



Australasian Growth 2 Fund

Monthly Update as at 31 December 2024

PORTFOLIO MANAGER(S)



MICHELLE LOPEZ
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and Lead Portfolio Manager



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Co-Portfolio Manager

FUND COMMENTARY

The Australasian Growth 2 Fund returned -3.8% this month, bringing its 12-month return to 26.9%.

2024 has been a particularly strong year for your investment, with the Fund outperforming its benchmark by 15.1%. 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.

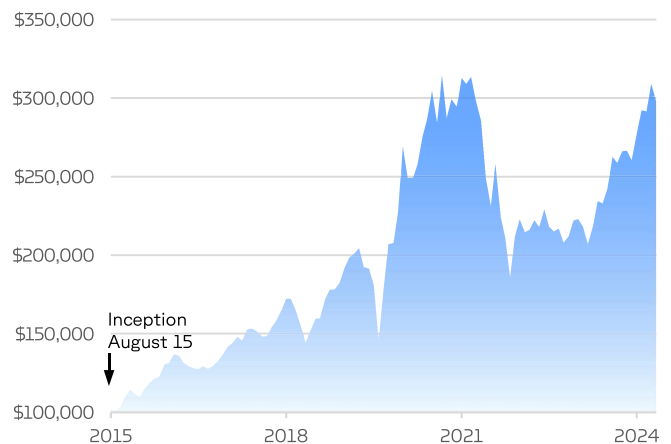
Key contributors to the strong outperformance included core positions in Life 360 (198%), Pro Medicus (+168%) and Pinnacle Investment Management (+138%). 2024 was an inflection year for Life 360 as it continued to deliver hockey stick like growth in cash earnings, expanded triple tier memberships into new international markets, launched a new advertising strategy and completed an IPO on the Nasdaq. We took profits late in the year, taking advantage of its lucrative valuation, but see continued outperformance potential over the medium term as they continue to execute globally.

As with all portfolios, there are also investments that do not live up to expectations. This year, it was Karoon Energy (-28%) and Aroa Biosurgery (-5%) that detracted the most from performance. Karoon was affected by poor operational performance at its Brazilian asset, Bauna, a poorly executed capital raise and a number of weather-related shutdowns. With a view that operational challenges are behind them and strong valuation support we remained invested. Aroa, an innovative New Zealand based biotech, focused on soft tissue regeneration in complex wounds, took longer than expected to reach that critical cash-flow break-even level. However, that inflection point is now in play, and we believe the year head will be one of high growth for the company.

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. The portfolio retains its quality-growth bias, however, we have begun to add to more cyclical companies ahead of a domestic recovery.

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 smaller and medium companies
Inception date	August 2015
Standard withdrawal period	10 working days
Risk indicator	<p>Potentially Lower Returns</p> <p>1 2 3 4 5 6 7</p> <p>Potentially Higher Returns</p> <p>Lower Risk Higher Risk</p>



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PERFORMANCE

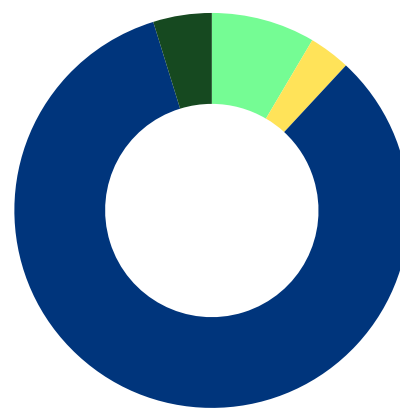
	1 month	1 yr	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	Annualised since inception
Australasian Growth 2 Fund	-3.8%	26.9%	1.2%	9.0%	9.9%	12.3%
MARKET INDEX¹	-3.4%	11.8%	-0.8%	4.9%	4.2%	7.5%

Returns after fees but before individual PIR tax applied

1. S&P/ASX Mid Cap 50 & Small Ordinaries Daily 50/50 Blend Total Return Index (75% hedged to NZD).

INVESTMENT MIX

Cash (including Derivatives)	8.5%
New Zealand Equities	3.4%
Australian Equities	83.4%
Listed Property	4.8%



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

TOP FIVE HOLDINGS (EXCLUDING CASH)

HUB24 Limited
Life360 Inc
Pinnacle Investment Management Group Ltd
Resmed Inc
SGH Ltd

Holdings are listed in alphabetical order.

UNIT PRICE

\$2.95

ANNUALISED RETURN SINCE INCEPTION

12.3% 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.