Prime Value Opportunities Fund
Fund Update – July 2024

- Global equity markets were broadly positive in July, although the US market was volatile on account of US election risks.
- The ASX300 Accumulation Index rose 4.2% in July as softer than expected CPI data significantly reduced the risk of a near term interest rate increase.
- The Fund gained 3.5% in July and is 9.5% higher this calendar year compared to the ASX300 Accumulation's 8.5% increase
- Pleasingly, the Fund's performance was strong over the 2024 financial year, gaining 15.2%, on the back of a 1.9% gain in June.

	Total Return*	Benchmark (8% pa)	Value Add
Since inception (p.a.)	10.0%	8.0%	2.0%
10 Years (p.a.)	7.9%	8.0%	-0.1%
7 Years (p.a.)	8.3%	8.0%	0.3%
5 Years (p.a.)	7.4%	8.0%	-0.6%
3 Years (p.a.)	4.9%	8.0%	-3.1%
1 Year	16.2%	8.0%	8.2%
3 Months	6.9%	2.0%	4.9%
1 Month	3.5%	0.7%	2.8%

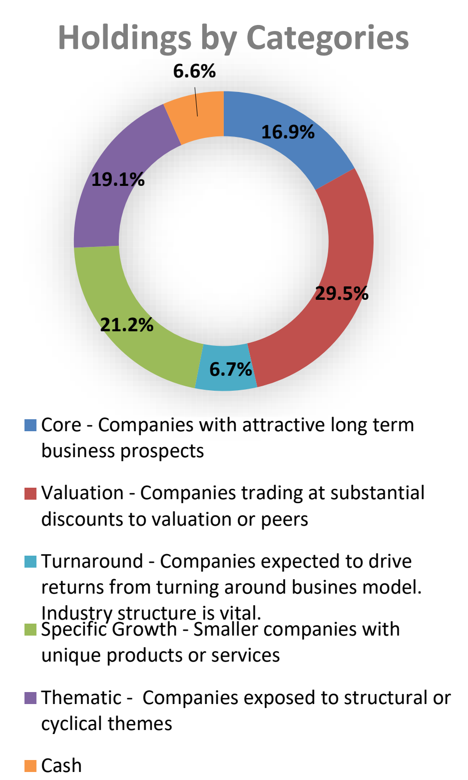
* Fund returns are calculated net of management fees, assuming all distributions are re-invested. Performance figures have been calculated in accordance with the Financial Services Council (**FSC**). The returns are calculated before performance fees which are charged against individual accounts. The returns exclude the benefits of imputation credits. Past performance is not necessarily an indicator of future performance.

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	FYTD	ITD
FY 2013					1.8%	1.7%	4.3%	6.2%	(0.6%)	4.0%	(2.2%)	(1.6%)	**14.1%**	**14.1%**
FY 2014	4.4%	2.6%	4.3%	5.0%	(1.1%)	1.5%	(1.9%)	5.9%	0.2%	0.3%	0.3%	(1.4%)	**21.4%**	**38.5%**
FY 2015	2.5%	1.0%	(4.1%)	3.1%	(1.9%)	0.7%	1.5%	5.7%	1.4%	(1.0%)	0.5%	(4.3%)	**4.6%**	**44.9%**
FY 2016	5.3%	(3.7%)	0.1%	5.5%	1.7%	2.4%	(3.4%)	(1.9%)	3.6%	2.3%	4.4%	(1.8%)	**14.9%**	**66.5%**
FY 2017	6.5%	(1.7%)	(0.5%)	(4.9%)	(0.2%)	2.7%	(1.1%)	2.4%	2.1%	1.3%	(1.2%)	1.2%	**6.3%**	**77.0%**
FY 2018	(1.2%)	1.0%	0.4%	4.2%	1.6%	0.4%	(0.2%)	2.5%	(2.5%)	3.0%	2.1%	2.4%	14.3%	102.4%
FY 2019	1.7%	2.6%	(1.9%)	(8.2%)	(1.9%)	(1.8%)	3.2%	3.4%	0.2%	2.9%	0.3%	2.6%	2.5%	107.5%
FY 2020	2.9%	(2.3%)	0.2%	1.0%	3.0%	(2.0%)	4.9%	(5.8%)	(16.8%)	8.0%	5.4%	3.0%	(1.1%)	105.2%
FY 2021	1.6%	4.1%	(3.6%)	0.5%	7.9%	2.1%	(0.1%)	2.3%	1.5%	4.6%	1.3%	3.0%	27.7%	162.0%
FY 2022	0.9%	3.9%	-1.4%	0.3%	0.6%	1.9%	(7.3%)	(2.5%)	5.7%	-0.3%	-4.8%	-7.9%	(11.2)%	132.6%
FY 2023	6.5%	1.8%	-6.5%	4.8%	4.1%	-3.4%	5.5%	(1.3%)	(1.9%)	1.3%	(2.0%)	1.9%	10.0%	155.8%
FY 2024	2.5%	0.4%	(2.8%)	(4.7%)	6.3%	6.7%	2.5%	0.5%	3.5%	(3.5%)	1.4%	1.9%	15.2%	194.6%
FY 2025	3.5%												3.5%	204.8%

Top five holdings	Sector
Commonwealth Bank	Financials
CSL Limited	Health Care
BHP Group	Materials
National Australia Bank	Financials
Macquarie Group	Financials

The top five holdings make up approximately 39.4% of the portfolio

Feature	Fund facts
Portfolio Manager	ST Wong
Investment Objective	To achieve superior absolute total returns by providing medium to long term capital growth without the constraints of a share market benchmark.
Benchmark	8.0% pa
Inception Date	5 November 2012
Cash	0 - 100%
International Exposure#	0 - 20%
Distributions	Half-yearly
Suggested Investment Period	3+ years
Research Rating	Zenith – Recommended Lonsec - Recommended

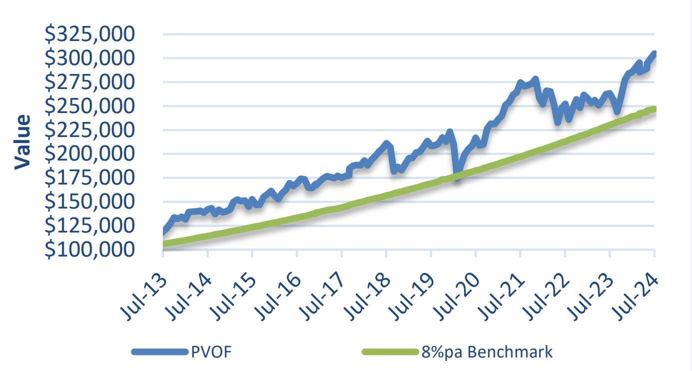


Market review

July saw equity market gains continue, with the US S&P500 Index increasing by (+1.2%) in local currency terms. However, underneath the headlines, US equities were volatile. Mega-cap technology stocks underperformed, while financials and small caps outperformed. Investors were sensitive to US election risks, with the rising chances of a Trump election victory causing them to position for de-regulation, and China-protectionist measures, as well as potential anti-monopoly policies. The MSCI World Developed markets index rose (+1.8%) in US Dollar terms, outperforming relative to the Emerging markets Index, which fell by (-0.9%) in US Dollar terms.

During the month the Australian 10-year bond yield declined by 19bps, whilst the Australian Dollar depreciated by 2.2% against the US Dollar. Towards the end of the month, a materially weaker underlying inflation print at 0.8% quarter-on-quarter significantly reduced the risk of an RBA rate hike in August. Commodity prices were mixed in July. Brent Oil fell by US$5.69 to US$80.72/bbl, whilst Iron Ore prices fell by US$4.50 to US$102.00/Mt. By contrast, Gold prices rose by US$95.40 over the month to US$2,426.30 per ounce after softer than expected US inflation data was released.

The market reaction to the June quarter inflation data was strong, trading sharply higher into month-end and breaching 8000 for the third time to set a new high at 8092. All sectors reacted positively post the inflation data however Financials, Consumer Discretionary and Real Estate sectors set the pace for the month. Utilities, Energy and Materials fell behind. Performance contribution for the month was quite narrow, with around three-quarters of the gains coming from Financials (+197bps), Discretionary (+65bps) and Health Care (+43bps) whilst losses were limited. Following strong July gains, the ASX300 Index has now climbed +18.6% from October 2023 lows, with Banks accounting for 40% (or +862bps) to broader market returns.



This graph shows how $100,000 invested at the Fund's inception has increased to $304,800 (net of fees excluding performance fees). This compares very favourably with the return of the benchmark, where a $100,000 investment would have increased to $246,900 over the same period. The returns exclude the benefits of imputation credits.

Performance figures have been calculated in accordance with the FSC standards. No allowance has been made for taxation. Performance assumes the reinvestment of income distributions. Past performance is not necessarily an indicator of future performance.

	Direct Investment (Class A)	Platform Investment (Class B)
APIR code	PVA0005AU	PVA0006AU
Minimum Investment	$20,000	N/A
Issue price (Cum)	$ 1.7002	$ 1.6720
Withdrawal price (Cum)	$ 1.6874	$ 1.6594
Distribution (30/06/2024)	$ 0.1994	$ 0.1975
Indirect Cost Ratio (ICR)*	0.95% p.a.	0.95% p.a.
Performance fee**	15%	15%

* Unless otherwise stated, all fees quoted are inclusive of GST and less the relevant RITC
** Of performance (net of management fees) above the agreed benchmark, subject to a

Fund review and strategy

The Fund started the new financial year with a robust 3.5% (net of fees) gain in July. This compared to the ASX300 Accumulation Index's return of 4.1%, where banks were the backbone of a very strong market performance. The best monthly Fund contributors in July included Commonwealth and National Australia Banks (+7.9% and 6.5% respectively) and global healthcare company CSL (+4.9%). The largest detractors in July included miner BHP (-0.9%), aged care provider Regis Healthcare (-3.9%) and auto leasing business Fleetpartners (-4.5%). The Fund is 9.5% higher this calendar year compared to the ASX300 Accumulation's 8.5% increase.

The Fund invests in companies of any market capitalization, and we have generally been broadly diversified across large-, mid-, and small-cap companies, as we believe developing companies of all sizes can exhibit attractive growth potential. At the end July 2024, the Fund's median market cap was $9.7 billion, and we were invested 54.5% in large-cap companies, 9.0% in mid-cap companies, and 25.0% in small- and micro-cap companies, with the remainder in cash. In recent months, the Fund had benefitted from the very strong performance of the Australian major banks (large cap companies), Commonwealth Bank and National Australia Bank specifically. These banks sit within the Thematic category of our investment framework and reflect our view that specific fundamental factors drive shareholder value creation. We tend not to bucket the Australian banks as a homogenous group of companies that are a proxy for the Australian economy. Instead, we look for points of differentiations that are unrecognised by broader investors, such as the strength of their deposit franchise. We took advantage of price volatility and an unwarranted bearish sentiment in October 2023 to increase our positions in CBA and NAB. More recently, we have been reducing our exposure to our bank holdings.

Outlook: During this September quarter, we will be carefully following ongoing employment, consumption and corporate profit indicators, and the related implications for growth and inflation expectations, as our current bias is that recent business conditions are difficult. However, we are careful not to be overly cautious. Should expectations of interest rate cuts rise, it may warrant a mean-reverting inflection point for many market underperformers – much as we experienced during the final quarter of 2023. Like the US, the ASX returns in the past year have been disproportionately driven by a narrow group, banks in the case of the ASX. We don't believe that this scenario can continue indefinitely, and we believe this presents a compelling long-term opportunity for the Fund to deliver robust outcomes through investing across all market capitalisations.

Top contributors (absolute)	Sector
Commonwealth Bank	Financials
National Australia Bank	Financials
CSL	Healthcare

Top detractors (absolute)	Sector
Regis Healthcare	Healthcare
Fleetpartners	Financials
BHP Limited	Materials

Platforms
BT Wrap, Macquarie Wrap, Netwealth, Hub24, Power Wrap

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