

BAZA HIGH CONVICTION FUND MONTH ENDED 30 APRIL 2023

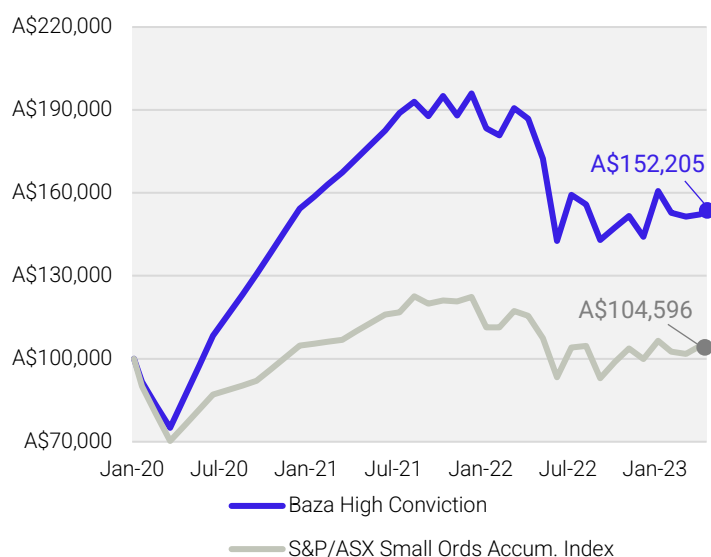


KEY METRICS FOR MONTH

Unit price	A\$0.949
Fund return for month	+0.5%
S&P/ASX Small Ords Accum. (Benchmark) return	+2.8%
Fund performance in month vs. Benchmark	-2.3%
Cash as at end of month	5.1%

HISTORICAL PERFORMANCE

Value of A\$100,000 invested at inception



HISTORICAL RELATIVE PERFORMANCE

	Fund return ^{1,2}	S&P/ASX Small Ords Accum. Index	Relative Fund performance
1 month	+0.5%	+2.8%	-2.3%
3 months	-5.2%	-1.7%	-3.5%
6 months	+3.2%	+5.8%	-2.5%
12 months	-18.5%	-9.4%	-9.1%
Since inception ³	+52.2%	+4.6%	+47.6%
Since inception (annualised) ³	+13.6%	+1.4%	+12.2%

1. Post all fees and expenses
 2. Assumes reinvestment of distributions (A\$0.023 declared 30-Jun-20 and A\$0.647 declared 30-Jun-21)
 3. Since inception, 15-Jan-20

COMMENTARY

The Baza High Conviction Fund (the Fund) returned +0.5% during February, underperforming the S&P/ASX Small Ordinaries Accumulation Index (Benchmark) which returned +2.8%. Total return for the Fund since inception (January 2020) is +52.2%, annualising at +13.6%, compared with the Benchmark which has returned +4.6% over the same period, annualising at +1.4%.

The major portfolio development for the month was Silk Laser Australia (SLA, +46%) who received a A\$3.15/sh cash takeover offer from Wesfarmers. SLA was the Fund's 2nd largest holding prior to the bid and is now the Fund's largest. It has been a portfolio holding since April 2022 and recently provided a trading update highlighting strong cash sales growth in 2023. The takeover offer was made at a 30% premium to last close and SLA currently trades at a ~5% discount to the takeover price. SLA was the key positive contributor to April performance.

Global Data Centre Group (GDC, +20%) announced a positive outcome from an internal strategic review. GDC will now pursue an asset monetisation process, selling off its holdings in Etix (edge data centres), Airtrunk and a Perth data centre. Pursuing this strategy should unlock value closer to (and potentially above) its fair value NTA of A\$2.32 (compared to price of A\$1.54 as at 30 April 2023).

Positive Medicare data was released which indicated good growth in IVF and doctor clinic visits so far in 2023. This supported modest price gains in Monash IVF (MVF, +8%), Capitol Health (CAJ, +2%) and Probiotec (PBP, +2%).

The key detractor for the month was Frontier Digital Ventures (FDV, -28%) which launched a discounted equity raising to the surprise and chagrin of shareholders. FDV has been a long term portfolio holding and a key detractor to performance over the last 12 months. Our key concern is that FDV management were unable to unlock funding from less dilutive means across the portfolio, such as a strategic investment in their FDV LATAM subsidiary. Despite FDV trading poorly post the announcement, we view the selling as overdone and have been adding modestly to our position. The medium to long term outlook remains positive for its portfolio of online classifieds.

The Fund ended the month with 5.1% cash, plus ~3% to come from fund inflows. There are several compelling opportunities in the Fund pipeline. The Fund remains open for investment with applications processed at the end of each month.

RESPONSIBLE INVESTMENT UPDATE

The Fund commenced investment with a small position in jewellery chain Michael Hill International (MHJ) following its astute acquisition of Bevilles. MHJ practices metal stewardship (responsibly sourced gold and silver), has committed to zero carbon by 2025 and has a metal recycling program.

BAZA HIGH CONVICTION FUND MONTH ENDED 30 APRIL 2023



FUND SNAPSHOT

The Baza High Conviction Fund is a long only small-cap fund targeting undervalued emerging companies on the ASX. Actively invested in emerging companies that have the ability to generate sustainable, long-term shareholder returns. The Fund has a high risk, high return profile.

The Fund utilises strict responsible investment screening parameters; both positive and negative.

Inception	15-Jan-20
Structure	Unit trust
Management fee	1.5% p.a. (incl. GST)
Performance fee	20.0% (incl. GST) above benchmark
Benchmark	S&P/ASX Small Ordinaries Accumulation Index (post management fee & expenses)
Unit pricing, applications and redemptions	Monthly
Eligible investors	Wholesale Investors, as defined in the Corporations Act 2001 (Cth)
Distributions	Annually, post 30-Jun, and at the Trustee's discretion

For further information please contact:

WILLIAM SANDOVER
Chief Investment Officer
ws@baza.capital
baza.capital
+61 499 776 998

BRAYDEN MCCORMACK
Chief Strategy Officer
bm@baza.capital
baza.capital
+61 401 025 296

RESPONSIBLE INVESTMENT OVERVIEW

Positive screens (non-exhaustive, up to 25% scale-up)

Renewable energy	Efficient transport
Recycling	Sustainable products
Healthy foods	Healthcare & wellbeing
Education	Electrification
Direct investment	Strong diversity policies, reporting and practices

Negative screens

Threshold

Fossil fuel exploration, development or production	Zero tolerance
Provision of significant services to fossil fuel industry	25%+ of focus or revenue, no investment
Excessive carbon emissions	Zero tolerance if no transition, management or offset plans or processes
Gambling or tobacco	Zero tolerance
Old growth logging, destruction of ecosystems or animal cruelty	Zero tolerance
Military technology or armaments	Zero tolerance
Carbon intensive agriculture	25%+ of focus or revenue, no investment

We also investigate the diversity of Boards and senior management, and policies and reporting relating to diversity, and screen for controversy, prior to investment.

Further information on responsible investment policies can be found in the Baza High Conviction Fund Information Memorandum, available by request.

Disclaimer: This report has been prepared by Baza Capital Holdings Pty Ltd (ABN 70 660 169 595) as the fund manager of the Baza High Conviction Fund (ABN 75 493 908 548). True Oak Investments Ltd (ACN 002 558 956 AFSL 238 184) acts as the trustee of the Fund. The Trustee has authorised Baza Capital under its Australian Financial Services Licence (Authorised Representative No. 001297482) to provide general advice and deal in the investments of the Fund. The Fund is an unregistered managed investment scheme. This document contains information about the performance of the Fund and is intended only for investors that are wholesale clients as defined in s761G of the Corporations Act 2001 (Cth). It is not intended to be used by any other persons in any other jurisdiction if and to the extent that to do so would be in breach of Australian laws, or the laws of any foreign jurisdiction. This report contains general information only and is not intended to provide any person with financial advice. It does not take into account any person's (or class of persons) investment objectives, financial situation or particular needs, and should not be used as the basis for making an investment in the Fund. Neither Baza Capital nor True Oak Investments make any representation as to the accuracy, completeness, relevance or suitability of the information, conclusions, recommendations or opinions contained in this report (including, but not limited to any forecasts made). No liability is accepted by any of these entities or their respective directors, officers, employees, agents or advisors for any such information, conclusions, recommendations or opinions to the fullest extent possible under applicable laws. This publication may contain forward looking statements regarding our intent, belief or current expectations with respect to market conditions. Readers are cautioned not to place undue reliance on these forward-looking statements. The Investment Manager does not undertake any obligation to revise any forward-looking statements to reflect events and circumstances after the date of this publication. Neither Baza Capital nor True Oak Investments guarantee the repayment of capital, the performance of any investment or the rate of return for the Fund. Past performance is not necessarily indicative of future performance. This document is not an Information Memorandum for the purposes of the Act. Accordingly, it does not purport to contain all information that potential investors may need to make an informed assessment as to whether or not to invest in the Fund. Numerical figures in this publication have been subject to rounding. Please contact Baza Capital if you wish to receive a copy of the Information Memorandum.