

## Celeste Australian Small Companies Fund

### Performance Statistics (Total Returns net of fees)

	1 mth %	1 yr %	3 yrs %	5 yrs %	10 yrs %	20 yrs %
			p.a.	p.a.	p.a.	p.a.
Celeste Aust. Small Co. Fund <sup>1</sup>	+0.5	-1.2	-0.5	+8.0	+6.6	+6.6
<b>Performance (relative to Index)</b>	<b>-1.3</b>	<b>-4.9</b>	<b>-0.8</b>	<b>+0.3</b>	<b>+0.3</b>	<b>+1.7</b>
S&P/ASX Small Ords Acc Index	+1.8	+3.7	+0.3	+7.7	+6.3	+4.9
S&P/ASX Small Inds Acc Index <sup>2</sup>	+1.9	+3.2	+1.7	+6.4	+5.6	+5.4
S&P/ASX Small Res Acc Index <sup>2</sup>	+1.7	+5.1	-4.3	+12.4	+8.9	+3.9

Past performance is not indicative of future returns.

### Portfolio Commentary

The Fund rose 0.5%<sup>1</sup> (net of fees) in April, with its benchmark, the S&P/ASX Small Ordinaries Accumulation Index, increasing by 1.8% for the month. Since inception (May 1998) the Fund's return is 11.1%<sup>1</sup> p.a. (net of all fees), against the Index's 5.5% p.a.

**Eagers Automotive (APE)** rallied +23.1% in April. Industry data continues to point to strong growth in BYD new vehicle sales. APE expect BYD sales to double this year, contributing to \$1b of expected turnover growth at the group level. Recent margin contraction from post-covid highs appears to have stabilised with operational initiatives expected to see a return to margin expansion. Forecast interest rate cuts should also drive both top-line demand growth as well as bailment financing cost relief.

**Superloop (SLC)** rose 18.5% over the month of April on a continued favourable market outlook with strong momentum evident across the consumer and wholesale business segments. SLC completed the transition of Origin Energy's (ORG) broadband subscriber base onto its wholesale platform late last year and the partnership has continued from strength to strength with ORG announcing the milestone of 190k customers at mid-March, implying a meaningful acceleration in YTD net subscriber adds.

**Capricorn Metals (CMM)** rose +14.5% over the month. The gain was driven by a rising gold price and a strong quarterly update. The Karlawinda Gold Project produced 31koz at an all-in-sustaining cost of A\$1,390 per ounce and remains on track to achieve full-year guidance. An update of the draft Mt Gibson Gold Project Public Environmental Report remains on track for final submission in early Q4. The 400-room accommodation village for the Mt Gibson operation has now installed. We remain attracted to CMM's high production growth outlook at a best-in-class cost profile.

**Integral Diagnostics (IDX)** was up +5.7% during the month. Medicare data for March showed rolling 12-month diagnostic imaging volume growth of +6.1% coupled with benefit growth of +10.7%. This level of system growth should be supportive of IDX earnings while the business continues to work through clinical staff shortages and labour cost inflation in regional areas. Regulatory tailwinds and merger synergies should continue to support earnings growth.

**Monash IVF (MVF)** fell -26.0% in April. MVF confirmed media reports about an incident at its Brisbane clinic where an embryo was mistakenly transferred to another patient, resulting in a live birth. The company conducted an initial investigation, citing human error. MVF did not consider the incident material enough to be announced to the ASX. In a business built on trust between Dr and patient, misplacing an embryo is the worst outcome for an IVF provider. We exited the position as we see the non-disclosure of the incident as a serious corporate governance breach. It is likely that ongoing brand damage, doctor retention/attraction as well as litigation (ASIC, shareholder class action & patient remediation) will impact the business over the medium term.

### Portfolio Top 5 Holdings

Stock	% of Fund
1 NETWEALTH	4.9
2 AUB GROUP	4.8
3 JUDO CAPITAL	4.7
4 MA FINANCIAL	4.2
5 BREVILLE GROUP	4.1

### Global Index Performance (Accumulation)

	1 month %	1 year %	3 years % pa
Australia – S&P/ASX All Ordinaries	+3.6	+8.8	+6.7
USA – S&P 500	-0.7	+12.1	+12.2
USA – NASDAQ Composite	+0.9	+12.2	+13.1
Europe – FTSE (UK)	-0.7	+8.2	+8.0
Europe – DAX (Germany)	+1.5	+25.5	+16.8
Asia – Nikkei (Japan)	+1.2	-4.3	+12.6
Asia – Shanghai Composite (China)	-1.6	+9.3	+5.5

Source: Bloomberg

### Market Commentary

April was a volatile month for global financial markets, marked by significant fluctuations driven by geopolitical tensions, trade policy shifts, and mixed economic indicators. The month began with heightened uncertainty following President Trump's escalation of trade tariffs, which rattled investor confidence and triggered sharp sell-offs, in bonds and equities. However, markets later rebounded as tariff policies were partially eased, demonstrating the sensitivity of asset prices to trade-related developments.

Domestically, the ASX 200 rose 3.6% for month, with a strong rebound after being down 9% over the first 5 trading days of the month. Small Caps underperformed their Large Cap brethren, with Small Ords up 1.8%. With April inflation data in line with expectations and the RBA's target band, the Australian Central Bank is poised to cut rates by 25bps at its next meeting in mid-May. Finally, post-date, the Australian Federal Election saw the Labor Government returned to office in what is being described as a repudiation of Trump style politics.

The Federal Reserve's Chair, Jerome Powell, provided a cautious stance on future rate cuts. This combined with a resilient labor market (177,000 jobs added in April, unemployment steady at 4.2%), supports a tighter than anticipated monetary policy outlook. The European Central Bank cut rates to 2.75%, while the Bank of Japan held rates at 0.50%, China's economy showed signs of strain, with manufacturing PMI contracting to 49, indicating the early economic toll of U.S. tariffs.

The U.S. dollar hit multiyear lows against major currencies early in April. This came despite a sell off in US Treasuries, which saw yields rise during the period. Commodity markets were heavily influenced by trade dynamics and macroeconomic signals. Oil prices failed to recover from early April's "Liberation Day" shock, dragging down energy stocks and contributing to a bearish outlook for the sector. The Energy Information Administration revised down its global oil demand forecast for 2025, further capping price gains despite geopolitical risks in the Middle East. Gold. Meanwhile, Gold rose to \$3,247.40, benefiting from its status as a safe-haven asset amid trade war fears and the reemergence of inflation concerns.

April 2025 underscored the fragility of global markets with them likely to maintain a mercurial temperament to trade policy developments, central bank actions, and geopolitical events. We continue to build the Celeste portfolio in a process consistent manner, investing in quality management teams, reliable accounts, and companies that generate growing long term cash flows, trading at a discount to intrinsic value.

<sup>1</sup>Total returns shown for the Celeste Australian Small Companies Fund has been calculated using exit prices after taking into account all of the Fund's ongoing fees and assuming reinvestment of distributions. No allowance has been made for entry fees or taxation. You should not base an investment decision simply on past performance. Past performance is not an indicator of future performance. Returns are not guaranteed and so the value of an investment may rise or fall.

<sup>2</sup>The S&P/ASX Small Industrials Accumulation Index and the S&P/ASX Small Resources Accumulation Index are used in the table for illustrative purposes. The S&P/ASX Small Industrials Accumulation Index represents all industrial companies within the S&P/ASX Small Ordinaries Accumulation Index. The S&P/ASX Small Resources Accumulation Index represents all resource companies within the S&P/ASX Small Ordinaries Accumulation Index.

Monthly update: 30 April 2025

## Fund at a Glance

### Fund Information

Primary Investments	Shares in listed Australian smaller companies
Investment objective	Exceed Small Ordinaries Accumulation Index over rolling 5 year periods
Unit price (redemption) as at 30.04.2025	\$3.6126
Unit price (application) as at 30.04.2025	\$3.6343
Fund Size as at 30.04.2025	\$57m
Minimum investment	\$25,000
Minimum additional investment	\$1,000
Minimum balance	\$15,000
Redemption will generally be available in	7 days
Distributions	30 June and 31 December
Entry fee*	0%
Exit fee*	0%
Buy/Sell differential*	0.30%
Management fee*	1.10% p.a
Performance fee**	20% of return above benchmark

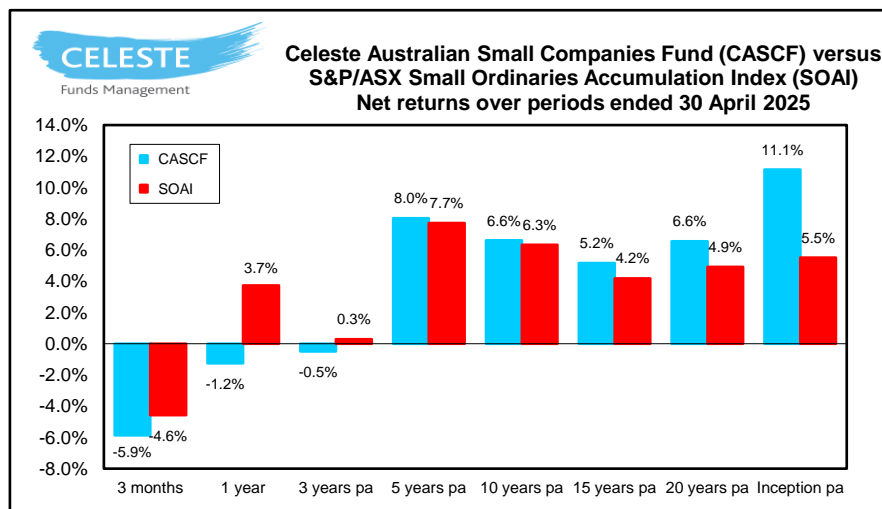
\* These fees and charges apply for the duration of the Product Disclosure Statement (PDS) and are inclusive of the Goods and Services Tax.

\*\* A fee charged on performance of the investments of the Fund above the nominated benchmark performance. The benchmark is the S&P/ASX Small Ordinaries Accumulation Index.

This fund is appropriate for investors with "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 fund's Target Market Determination for more information.

(<https://documents.feprecisionplus.com/tmd/PCT/TMD/N8Z8-FAM0101AU.pdf>)

### Fund Returns



### Distribution History

Total distribution year ended	Cents Per Unit	Annual Yield %**
June 15	12.67	4.5
June 16	9.95	4.0
June 17	6.87	2.6
June 18	7.01	2.2
June 19	10.46	2.9
June 20	9.51	2.8
June 21	14.02	4.3
June 22	25.05	5.5
June 23	8.93	2.7
June 24	11.98	3.4

\*\* CPU / unit price at beginning of period

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