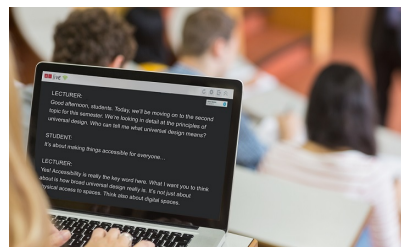


The Annapurna Microcap fund is a high conviction Nanocap, Microcap and Smallcap fund managed by leading Microcap professionals. The fund aims to deliver superior risk-adjusted returns through the investment cycle while protecting client's invested capital.

	1 Month	3 Months	6 Months	Inception
Performance (Net of Fees)	3.66%	11.58%	11.54%	26.83%

Inception Date: 1-Oct-20

Growth of \$10,000



Annapurna Microcap Fund

Source: Ai-Media is a Cloud based captioning, subscription and translation business.

Month End Exposures	Current	Monthly Move
Communication Services	5.7%	+0.8%
Consumer	9.6%	+2.1%
Financials	18.5%	-2.1%
Health Care	13.1%	-1.1%
Industrials/Real Estate	7.6%	-1.6%
Information Technology	26.2%	-3.2%
Materials	12.3%	+0.6%
Number of Positions	30	+1
Gross Equity Exposure	93.0%	-4.4%
Cash Weighting	7.0%	+4.4%
Net Equity Exposure	93.0%	-4.4%

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Commentary

The Annapurna Microcap fund returned +3.66%. Market conditions remain strong during a generally bright reporting season. Sectors that performed well included software, internet, logistics, parts of the resource industry, and business with offshore exposure to recovery economies all performed well.

Contributors to the fund included Raiz (RZI). Raiz continues to report strong fund under management growth and positive user growth. Past fee increases are also contributing to the financial performance of the business. In early September the business reported some proposed board changes which has put some term pressure of the business. The operating metrics of the business continue to be very good. We believe that as the business has grown from humble beginnings it now needs to adjust to the larger size of the operation. We believe that the board issues should be resolved. Other contributors include The Market Herald (TMH) that reported outstanding financial results. Fiducian (FID) and SDI (SDI) also reported strong results and have solid outlooks. Firefinch (FFX) also performed well after continued interest in lithium and the possible positive corporate re-organisation.

Detractors included Dropsuite (DSE) that raised some growth capital, Openn Negotiation that having doubled upon IPO settled back down, Fenix (FEX) gave back some gains after the iron ore price fell. Paygroup fell (PYG) on little news flow. Euroz gave back some gains after past strong performance and the payment of a large dividend.

We have recently added Ai Media Technologies (AIM) to the Annapurna Microcap fund. Ai Media is a Cloud based captioning, subscription and translation business. Ai Media growth is being driven by streaming and subscription proliferation continued growth of streaming platforms and the need to caption the new content. Other drivers include mandated change by governments covid announcements/storms, sadly greater hearing loss within ageing population. Improved technology is reducing the cost of the actual service making it appealing to content providers to bolt on. An example might be a Home Shopping Network that can add captioning for little incremental cost but materially lift sales. Extremely valuable live TV (sports rights costs are high) will increasingly use this format to boost ratings.

Fund Characteristics

FUM	AUD \$2.1m
Portfolio Managers	Bill Laister and Stephen Scott
Strategy	Nanocap/microcap and Small cap stocks. The fund is focused on Australian opportunities but can invest in international microcap and small cap stocks
Objectives	The fund aims to deliver superior risk adjusted returns through the investment cycle while protecting client's invested capital. The fund will aim to limit capacity to \$50m or below.
Return Target	To return 10% p.a net of fees over a 3-5 year investment cycle
Number of Stocks	Concentrated NanoCap/Microcap portfolio of 20- 50 stocks
Cash	Able to use cash/shorting/gearing up-to 130% as opportunities arise
Distributions	Annually
Management Fee	1.025%
Buy/Sell	Daily Application, Monthly Redemption (Minimum of 90 days' notice prior to a Redemption Day)
Performance Fee	20.5% pa of the amount by which the NAV per unit exceeds the High Water Mark once the fund achieves its 6% hurdle



Stephen Scott
Annapurna Microcap Fund - Portfolio Manager

- ▶ Responsible for the management of the microcap fund
- ▶ Long track record in the nanocap and microcap investing
- ▶ Over 25 years funds management experience domestically and globally

Over 25 years experience and a leading emerging companies / microcap portfolio manager. His roles have included Head of Research, Senior Portfolio Manager, Microcap Industrial Analyst and Senior Analyst. Stephen has been involved in portfolio management and construction, economic analysis and securities research throughout his career and was part of the largest microcap investment team and mandate in Australia.

Stephen has both domestic and global experience having worked in London, New York and Sydney in Senior funds management, investment research and management roles. Stephen has worked for Westpac, Deutsche Asset Management, Ord Minnett, Contango Asset Management, MAP Capital and Taylor Collison.



Bill Laister
Annapurna Microcap Fund - Portfolio Manager

- ▶ Responsible for the management of the microcap fund
- ▶ Long track record in the nanocap and microcap investing
- ▶ Over 30 years funds management experience

Over 30 years experience in the financial services industry as Senior Portfolio Manager, Head of Australian Equities, Head of Trading and Resources Analyst. He has worked at several organisations as Senior Portfolio Manager at Contango Asset Management (initial shareholder, 1999), Head of Australasian Equities HSBC AM, Director Contango MicroCap Ltd (ASX listed) and various roles at Wilsons & Co and Morgans Stockbroking in the 1980s.

Bill has been involved in resources analysis, portfolio construction and management through out his career. He launched the first Australian MicroCap mandate in 2004 and grew FUM to be the largest in the local market He travels regularly reviewing greenfield sites, mining operations and growth opportunities for companies.

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