

	Month (%)	Quarter (%)	FYTD (%)	1 Year (%)	3 Years (% p.a.)	Since inception^ (% p.a.)	Since Inception^ Cumulative (%)
Perennial Value Microcap Opportunities Trust (Net)	-0.8	11.5	11.5	27.2	19.9	26.1	194.8
S&P/ASX Small Ordinaries Accumulation Index	-2.1	3.4	3.4	30.4	9.4	12.1	70.6
Value Added	1.3	8.1	8.1	-3.2	10.5	14.0	124.2

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

Overview

The Trust was down 0.8% for the month outperforming the Index which was down 2.1%. There was significant stock and sector divergence during the month. The weakest sector was Resources led lower by Gold and some profit taking in Lithium names.

We have reassessed the best way to access the resource market going forward and thus have started to invest in the sector via a newly created Micro Resources Trust (at no additional fees and still managed by Sam Berridge). We believe this will allow a broader spread of our exposures rather than concentrating on a select few resource names as we do currently. We will use the current sector weakness to grow our holding in this Trust over time, which at month end was a 3.1% exposure (this can be tracked in the exposure chart on this page going forward).

Industrial performance was mixed albeit the best performance came from those stocks which had the weakest shares prices in proceeding months and thus had an absence of 'hot money' remaining on the register.

The portfolio-average PE ratio of 14.1x remains at a sizeable discount to the index which is 19.4x for FY23.

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 and Sam Berridge

Trust FUM

AUD \$318 million

Distribution Frequency

Annual

Minimum Initial Investment

\$25,000

Trust Inception Date

February 2017

Fees

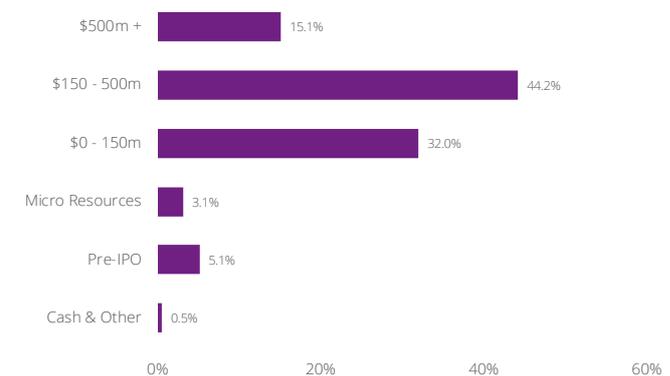
1.20% p.a. + Performance fee

APIR Code

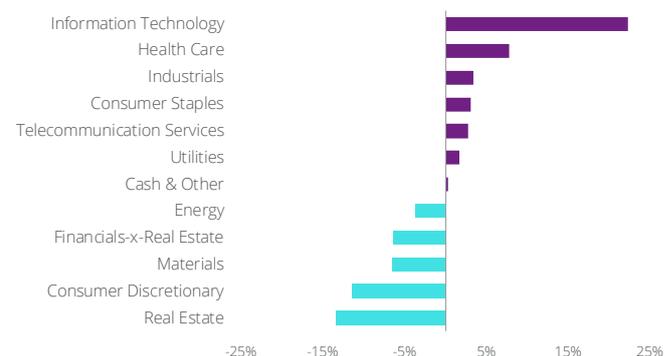
WPC3982AU

Top 5 Positions	Trust (%)	Index (%)
SPIRE GLOBAL INC	8.9	0.0
SUPERLOOP LTD	4.0	0.0
GOOD DRINKS AUSTRALIA LTD	3.5	0.0
SCIDEV LTD	3.4	0.0
MICRO-X LTD	3.2	0.0

Market Capitalisation Exposure



Sector Active Exposure vs Index



Trust Review

The best performance came from those stocks which had previously been shunned or ignored by the market but now appear to be in turn around mode or are starting to gain some investor attention; examples include:

- **Swick Mining** (+23.9%) made no announcements but capital raisings in the mining space have been elevated which is a good lead indicator for future drilling activity;
- **Ecofibre** (+36.3%) after an investor presentation at an agricultural conference;
- **Micro-X** (+20.0%) after formally signing funding agreements with the Australian Stroke Alliance (for mobile screening development) and the US Government (for baggage screening development);
- **FirstWave Cloud Technology** (+10.3%) after providing an updated presentation aimed at new investors; and
- **De.mem** (+11.1%) after announcing two new contracts in water treatment.

Spire Global was up 30.1% in US\$ terms after floating the prior month on the NYSE. The stock remains very early in its capital market journey and as such we expect significant volatility in the share price (as is common with SPAC transactions) before the market focuses on the fundamentals of the company - which we believe are very strong, based on our knowledge from catching up with management regularly since 2019.

Detractors in the portfolio included:

- **Jindalee Resources** (down 37.9%) which traded down post the release of a scoping study into the development of its 100% owned McDermitt lithium deposit. Unfortunately, financial outcomes of the project weren't able to be released due to ASX restrictions on disclosure, which disappointed holders. Still, the results were positive and the company is progressing to a point where financial outcomes are able to be disclosed for those investors patient enough to wait.
- **Limeade** (down 21.4%) traded lower following the loss of a top 10 customer (which was American Airlines, due to cost cutting). While disappointing we expect an improving pipeline and a lift in new contract momentum as general trading conditions in North America improve.
- **DUG Technology** (down 15.4%) traded lower after raising cash to expand its green high precision compute capacity in Geraldton.

We were active during the month, using weakness to buy back into **Marley Spoon** at a depressed price and top up on our Gold exposures with several names down >15%.

At month end, the Trust finished with 55 positions and cash of 0.5%.

Market Review – Australia (%)

S&P/ASX Small Ordinaries Index	-2.1
Energy	+19.3
Materials	-7.4
Industrials	-1.0
Consumer Discretionary	+1.8
Consumer Staples	-3.9
Health Care	-2.2
Financials	-3.3
Real Estate	-1.2
Information Technology	-1.8
Telecommunication Services	+0.2
Utilities	-0.7



Portfolio Managers: Sam Berridge (left) and Andrew Smith (right).

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Contact us

 Level 27, 88 Phillip Street
Sydney NSW 2000

 1300 730 032

 invest@perennial.net.au

 www.perennial.net.au

Signatory of:

 Principles for Responsible Investment

 Significant Investor (SI) Compliant

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