

# Monash Investors Small Companies Trust

## Hedge Fund (ASX : MAAT)



High Conviction  
Fund



Australian Small  
Companies



Proven Track  
Record<sup>1</sup>



Buy and Sell on  
the ASX or direct

### May 2024 Fund Update

The Fund rose 3.2% after fees in May outperforming the S&P/ASX Small Ords which fell -0.1%. Our strong performance came from a wide range of stocks and sectors, with 7 stocks, across 6 sectors contributing more than 40 basis points each to the portfolio return.

Fund performance over the last 12 months is now 15.4% after fees, well ahead of the Small Ords' 10.9%. This month we announced MAAT's merger with our MAIF (Monash Smaller Companies Fund) unit trust (please see announcement). MAAT and MAIF run the same strategy and have had commensurate returns over the three years or so that MAAT has been listed on the ASX (but for a difference in costs that we are addressing with the merger). The MAIF longer term numbers are consistently strong with the 3 year, 5 year, 7 year and since inception (almost 12 year) returns beating the Small Ords by between 4.1% and 6.8% pa after fees.

The stocks that have driven our outperformance over the years come from across the market, but they have some attributes in common. They are typically undergoing a step change in their future results which we can confidently expect, having being able to identify, in each company, business situations similar to that we have seen in the past. We invest in these companies before the share price fully reflects the opportunity and then we exit once it does. It is our ability to consistently identify these opportunities and apply price discipline when investing and exiting, that creates our long term outperformance.

This month our top seven contributors are a good example of that diversity across sectors.

Southern Cross Electrical (ASX: SXE) +32% is an electrical contracting business that is in demand by companies that are generating, transmitting and/or using electricity. During the month it was awarded the \$160m contract value Collie battery project, it made a bolt on acquisition of a Sydney based electrical company, and it upgraded its profit guidance.

<sup>1</sup> Inception date is 28 May 2021. Past performance is not indicative of future performance.

### Return Summary<sup>1</sup> (after all fees)

1 Month	3 Months
+3.2%	+5.4%
1 Year	Since Inception
+15.4%	+2.3% <sub>pa</sub>



Our Investment team: Sebastian Correia, Simon Shields and Shane Fitzgerald

This fund is appropriate for investors with "High" and "Very High" risk and return profiles. A suitable investor for this fund is prepared to accept high risk in the pursuit of capital growth with a medium to long investment timeframe. Investors should refer to the [TMD](#) for further information.

# Monash Investors Small Companies Trust

## Hedge Fund (ASX : MAAT)

Catapult (ASX: CAT) +32% is a sports technology company that provides hardware and software for elite athletes and teams to analyse their performance during training and on the field. Catapult has a March year end so it reported its full year results in May. Sales, profit margin and cash flow were all well ahead of market and analyst expectations.

Botanix (ASX: BOT) co-incidentally was also +32% for the month. Botanix is an early stage company focusing on dermatology pharmaceuticals. Botanix released a presentation to the ASX, in anticipation of imminent FDA approval for their anti-hyperhidrosis medication. The product is already approved in Japan where it has a large market, and is distributed by an unrelated company.

Telix (ASX: TLX) + 21% once again appears in our list of top contributors for the month. Telix's cancer imaging drug sales continued growing at extraordinary rates and are in excess of \$500m after two years. The main piece of news this month was additional positive data from the clinical trial of its prostate cancer therapy. Telix has now reached the 100-bagger mark for us, having first invested in the company pre-IPO at the equivalent of \$0.17 back in January 2017.

Paladin (ASX: PDN) +14% rose with continued positive sentiment for uranium miners, this time as a result of the US Senate unanimously passing a bill to ban the importation of enriched uranium fuel to the US from Russia. The Bill now moves to President Biden for final approval.

The Bill seeks to wean the US off Russian enriched fuel, which accounts for ~40% of global enrichment capacity.

Technology One (ASX: TNE) +9% released its half year results. TNE provides commercial software for accounting and administration used by corporates, universities, councils and government departments. Revenue growth is accelerating and it has skillfully navigated the transition from legacy revenue, driven by license fees, to instead charging on the basis of SaaS (software as a service). The company provided strong guidance for FY24 and expects to continue to double in size every 5 years.

Lovisa (ASX: LOV) +7% is a jewelry retailer. It is a testament to Lovisa's successful global store roll out program that it continues to grow its revenue strongly and deliver commensurate profits in a difficult retail environment.

The Fund's major exposures continue to be to Healthcare, Consumer Discretionary, IT, Energy and Electrification (via Uranium, Copper and Lithium) and Mining Services.

### Return Summary Since Inception (after fees)<sup>2</sup>

	MAAT	Small Ords
CYTD	11.19%	4.21%
FYTD	12.07%	10.89%
1 month	3.18%	-0.05%
3 Month	5.40%	1.53%
6 Month	16.84%	11.74%
1 Year	15.39%	10.92%
2 Years pa	8.50%	2.24%
Since Inception pa	2.31%	-0.11%

### Return Summary Since Inception (after fees)<sup>2</sup>

	MAIF	Small Ords
CYTD	13.50%	4.21%
FYTD	14.56%	10.89%
1 month	4.48%	-0.05%
3 Month	7.56%	1.53%
6 Month	18.87%	11.74%
1 Year	17.86%	10.92%
2 Years pa	9.64%	2.24%
3 Years pa	4.27%	-0.08%
4 Years pa	10.54%	6.04%
5 Years pa	10.94%	4.18%
7 Years pa	11.12%	6.67%
10 Years pa	7.96%	6.48%
Since Inception pa	10.16%	6.08%

<sup>2</sup>Due to lack of MAAT history, data from Monash Small Companies Fund (MAIF) (inception date 2 July 2012) has been used. Glossary of terms can be found on the Fund's website at [www.monashinvestors.com/glossary/](http://www.monashinvestors.com/glossary/)

# Monash Investors Small Companies Trust

## Hedge Fund (ASX : MAAT)

### **For MAAT Unit Registry enquiries, please contact**

Apex Fund Services Pty Limited  
P: 1300 133 451 (in Australia)  
+61 2 8259 8888 (international)  
E: [registry@apexgroup.com](mailto:registry@apexgroup.com)

### **For all business development enquiries, please contact**

Cameron Harris  
P: +61 400 248 435  
[cameron@gsmcapital.com.au](mailto:cameron@gsmcapital.com.au)

**For more information about MAAT and the strategy, please refer to the Monash Investors website at [www.monashinvestors.com](http://www.monashinvestors.com). You can also [follow us on Livewire here](#) or [subscribe to our updates here](#)**

This document is prepared by Monash Investors Pty Limited ABN 67 153 180 333, AFSL 417 201 ("Monash Investors") as authorised representatives of Sanlam Private Wealth Pty Ltd ABN 18 136 960 775, AFSL 337 927 ("Sanlam") for the provision of general financial product advice in relation to the Monash Investors Small Companies Trust (Hedge Fund) ARSN 642 280 331 ("Fund") and authorised for release by The Trust Company (RE Services) Limited ABN 45 003 278 831, AFSL 235 150 ("Perpetual") as the responsible entity of, and issuer of units in the Fund. Monash Investors is the investment manager of the Fund. A Product Disclosure Statement ("PDS") dated 17 July 2023 together with a Target Market Determination ("TMD"), both issued by Perpetual, is available for the Fund at [www.monashinvestors.com](http://www.monashinvestors.com). You should obtain and consider the PDS and TMD for the Fund before deciding whether to acquire, or continue to hold, an interest in the Fund. The information provided is general information only and is not intended to provide you with financial advice, it does not consider your investment objectives, financial situation or particular needs. You should consider your own investment objectives, financial situation and particular needs before acting upon any information provided and consider seeking advice from a financial advisor if necessary. To the extent permitted by law, no liability is accepted for any loss or damage as a result of any reliance on this information. No company in Perpetual Group (Perpetual Limited ABN 86 000 431 827 and its subsidiaries) guarantees the performance of any fund or the return of an investor's capital.

You should not base an investment decision simply on past performance. Past performance is not a reliable indicator of future performance. Returns are not guaranteed and so the value of an investment may rise or fall. Total returns shown have been calculated using NAV prices after taking into account all ongoing fees and assuming reinvestment of distribution. No allowance has been made for taxation. Comparisons are provided for information purposes only and are not a direct comparison against benchmarks or indices that have the same characteristics as the Fund. Reference to Target Distributions, is a target return only. There is no guarantee the Fund will meet its investment objective. The payment of a quarterly distribution is a goal of the Fund only and neither Monash Investors or Perpetual provide any representations or warranty (whether express or implied) in relation to the payment of any quarterly cash income. The Fund reserves the discretion to amend its distribution policy.

The rating contained in this document is issued by SQM Research Pty Ltd ABN 93 122 592 036 AFSL 421913. SQM Research is an investment research firm that undertakes research on investment products exclusively for its wholesale clients, utilising a proprietary review and star rating system. The SQM Research star rating system is of a general nature and does not take into account the particular circumstances or needs of any specific person. The rating may be subject to change at any time. Only licensed financial advisers may use the SQM Research star rating system in determining whether an investment is appropriate to a person's particular circumstances or needs. You should read the product disclosure statement and consult a licensed financial adviser before making an investment decision in relation to this investment product. SQM Research receives a fee from the Fund Manager for the research and rating of the managed investment scheme.