



PENGANA GLOBAL SMALL COMPANIES FUND

DECEMBER 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	\$1.3563
Fees	Management Fee: 1.334% Performance Fee: 20.5%*
Minimum initial investment	AU\$25,000
FUM at month end	\$96.2m
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

The portfolio managers are pleased to report the Fund returned 24% for 2017, outperforming the benchmark by 9%. While we are pleased with this outcome, we encourage investors to continue to evaluate the Fund on its long-term performance. The Fund has delivered a 12.1% annualized return since inception, significantly outperforming the benchmark. We believe through careful fundamental research, limiting funds under management and rigorous risk management, we can continue to drive excess returns for our investors over the long term.

For December, PGSCF returned 0.9% (net, AUD), outperforming the benchmark return of -1.1% for the month. Non-AUD currency exposure had a negative impact on the performance of both the Fund (detracted -1.8%) and the benchmark (detracted -2.6%).

We continue to focus on being good stewards of your capital and appreciate the trust you have placed in us.

PORTFOLIO HIGHLIGHTS

Top performers in December were all positions added in 2017. We believe that these businesses continue to have significant growth potential and should compound value for years to come.

The Fund currently has 42 holdings and the top 10 positions represented 35% of the portfolio. This allocation is typical for the Fund and consistent with the Fund's investment mandate and strategy.

THE FUND
DELIVERED A
24% RETURN
FOR THE YEAR

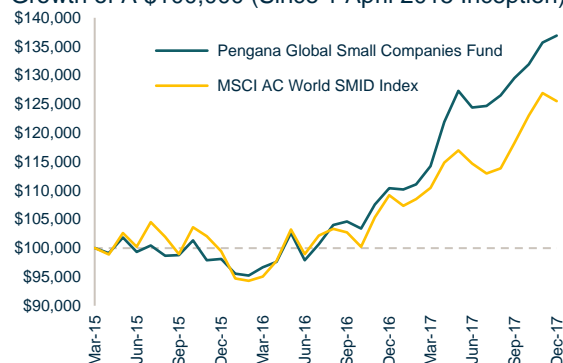
FUND PERFORMANCE

Net performance for periods ending 31 December 2017¹

	1 Month	1 Year	2 Years p.a.	Since Inception p.a. ²
Fund	0.9%	24.0%	18.1%	12.1%
Benchmark	-1.1%	15.0%	12.3%	8.6%

PERFORMANCE SINCE INCEPTION²

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



PORTFOLIO INFORMATION

Top 5 Stocks

Name	Country	Sector
Hugel, Inc.	South Korea	Health Care
Orion Engineered Carbons SA	Luxembourg	Materials
PRA Group Inc	United States	Financials
Softcat Plc	United Kingdom	Information Technology
Wizz Air Holdings Plc	Switzerland	Industrials

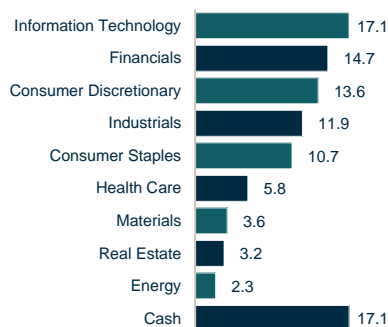
Largest 3 contributors

investors cloud co., ltd.
Hugel, Inc.
Motorpoint Group Plc

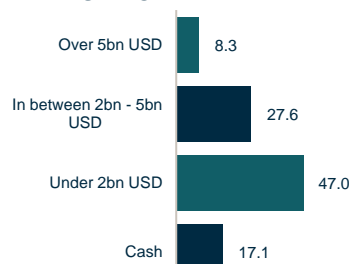
Largest 3 detractors

PRA Group Inc
CarMax, Inc.
Daikokutenbussan Co., Ltd.

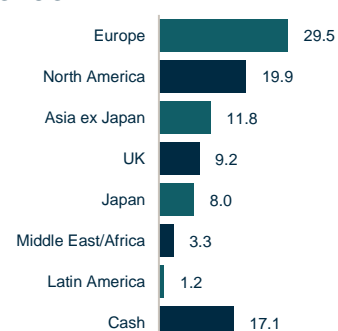
SECTOR BREAKDOWN



CAPITALISATION



GEOGRAPHIC



STATISTICAL DATA

Fund portfolio summary

Volatility ³	8.62%	Number of stocks	42
Beta (using daily returns) ⁴	0.71	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.

FOR FURTHER
INFORMATION
PLEASE VISIT
OUR WEBSITE:
PENGANA.COM