO of **Calix Ltd** (+63.0%) which we invested in given the patent-protected technology and global opportunity. The IPO has been timed well as the benefits of new products are just now coming through in earnings delivering a return to current shareholders despite the \$50m capital already spent by previous investors (and from government grants). We look forward to monitoring the entry of Calix into new markets such as Advanced Batteries in addition to existing markets of water treatment and agriculture – all using the Magnesium Oxide CFC technology.

Primero (+5.0%) also IPO'd during the month and looks well positioned to capitalise on the recovery in mining capex this year.

Other contributors were:

- **EML Payments** (+17.7%) with a large contract win announced with GVC Holdings (parent of Ladbroke's), the acquisition of Perfectcard (an Irish eMoney institution) and the confirmation late in the month of a large contract with a German mall operator which significantly de-risks FY19 forecasts
- **Veem Ltd** (+23.4%) after announcing several super yacht manufacturers in Europe are adopting their gyro technology

Contrasted by weak performance from:

- **Longtable Group** (-19.9%) drifted lower as stock from the recent placement became tradeable

Market Review – Australia (%)

S&P/ASX Small Ordinaries Index	-1.0
Energy	+3.3
Materials	-4.3
Industrials	+4.5
Consumer Discretionary	+1.5
Health Care	+1.7
Financials-x-Real Estate	+2.1
Real Estate	-0.4
Information Technology	+3.1
Telecommunication Services	-0.5
Utilities	+0.3

Invest Online Now

Contact Us

📍 Level 27, 88 Phillip Street Sydney NSW 2000

☎ 1300 730 032

✉ invest@perennial.net.au

🌐 www.perennial.net.au

Signatory of:



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Trust Activity

During the month we sold out of Nearmap on a combination of a stretched valuation as well as concerns about the entry of their US competitor into Australia via the acquisition of Spookfish which was announced during the month.

Positive contributions also came from our participation in the placements made by **Fleetwood** and **Gage Roads** who both made acquisitions during the month.

At month end the Trust held 61 stocks and cash of 8.1%.

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



Source: Analyst, Marni Lysaght on the Calix site tour

Global, Currency & Commodities (%)

S&P500	+3.6
Nikkei225	+1.1
FTSE100	+1.5
Shanghai Composite	+1.0
RBA Cash Rate	1.50
AUD / USD	+0.6
Iron Ore	+3.8
Oil	-6.5
Gold	-2.3
Copper	-4.5