

Australia was a relative outperformer posting moderate gains compared to the retreats staged by major global equity markets in August. The Eley Griffiths Group Small Companies Fund finished +3.1%, outperforming the Small Ordinaries Accumulation Index which gained +0.6%. Since inception (September 2003) the Fund has returned +10.2% p.a. after fees for unitholders.

The month began on a positive note with equities surging upward after the eagerly anticipated US Consumer Price Index (CPI) print announcement came in below expectations. The "risk on" exuberance was short lived after several U.S. Federal Reserve (Fed) voting members made headlines that a Fed pivot was unlikely and that further rate rises were needed to dampen inflation. Toward the end of August, the month's steadily accrued gains took a blow with the Fed Chairman's hawkish rhetoric at Jackson Hole confirming the Fed would continue its tightening policy until confident inflation is returned to target.

Small Resources (+5.6%) outperformed in the month, driven by strength in Lithium/Battery Materials names. At the portfolio level, IGO (+22%) contributed to returns. Sentiment

towards Mining Services names turned more positive after better-than-expected FY22 results. Strong demand saw Monadelphous Group (+27%) post record revenue and a substantial new and extended contracts pipeline. Consumer Discretionary results were largely better than feared. EGG investment, fashion jewellery retailer Lovisa Holdings (+30%) was a standout.

Information Technology (-4.6%) names remained volatile with weakness over the month. Global cloud connector Megaport (-25%) gave back some ground after July's breakneck rally.

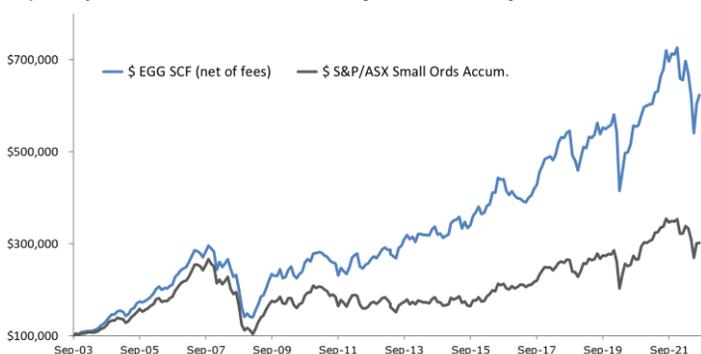
Overall, the domestic corporate reporting season scorecard shows result 'beats' trumped 'misses' verses expectations. Better than feared was bought, whereas downgrades were punished by the market. The season highlighted the deterioration effect higher than normal buffer inventories had on cash flow. Higher operational expenditure a consistent feature with both labour and material cost inflation. Finally, management outlook statements suggested that the consumer is still spending with no sign of slowdown yet.

Returns post fees	1 Month %	3 Months %	1 year %	3 years % p.a.	5 years % p.a.	10 years % p.a.	Incep^ % p.a.
EGG Small Companies Fund	3.06	0.24	-13.48	4.97	8.21	9.21	10.18
S&P/ASX Small Ord Accumulation Index (XSOAI)	0.58	-2.59	-14.66	4.10	6.85	6.29	6.04
Outperformance	+2.48	+2.83	+1.18	+0.88	+1.36	+2.92	+4.14

**Fund inception September 2003. Total net returns represent past performance only. Past performance is not a reliable indicator of future performance. Total returns (net) have been calculated using exit prices and take into account the applicable buy/sell spread and are net of Eley Griffiths Group's management fees and assumes reinvestment of distributions. No allowance has been made for taxation or any fees charged by operators of master trusts or wrap accounts through which the products are offered. Returns of more than one year are annualised. Returns of the Fund can be volatile and in some periods may be negative. The return of capital is not guaranteed.*

\$100,000 SINCE INCEPTION (AFTER FEES)

STOCK ATTRIBUTION*



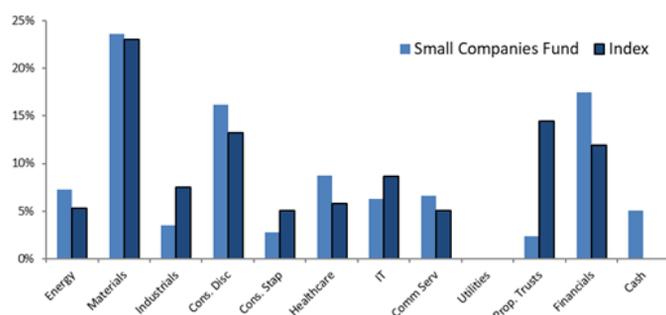
Code	Stock	Sector
Top 3 Contributors		
IGO	IGO	Materials
LOV	Lovisa Holdings	Consumer Discretionary
MND	Monadelphous Group	Industrials
Bottom 3 Detractors		
GMD	Genesis Minerals	Materials
MP1	Megaport	Information Technology
NGI	Navigator Global Investments	Financials

*Alphabetical order as at 31 August 2022

**Fund inception September 2003. Past performance is not an indicator of future performance*

FUND SECTOR ALLOCATION

TOP 5 ACTIVE POSITIONS*



Code	Stock	Sector
BRG	Breville Group	Consumer Discretionary
CMM	Capricorn Metals	Materials
LOV	Lovisa Holdings	Consumer Discretionary
MDN	Monadelphous Group	Industrials
PNI	Pinnacle	Financials

*Alphabetical order as at 31 August 2022

ELEY GRIFFITHS GROUP

Founded in 2003, Eley Griffiths Group is a specialist investment management company focusing on Australian listed Small and Emerging Companies. Eley Griffiths is 100% independent & owned by staff.

We are style agnostic and can own both growth and value companies to construct portfolios. The aim of our investment process is to deliver consistent outperformance through all market conditions.

Our investment philosophy;

- A long-term bottom-up approach to stock picking (style agnostic)
- Forming strong macro views to derive accurate long-term earnings estimates.
- Using Price/Earnings ratios and cashflow as our fundamental valuation tools.
- The need for a systematic and disciplined stock selection process
- Risk control measures at a stock and portfolio level
- Extensive company visitation program (domestic & offshore)

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

FUND INFORMATION

Benchmark: S&P/ASX Small Ordinaries Accumulation Index

Number of stocks: 35-55

Universe: ASX listed stocks outside the S&P ASX 100

Fund Inception: September 2003

Cash distributions or unit reinvestments: Annually

Management fees: 1.25%p.a.

Performance fees: 15% p.a. of Outperformance above the S&P/ASX Small Ordinaries Accumulation Index (After Base Management Fee)

Fund size: \$394.6m as at 31 August 2022

Minimum Investment: \$25,000

Unit Price: Daily

APIR Code: EGG0001AU

ARSN CODE: 106171224

Investment Enquires:

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PDS & Online Applications Forms:

<https://eleygriffithsgroup.com/invest/>

Existing investor administration:

Link Fund Solutions

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ELEY GRIFFITHS SMALL COMPANIES FUND

The Small Companies Fund offers investors exposure to a diversified portfolio of Australian listed small companies that reside outside the S&P ASX100 Index. The Fund is benchmarked against the S&P ASX Small Ordinaries Accumulation Index and has a 18 year track of record of outperformance.

The team combines fundamental bottom-up research of companies with an in-depth qualitative assessment of their management and industry structure. Our proprietary investment process, known as SCOPE (Small Company Optimal Portfolio Evaluation), is a relative stock scoring tool that ranks stocks from highest to lowest based on their score. The portfolio comprises the best scoring stocks, subject to a number of risk constraints, such as maximum active position size (5%) and liquidity.

The outworking of this process is a portfolio that typically exhibits both growth and value characteristics that aims to outperform through the market cycles.

PORTFOLIO MANAGERS



Ben Griffiths has over 30 years of financial markets experience. He co-founded Eley Griffiths Group in 2002 following a successful career as joint head of small companies at both BT Financial Group and ING Investment Management. Ben previously worked in precious metals markets with MASE Westpac and as a stockbroker at Roach Tilley Grice & Co as well as CL May Mellor. Ben holds a Bachelor of Commerce majoring in Accounting, Finance and Systems from the University of NSW.

David Allingham is a Director and Portfolio Manager at Eley Griffiths Group and has over 16 years' experience analysing small and emerging companies at Eley Griffiths Group. Prior to joining EGG in 2004, David worked in marketing at EMI Music Australia. David holds a Bachelor of Commerce from the University of Sydney.

Tim Serjeant has over 14 years' experience analysing small and emerging companies. Prior to joining EGG in July 2012, Tim was a Resources Analyst at Argonaut, a boutique investment bank and stockbroking firm. Tim holds Bachelor of Commerce (Honours in Finance) and Bachelor of Arts degree from the University of Western Australia.

Nick Guidera joined Eley Griffiths in September 2016 after 6 years at the global equity research house CLSA, in both analytical and research sales roles in the US & Australia. Prior to financial markets Nick spent 4 years as a practicing lawyer. Nick holds a Bachelor of Laws & Graduate Certificate of Legal Practice from University of Technology and a Master of Financial Management from the Macquarie Graduate School of Management.

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