BAZA HIGH CONVICTION FUND
QUARTER ENDED 31 MARCH 2024

BAZA CAPITAL

+3.0% return in month of March 2024[1]	**-1.7%** return in month of March 2024[1]	**+11.5%** annualised performance since inception[1,2,3]	**+8.0%** annualised outperformance vs. Benchmark since inception[1,2,3]

KEY METRICS

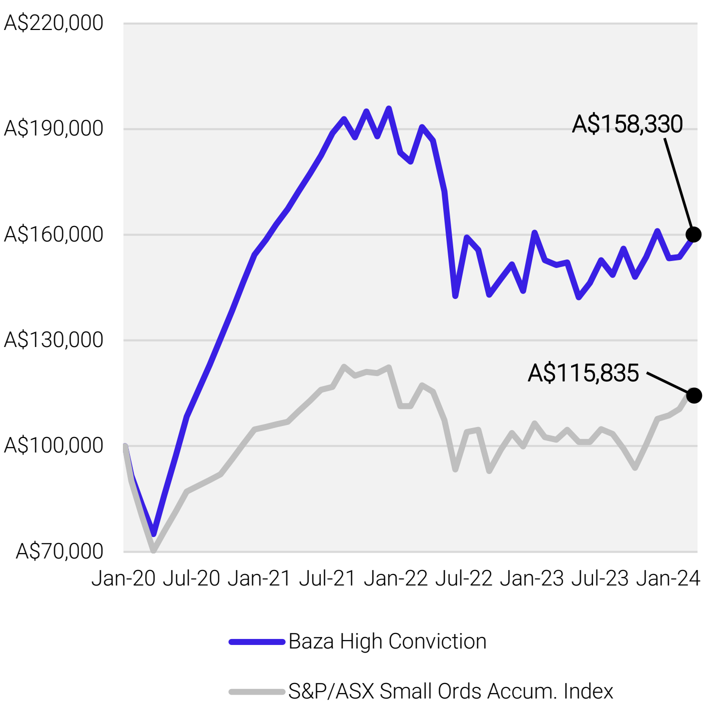
Unit price	A$0.9874
Performance in Mar-24 quarter[1]	-1.7%
S&P/ASX Small Ords Accum. (Benchmark) perf.	+7.5%
Fund performance for Mar-23 quarter vs. Benchmark	-9.2%
Performance in Mar-24 month[1]	+3.0%
S&P/ASX Small Ords Accum. (Benchmark) perf.	+4.8%
Fund performance for Mar-24 month vs. Benchmark	-1.8%
Cash as at 31-Mar-24	1.4%

HISTORICAL RELATIVE PERFORMANCE

	Fund return[1,2]	S&P/ASX Small Ords Accum. Index	Fund out-performance
1 month	+3.0%	+4.8%	-1.8%
3 month	-1.7%	+7.5%	-9.2%
1 year	+4.5%	+13.8%	-9.3%
2 year	-16.9%	-1.2%	-15.7%
3 year	-5.4%	+8.4%	-13.7%
Since inception[3]	**+58.3%**	**+15.8%**	**+42.5%**
Since inception[3], annualised	**+11.5%**	**+3.6%**	**+8.0%**

HISTORICAL PERFORMANCE

Value of A$100,000 invested at inception[1,2,3]

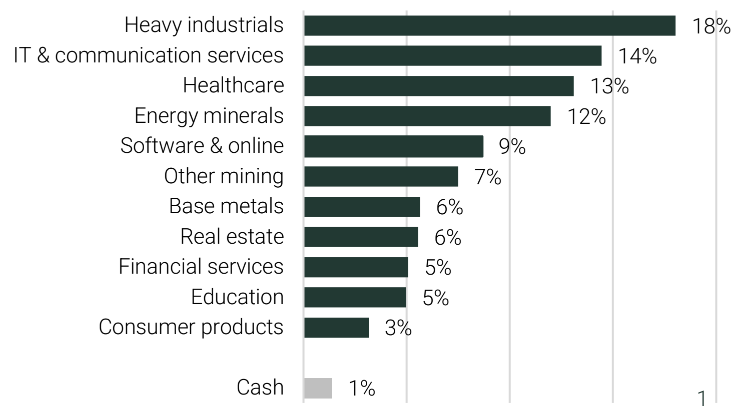


PORTFOLIO SNAPSHOT

Top 5 holdings (as at 31 March 2024)

1	Atturra	ATA	7.2%
2	Probiotec	PBP	6.9%
3	Monash IVF	MVF	6.2%
4	Frontier Digital Ventures	FDV	6.0%
5	Lycopodium	LYL	6.0%

Sector exposure (as at 31 March 2024)



1 Post fees and expenses
2 Assumes reinvestment of distributions (A$0.023 declared 30-Jun-20 and A$0.647 declared 30-Jun-21)
3 Fund inception was 15-Jan-20

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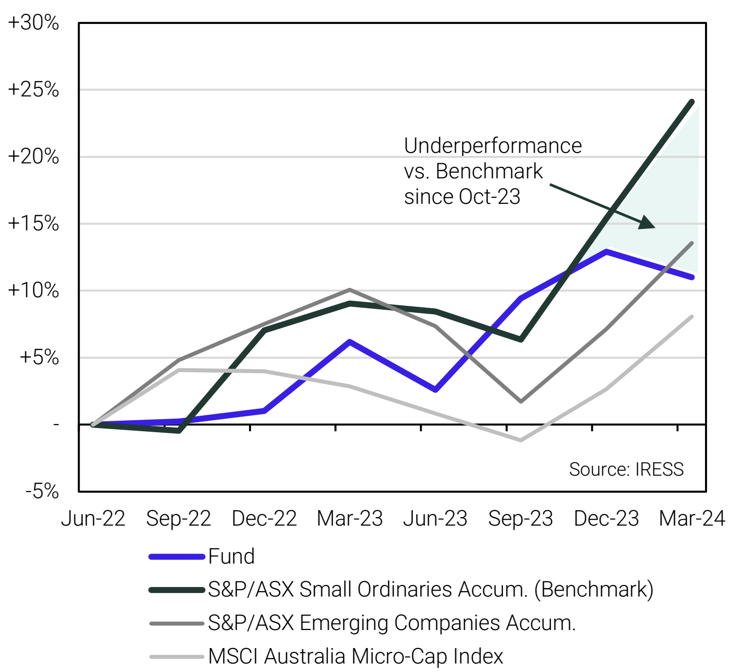
Overview

The Fund returned +3.0% for the month of March and -1.7% for the quarter ended 31 March 2024. The Fund underperformed the S&P/ASX Small Ordinaries Accumulation Index (Benchmark) which returned +4.8% in March and +8.5% over the quarter.

The Fund has lagged the broader market in the early stages of the market rebound. The Benchmark has rebounded +24.1% from the 30 June 2022 market bottom, compared to the Fund which has returned +11.0%. The underperformance has been mostly accrued since October 2023, until which point the Fund had outperformed the Benchmark.

Rebound since 30-Jun-22 (key ASX indices, quarterly data)



Underperformance during the March 2024 quarter was driven by two factors:

1) poor share price performance for junior mining companies in January and February; and
2) the rebound in smaller, low liquidity companies lagging the rebound in the Benchmark (a common historical phenomenon).

We are confident that the Fund will return to its trend of strong historical outperformance, given our conviction in the long term structural and valuation tailwinds for our current portfolio with focuses on healthcare, IT services, industrials and electrification minerals.

Key sector contributors for the quarter included real estate (+1.9%), healthcare (+1.0%), and financial services (+1.0%). The key detractor for the quarter was energy minerals (-1.5%) as key commodity prices declined over the quarter. Mining in aggregate returned -3.0% during the quarter.

Individual contributors to performance

The key positive performer for the quarter was real estate services provider McGrath (MEA, +1.9% contribution). MEA received a A$0.60/sh cash takeover offer from Knight Frank and Bayleys. The offer price represented a premium of +28% to the undisturbed share price. The Board, including founder John McGrath, have elected to vote their 48.1% of shares in favour of the scheme, and we see little risk in the deal not proceeding.

The Fund established a position in MEA in mid-2023 at an average entry of A$0.39 and has received A$0.065 in dividends since investment. The investment thesis for McGrath centred around their strong balance sheet and releasing capital through the sale of their corporate-owned stores. The company was executing successfully on this thesis, notwithstanding a cyclically soft east coast residential real estate market.

The takeover proposal for McGrath represents the 5th takeover offer within the Fund's top 10 holdings over the last 12 months (alongside Silk Laser Clinics (SLA), DDH1 Drilling (DDH), Probiotec (PBP) and Cirrus Networks (CNW)). The corporate activity is strong validation for our approach to identifying undervalued companies, especially compared to 4% of ASX-listed companies being taken over in 2023[1]. However, only 1 of the 5 takeovers achieved new all-time-high prices (Cirrus Networks), and in our view all have left upside on the table to the benefit of the incoming acquirers, meaning each announcement has had bittersweet implications for the Fund.

Another positive contributor for the quarter was Monash IVF (MVF, +0.8%), the Fund's largest position entering the quarter. MVF released strong financial results in February, declared a healthy dividend and has set itself to achieve a record earnings result for FY24. Our investment thesis focused on MVF compounding market share gains within a sector seeing solid secular tailwinds. This continues to be the case, with MVF increasing its Australian market share from 19.1% to 20.9% year-on-year.

1 There were 84 unique takeover transactions on the ASX in 2023, out of approximately ~2,200 listed companies.

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Individual detractors to performance

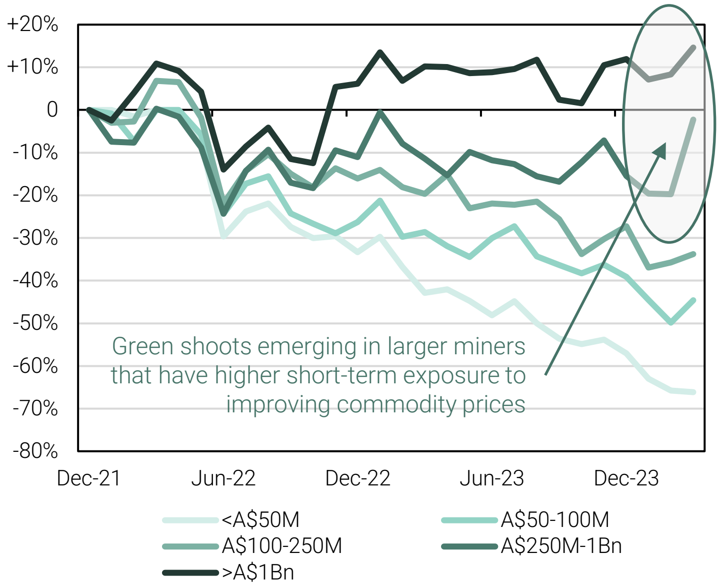
The key detractors for the quarter were mainly junior mining companies that were sold off significantly in January.

The average mining investment for the Fund was down -14% during the quarter, with a skew to smaller critical mineral developers (lithium, nickel, copper, rare earths) that suffered from sharp commodity price declines. The quarterly performance for junior mining companies compounded already weak sentiment in the sector, and anecdotal feedback from brokers and other investors is that this is the toughest junior mining bear market in decades.

While the strong performance from our non-mining portfolio (accounting for ~70% of the portfolio) during the quarter helped offset this junior resources deterioration, the Fund was unable to keep pace and underperformed the Benchmark.

We believe we have avoided the worst of the junior mining weakness, but it has been an overall negative contributor to total Fund performance in 2023 and the first quarter of 2024. The Fund continues to find and invest in new mining opportunities where the value disconnect is greatest – typically emerging companies in favoured commodities with high quality assets and good management teams in the development phase.

Mining company performance by size (since 31-Dec-2021, median)



Commodity prices are rallying

The Fund's largest individual commodity exposures are gold (7.5%), copper (4.9%) and lithium (4.5%). Thus far in April 2024, gold is performing well and has breached new highs; we are starting to see the share prices of junior gold developers we are invested in respond accordingly. A broadening of positive sentiment in gold, copper, lithium and other small mininh companies is expected to be positive for Fund performance.

We have used this junior mining bear market to selectively add to our position in electrification metals. The volatility of commodity markets can be painful in the short term, however the long-term outlook is as attractive as ever. The persistence of permitting issues, geopolitical issues, as well as difficult debt and equity funding environments has driven investment in new discoveries and building mines to depressed levels. There will be significant challenges to unlocking new supply of commodities to meet the upcoming demand from the infrastructure and manufacturing required for electrification, and continued high demand from developing nations. This disconnect provides an opportunity for commodity prices to increase as supply is squeezed over the medium term.

Responsible investment

The Fund met with management teams throughout the half year reporting season. We engaged with companies on operational performance, financial reporting and outlook, as well as understanding their progress towards their stated sustainability objectives.

Some highlights from reporting season were:

- Monash IVF (MVF): is innovating the science around fertility and improving patient outcomes. It has increased the per cycle success rate from 38.0% to 38.9% since 2022. MVF is also driving the rapid growth in genetic carrier screening which will reduce incidence and improve diagnosis of chronic disease.
- Lycopodium (LYL): released its inaugural sustainability report in 1H FY24 and has set its carbon intensity baseline which it intends to reduce as part of its ongoing sustainability strategy. LYL also continues to expand capability in delivering critical minerals projects, which require a high degree of engineering expertise which LYL specialises in.

The Fund is open for investment with applications processed at the end of each month.

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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

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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 (oil, gas, coal, tar sands) exploration, development and production	Zero tolerance
Provision of significant services to the fossil fuel industry	25%+ of focus or revenue, no investment
Excessive carbon emissions	Zero tolerance if no transition or offset plans
Production and manufacture of tobacco and nicotine alternatives	Zero tolerance
Old growth logging, destruction of ecosystems and animal cruelty	Zero tolerance
Military technology and armaments (including development, production and maintenance of nuclear weapons)	Zero tolerance
Carbon intensive agriculture	25%+ of focus or revenue, no investment
Gambling	Zero tolerance

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