

	Month (%)	Quarter (%)	FYTD (%)	1 Year (%)	3 Years (% p.a.)	5 Years (% p.a.)	7 Years (% p.a.)	10 Years (% p.a.)	Since Inception^ (% p.a.)
Perennial Value Smaller Companies Trust (Net)	2.8	-5.5	-9.8	-9.7	-5.5	3.2	1.5	5.0	7.9
S&P/ASX Small Ordinaries Accumulation Index	5.8	3.8	11.3	9.8	4.7	6.8	4.7	6.7	6.0
Value Added	-3.0	-9.3	-21.1	-19.5	-10.2	-3.6	-3.2	-1.7	1.9

^Since inception: March 2002. Past performance is not a reliable indicator of future performance.

Overview

The Trust was up 2.8% net of all fees, underperforming the Small Ordinaries Index (the benchmark) which was up 5.8%.

There was a broad recovery at the Index level however this continued to favour more liquid assets, with lower market cap companies providing a drag on relative performance.

There was however some positive news in the less liquid part of the portfolio with the takeover for EVS progressing at 9c a share (a 100% premium to the pre-takeover price) and a bid for the Australian assets of MedAdvisor (which is yet to be reflected in the share price). As cash is realised from these investments we are rotating capital to stocks >\$300m market cap thus reducing our exposure to less liquid assets which have continued to be a drag on performance.

It was pleasing to see M&A continue in other small cap holdings with an approach for Webjet (+39.4%) and MAC Copper (+26.7%). We expect M&A at the smaller end of the portfolio to be the key to recovering recent poor performance, as compared to the Index.

Positive updates were also forthcoming for Metro Mining, a buyback was announced for Experience Co and an earnings upgrade came from Navigator (albeit shares traded lower for the month).

Overall the Trust has superior growth forecasts* when compared to the Index, strong balance sheets (45% net cash) and a low earnings multiple (9.9x PE on FY26 forecasts, a 34% discount to the benchmark).

*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.

Perennial Value Smaller Companies 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 soon to be listed 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 & Julian Guido

APIR Code
IOF0214AU

Distribution Frequency
Half yearly

Minimum Initial Investment
\$25,000

Trust Inception Date
March 2002

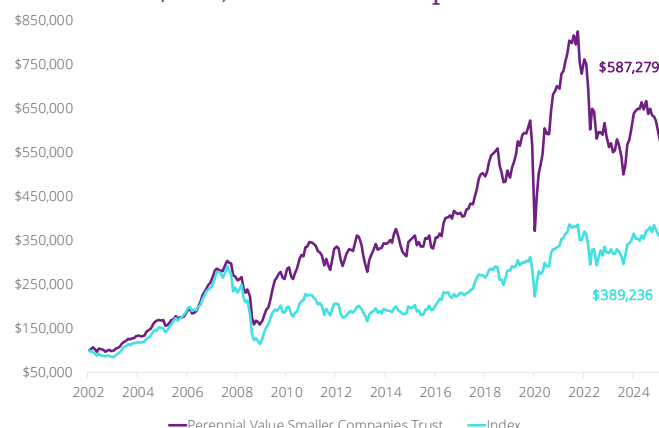
Fees
1.20% p.a. + Performance fee

Portfolio Characteristics – FY26	Trust*	Index**
Price to Earnings (x)	9.9	15.9
Price to Free Cash Flow (x)	8.7	13.6
Gross Yield (%)	3.7	3.5
Price to NTA (x)	1.3	1.5

Source: *Perennial Value Management as at 31 May 2025. **FactSet, Goldman Sachs, Macquarie Securities and UBS forecast as at 31 May 2025.

The above figures are forecasts only. While due care has been used in the preparation of forecast information, actual outcomes may vary in a materially positive or negative manner.

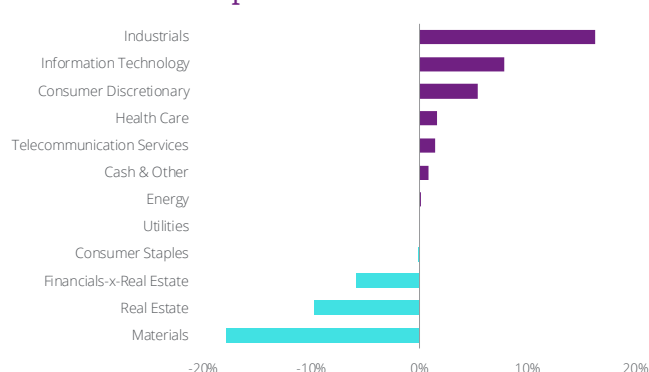
Growth of \$100,000 Since Inception



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.

Top 10 Positions	Trust (%)	Index (%)
ACROW FORMWORK & CON LTD	5.8	0.0
ALLIANCE AVIATION SERVICES LTD	4.2	0.0
QORIA LTD	4.1	0.0
DUG TECHNOLOGY LTD	3.6	0.0
AMPLITUDE ENERGY LTD	3.6	0.2
NAVIGATOR GLOBAL INVESTMENTS LTD	3.5	0.0
EVT LTD	3.2	0.6
FLEETWOOD LTD	3.2	0.0
VEEM LTD	3.1	0.0
UNIVERSAL STORE HOLDINGS LTD	3.1	0.0

Sector Active Exposure vs Index



Trust Review

There were several updates during the month:

- **Webjet Group** (+39.4%) rallied with multiple parties showing M&A interest, including Private Equity launching an approach (after acquiring a 10% stake) and industry competitor Helloworld securing a 15% stake.
- **Experience Co** (+12.2%) released solid 3Q metrics with EBITDA so far this year up 33% on the prior period to \$16.0m. Management have announced an on-market share buy-back of up to 10% given the strong operating performance and capital position.
- **MAC Copper** (+26.7%) rose after South African based Harmony Gold launched a full cash takeover bid valued at A\$1.6bn reinforcing the view that strategic assets remain valuable despite subdued spot prices.
- **WEB Travel Group** (+17.4%) reported an inline result, however investors took comfort in 2H25 revenue margins increasing in the second half and a strong TTV update (+22%) for the 1st 8 weeks of FY26.
- **EVT Group** (+15.0%) gained support following encouraging box office data on new film releases, signalling potential upside for Cinema earnings.
- **RPM Global** (+11.6%) gave a positive update on reductions in corporate and other costs following the sale of its advisory business. The reductions are positive for FY26 earnings estimates.

In resources performance was positive:

- **Metro Mining** (+15.4%) bouncing on news Guinea had cancelled a number of mining licenses, including roughly 24Mtpa of bauxite production capacity. This is double the 12Mtpa of capacity which was suspended (yet to return) late 2024, which contributed to bauxite prices rising by +50% over the subsequent two months.
- **Amplitude Energy** (+5.4%) – rose on news its annual assessment of reserves showed its Sole Gas field was declining slower than modelled. The implication being that total recoverable gas is likely to be ahead of current estimates.

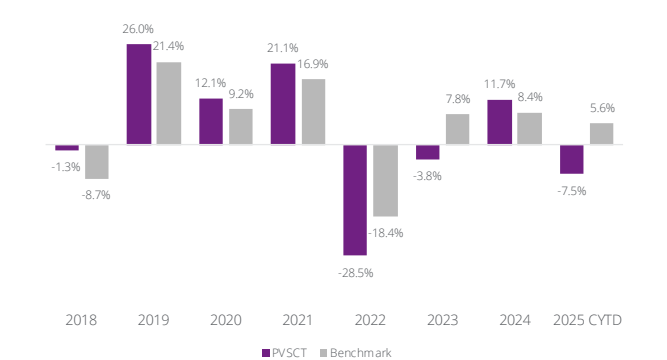
OFX Group (down 36.3%) reported soft FY25 results exacerbated by large macro and geo-political volatility. Management have rebased FY26 expectations by accelerating investment in product and staff to directly drive revenue growth which is needed to improve investor confidence.

Navigator Global Investments (down 6.3%) despite a large upgrade to the company's FY25 profit outlook to EBITDA of \$100 - 106m, from prior guidance of greater than \$90.5m. Strong performance and distributions from NGI's asset management firms drove the better than expected result.

Corporate activity is likely to be a driver of a recovery in performance with both **Envirosuite** and **MedAdvisor** disclosing approaches at an advanced stage during the month which should begin to close the gap to fair value.

The Trust finished with 51 positions and cash of 0.8%.

Calendar Year Performance vs Benchmark



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.



Portfolio Managers: Andrew Smith and Julian Guido (left to right)

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