



Growth UK & Europe Fund

Monthly Update as at 31 May 2024

PORTFOLIO MANAGER(S)



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Head of Global Research



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FUND COMMENTARY

The Growth UK & Europe Fund returned 6.3% during the month, bringing it to a 12-month return of 10.0%.

After a weaker April, European equity markets rose to new highs in May. Inflation data continued in the right direction, which is positive for equities, and geopolitical events did not worsen. The first quarter reporting season was also generally robust, even if consumer spending remains soft.

The fund had a decent performance in the month, supported by positive moves from some core holdings such as Sdiptech, where organic growth remains strong, ID Logistics, where new contracts have been promising, and BioGaia, which continues to deliver high returns as it expands. Performance was also supported by new holdings, such as Planisware which had a good first trading update following its recent listing. We had added to our position in Planisware before the release.

On the negative side, Redcare Pharmacy shares were under pressure due to concerns around the cost of marketing as it launched its online prescription service following recent regulation changes in its favour. We spoke with the company and feel comfortable that it will deliver as we expect.

We bought one new position, Bonesupport, which is a Swedish healthcare company that has developed a novel injectable bone substitute product and has a huge growth runway to replace existing treatment methodologies. We exited Sixt, the car rental company after it warned us of slower demand.

European smaller company equities performed well in May, and our view remains that the asset class is significantly undervalued. We continue to run lower-than-average cash levels and find good new growth ideas.

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>

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



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PERFORMANCE

	1 month	1 yr	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	Annualised since inception
Growth UK & Europe Fund	6.3%	10.0%	-0.8%	8.6%	7.3%	8.9%
MARKET INDEX ¹	5.5%	15.9%	2.0%	8.2%	6.8%	9.4%

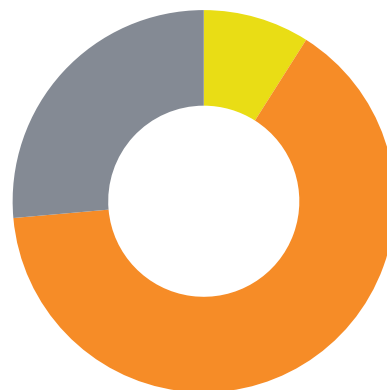
Returns after fees but before individual PIR tax applied

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

INVESTMENT MIX

Cash (including Derivatives)	9.0%
European Equities	64.6%
UK Equities	26.4%

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
Frp Advisory Group PLC
ID Logistics SAS
Nexus AG
Sdiptech AB (publ)

Holdings are listed in alphabetical order.

UNIT PRICE

\$1.89

ANNUALISED RETURN SINCE INCEPTION

8.9% p.a.

after fees and before tax

FUND STATUS

CLOSED

OPEN



Information is current as at 31 May 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.