



Growth UK & Europe Fund

Monthly Update as at 30 April 2024

PORTFOLIO MANAGER(S)



GUY THORNEWILL*

Head of Global Research



TOBY WOODS*

Senior Investment Analyst



MIKE TAYLOR

Founder and Chief Investment Officer

*Guy Thornewill and Toby Woods are responsible for research and analysis

FUND COMMENTARY

The Growth UK and Europe Fund returned -3.0% during the month, bringing it to a 12-month return of 5.0%.

April was a trickier month across the board in equities, with Europe being no exception, as the 'higher-for-longer' narrative took its toll on the markets. For Europe, however, the light at the end of the tunnel is closer than elsewhere, with the market factoring an 85% chance of a first interest rate cut by the ECB in June. In the US, the first cut is not expected until the end of the year.

We have started to have companies reporting first-quarter results, which, on the whole, have been positive for the fund. For instance, Sdipotech showed resilient organic growth that was higher than expected, driving the shares up 11% on the day of release. Vusion announced impressive orders, backed up by an additional €1bn order from Walmart for its electronic shelf label solutions. The shares ended the session 15% higher. Although MIPS's results were light versus expectations, they indicated a potential inflection point in orders, pushing the shares up by 10%. On the negative side, however, Bufab missed revenue numbers, indicating a slowdown for its industrial clients, which triggered the stock to fall 13% on the day. Finally, although Trainline has yet to report, the shares have been weak due to the announcement from the UK Labour Party that it wants to nationalise parts of the railway. The concern is that third-party ticket retailers would be sidelined, despite Labour insisting this would not be the case.

We added two new positions during April. We participated in an IPO for the first time in more than two years, which was well-judged, as French software company Planisware advanced 25% on its debut. We also bought SOL, an Italian supplier of medical and industrial gases. We have been following the company for more than a year, and the FY 2023 results confirmed its earnings quality, so we initiated a position. We exited Royal Unibrew to fund these positions.

Overall, with a story of growth recovery, falling interest rates and very compelling valuations, we remain optimistic about the fund's performance in the coming 12 months.

For more information on our funds, please visit www.piefunds.co.nz/Investor-Documents

CUMULATIVE FUND PERFORMANCE

If you had invested \$100,000 at inception, the graph below shows what it would be worth today.



● Growth UK & Europe Fund

FUND DETAILS

Recommended minimum investment period	5 years
Objective	Capital growth over a period exceeding five years.
Description	Invests predominantly in listed UK & European smaller companies.
Inception date	November 2016
Standard withdrawal period	10 working days
Risk indicator	<div style="display: flex; justify-content: space-between; align-items: center;"> Potentially Lower Returns Potentially Higher Returns </div> <div style="display: flex; justify-content: center; align-items: center; gap: 10px;"> 1 2 3 4 5 6 7 </div> <div style="display: flex; justify-content: space-between; align-items: center; margin-top: 5px;"> Lower Risk Higher Risk </div>



Growth UK & Europe Fund

Monthly Update as at 30 April 2024

PERFORMANCE

	1 month	1 yr	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	Annualised since inception
Growth UK & Europe Fund	-3.0%	5.0%	-2.2%	7.5%	6.5%	8.1%
MARKET INDEX ¹	-0.9%	6.6%	0.9%	6.1%	6.1%	8.7%

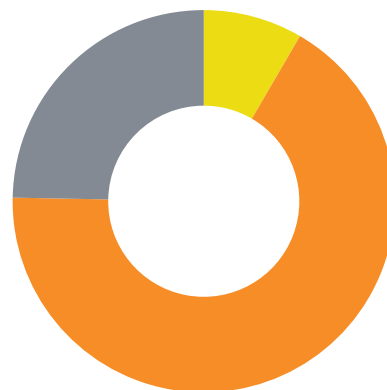
Returns after fees but before individual PIR tax applied

1. S&P Europe Small Cap Gross Total Return Index (75% hedged to NZD).

INVESTMENT MIX

Cash (including Derivatives)	8.4%
European Equities	66.9%
UK Equities	24.7%

Asset allocation is rounded to the nearest tenth of a percent; therefore, the aggregate may not equal 100%.



TOP FIVE EQUITY HOLDINGS

Discoverie Group PLC

Do & Co AG

ID Logistics SAS

Nexus AG

Sdiptech AB (publ)

Holdings are listed in alphabetical order.

UNIT PRICE

\$1.78

ANNUALISED RETURN SINCE INCEPTION

8.1% p.a.

after fees and before tax

FUND STATUS

CLOSED

OPEN



Information is current as at 30 April 2024. Pie Funds Management Limited is the manager and issuer of the funds in the Pie Funds Management Scheme. Any advice given by Pie Funds Management Limited is general only. Our advice relates only to the specific financial products mentioned and does not account for personal circumstances or financial goals. Please see a financial adviser for tailored advice. You may have to pay product or other fees, like brokerage, if you act on any advice. As manager of the Pie Funds Management Scheme investment funds, we receive fees determined by your balance, and we benefit financially if you invest in our products. We manage this conflict of interest via an internal compliance framework designed to help us meet our duties to you. For information about how we can help you, our duties and complaint process and how disputes can be resolved, or to see our product disclosure statement, please visit www.piefunds.co.nz. Please let us know if you would like a hard copy of this disclosure information. Past performance is not a reliable indicator of future returns. Returns can be negative as well as positive, and returns over different periods may vary.