



PENGANA GLOBAL SMALL COMPANIES FUND

OCTOBER 2017
PERFORMANCE
UPDATE

FUND DESCRIPTION AND FEATURES

The Fund invests principally in small and mid-cap listed (or soon to be listed) global equities.

Its investment objective is to obtain returns greater than the MSCI All Country World Index SMID Cap unhedged in Australian dollars ('Index') over rolling 3 year periods after fees. The Fund's investment manager, Lizard Investors LLC, uses a value-oriented investment approach that seeks to identify and invest in quality businesses that create significant value but are mispriced, overlooked, or out-of-favour. The investment manager believes that unique opportunities exist due to limited available research, corporate actions, or unfavourable investor perception.

Portfolio Managers	Jonathan Moog, David Li, Leah Zell (CIO)
APIR code	PCL0022AU
Redemption price	\$1.3069
Fees	Management Fee: 1.334% Performance Fee: 20.5%*
Minimum initial investment	AU\$25,000
FUM at month end	\$45m
Fund inception date	1 April 2015
Benchmark	MSCI All Country World SMID Cap index unhedged in AUD

* Performance fee of 20.5% (including GST net of RITC) of any return of the Class greater than the return of the benchmark Index after deduction of the management fee and adjusted for applications, redemptions and distributions to investors, less any prior accrued negative performance fee amount carried forward.

PERFORMANCE COMMENTARY

For October, the Fund returned 1.83% , underperforming the benchmark return of 4.04%.

PORTFOLIO HIGHLIGHTS

The Fund underperformed the underlying benchmark this month. Being "underweight" US equities relative to the benchmark was a significant reason for the underperformance. However, as discussed previously, we make no effort to track the benchmark. Instead we concentrate our capital in the best long-term opportunities we find.

IWG, a British provider of short-term office rentals, materially missed our revenue and profit expectations this month. This miss caused a meaningful sell-off in the stock and the position was

the largest detractor in the portfolio for October. We are watching the company closely, to ensure our long-term thesis is playing out as we expect.

We added two new holdings to the portfolio in the month. We are still trading the stocks and will discuss the companies once we have established full positions.

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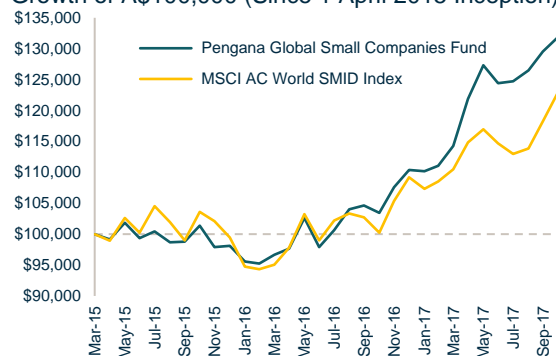
FUND PERFORMANCE

Net performance for periods ending 31 October 2017¹

	1 Month	1 Year	2 Year	Since Inception p.a. ²
Fund	1.83%	27.55%	14.08%	11.32%
Benchmark	4.04%	22.73%	8.96%	8.35%

PERFORMANCE SINCE INCEPTION²

Growth of A\$100,000 (Since 1 April 2015 Inception)

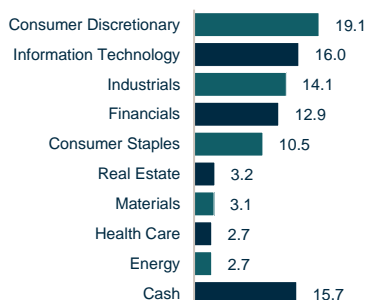


PORTFOLIO INFORMATION

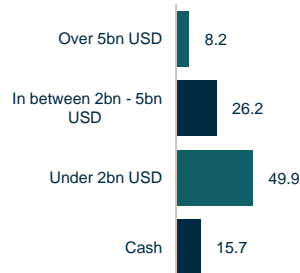
Top 5 Stocks		
Name	Country	Sector
Motorpoint Group Plc	United Kingdom	Consumer Discretionary
PRA Group Inc	United States	Financials
Softcat Plc	United Kingdom	Information Technology
TOTVS S.A.	Brazil	Information Technology
Wizz Air Holdings Plc	Switzerland	Industrials

Largest 3 contributors	Largest 3 detractors
Softcat Plc	IWG Plc
Wizz Air Holdings Plc	Peyto Exploration & Development Corp.
Motorpoint Group Plc	NetScout Systems, Inc.

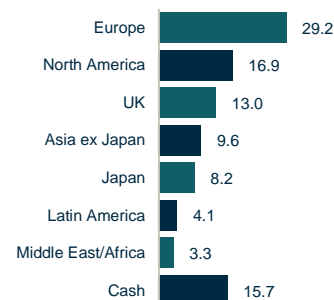
SECTOR BREAKDOWN



CAPITALISATION



GEOGRAPHIC



STATISTICAL DATA

Fund portfolio summary			
Volatility ³	8.82%	Number of stocks	41
Beta (using daily returns) ⁴	0.74	Maximum draw down	-6.48%

1. Net performance figures are shown after all fees and expenses, and assume reinvestment of distributions. Past performance is not a reliable indicator of future performance, the value of investments can go up and down. 2. Inception 1st April 2015. 3. Annualised standard deviation since inception. 4. Relative to MSCI All Country World SMID Cap index unhedged in AUD.

Pengana Capital Ltd (ABN 30 103 800 568, Australian financial services licence number 226566) is the issuer of units in the Pengana Global Small Companies Fund (ARSN 604 292 677) (the "Fund"). A Product Disclosure Statement for the Fund is available and can be obtained from our distribution team. A person should obtain a copy of the Product Disclosure Statement and should consider the Product Disclosure Statement carefully before deciding whether to acquire, or to continue to hold, or making any other decision in respect of, the units in the Fund. This report was prepared by Pengana Capital Ltd and does not contain any investment recommendation or investment advice. This report has been prepared without taking account of any person's objectives, financial situation or needs. Therefore, before acting on any information contained within this report a person should consider the appropriateness of the information, having regard to their objectives, financial situation and needs. Neither Pengana Capital Ltd nor its related entities, directors or officers guarantees the performance of, or the repayment of capital or income invested in, the Fund. An investment in the Fund is subject to investment risk including a possible delay in repayment and loss of income and principal invested.

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