

# AUSTRALIAN SMALLER COMPANIES FUND

## MONTHLY REPORT



31 AUGUST 2023

The **Investors Mutual Australian Smaller Companies Fund** provides exposure to an actively managed portfolio of quality shares outside of the top 100 listed on the ASX. The Fund aims to provide attractive investment opportunities for investors seeking medium to long term capital growth with income.

### FUND PERFORMANCE

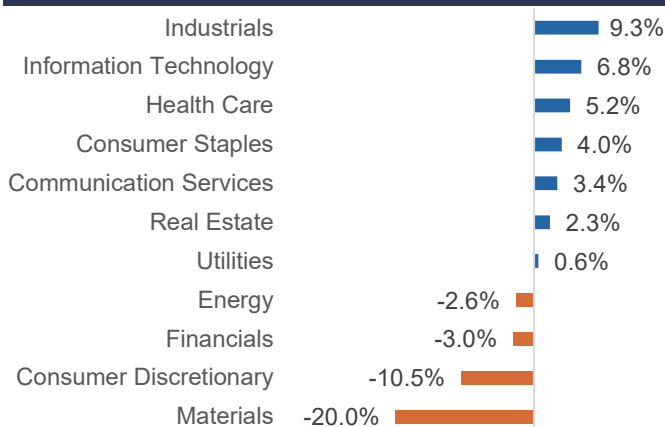
- The Fund was up +0.9% in August, well ahead of the benchmark which was down -1.0%.
- The Fund's outperformance came on the back of good performances from several key holdings in the portfolio, which given strong market positions and resilient end demand, allowed them to grow revenues and maintain operating margins.
- Several of our holdings were up strongly after reporting strong results, including GUD, Clearview Wealth and Readytech, and in the case of TPG Telecom, also a potential material asset sale. Mayne Pharma's performance was disappointing, dropping after reporting lower-than-expected revenue for its key women's contraceptive product, Nextstellis. Management confirmed Nextstellis is on track to meet expectations in FY24.
- As expected, reporting season was mixed given the differing impact of high inflation and rising interest rates on companies over the last 12 months, with outlook statements generally cautious given some cost pressures continue to build. We continue to focus on well-established companies with strong recurring earnings and competitive advantage that we believe can continue to perform well, despite uncertain economic conditions in the year ahead.

	1 MONTH	3 MONTHS	1 YEAR	3 YEARS <sup>^</sup>	5 YEARS <sup>^</sup>	10 YEARS <sup>^</sup>	SINCE INCEPTION <sup>^</sup>
Total return*	+0.9%	+8.6%	+2.6%	+7.6%	+2.5%	+7.5%	+12.4%
Benchmark**	-1.0%	+2.8%	-0.4%	+2.8%	+2.2%	+5.4%	+5.6%

<sup>^</sup>% Performance per annum. \*Fund returns are calculated net of management fees, and assuming all distributions are re-invested. Investors should be aware that past performance is not a reliable indicator of future performance. Returns can be volatile, reflecting rises and falls in the value of underlying investments.

\*\*The benchmark for this Fund is the S&P/ASX Small Ordinaries Index (excluding Property Trusts).

### ACTIVE SECTOR WEIGHTS

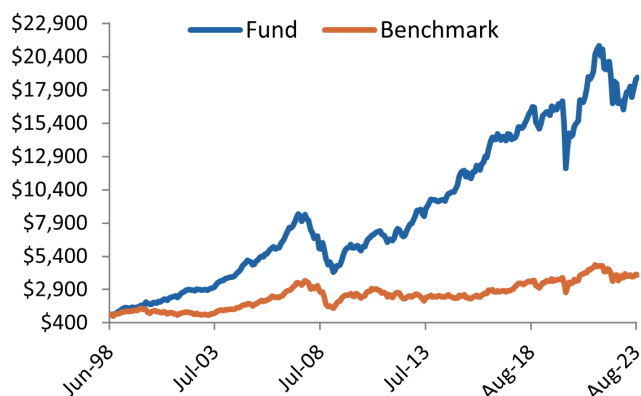


### TOP 10 HOLDINGS

### ASX CODE

A2B Australia	A2B
Skycity	SKC
SG Fleet	SGF
TPG Telecom	TPG
Readytech	RDY
G.U.D.	GUD
Bega	BGA
Australian Clinical Labs	ACL
EQT	EQT
Clearview Wealth	CVW

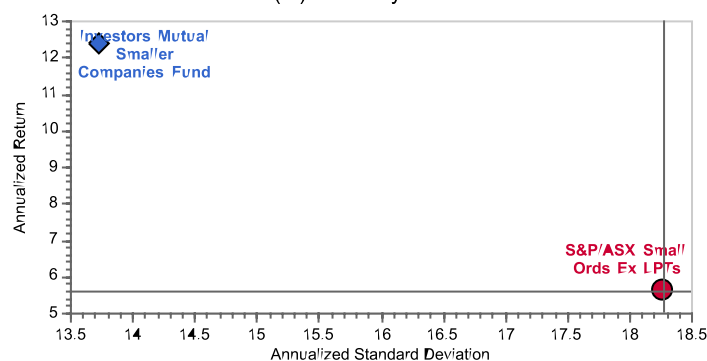
### GROWTH OF \$1,000 INVESTED AT INCEPTION



### FUND RISK-RETURN VS BENCHMARK

#### Since Inception Risk Return

06/30/1998 to 08/31/2023 (M) Currency: AUD Portfolio: Investors Mutual



Since inception: 30 June 1998: Cumulative performance of the Fund vs its benchmark; Benchmark = S&P/ASX Small Ordinaries Index (excluding Property Trusts). Source: IML,Factset

FUND FACTS	
ARSN	093 182 471
APIR	IML0001AU
Inception	30 June 1998
Benchmark	S&P/ASX Small Ordinaries Index (excluding Property Trusts)
FUM	\$ 105M
Investment Horizon	4-5 years
Minimum Initial Investment	A\$50,000
Minimum Additional Investment/ Redemption	A\$5,000
Distributions	Generally semi-annual
Performance Fee	Nil
Management Fee	0.993% p.a. of the net assets of the fund (includes net effect of GST)
Asset Classes and Allocation Range	Aust Equities (80-100%) Cash (0-20%)

PORTFOLIO CHARACTERISTICS	FUND	BENCHMARK
No. of stocks	60	176
Portfolio turnover <sup>1</sup>	18%	NA
Portfolio Beta (since inception)	0.61	1.00

<sup>1</sup>Annual portfolio turnover over the last 12 months is computed by taking the lesser of purchases or sales and dividing by the average monthly net assets.

FUND RATINGS	
Morningstar	Silver
Zenith	Recommended
Lonsec	Recommended *Visit <a href="https://www.lonsec.com.au/logo-disclosure">lonsec.com.au/logo-disclosure</a> for important information about this rating



iml.com.au



trading@iml.com.au



1300 551 132

*This publication (the material) has been prepared and distributed by Natixis Investment Managers Australia Pty Limited AFSL 246830 for the Investors Mutual Australian Smaller Companies Fund (the "Fund") and may include information provided by third parties. Investors Mutual Limited (IML) AFSL 229988 is the Responsible Entity of the Fund. Although Natixis Investment Managers Australia Pty Limited believe that the material is correct, no warranty of accuracy, reliability or completeness is given, including for information provided by third parties, except for liability under statute which cannot be excluded. This information is general securities information only and does not take into account your personal investment objectives or needs. Applications can only be made by reference to the current Product Disclosure Statement, or through IDPS products that include the Fund. Before deciding to acquire or continue to hold an investment in the Fund, you should consider the information contained in the Product Disclosure Statement in conjunction with the Target Market Determination, available at [www.iml.com.au](https://www.iml.com.au) Past performance is not a reliable indicator of future performance and that no guarantee of performance, the return of capital or a particular rate of return is provided. It may not be reproduced, distributed or published, in whole or in part, without the prior written consent of Natixis Investment Managers Australia Pty Limited and IML.*