



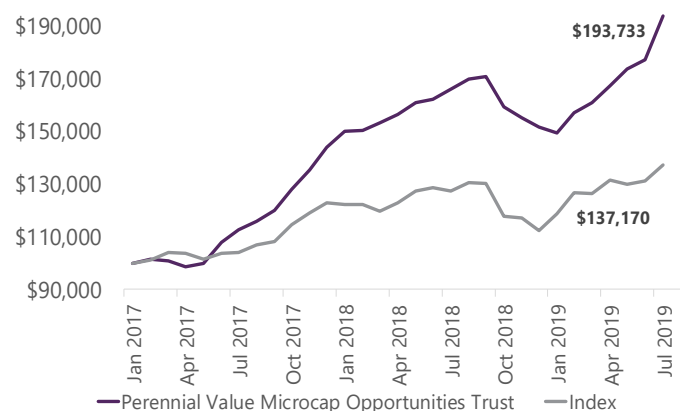
	Month (%)	Quarter (%)	FYTD (%)	1 Year (% p.a.)	Since Inception (%p.a.)	Since Inception Cumulative (%)
Perennial Value Microcap Opportunities Trust (Net)	9.3	15.8	9.3	16.6	30.3	93.7
S&P/ASX Small Ordinaries Accum. Index	4.5	4.1	4.5	7.6	13.5	37.2
Value Added (Detracted)	4.8	11.7	4.8	9.0	16.8	56.5

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

Overview

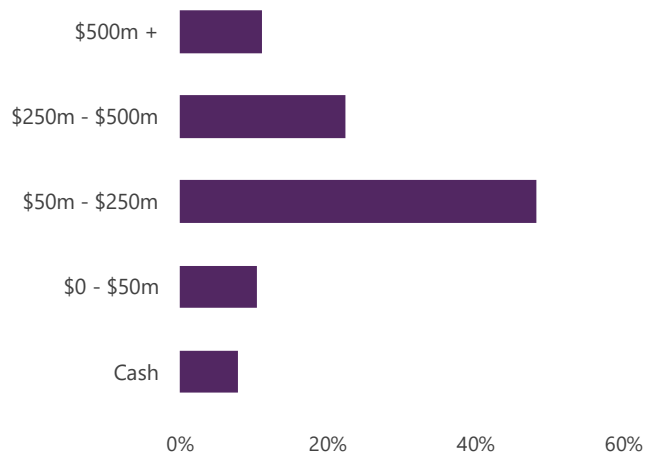
- The Trust was up 9.3%, ahead of the Small Ordinaries Accumulation Index which was up 4.5%. This takes the cumulative performance since inception to 93.7% (net of fees) vs the benchmark which is up 37.2% over the same period.
- It was pleasing to see another investor realise the value in the assets of Pacific Energy with a bid from QIC at a 35.4% premium to the previous close (the stock was up 42.3% for the month)
- Recent private to public deals continued to contribute to performance with EcoFibre up 47.6% and Atomos up 33.5% during the month
- Post the very strong run in many share prices we began to lock in profits towards the end of the month and built cash to 7.8%
- Given strong flows into the Trust the decision was made at month end to close the Trust to new applications. This decision was made so that we can remain nimble investors in the microcap end of the market rather than be weighed down by excessive funds
- Note that a distribution of 5.7 cents per unit was paid during the month

Growth of \$100,000 Since Inception

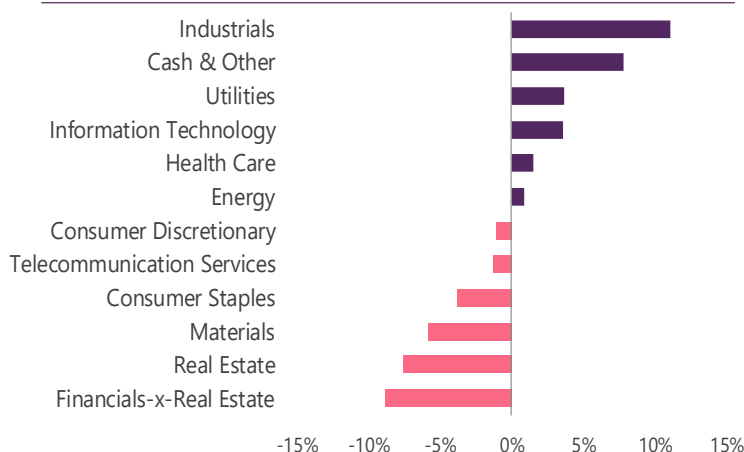


Performance shown net of fees with distributions reinvested. Does not take into account any taxes payable by an investor. Past performance is not a reliable indication of future performance.

Market Capitalisation Exposure



Sector Active Exposure vs Index



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 \$207 million

Distribution Frequency

Annual

Minimum Initial Investment

\$25,000

Trust Inception Date

February 2017

Fees

1.20% + Perf fee

APIR Code

WPC3982AU

Top 5 Positions

	Trust (%)	Index (%)
Cash	7.8	0.0
Atomos	3.3	0.0
Ecofibre	3.2	0.0
Pacific Energy	3.0	0.0
People Infrastructure	2.8	0.0

Trust Review

Pacific Energy received a bid from QIC of \$0.96 per share with a 1.5c dividend equating to a 35.4% premium to the previous close. As a result of this and an earlier contract win the stock was up 42.3% for the month.

Given the low risk to the Pacific Energy bid proceeding we have maintained our position and see this as adding to our defensive positioning along side our increased cash holding.

Ecofibre (+47.6%) posted an impressive FY19 result with revenue growing materially on the prior period and gross margins improving. This combined with fixed cost leverage resulted in a maiden profit for the business well ahead of market expectations.

One metric we track closely as a lead indicator is how many independent pharmacies Ecofibre is selling in, this was just over 1,000 when we made our pre-IPO investment and has now expanded significantly to 3,200 (see chart).

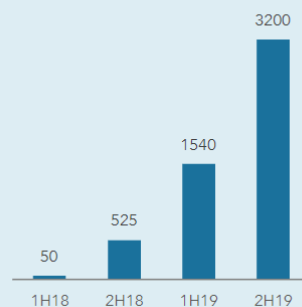
Atomos (+33.5%) traded positively after a well supported capital raising at the end of June.

Temple and Webster (+25.9%) posted an impressive FY19 result with 41.0% revenue growth, a move to profitability and an increase in cash to \$13.5m.

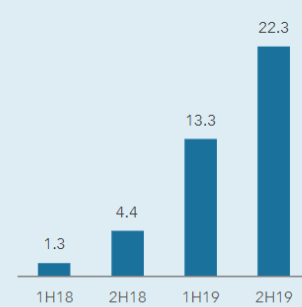
Gold stocks continued to contribute strongly to performance. **RED** rallied +30.6% in the month post a solid quarterly report showing good cash generation, along with some impressive exploration results. **Ora Banda Mining** was also up +12.5% on the back of strong exploration results.

New additions to the Trust made a notable impact with **Karoon Energy** (+14.0% from our entry point) and the successful IPO of **Sezzle** (+123.7% from issue price).

US Independent Pharmacies (#)



Revenue (\$m)



Source: Ecofibre FY19 Result Presentation

Given such strong performance in numerous stocks we began locking in gains in several parts of the portfolio and have increased cash to the highest level in several months.

Pleasingly there was minimal drags on the portfolio during the month with **Latam Autos** (-5.8%) and **Otto Energy** (-7.4%) the only notable negative moves.

At month end the Trust had 68 stocks and 7.8% cash.

Market Review – Australia (%)

S&P/ASX Small Ordinaries Index	+4.5
Energy	+7.4
Materials	+7.8
Industrials	+4.4
Consumer Discretionary	+5.6
Health Care	+4.2
Financials-x-Real Estate	+3.0
Real Estate	+3.5
Information Technology	+6.8
Telecommunication Services	+2.4
Utilities	-1.8

Global, Currency & Commodities (%)

S&P500	+1.3
Nikkei225	+1.2
FTSE100	+2.2
Shanghai Composite	-1.6
RBA Cash Rate	1.00
AUD / USD	-1.8
Iron Ore	+2.4
Oil	-2.1
Gold	+0.3
Copper	-1.8

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