

Monthly Report | December 2024

NorthStar Impact Australian Equities Fund

Fund overview

The Fund is invested in a diversified portfolio of 53 Australian companies and 5 international companies listed on recognised stock exchanges, across our impact focus areas. **The Fund returned 0.9% for the month, bringing the one-year return to 19.2%, compared to 12.1% return for the ASX/S&P Small Industrials Index.**

The market ended slightly down, with pockets of strong performance from catalytic driven bottom-up events, including positive announcements from a few of our healthcare holdings. Earnings revisions were a key driver for share price movements in 2024 and we expect this to continue into 2025.

The fund participated in three placements: Acrux (ASX: ACR), a drug development company, including hormone products for women's health; Compumedics (ASX: CMP), developer of computer-based sleep monitoring and diagnostic equipment; and Heramed (ASX:HMD) which focuses on developing pregnancy monitoring products for home use.

Portfolio company highlights

Top contributors to performance included Mesoblast, The Environmental Group, Botanix, AI Media, and Imricor.

Mesoblast's (ASX:MSB) Ryoncil therapy received FDA approval. Ryoncil is the first FDA-approved MSC therapy. *"Today's decision marks an important milestone in the use of innovative cell-based therapies to treat life-threatening diseases with devastating impacts on patients, including children,"* said Peter Marks, M.D., Ph.D., director of the FDA's Center for Biologics Evaluation and Research (CBER). The full FDA News Release can be found [here](#).

Proteomics had a breakthrough validating the use of plasma protein biomarkers to detect endometriosis via their PromarkerEndo diagnosis test. The company's release stated that the "plasmaprotein biomarker panel identifies all stages of endometriosis with high accuracy". Endometriosis affects one in nine women and girls and currently diagnosis typically takes an average of 7 years.

Portfolio Managers



Kerry Series
Chief Investment Officer



Claudia Kwan
Co Portfolio Manager



David Macri
Co Portfolio Manager

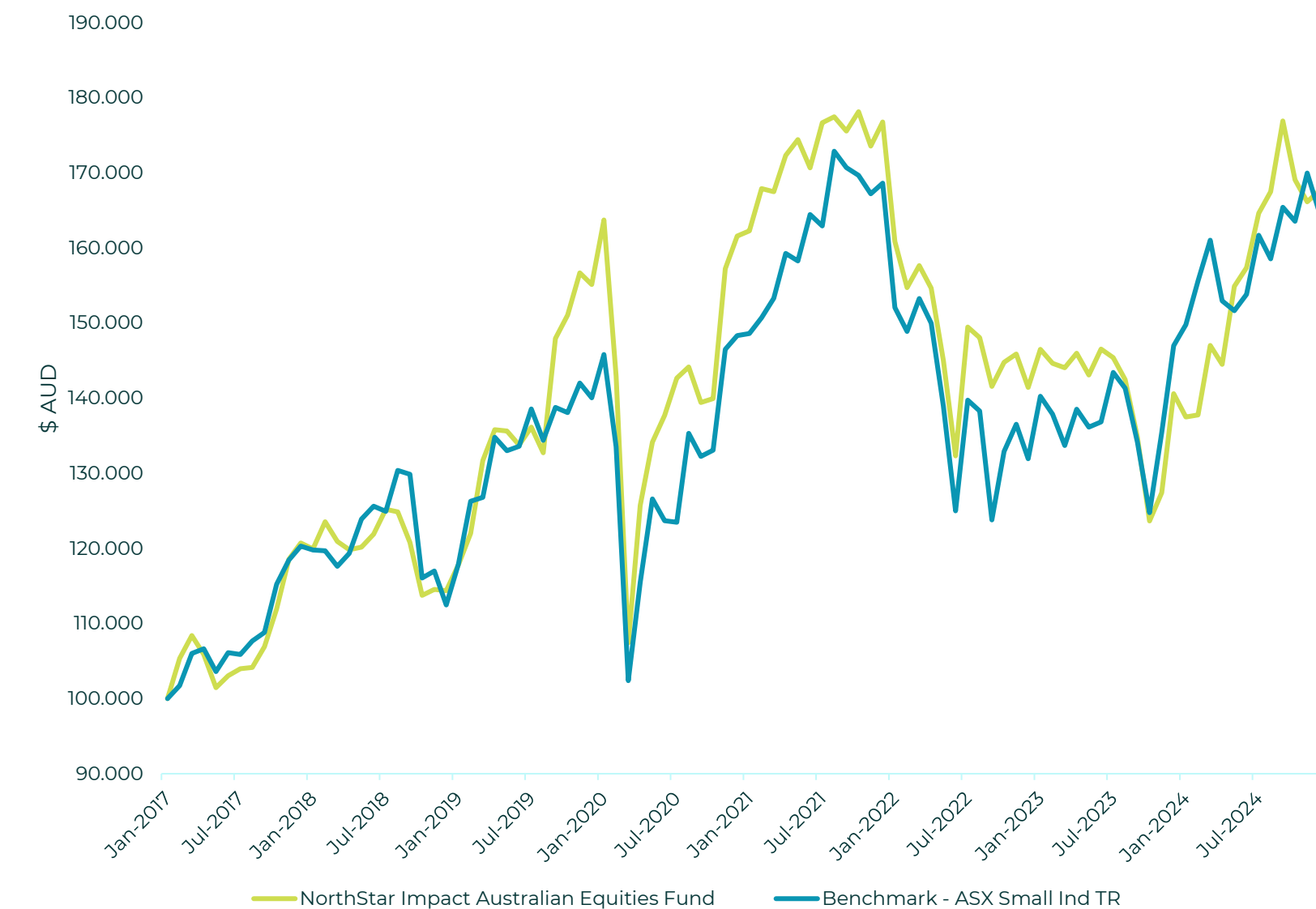
Monthly Report | December 2024

NorthStar Impact Australian Equities Fund

Fund performance

	1m	3m	6m	1yr	3yr p.a	5yr p.a	Inception p.a
Fund (net of fees)	0.90%	-5.26%	6.51%	19.20%	-1.75%	1.56%	6.74%
Index*	-3.07%	-0.39%	7.12%	12.10%	-0.77%	3.31%	6.51%
Active Return (net of fees)	+3.97%	-4.87%	-0.61%	+7.10%	-0.98%	-1.75%	+0.23%

Growth of \$100,000 AUD



As at 31 December 2024. 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. 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.

Monthly Report | December 2024

NorthStar Impact Australian Equities Fund

Impact Insights: Education

According to a [Grattan Institute report](#), one-third of Australia's 4 million school children are being failed by the education system. Students lacking reading skills are more likely to fall behind, disrupt class, and end up unemployed or jailed, costing the economy an estimated \$40 billion over their lifetimes. According to the Year 3, 5, 7, and 9 NAPLAN 2023 results, one in three Australian students are not proficient readers. Australian primary school classrooms have 24 students on average and as such 8 students per classroom will not be proficient at reading. The full Report can be found [here](#).

NorthStar has identified that key impact opportunities in the Education impact area include Investing in Teachers, Skills & Literacy and Small Group Tutoring for underprivileged segments of the community. We have 5 positive education impact investments that have scalable business models that address literacy, teacher skills and content support, small group learning and education inclusion.

Read more in our [Impact Reports Highlight](#).

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. Furthermore, we engage with other stakeholders to create positive impact. This month, our engagement included:

- We had 14 meetings with positive impact companies and other stakeholders.
- We engaged with stakeholders on issues around paid parental leave.

TV Interview: [Watch here](#)

Claudia Kwan was interviewed on AusBiz. She spoke about how impact investing naturally encompasses the biggest thematic of our time, and the need for investment dollars to improve Australia's economic complexity.

Webinar: [Register here](#)

Fund Update

Join the team at to discuss the performance of the NorthStar Impact Australian Equities Fund and our 2024 Impact Report.

When: Tuesday 11 February, 2 pm – 3pm (AEST)

Where: Online Event

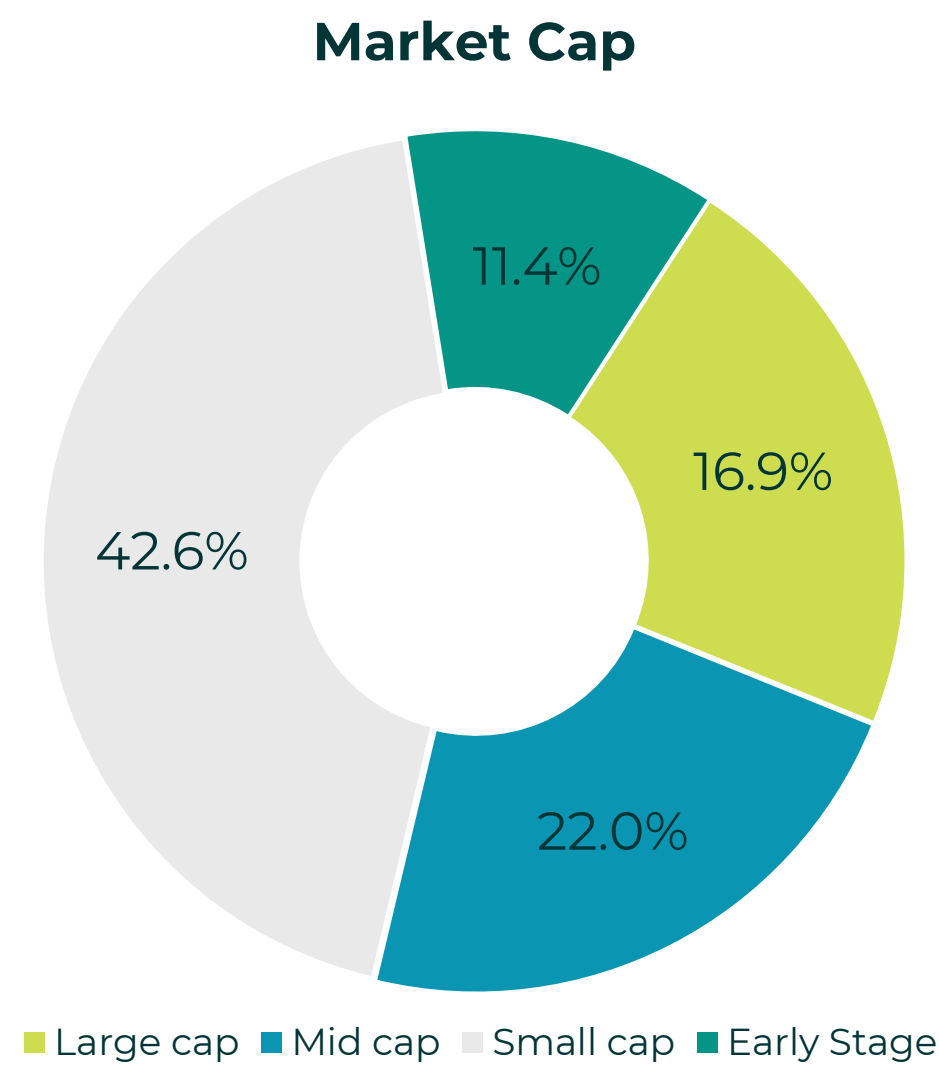
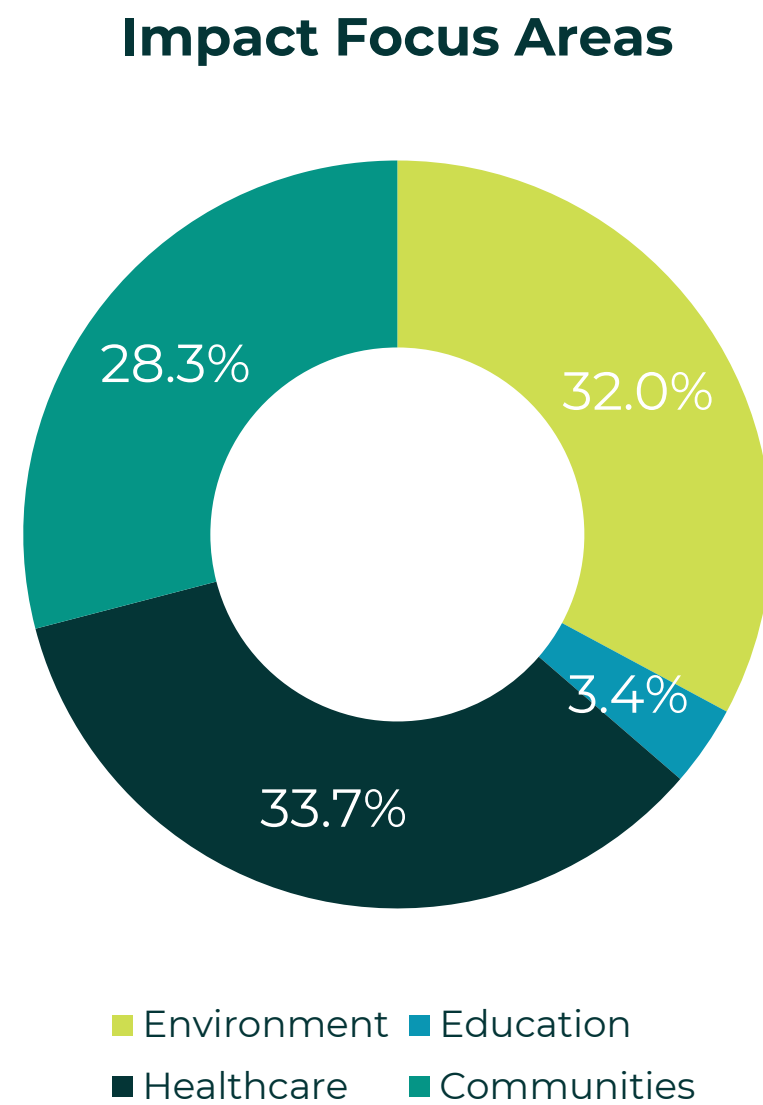
[Register here](#)

Monthly Report | December 2024

NorthStar Impact Australian Equities Fund

Top 5 Holdings

Environmental Group
Arena REIT
Aspen Group
Charter Hall Social Infrastructure
Eureka Group



Source: NorthStar Impact. Accurate as at 31 December 2024.

Sector allocations

Cash	2.7%
Consumer Discretionary	8.5%
Materials	1.8%
Financials	0.2%
Health Care	33.3%
Industrials	21.5%
Information Technology	6.8%
Real Estate	18.4%
Utilities	6.8%

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.

Neither NorthStar, Longreach, Equity Trustees nor any of their related parties, their employees or directors, provide any warranty of accuracy or reliability in relation to such information or accept any liability to any person who relies on it. Past performance should not be taken as an indicator of future performance. You should obtain a copy of the [Product Disclosure Statement](#) before making a decision about whether to invest in this product.

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.

Key Facts

Inception	31/01/2017
Domicile & Status	Registered Managed Investment Scheme domiciled in Australia
Holdings	58 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

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