



Australasian Emerging Companies Fund

Monthly Update as at 28 February 2025

PORTFOLIO MANAGER(S)



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FUND COMMENTARY

The Emerging Companies Fund returned 0.0% during the month, bringing its 12-month return to 20.9%.

February's reporting season was marked by volatility, with large swings in share prices. Market positioning played a key role, as stabilising cyclicals and heavily shorted companies that posted acceptable results performed well. Meanwhile, vindicated shorts struggled, and crowded trades had to exceed expectations to be rewarded as investors rotated into fresh ideas.

The strongest contributors were Generation Development Group and Mayne Pharma, while Metro Mining detracted.

Generation Development Group rose 13% following the acquisition of Evidentia Group and a strong financial result. The acquisition is earnings accretive and strengthens GDG's position in the Australian managed accounts market. We participated in the capital raise and continue to view GDG as a core holding.

Mayne Pharma saw two major positive events: a strong trading update and a merger announcement with US-based Cosette Pharmaceuticals. While this provides a short-term gain for shareholders, it highlights the challenge of small ASX-listed companies being acquired before long-term value can be realised. The company has undergone a significant turnaround, demonstrating strong earnings and cash flow growth.

Metro Mining detracted due to a pullback in bauxite and alumina prices. However, prices remain significantly above 2024 levels, and we believe the company is well-positioned for 2025. With increased production and higher expected pricing, Metro Mining presents a compelling investment opportunity. The company is currently negotiating Q2 2025 pricing, with an announcement expected in the coming weeks.

We've come away from reporting season confident in our process and optimistic about the portfolio's outlook.

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>



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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	0.0%	20.9%	11.3%	13.5%	13.5%	14.3%	18.6%
MARKET INDEX ¹	-1.8%	15.9%	-0.5%	13.6%	7.6%	10.8%	6.4%

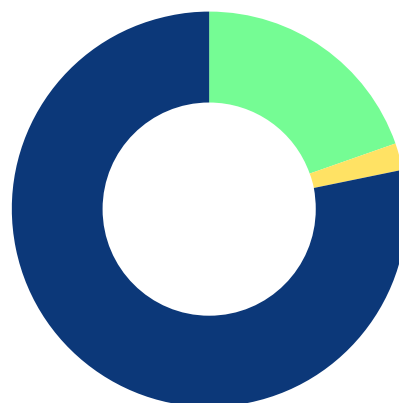
Returns after fees but before individual PIR tax applied

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

INVESTMENT MIX

Cash (including Derivatives)	19.6%
New Zealand Equities	2.2%
Australian Equities	78.2%

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



TOP FIVE HOLDINGS (EXCLUDING CASH)

Dimerix Ltd
Dropsuite Ltd
Generation Development Group Ltd
IPD Group Ltd
Metro Mining Ltd

Holdings are listed in alphabetical order.

UNIT PRICE

\$7.57

ANNUALISED RETURN SINCE INCEPTION

18.6% p.a.

after fees and before tax

FUND STATUS

CLOSED

OPEN



Information is current as at 28 February 2025. Pie Funds Management Limited ("Pie Funds") is the issuer and manager of the funds in the Pie Funds Management Scheme and the Pie KiwiSaver Scheme ("Schemes"), the product disclosure statements of which can be found at www.piefunds.co.nz. Past performance is not an indicator of future returns. This information is general only. Please see a financial adviser for tailored advice.