

	Month (%)	Quarter (%)	FYTD (%)	1 Year (%)	3 Years (% p.a.)	5 Years (% p.a.)	7 Years (% p.a.)	Since Inception^ (% p.a.)
Perennial Value Microcap Opportunities Trust (Net)	4.7	8.2	13.6	9.9	-11.8	2.1	8.5	8.4
S&P/ASX Small Ordinaries Accumulation Index	4.8	7.5	14.4	13.8	2.7	5.4	6.8	7.2
Value Added	-0.1	0.7	-0.8	-3.9	-14.5	-3.3	1.7	1.2

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

Overview

The Trust was up 4.7%, in line with the benchmark which was up 4.8%.

The strong move in the Trust was driven by a broad re-rating in stocks below \$500m market cap (where the bulk of the Trust's assets are positioned). Highlights included:

- Cooper Energy (+51.7%) as the stock attracted new investor interest given the strong east coast gas thematic and signs of reducing risk on the decommissioning project.
- Superloop (+30.4%) after announcing a large increase in expected earnings driven by organic growth as well as a transformative wholesale deal with Origin Energy to provide broadband services.
- Veem (+35.1%) after an impressive presentation from the inventor of the Sharrow propellor whom VEEM is partnering with for the inboard propellor market.
- Microba (+16.7%) as they outlined the rollout of their MetaPanel test with Sonic Healthcare.

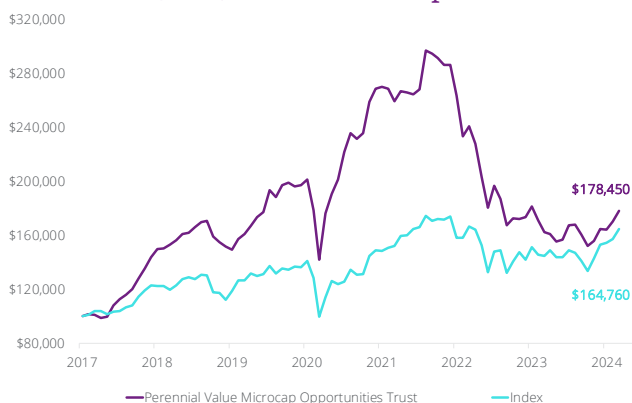
Further examples during the month included Genetic Signatures (+21.4%), Qoria (+18.4%), Navigator (+13.9%) and Enero (+11.3%).

Despite this, there is still a large number of opportunities which remain overlooked in the portfolio as well as in new names, allowing us to quickly recycle capital. For example, we added Camplify during the month on weakness.

We remain comfortable with the positioning of the Trust with a superior growth forecast* when compared to the Index, strong balance sheets (70% net cash) and a low earnings multiple (13.1x PE in FY25).

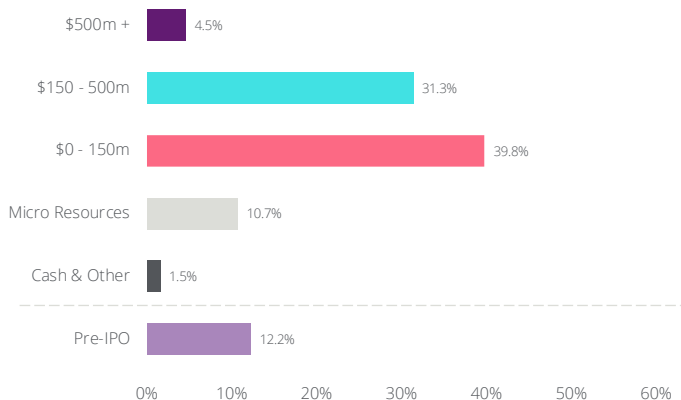
*Based on Perennial Value Management Forecasts. While due care has been used in the preparation of forecasts information, actual outcomes may vary in a materially positive or negative manner.

Growth of \$100,000 Since Inception



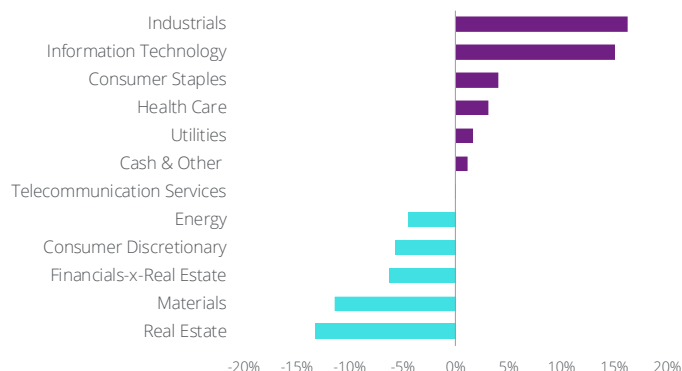
Performance shown net of fees with distributions reinvested. Does not take into account any taxes payable by an investor. Past performance is not a reliable indication of future performance.

Market Capitalisation Exposure



Please note, the above table may add to more than 100% as Pre-IPO equity positions will be double counted in the market cap breakdown

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 and Sam Berridge

APIR Code
WPC3982AU

Distribution Frequency
Annual

Minimum Initial Investment
\$25,000

Trust Inception Date
February 2017

Fees
1.20% p.a. + Performance fee

Top 5 Positions	Trust (%)	Index (%)
VEEM LTD	5.6	0.0
QORIA LTD	5.4	0.0
GOOD DRINKS AUSTRALIA LTD	3.4	0.0
DUG TECHNOLOGY LTD	3.1	0.0
ACROW FORMWORK & CON LTD	3.0	0.0

Trust Review

Strong performers during the month included:

- **Cooper Energy** performed strongly (+51.7%) given renewed investor interest. We witnessed this interest first-hand with Cooper receiving the most one-on-one meeting requests at a Western Australian resource conference that we attended during the month. The disciplined focus under new CEO Jane Norman has been impressive.
- **Superloop** (+30.4%) following the announcement of an underlying organic upgrade and a significant wholesale contract win with Origin Energy. This multi-year agreement signifies a substantial increase in Superloop's broadband subscriber base and aligns strategically with Origin's aspiration for future customer growth. We maintain our positive outlook on Superloop, recognising it as a well-managed competitor in the telco sector. Furthermore, Superloop's valuation remains attractive, particularly within the context of positive industry trends.
- **Veem** (+35.1%) performed strongly after hosting a presentation which discussed the significant market potential for Veem-produced propellers under the exclusive worldwide agreement with Sharrow. Propellers designed by Sharrow offer considerable fuel benefits for the outboard vessel market. We expect "Sharrow by Veem" propellers to take considerable market share for inboard vessels if the same fuel savings can be demonstrated.
- **Catapult Group International** (+23.0%) hosted a call with investors which reaffirmed guidance for strong ARR growth and positive free cashflow for FY24.

Investor interest continues to improve in stocks outside the ASX300 (i.e. sub \$500m market cap). This reflects the strong valuation appeal after years of neglect from investors. The following stocks which moved higher reflecting this interest rather than any company updates included **Aerometrex** (+24.6%), **Qoria** (+18.4%), **Navigator Global Investments** (+13.9%) and **Enero** (+11.3%).

Interest in Medtech was also noticeable with a recovery in the share prices of **Genetic Signatures** (+21.4%) and **Microba** (+16.7%) as the latter outlined the rollout of their MetaPanel test with Sonic Healthcare.

We visited two of our key holdings, DUG Technology and Veem in Western Australia as part of a broader week of company visits in the state. We were impressed by the respective developments of new technology in the form of the NOMAD (a mobile super computing solution) and the VEEM-Sharrow propeller. Images of both from our site visit are shown below.



Despite the recovery, there are still several stocks left behind with names such as **MedAdvisor** (down 12.7%) and **Experience Co** (down 11.1%) drifting on no news in the month.

The Trust finished with 56 positions and cash of 1.1%.

Market Review – Australia (%)


S&P/ASX Small Ordinaries Index	4.8
Energy	7.5
Materials	6.6
Industrials	1.6
Consumer Discretionary	3.7
Consumer Staples	4.0
Health Care	5.3
Financials	7.7
Real Estate	6.3
Information Technology	-0.2
Telecommunication Services	-2.2



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

[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:



Issued by Perennial Value Management Limited (ABN 22 090 879 904, AFSL No. 247293) as the Investment Manager. The Responsible Entity is Perennial Investment Management Limited (ABN 13 108 747 637, AFSL No. 275101). Perennial Partners Limited (ABN 90 612 829 160) is a Corporate Authorised Representative (1293138) of Perennial Value Management Limited. Both the Investment Manager and Responsible Entity form part of Perennial Partners. This promotional statement is provided for information purposes only. Accordingly, reliance should not be placed on this promotional statement as the basis for making an investment, financial or other decision. This promotional statement does not take into account your investment objectives, particular needs or financial situation and is not intended to constitute advertising or advice of any kind and you should not construe the contents of promotional statement as legal, tax, investment or other advice. This promotional statement does not constitute an offer or inducement to engage in an investment activity nor does it form part of any offer documentation, offer or invitation to purchase, sell or subscribe for interests in any type of investment product or service. You should read and consider any relevant offer documentation applicable to any investment product or service and consider obtaining professional investment advice tailored to your specific circumstances before making any investment decision. While every effort has been made to ensure the information in this promotional statement is accurate, its accuracy, reliability or completeness is not guaranteed. Past performance is not a reliable indicator of future performance. Gross performance does not include any applicable management fees or expenses. Net performance is based on redemption price for the period and assumes that all distributions are reinvested. Fees indicated reflect the maximum applicable. Contractual arrangements, including any applicable management fee, may be negotiated with certain large investors. Investments in the Trusts must be accompanied by an application form. The current relevant product disclosure statements, additional information booklet, application forms and target market determination can be found on Perennial's website www.perennial.net.au. Use of the information on our website is governed by Australian law and is subject to the terms of use. No distribution of this material will be made in any jurisdiction where such distribution is not authorised or is unlawful.