

NorthStar Impact Australian Equities Fund Monthly Report | March 2024



Fund overview

The Fund is invested in a diversified portfolio of 47 Australian companies and 6 international companies listed on recognised stock exchanges, across our impact focus areas. The Fund returned 6.7% (net of fees). The environment for smaller companies has improved since the end of the bear market in October and we remain positive on the outlook for a continued recovery in this part of the Australian stockmarket.

Paragon Care (ASX: PGC), a distributor of medical products, was the best performer (+51.2%) following an approach from CH2 to merge their companies. As CH2 is larger company and a leading distributor of medicine and healthcare products to pharmacies and hospitals, the deal provides the potential for strong synergies. Genex Power (ASX: GNX) also received a non-binding, indicative takeover offer from J-Power which resulted in a +36.1% increase in their share price. Corporate activity remains a feature of the early stages of this bull market.




Company Highlights

During the month, we participated in a placement by Dimerix (ASX:DXB), a clinical-stage biopharmaceutical company working to improve the lives of patients with inflammatory diseases, including both kidney and respiratory diseases. They are currently conducting Phase 3 trials for a treatment for Focal Segmental Glomerulosclerosis (FSGS) kidney disease. This is a rare disease that attacks the kidney's filtering units that leads to permanent kidney damage and eventual kidney failure. The average time from diagnosis of FSGS to the onset of complete kidney failure is only 5 years and it affects both adults and children as young as 2 years old. There are around 220,000 people worldwide with FSGS and the condition has a compound annual growth rate of 8%. Because there are no effective treatments, Dimerix has received Orphan Drug Designation for their therapy. The ensures a fast-tracked regulatory pathway to approval. The share placement provides sufficient to take the company to completion of the Phase 3 clinical trial.

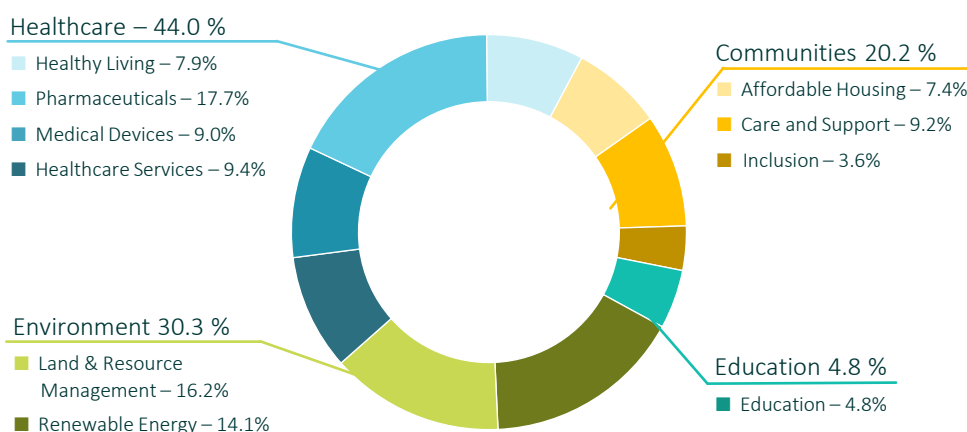
KEY FACTS

Inception	31/01/2017
Domicile & Status	Registered Managed Investment Scheme domiciled in Australia
Holdings	53 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

NORTHSTAR TEAM

Kerry Series	Portfolio Manager
	Kerry is Founder and CIO. With over 30 years' experience in the stock-market, he is recognised as a pioneer of impact investing in listed equities.
Claudia Kwan	Assistant PM
	Claudia is Partner and Assistant PM. She joined NorthStar in 2021 and has over 15 years' industry experience.
Michael van Niekerk	Chief Impact Officer
	Mike is Partner and Chief Impact Officer. He joined NorthStar in 2019. Mike has over 30 years' corporate experience and a Masters in Sustainability from Cambridge.

Our Impact Focus Areas



Fund Performance as at 28 March 2024

	1m	3m	1yr	3yr p.a.	5yr p.a.	Inception p.a.
Fund (net of fees) %	6.70%	4.55%	2.04%	-4.25%	2.22%	5.52%
Index* %	3.50%	9.58%	20.45%	1.66%	4.90%	6.88%
Active Return (net of fees) %	+3.20%	-5.03%	-18.41%	-5.91%	-2.68%	-1.36%

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. All returns are shown to two decimal places. Returns for periods of more than one year are annualised. 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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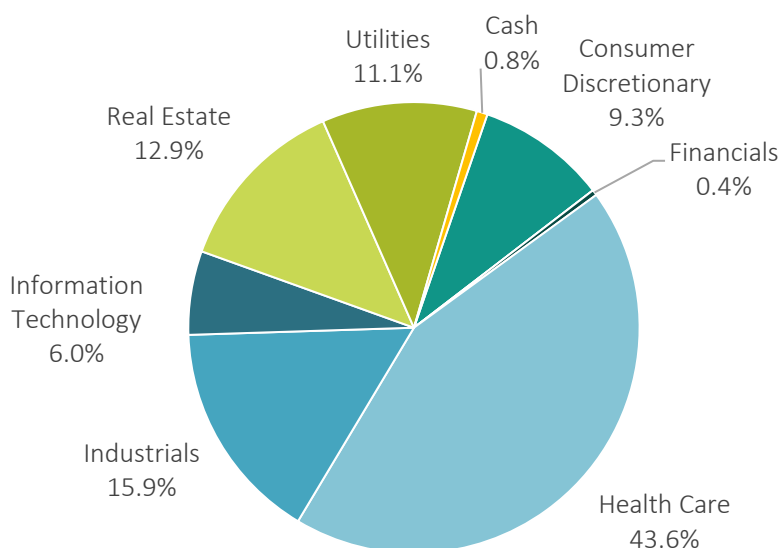
Engagement

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.

Recent examples of our engagement include:

- Attended the Impact Investment Summit along with the Managing Director and another Board Director of a portfolio company
- Introduced a portfolio company to a sector specific US-based VC fund
- Participated in the cornerstone process for 2 placements
- Engaged with Thrive By Five around a submission for affordable and accessible childcare for all

Sector Allocation



Source: NorthStar Impact. Please note that NorthStar Impact may reallocate stocks' sector classifications where in their view it is appropriate to do so.

TOP 5 HOLDINGS

PORTFOLIO WEIGHT

Probiotec Ltd	6.8%
Genex Power Limited	6.6%
Botanix	6.0%
Environmental Group	5.8%
Aspen Group	4.6%

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

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.