Prime Value Equity Income (Imputation) Fund Update – January 2025

- Global equities were positive in January, continuing the strength from last year into 2025
- The ASX300 Accumulation Index gained 4.5%, more than making up for the decline at the end of 2024.
- The Fund returned 4.4% for the month, in-line with its benchmark.

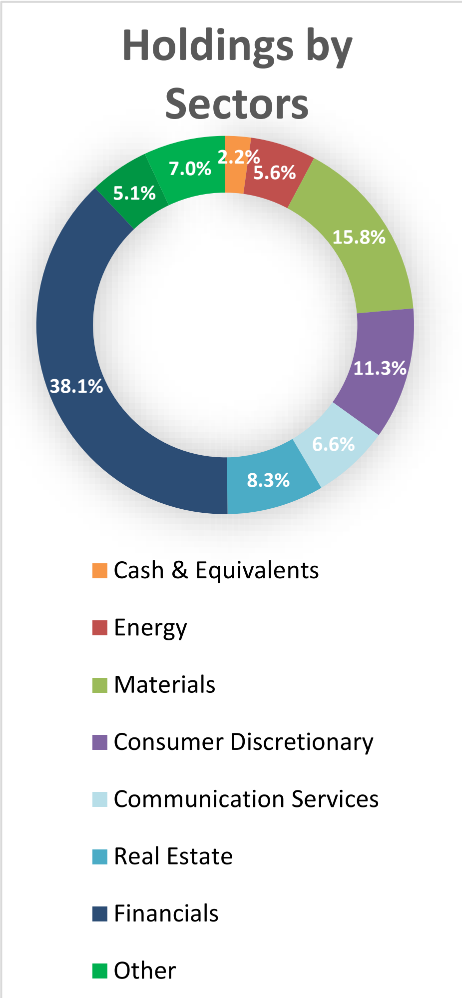
	Total Return*	Growth Return*	Distribution Return*	Total Return including Franking Credits**	S&P/ASX 300 Accumulation Index
Since inception (p.a.)	10.0%	5.0%	5.0%	12.1%	8.5%
20 Years (p.a.)	5.8%	4.9%	0.9%	7.9%	8.1%
10 Years (p.a.)	7.1%	2.7%	4.4%	9.2%	8.6%
5 Years (p.a.)	8.4%	3.8%	4.6%	10.6%	7.9%
3 Years (p.a.)	10.4%	5.4%	5.0%	12.8%	11.1%
1 Year	13.6%	10.2%	3.4%	15.2%	15.1%
3 Months	3.6%	2.9%	0.7%	4.2%	5.0%
1 Month	4.4%	4.4%	0.0%	4.4%	4.5%

* 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**) standards. 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.
** Returns grossed up for franking credits are estimates.

Top five holdings	Sector
Commonwealth Bank	Financials
Macquarie Group	Financials
BHP Group	Materials
Wesfarmers Limited	Consumer Discretionary
National Australia Bank	Financials

The top five holdings make up approximately 37.4% of the portfolio.

Feature	Fund facts
Portfolio Manager	Leanne Pan
Investment objective	To provide regular tax-effective income, combined with competitive capital growth over the medium to long term
Benchmark	S&P / ASX 300 Accumulation Index
Inception Date	20 December 2001
Cash	0 - 30%
Distributions	Quarterly
Suggested Investment Period	3+ years

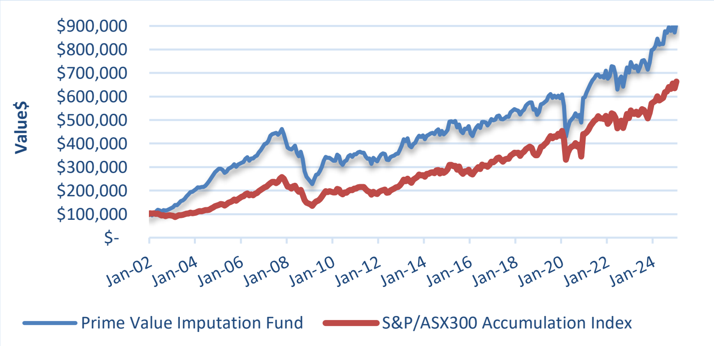


Market review

Global equities were positive in January, continuing the strength from last year into 2025. The European market led Developed Market (DM) equities higher in the month (MSCI Europe Net TR Index: +6.0%) while US equities also ended the month positive, reaching new record highs (S&P500 Index: +1.6%). Emerging Market (EM) equities ended the month higher, despite China equities declining (MSCI Emerging Net TR Index: +0.6%; MSCI China Net TR Index: -0.2%). Japanese equities also continued the positive trajectory of the last few months (TOPIX Net TR Index: January: +1.2%).

Softer Australian CPI data has opened the door for a RBA rate cut — markets are priced for a February 2025 interest rate cut, but it could be a close call. The CPI data was muddied by government subsidies and the labour market has tightened, providing upside risk for future inflation. In contrast, the US Federal Reserve presented a more hawkish December 2024 FOMC meeting which disrupted markets last month

Australian equities had a strong month in January, with the ASX300 Accumulation Index rising 4.5%. This more than made up for the decline at the end of 2024 and lifted the Australian market to a new high. The gains were part of a global risk-on rally, with Australia outperforming the S&P500 Index. Compositionally, Consumer Discretionary and Financial sectors led the gains, while defensive Utilities and Staples sectors were noticeable laggards. The ASX300 and Small Ordinaries indices performed inline in January. The returns for the ASX300 were driven by the 300 Industrials, whilst the Small Ordinaries returns were driven by the Small Resources. Gold (+15.2%) was the best performing sector, supported by a stronger gold price (+7.3%) as investors prepared for volatility following Trump's inauguration.



This graph shows how $100,000 invested at the Fund's inception has increased to $910,500 (net of fees excluding performance fees). This compares very favourably with the return of the market, where a $100,000 investment would have increased to $663,700 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	PVA0002AU	PVA0022AU
Minimum Investment	$20,000	N/A
Issue price	$3.0981	$3.1023
Withdrawal price	$3.0747	$3.0789
Distribution (31/12/2024)	$ 0.0200	$ 0.0212
Indirect Cost Ratio (ICR)*	1.435% p.a.	1.23% p.a.
Performance fee**	20.5%	20.5%

* Unless otherwise stated, all fees quoted are inclusive of GST and the relevant RITC
** of performance (net of management fees and administration costs) above the agreed

Fund review & strategy

The Fund returned 4.4% for the month of January in line with the market. It was a strong performing month for most financial markets around the world as President Trump 2.0 swore in and proclaimed a "growth" agenda. Contributors for the month were the banks – Macquarie Group (MQG +8.6%), NAB (+8.2%) and CBA (4.8%), while Insignia benefitted from further non-binding takeover proposals received from two private equity funds and the Board had granted limited access). Detractors were NRW Holdings (NWH – 10.7%), unexpected CFO resignation), Monash IVF (MVF -5.1%) and Telstra (TLS -1.5%, concern over plan competition).

Insignia or the old IOOF (IFL) is an interesting situation. For many years, it had been a good dividend paying name but it operates in a changing and competitive environment. In 2024, IFL appointed a new CEO for a major reset. Within months, dividend payment was paused, major overhaul of company's operating model and costly optimization program were announced. The market reacted negatively as it would take time to implement the change, comes the uncertainty. It would seem that the private equity funds had a different perspective – valuation arguably attractive, longer term upside potential. We await further development on this.

As we approach the February reporting time, we are once again reminded of "high valuation" of the market. Companies need to deliver the earnings to justify the share price. We continue to hold a balance portfolio targeting both dividend yield and medium-term growth.

Top Contributors (Absolute)	Sector
Macquarie Group	Financials
NAB	Financials
Commonwealth Bank	Financials

Top Detractors (Absolute)	Sector
NRW Holdings	Industrials
Monash IVF	Healthcare
Telstra	Communication

Platforms
Ausmaq, Beacon, BT Wrap, First Wrap, Netwealth, Symetry, Wealthtrac

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