

Monthly Report | August 2024

NorthStar Impact Australian Equities Fund

Fund overview

The Fund is invested in a diversified portfolio of 53 Australian companies and 5 international companies listed on recognised stock exchanges, across our impact focus areas. **The Fund returned +1.7% for the month, bringing the 2024 year-to-date return to +19.1%, compared to +7.9% return for the ASX/S&P Small Industrials Index.** The overall market consolidated the strong gains since October 2023. We retain our view that these are the early stages of a multi-year bull market in small companies due to the combination of compelling valuations and peaking of rates.

Portfolio company highlights

Results season led to significant stock price volatility but overall, we were pleased with the announcements from our portfolio companies. We were impressed by results from AI Media, Aspen Group, Beamtree, Eureka Group, and Kip McGrath. In addition, Vysarn announced an acquisition of Waste Water Services, which was received positively by investors.

The **top contributors to performance in August were Clarity Pharmaceutical (ASX: CU6), AI Media (ASX: AIM), and Opthea (ASX: OPT).** AI Media reported strong results while Clarity and Opthea were expected to be added to the S&P/ASX 300 Index.

Company profile

Vysarn (ASX: VYS)

Vysarn is focused on the integration and development of water, carbon and environmentally specialized services, technologies and infrastructure. The responsible management of water is a critical and escalating issue that they are addressing, and this is driving strong growth in their revenue and earnings. The acquisition of Waste Water Services expands their offering into the design, manufacture, installation, and maintenance of wastewater treatment plants, potable water treatment plants, and pumping stations.

Top 5 Holdings

Clarity Pharma

Environmental Group

Arena REIT

Aspen Group

Charter Hall Social
Infrastructure

Portfolio Managers



Kerry Series
CIO



Claudia Kwan
Co Portfolio Manager

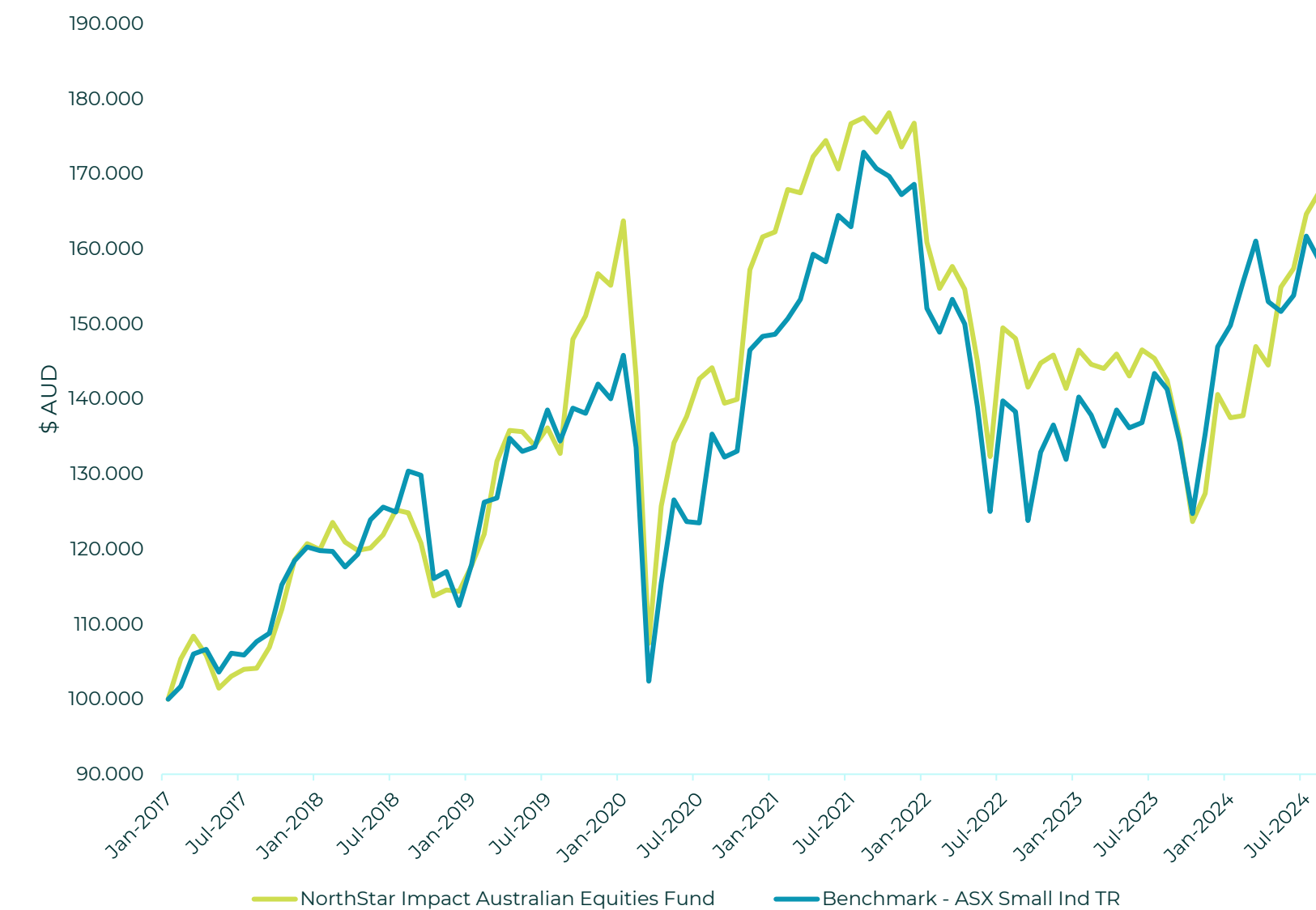
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Fund performance

	1m	3m	6m	1yr	3yr p.a	5yr p.a	Inception p.a
Fund (net of fees)	1.74%	8.14%	21.56%	17.56%	-1.91%	4.76%	7.04%
Index*	-1.94%	4.56%	1.90%	12.21%	-2.84%	3.36%	6.27%
Active Return (net of fees)	3.68%	3.58%	19.66%	5.35%	0.93%	1.40%	0.77%

Growth of \$100,000 AUD



As at 30 August 2024. Source: Apex Group, NorthStar Impact.

*Index means the S&P/ASX Small Ordinaries Industrials TR Index. This index is used for performance reference purposes only. The S&P/ASX All Ordinaries Accumulation Index is the hurdle rate for the calculation of the Fund's performance fee. Total returns include realised and unrealised gains and losses plus income and are time-weighted rates of return that adjust for external cash flows. Valuations are computed and performance reported in Australian dollars. Performance returns are presented after management and performance fees and all trading expenses. Past performance is not an indicator of future performance. Inception was 31 January 2017.

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Impact Insights

Anteotech is an Australian-based developer and manufacturer of hi-tech chemical materials that have applications across clean energy and life sciences products. Their Anteo X performance enhancing additive has been independently validated, contributing to significant improvements in lithium battery cycle life and anode performance. This is important as major electric vehicle manufacturers are looking for solutions to enable longer travel distances and achieve lighter vehicle weight. Anteotech's leading products have delivered a 35% improvement in battery charge and life and are 3x thinner and also lighter than competing materials. In addition, the company is working with a battery separator manufacturer on technology to reduce the risk of fires in lithium batteries. These technological advances are key to accelerating the adoption of clean energy solutions.

Engagement

NorthStar Impact's work is guided by our 3 pillars of impact investing: Intentional Positive Impact, Active Contribution (also known as "additionality"), and Impact Measurement. Our engagement strategy is focused on understanding our companies' purpose (intent), helping them accelerate, scale, or extend their impact, and developing impact metrics. Furthermore, we engage with other stakeholders to create positive impact. This month, our engagement included:

- Hosting a webinar featuring Tim Lindley, Chair of Venture Minerals and James Clement, CEO of Vysarn, alongside Luke Fletcher, Director at mining research think tank, Jubilee Research Centre. The speakers discussed a new standard of responsibility in critical minerals and water supply, the distinct approaches being taken by Venture and Vysarn and the role investors like NorthStar can play in progressing responsible mining.
- Attending group calls or one-on-one meetings with 25 positive impact companies.
- Participating in the cornerstone process for the capital raising by an existing portfolio company.



Our Impact Alpha Webinar Series aims to connect and inform our networks to encourage collaboration and action.

Register now: **Childcare in Australia**

NorthStar has been advocating for accessible and affordable high-quality childcare. As a participant in Minderoo's Thrive by Five campaign, we are delighted to be joined by **Jay Weatherill**, Advocacy & Engagement, Minderoo Foundation as well as **Mathew Edwards**, Managing Director, Nido Education (ASX: NDO) to discuss key considerations for Australia and different pathways towards universal childcare.

When: Tuesday 15 October, 11 am – 12pm (AEST)

Where: Online Event

[Register here](#)

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Key Facts

Inception	31/01/2017
Domicile & Status	Registered Managed Investment Scheme domiciled in Australia
Holdings	52 stocks
Liquidity	Daily
Base currency	Australian dollars
Distributions	Paid annually, shortly after 30 June; reinvested unless otherwise instructed
Minimum investment	\$10,000
Fund identifier	APIR: ETL6826AU

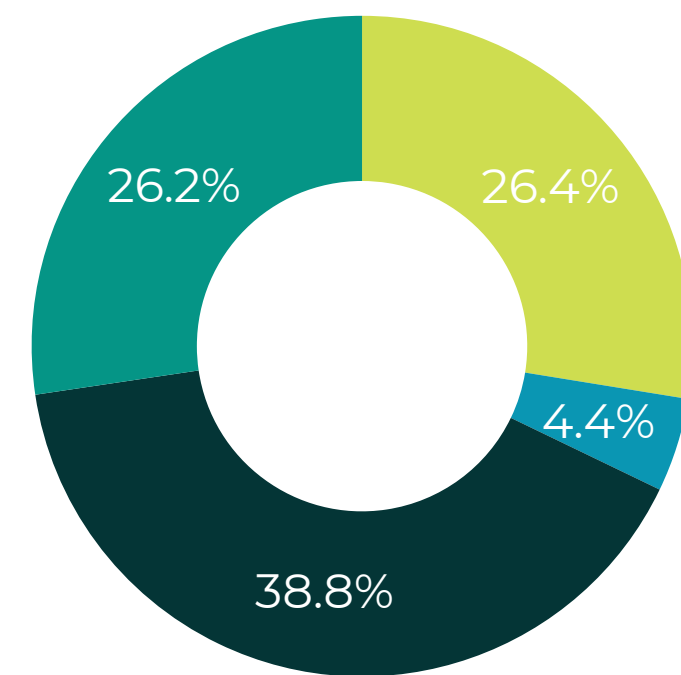
Fees & Charges

Investment management fee	1.03% pa
Other fees & expenses	Up to 0.36% pa
Total management costs	1.39% pa
Performance fee	20.5% over benchmark
Performance hurdle	S&P All Ordinaries Accum Index

Sector allocations

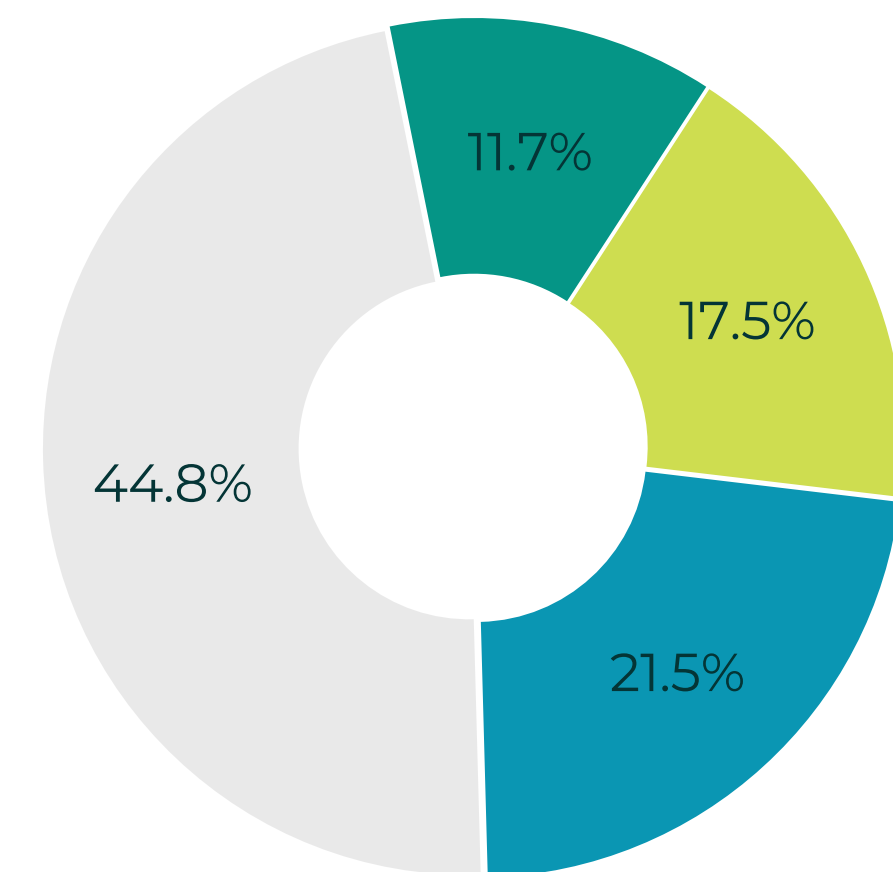
Cash	2.4%
Consumer Discretionary	9.9%
Materials	2.2%
Financials	0.2%
Health Care	38.3%
Industrials	17.1%
Information Technology	7.2%
Real Estate	16.9%
Utilities	4.0%

Impact Focus Areas



■ Environment ■ Education
■ Healthcare ■ Communities

Market Cap



■ Large cap ■ Mid cap ■ Small cap ■ Early Stage

Source: NorthStar Impact. Accurate as at 30 August 2024.

Important Information

Equity Trustees Limited ("Equity Trustees") (ABN 46 004 031 298) AFSL 240975, is the Responsible Entity for the NorthStar Impact Australian Equities Fund ("the Fund"). Equity Trustees is a subsidiary of EQT Holdings Limited (ABN 22 607 797 615), a publicly listed company on the Australian Securities Exchange (ASX: EQT). The Investment Manager for the Fund is North Star Impact Pty Ltd ("NorthStar") (ABN 56 635 773 974), an Authorised Representative of Longreach Alternatives Pty Ltd ("Longreach") (ABN 25 082 852 364) AFSL 246747. This publication has been prepared by NorthStar to provide you with general information only. In preparing this publication, we did not take into account the investment objectives, financial situation or particular needs of any particular person. It is not intended to take the place of professional advice and you should not take action on specific issues in reliance on this information.

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The Fund's Target Market Determination is available here: [NorthStar-Target-Market-Determination.pdf](#). A Target Market Determination is a document which is required to be made available from 5 October 2021. It describes who this financial product is likely to be appropriate for (i.e. the target market), and any conditions around how the product can be distributed to investors. It also describes the events or circumstances where the Target Market Determination for this financial product may need to be reviewed.