

Total returns[†]

At 31 Jan 2024	1 Mth %	3 Mths %	1 Yr %	3 Yrs % p.a.	5 Yrs % p.a.	10 Yrs % p.a.	Incep % p.a. (Nov 2003)
OC Micro-Cap Fund	0.2	11.8	5.3	(5.2)	11.4	12.5	12.4
S&P/ASX Emerging Companies Accum.	(5.2)	4.6	(11.9)	0.4	10.9	7.3	5.3
Outperformance	5.4	7.2	17.2	(5.6)	0.4	5.1	7.0

Performance review

The Fund posted a small positive return of +0.2% in January which was significantly ahead of the S&P/ASX Emerging Companies Accumulation Index which fell -5.2%. Over the past 12 months, the Fund returned +5.3%, significantly ahead of the Index return of -11.9%.

Lotus Resources (LOT, +28.1%) traded better as its Malawi uranium mine restart plans, scheduled for the next 12 months, continue to coincide with renewed interest in the nuclear energy sector and emerging supply issues from incumbent producers. Recent portfolio addition **Acusensus (ACE, +10.1%)** also finished higher in January after it won a mobile phone detection contract in South Australia which served to focus investor attention the company's growing domestic and international pipeline of camera enabled, road safety opportunities in CY24. **Chrysol Corporation (C79, -17.0%)** was softer for the month after its 2Q update disclosed that customer related delays had slowed new unit deployment, resulting in FY24 revenue forecasts tracking towards \$48m, with EBITDA likely to be inside the company's guidance range of \$7-17m.

Outlook

After a strong finish to calendar year 2023, global equity markets trended higher in January with inflation continuing to moderate in key economies including the US and Australia and employment markets remaining resilient. This remains consistent with the view that a soft landing is playing out.

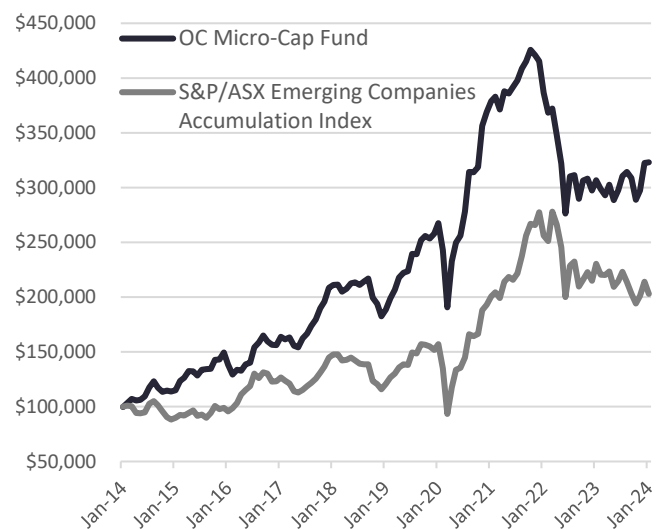
The US economy remains robust, with unemployment remaining at 3.7% in January, and US consumer confidence printing at a five month high in December. Core Personal Consumption Expenditure (PCE) inflation, on a six-month annualised basis, registered at 1.9% in December, trailing the Federal Reserve's (the Fed's) 2% target for a second month. At its Open Market Committee meeting in late January, the Fed tempered market expectations of a March rate cut by suggesting that more information was still required before it could declare victory over inflation. Bond markets reacted by pushing out the first US rate cut into May. Notwithstanding this, reflecting on the robust nature of the US economy and ongoing moderation in inflation Fed Chairman Jerome Powell conceded: "Let's be honest, this is a good economy."

On a domestic front, inflation moderated ahead of consensus expectations in January with the Consumer Price Index (CPI) cooling to a two-year low of 4.1%. The squeeze from higher

interest rates on household incomes and discretionary spending is delivering an economic slowdown. Consumer spending is slowing with retail sales declining 2.7% month on month in December. Cyclical stocks have rallied in Australia recently in anticipation of rate cuts in the second half of this calendar year. In our view, it is still too early to price this in domestically and we remain cautious on discretionary stocks ahead of the February results.

The February reporting season is now under way and the investment team remains confident that the Fund's holdings are well placed to meet or exceed the market's expectations.

Performance Comparison of \$100,000 over 10 yrs*



Top 5 holdings[#]

Company	ASX Code
Aspen Group	APZ
Pacific Current Group Limited	PAC
Peter Warren Automotive Holdings Limited	PWR
Silk Logistics Holdings Limited	SLH
SRG Global Limited	SRG

[#]The top 5 portfolio holdings are in alphabetical order and may not be representative of current or future investments.

Key Facts

Fund Overview

The Fund is a long-only, benchmark-unaware and primarily invests micro-cap securities listed, or near listing, on the ASX or the New Zealand Stock Exchange with sustainable business models and attractive investment qualities. OC will also invest in a small number of concept stocks that have robust business models and a pathway to profitability within five years and event driven and thematic stocks where we anticipate near term price appreciation. Micro-cap companies, for the purposes of the Fund, are companies with a market capitalisation of less than \$500 million at the time of the initial acquisition.

Responsible entity

Copia Investment Partners

Inception date

October 2016 as the OC Micro-Cap Fund. The Fund was previously the OC Concentrated Equity Fund which was established in December 2003.

Benchmark

S&P/ASX Emerging Companies Accumulation Index

Investment time frame

At least 5 years

Minimum investment

Initial: \$5,000

Additional: \$1,000

Distribution

Yearly

Management fee

1.20% p.a. (including GST net of RITC)

Performance fee

20.5% (including GST net of RITC) on any performance (after deducting the management fee) in any financial year above the greater of 15% for the year or the high-water mark.

Performance hurdle

S&P/ASX Emerging Companies Accumulation Index

High-water mark

Yes

Typical Investment Exposure

Cash	0%-20%
Equities	80%-100%
Including:	
S&P/ASX 300 Constituents	0%-20%
Unlisted Securities	0%-10%
NZX/Foreign Listed Securities	0%-10%

Platforms

AMP MyNorth | BT Panorama | CFS First Wrap | Hub 24 | Insignia (Expand) | Xplore (Linear) | Macquarie | Netwealth | Powerwrap | Praemium | DASH | Mason Stevens



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*The total return performance figures quoted are historical, calculated using end-of-month hard-close mid-prices and do not allow for the effects of income tax or inflation. Total returns assume the reinvestment of all distributions. The performance is quoted net of all fees and expenses as levied at the time. The index does not incur these costs. This information is provided for general comparative purposes. The returns for the OC Concentrated Equity Fund are used prior to the conversion to the OC Micro-Cap Fund. The inception date of the fund is 21/11/2003, the inception date of the index is 31/12/2003. *The performance comparison of \$100,000 over 10 years is for illustrative purposes only. All returns shown are based on Australian dollar figures. Past performance is not a reliable indicator of future performance. The total returns shown are prepared on an ongoing basis (i.e. they include all ongoing fees and expenses and assume reinvestment of all distributions). They do not take personal taxation into account. The comparison with the S&P/ASX Emerging Companies Accumulation Index is for comparative purposes only. Index returns do not allow for transactional, management, operational or tax costs. An index is not managed and investors cannot invest directly in an index.

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