

Glenmore Australian Equities Fund

Monthly performance update

February 2025

Fund Performance

Fund performance for February 2025 was -4.86% (after fees) versus the benchmark return of -3.96%. The fund has delivered a total return of +276.03% or +18.64% p.a. (after fees) since inception in June 2017.

Period	Glenmore Fund	All Ords. Accum. Index
February 2025	-4.86%	-3.96%
1 Year	+14.01%	+9.26%
3 Year (p.a.)	+12.75%	+8.82%
5 Year (p.a.)	+17.22%	+9.18%
Since Inception (p.a.)	+18.64%	+9.06%
Since inception (total)	+276.03%	+95.85%

Fund commenced on 6 June 2017

Fund returns in the table above are for main series units. Please note returns for certain series of units may differ slightly from the main series due to the timing of your investment.

Stock commentary

Fiducian Group (FID) increased +16.6% in February. FID reported a strong 1H25 result, with revenue up +14% to \$44.3m, EBITDA up +22% to \$13.7m and NPAT up +20% to \$9.9m. Funds under management, administration and advice (FUMAA) increased +11% to \$14.4B, which was assisted by rising financial markets (in the second half of 2024) and improved net inflows to all parts of FID's business. With the result, FID declared a 21.9 cents per share interim dividend, up from 18.2cps in 1H24.

Adairs (ADH) declined -13.2% in the month. ADH reported its 1H25 result which was slightly below expectations. Total sales up +6.6% to \$311m (Adairs and Mocka were strong, whilst Focus on Furniture underperformed). Focus on Furniture was impacted by a need for greater promotional activity and a high store skew to Victoria (14 out of 25) which is seeing weaker trading conditions than other states. EBIT increased +10% to \$33.0m. ADH declared a 6.5cps interim dividend, up from 5cps in 1H24. In trading in the first seven weeks of 2H25, ADH reported it has got off to a positive start, with group sales up +9.2%, with the Adairs brand being the highlight at +15.2%. Following the result, analyst consensus earnings forecasts were reduced between 5-10%, which impacted the stock price.

Pinnacle Investment Management (PNI) fell -10.9% in February. PNI reported another strong result, with 1H25 NPAT of \$75.7m, up +151% vs pcp, which was 10-20% ahead of market expectations. Net flows accelerated in 2Q25 with \$4.9B vs \$1.8B in 1Q25, whilst group FUM ended the half at \$155B. UK based LifeCycle Investment Partners (which PNI formed in mid-2024) accounted for ~A\$1B of net flows in 2Q25. Despite the strong result and very positive earnings outlook, the stock price fell due to a relatively high near-term valuation and negative sentiment towards global equities markets (and fund managers) that gathered momentum in late February.

Life 360 (360) fell -7.9% in the month. Life 360 owns a global family safety and location sharing app, which reported its 4Q24 result in February. The result was very strong, with all key metrics tracking the right direction. Revenue was US\$116m, up +33%, with subscription revenue US\$79m up +32%. EBITDA for the quarter was US\$21m, vs US\$8.9m in the pcp. Operationally, total monthly active users rose +30% over the 12 months to 79.6m, whilst average revenue per paying circle was up +6%. The company issued FY25 guidance for revenue of US\$450-480m and EBITDA of US\$65-75m, which implies continued strong momentum in the business.

Other stocks that contributed negatively to performance in the month included **HUB24 (HUB)**, **Netwealth (NWL)**, **Tuas (TUA)**, and **Regal Partners (RPL)**. TUA did not report during the month (the company has a July year-end), whilst HUB, NWL and RPL reported solid results with their stock prices being impacted by the negative sentiment towards equities in the latter part of the month.

Market commentary

Globally, equity markets were weaker in February. In the US, the S&P 500 declined -1.4%, the Nasdaq fell -4.0%, whilst in the UK, the FTSE was bucked the trend, rising +1.6%. Domestically, the ASX All Ordinaries Accumulation index performed poorly, falling -4.0%. On the ASX, the top performing sectors were utilities and consumer staples, whilst technology and real estate underperformed.

During the month, the Reserve Bank of Australia (RBA) cut interest rates by 25 basis points (bp), the first reduction in four years. Whilst the move was positive for equity markets, it was largely expected so had minimal impact in February.

Comments for RBA Governor Michele Bullock that bond markets have been too bullish in their hopes with regards to the number of further rate cuts in 2025 had a significantly more negative impact on sentiment, though we continue to believe additional rate cuts will occur over the next 12-24 months.

Bond yields declined modestly in February. The US 10-year government bond yield fell -6.6 basis points to close at 4.24%, whilst in Australia, the 10-year bond yield fell -13bp to close at 4.30%.

Thank you for your interest in the fund, as always, I would welcome any questions and am available for those interested in discussing an investment.

Monthly performance by calendar year (%)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2017						1.29	1.52	7.03	3.05	5.32	3.81	3.66	28.55
2018	3.47	-0.30	-2.80	0.04	4.68	4.01	1.35	5.94	-0.46	-8.70	-2.06	-3.26	0.97
2019	2.84	9.77	2.72	6.88	2.54	5.21	7.71	-0.76	2.60	-1.07	-1.65	-1.67	40.28
2020	3.05	-9.44	-29.34	16.63	9.64	1.43	1.41	11.52	0.54	1.66	10.37	3.96	13.43
2021	0.53	-1.61	1.34	7.05	1.00	6.15	3.21	10.38	0.74	0.65	0.51	4.13	39.07
2022	-7.62	-1.12	12.52	3.07	-4.11	-12.59	9.78	5.18	-8.24	5.57	3.61	-2.93	-0.12
2023	6.49	-3.45	-6.15	3.01	-6.42	1.42	5.79	1.96	-1.97	-7.43	8.14	10.47	10.30
2024	1.72	2.48	4.98	-0.96	1.12	1.02	3.38	-3.70	6.38	0.01	5.14	-1.99	20.83
2025	3.38	-4.86											-1.65

FUND INFORMATION

Name	Glenmore Australian Equities Fund	Fund Administrator	Apex Fund Services
Inception	6 June 2017	Fund Custodian	Certane Corporate Trust Pty Ltd
Structure	Wholesale Unit Trust	Fund Auditor	Pitcher Partners
Investor Eligibility	Wholesale or 'sophisticated' investors only	Fund Manager	Glenmore Asset Management
Subscription Frequency	Monthly	Management Fee	1.2%
Redemption Frequency	Monthly	Performance Fee	20.0%
Unit pricing	Monthly	Benchmark	S&P/ASX All Ordinaries Accumulation Index
Distributions	Annually	High water mark	Yes
Platform availability	Netwealth, HUB24	APIR code	GNM0167AU

Contact details

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