



EGP Concentrated Value Fund

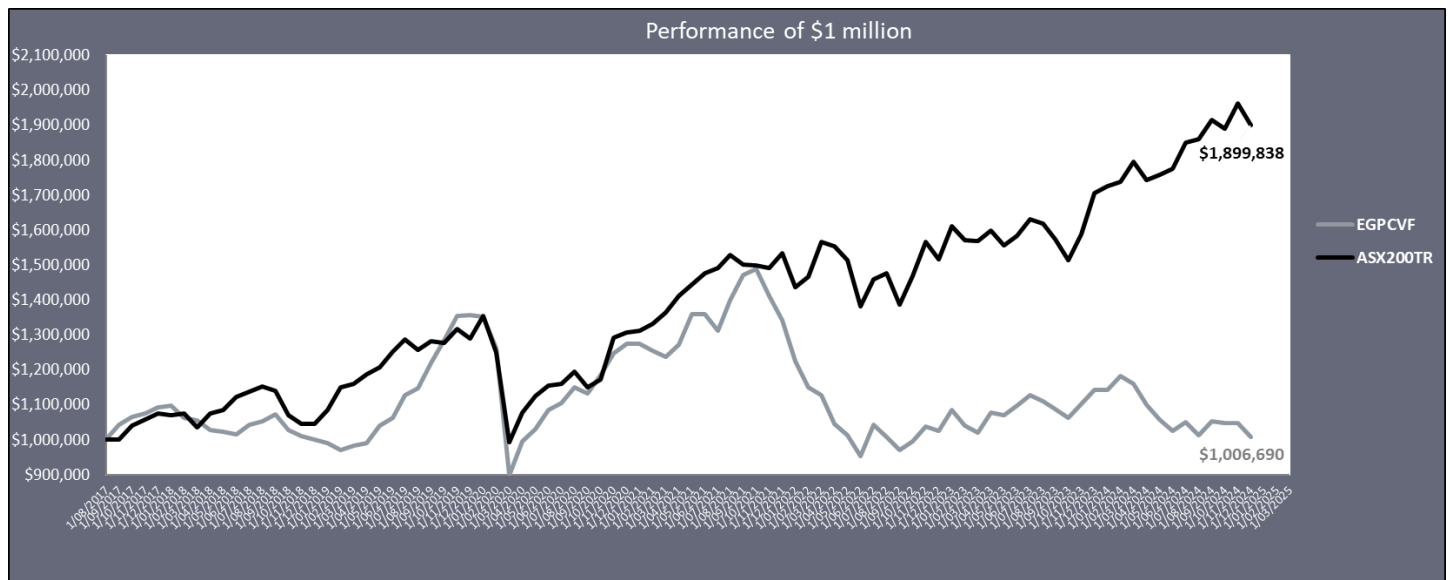
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EGP Concentrated Value Fund – 31 December 2024

EGP Concentrated Value Fund is a managed investment scheme focused primarily on owning Australian listed businesses. It targets 3 – 5% annual outperformance of Australia’s preeminent ASX200 index over the long term. Managed by a performance-oriented co-owner, we run a portfolio that is genuinely different. The sole objective is to deliver the strongest possible risk adjusted returns. The fund manager has their entire investable asset base in the fund, meaning focus on risk is unusually intense.

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	FYTD
EGPCVF FY18	N/A	1.1%*	3.0%	2.4%	0.8%	1.6%	0.5%	(3.0%)	(0.7%)	(2.7%)	(0.6%)	(0.7%)	1.58%
Benchmark FY18	N/A	(0.1%)*	(0.0%)	4.0%	1.6%	1.8%	(0.5%)	0.4%	(3.8%)	3.9%	1.1%	3.3%	12.18%
EGPCVF FY19	2.6%	1.0%	1.8%	(4.2%)	(1.7%)	(1.0%)	(0.9%)	(1.9%)	1.2%	0.9%	4.8%	2.3%	4.63%
Benchmark FY19	1.4%	1.4%	(1.3%)	(6.1%)	(2.2%)	(0.1%)	3.9%	6.0%	0.7%	2.4%	1.7%	3.7%	11.55%
EGPCVF FY20	6.1%	1.8%	6.4%	5.2%	5.5%	0.1%	(0.3%)	(6.7%)	(28.9%)	11.0%	3.6%	5.1%	1.99%
Benchmark FY20	2.9%	(2.4%)	1.8%	(0.4%)	3.3%	(2.2%)	5.0%	(7.7%)	(20.7%)	8.8%	4.4%	2.6%	(7.68%)
EGPCVF FY21	1.9%	4.1%	(1.5%)	4.6%	5.3%	2.2%	0.1%	(1.7%)	(1.3%)	2.9%	6.7%	0.1%	25.50%
Benchmark FY21	0.5%	2.8%	(3.7%)	1.9%	10.2%	1.2%	0.3%	1.5%	2.4%	3.5%	2.5%	2.3%	27.80%
EGPCVF FY22	(3.6%)	6.7%	5.1%	1.2%	(5.2%)	(4.8%)	(8.7%)	(6.2%)	(1.9%)	(7.3%)	(3.0%)	(6.0%)	(29.96%)
Benchmark FY22	1.1%	2.5%	(1.9%)	(0.1%)	(0.5%)	2.8%	(6.4%)	2.1%	6.9%	(0.9%)	(2.6%)	(8.8%)	(6.47%)
EGPCVF FY23	9.4%	(3.2%)	(3.8%)	2.6%	4.3%	(1.1%)	5.6%	(4.0%)	(2.0%)	5.7%	(0.9%)	2.7%	15.21%
Benchmark FY23	5.8%	1.2%	(6.2%)	6.0%	6.6%	(3.2%)	6.2%	(2.4%)	(0.2%)	1.9%	(2.5%)	1.7%	14.78%
EGPCVF FY24	2.6%	(1.5%)	(2.0%)	(2.4%)	3.9%	3.6%	0.0%	3.5%	(2.0%)	(5.2%)	(3.9%)	(3.0%)	(6.69%)
Benchmark FY24	2.9%	(0.7%)	(2.8%)	(3.8%)	5.0%	7.3%	1.2%	0.8%	3.3%	(2.9%)	0.9%	1.0%	12.10%
EGPCVF FY25	2.4%	(3.4%)	3.8%	(0.3%)	(0.1%)	(3.9%)							(1.73%)
Benchmark FY25	4.2%	0.5%	3.0%	(1.3%)	3.8%	(3.2%)							6.93%

*August 2017 is the period from August 15th-31st for both the fund and the benchmark in the above tables.



The Month That Was: -

The fund fell 3.9% in December. Our benchmark fell 3.2%. Liquidating a quite illiquid portfolio into a falling market has proven to be exactly as tricky as you would expect, but as can be seen by the tables in the rear of the report, we were 36% cash at the end of December and the uber-liquid quantitative portfolio speaks for >16% of the portfolio now, effectively meaning half of the fund could be cash tomorrow.

The quantitative portfolio positions which had generated 9.1% per month since being included in the portfolio turned in a poor month in December (-4.1%) as soon as we upsized the portfolio allocation.

We eliminated some of our least liquid positions. Our entire United Overseas Australia (UOS) position was sold in December. The 55c selling price we achieved was sound in the context of the recent on-market trading, but in my view was like selling dollar coins for less than 50c apiece given the spectacular recent operating results from the business and the deep undervaluation relative to a diverse and obviously conservatively valued property portfolio.

We eliminated our Smartpay (SMP) holding in the first few days of January. SMP joined other recent portfolio eliminations such as Articore Group (formerly Redbubble) and IMEXHS (IME). We have liquidated more than half of positions such as Stealth Group (SGI), National Tyre and Wheel (NTD) and SDI Limited (SDI), leaving rumps of holdings that should not be difficult to move on market without undue harm to traded prices. NTD was the worst performer in December after withdrawing guidance led to a ~30% fall in the share price, the aggressive expansion undertaken a few years ago has proven to be a mistake and serves to reinforce the riskiness of growth by acquisition.

Readers will notice I turned some previously named holdings in the Top Ten list to “undisclosed”, this is to ensure unitholders are not disadvantaged by owners of the same holdings trying to “front-run” our selling. I have observed what I suspect is such behaviour across a few of our holdings, most humorously in UOS, which was beaten down nearly 10% despite my having already agreed to sell the entire position.

The named positions in the top-ten list are left named as I am unconcerned about fellow holders front-running the selling of these positions as I will likely transfer at least the bulk of the named positions to the quantitative funds if I am unable to liquidate at prices that make sense. Near-term upside of that scale should not be given away too cheaply.

Shriro Holdings is now the largest of the non-quantitative portfolio, we will tender the entirety of that holding into the buyback offer being conducted this month, given the company is buying 19.2% of outstanding equity, I expect we will end up turning most of that position to cash, anything not acquired in the buyback, we will happily retain in the quantitative funds. The 10th position in the Top Ten list has also been sold in an off-market transaction that will likely complete in January.

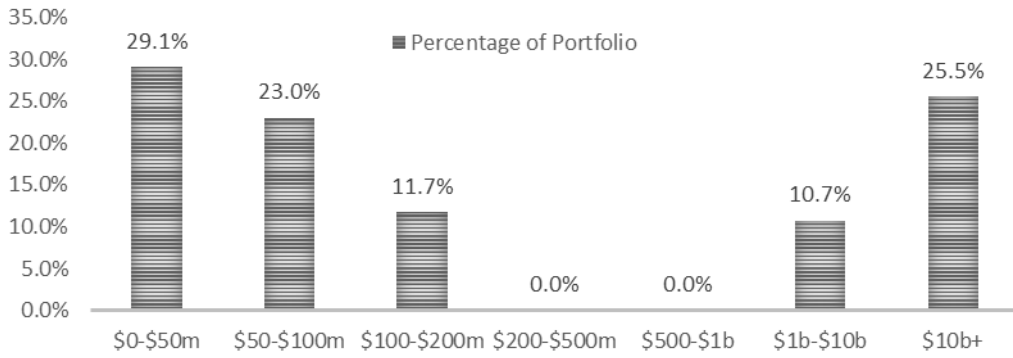
Key Portfolio Information: -

Our top 10 holdings on 31 December 2024 were:

Rank	Holding	Percentage Equity Weighting	Percentage Portfolio Weighting
1	Quantitative Holdings*	25.5%%	16.4%
2	Shriro Holdings (SHM.ASX)	10.6%	6.8%
3	Dicker Data (DDR.ASX)	8.6%	5.6%
4	Undisclosed	5.6%	3.6%
5	Smartpay (SMP.ASX)	5.3%	3.4%
6	Undisclosed	5.2%	3.4%
7	Site Group (SIT.ASX)	3.8%	2.4%
8	Locality Planning (LPE.ASX)	3.6%	2.3%
9	Undisclosed	3.6%	2.3%
10	Pacific Green (PGTK.US)	3.5%	3.8%













Our largest 5 holdings comprise 55.6% of our invested capital, our top 10 holdings are 75.4% and our top 15 represent 90.6%. Cash and cash equivalents are 36% of the portfolio. The median market capitalisation is \$85m. Weighted average market capitalisation is \$35b.

MARKET CAPITALISATION BANDS



As always, investors with any questions, suggestions, comments, or investment ideas should feel free to call (0418 278 298), or send me an email – Tony@egpcapital.com.au

Quantitative Holdings:

Stock	Country	Result	Stock	Country	Result	Stock	Country	Result
360		(10.9%)	TEAM		(7.4%)	PLTR		12.1%
PME		(0.7%)	CVNA		(21.9%)	TSLA		14.5%
SIG		(9.3%)	DASH		(7.0%)	TPL		(31.0%)
ZIP		(13.4%)	NVDA		(2.9%)	UI		(4.1%)

Fund Features		Portfolio Analytics	
Min. initial investment	\$50,000	Sharpe Ratio ¹	-0.16
Additional investments	\$500k Maximum	Sortino Ratio ¹	-0.03
Applications/redemptions	Monthly	Annualised Standard Dev. – EGP	17.2%
		Annualised S/D – Benchmark	14.5%
Distribution	Annual 30 th June	Largest Monthly Loss – EGP	-28.9%
		Largest Monthly Loss – Benchmark	-20.7%
Management fee	0%	Largest Drawdown – EGP	-33.9%
		Largest Drawdown – Benchmark	-26.7%
Performance fee (<\$50m)	20.5% (inc GST)	% Of Positive Months – EGP	52.8%
Performance fee (>\$50m)	15.375% (inc GST)	% Of Positive Months – Benchmark	64.0%
Auditor	Ernst & Young	Cumulative return ² – EGP	0.7%
		Cumulative return ² – Benchmark	90.0%
Custodian/PB	NAB Asset Services	1-year return ² – EGP	(11.9%)
		1-year return – Benchmark	23.4%
Responsible Entity	Fundhost Limited	3-year annualised return ² – EGP	(9.2%)
		3-year annualised – Benchmark	9.6%
Fund Size	\$24m	5-year annualised return ² – EGP	(5.8%)
		5-year annualised – Benchmark	8.1%
Mid-Price for EGPCVF Units	\$0.7505	Buy Price for EGPCVF Units	\$0.7516
Accumulated Franking per Unit	\$0.0031	Sell Price for EGPCVF Units	\$0.7493

¹ Sharpe and Sortino Ratios calculated using the Monthly Benchmark ASX200 Total Return Index

² Return is net of all fees and costs and assumes reinvestment of dividends. 1, 3 and 5 year figures are rolling annualised figures.

DISCLAIMER:

EGP Capital Pty Ltd (ABN 32 145 120 681) (AFSL #499193) (EGP Capital) is the issuer of this report. The EGP Concentrated Value Fund (ARSN 619879631) (Fund) discussed in this report is offered via a Product Disclosure Statement (PDS) which contains all the details of the offer. The Fund and PDS is issued by Fundhost Limited (AFSL 233045) as responsible entity for the Fund. Before making any decision to make or hold any investment in a Fund you should consider the PDS in full. The PDS is available [here](#) and the Target Market Determination (TMD) for the Fund is available [here](#). The content has been prepared without considering your personal objectives, financial situations or needs. You should consider seeking your own independent financial advice before making any financial or investment decisions. The information provided is believed to be accurate at the time of writing. None of EGP Capital, Fundhost or their related entities nor their respective officers and agents accepts responsibility for any inaccuracy in, or any actions taken in reliance upon, that information. Investment returns are not guaranteed. Past performance is not an indicator of future performance.

This report contains some forward-looking statements which reflect the expectations of EGP about the prospects of companies held within the portfolios of the funds. While EGP considers its expectations to be based on reasonable grounds, there is no guarantee that those expectations will be met. Actual performance of the portfolio companies will be impacted by a variety of factors, including circumstances that cannot be foreseen, and could differ significantly from the expectations of EGP. These statements should therefore not be relied upon as an accurate representation or prediction as to any future matters. Where portfolio companies do not perform in line with EGP's expectations, the funds could be adversely impacted.

Appendix 1: -

Combined funds cumulative return since inception:

