



Australasian Emerging Companies Fund

Monthly Update as at 31 December 2024

PORTFOLIO MANAGER(S)



KENT WILLIAMS
Lead Portfolio Manager



MICHELLE LOPEZ
Head of Australasian Equities
and Co-Portfolio Manager

FUND COMMENTARY

The Emerging Companies Fund returned -2.1% during the month, bringing its 12-month return to 20.8%.

2024 has been a particularly strong year for your investment, with the Fund outperforming its benchmark by 3.5%. In Australia, we have experienced a buoyant equity market, underpinned by a fundamentally sound economy. The consumer has shown resilience, despite increased cost of living, and corporates remained well capitalized.

From an equities perspective, we have seen areas of solid growth, especially those companies exposed to the tech industry, healthcare and infrastructure. On the flip side, commodities have been under significant pressure this year, and this is an important industry for both an economic and equity market perspective.

Investing often feels uncomfortable amidst the persistent uncertainty in the global landscape, amplified by attention-grabbing media headlines. 2024 was a prime example: geopolitical tensions, Red Sea attacks, the Israel-Palestine escalation, the surge of AI 'everything', China's economic slowdown and subsequent stimulus measures, the Bank of Japan hiking rates for the first time since 2006, the US election, ongoing rate hikes, pauses, and cuts, and now the potential for re-inflation.

Yet, despite all the noise, equity markets gained roughly 15% over the year. It rarely pays to be bearish - and even less so to remain bearish for an extended period. Investing always appears easier in hindsight. But as investors, we don't operate with the benefit of hindsight, nor do you allocate your wealth based on it. This underscores the importance of long-term thinking in both investing and wealth creation.

With that in mind, as we look ahead to 2025 the year promises to bring its share of global headlines, particularly with Donald Trump beginning his presidential term in January. More importantly, when it comes to managing your wealth, we remain vigilant in seeking new opportunities with ample cash ready to deploy. Given the bottom-up nature of our approach, ideas can come from anywhere and at any time.

This year, we've achieved success across a diverse range of investments - from high-growth technology companies to bulk mining commodity businesses, and many of the companies that contributed to this year's performance were new additions to the portfolio. The key is to maintain a mix of new and existing ideas, while staying agile enough to drop everything and thoroughly research opportunities as they arise - often quickly or unexpectedly. We remain committed to this approach and are well positioned to continue identifying these new opportunities as they emerge.

Looking into 2025, the foundations remain constructive: Australia is in a strong fiscal position and we see confidence returning within the consumer, investors and corporates.

CUMULATIVE FUND PERFORMANCE

If you had invested \$100,000 at inception, the graph below shows what it would be worth today, before tax.



FUND DETAILS

Recommended minimum investment period	5 years
Objective	Capital growth over a period exceeding five years.
Description	Invests predominantly in listed Australasian emerging companies
Inception date	April 2013
Standard withdrawal period	15 working days
Risk indicator	<div style="display: flex; justify-content: space-between; align-items: center;"> Potentially Lower Returns Potentially Higher Returns </div> <div style="display: flex; justify-content: center; align-items: center; gap: 10px;"> 1 2 3 4 5 6 7 </div> <div style="display: flex; justify-content: space-between; align-items: center; font-size: small;"> Lower Risk Higher Risk </div>



Australasian Emerging Companies Fund

Monthly Update as at 31 December 2024

PERFORMANCE

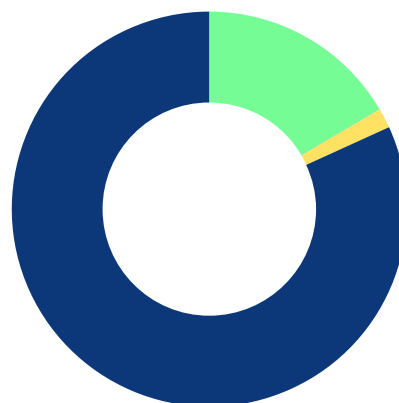
	1 month	1 yr	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)	Annualised since inception
Australasian Emerging Companies Fund	-2.1%	20.8%	6.9%	11.6%	12.7%	14.9%	18.5%
MARKET INDEX¹	0.8%	17.3%	-2.9%	11.3%	7.8%	11.3%	6.6%

Returns after fees but before individual PIR tax applied

1. S&P/ASX Small Ordinaries Total Return Index (75% hedged to NZD).

INVESTMENT MIX

● Cash (including Derivatives)	16.5%
● New Zealand Equities	1.6%
● Australian Equities	81.8%



Asset allocation is rounded to the nearest tenth of a percent; therefore, the aggregate may not equal 100%

TOP FIVE HOLDINGS (EXCLUDING CASH)

Access Innovation Holdings Ltd
Dropsuite Ltd
Generation Development Group Ltd
IPD Group Ltd
Metro Mining Ltd

Holdings are listed in alphabetical order.

UNIT PRICE

\$7.31

ANNUALISED RETURN SINCE INCEPTION

18.5% p.a.

after fees and before tax

FUND STATUS

CLOSED

OPEN



Information is current as at 31 December 2024. Pie Funds Management Limited is the manager and issuer of the funds in the Pie Funds Management Scheme. Any advice given by Pie Funds Management Limited is general only. Our advice relates only to the specific financial products mentioned and does not account for personal circumstances or financial goals. Please see a financial adviser for tailored advice. You may have to pay product or other fees, like brokerage, if you act on any advice. As manager of the Pie Funds Management Scheme investment funds, we receive fees determined by your balance, and we benefit financially if you invest in our products. We manage this conflict of interest via an internal compliance framework designed to help us meet our duties to you. For information about how we can help you, our duties and complaint process and how disputes can be resolved, or to see our product disclosure statement, please visit www.piefunds.co.nz. Please let us know if you would like a hard copy of this disclosure information. Past performance is not a reliable indicator of future returns. Returns can be negative as well as positive, and returns over different periods may vary.