

Foresight Analytics & Ratings Disclaimer

The information contained in the Foresight Analytics report and encapsulated in the investment rating is of a general nature only. The report and rating reflect the opinion of Foresight Analytics and Ratings Pty Limited (AFSL 494552). It does not take into account an individual's objectives, financial situation, or needs. Professional advice should be sought before making an investment decision. A fee has been paid by the fund manager for the production of the report and investment rating.

Savana US Small Caps Active ETF

Valid to March 2025



INVESTMENT RATING: **STRONG**

PRODUCT COMPLEXITY: **RELATIVELY SIMPLE**

FUND DETAILS

Investment Advisor: Savana Asset Management Pty Ltd

Structure: Registered managed investment scheme (ETF)

Wholesale/Retail: Listed – available to both

Category: US small caps

Investment Style: Long-only, unhedged, small-cap value

Inception: Strategy – 01 July 2022; ETF – 07 November 2024

Management Fee: 1.00% p.a. of NAV (incl. GST & RITC)

Performance Fee: 15.00% outperformance (incl. GST and RITC)

Benchmark: S&P 600 Total Return Index AUD

Investment Objective: To outperform the S&P 600 Total Return Index, after fees, over a medium-to-long-term investment horizon

holistic approach is that it leads to very different selection choices relative to peers. The investment process incorporates 4 key steps: signal creation, signal capture, portfolio construction, and portfolio monitoring.

Savana's process is highly automated and does not require a traditional investment team. Consequently, the investment process scales to multiple portfolios with potentially minimal impact on fund performance. The business employs around 8 people across all functions. Both the business and the investment strategy lean into the themes of automation and quantitative analysis.

Savana's approach is to always be fully invested in 30 to 50 of the most undervalued stocks as determined by its algorithm. The stocks are equally weighted. The algorithm can be applied to any investment style, theme, or jurisdiction. The strategy does not attempt to time the market and holds minimal cash. The portfolio is continuously monitored and rebalanced every 2 months.

At its origin in 2017, the algorithm was initially focused on Australian stocks. Steve Duchesne and John Atkinson, the founders, saw the algorithm's promise and pivoted to investment management products. The US portfolio was launched in 2022 as an in-house incubator strategy and formally launched as an ETF (its current format) in November 2024.

Investors should be cognizant that while the fund trades on the ASX, the underlying portfolio invests in small-cap equity, which carries increased liquidity and volatility risk.

Fund Performance*

Period	Savana Strategy	S&P 600 TR	Excess
1 Month	+0.46%	-3.15%	+3.61%
1 Year	+19.62%	+19.79%	-0.17%
Inception	+41.02%	+15.98%	+25.03%

*Returns > 1 year are annualised.

*Period from Jul-2022 to Jan-2025. Represents contemporaneous paper-portfolio historical returns spliced to ETF record

Review Summary

The Savana US Small Caps Active ETF (the 'Fund') is a registered managed investment scheme listed on the ASX as an active ETF under the ticker SVNP. It is managed by Savana Asset Management ('Savana'), a boutique business based in Sydney. Savana uses an algorithmic, long-only style to manage numerous equity portfolios.

Savana uses a proprietary valuation methodology powered by in-house algorithms that rely on Complex Systems theory and Collective Intelligence innovations. An important feature of this

Investment Rating & Foresight Complexity Indicator

A STRONG rating indicates a strong conviction that the Fund can deliver a risk-adjusted return in line with its investment objectives. Assignment of a RELATIVELY SIMPLE Foresight Complexity Indicator reveals that the Fund invests predominantly in listed assets and has a relative-return objective. The strategies used to outperform may include investments in less frequently traded securities with small market capitalisation. The investment manager's support for this strategy is experienced and well-resourced.

FUND DETAILS

Trust	Savana US Small Caps Active ETF (Ticker: SVNP)
Responsible Entity	K2 Asset Management Ltd. (ABN: 95 045 885 094)
Investment Adviser	Savana Asset Management Pty. Ltd. (ABN: 79 662 088 904)
Investment Objective	To outperform the S&P 600 Total Return Index, after fees, over a medium-to-long-term investment horizon.
Investment Strategy	The Fund invests in 30-50 of the most undervalued stocks from the US small-cap universe. Relative valuation and stock selection are determined by a sophisticated Collective Intelligence algorithm. The rationale is that the most undervalued stocks offer the highest investment returns while also providing downside mitigation

KEY FEATURES

Fund Inception	Strategy – 1 July 2022; ETF Launch – 07 November 2024
Domicile	Australia
Legal Structure	Registered managed investment scheme – Exchange Traded Fund
Platform Providers	ASX Listed
Geographic Mandate	United States
Benchmark	S&P 600 Total Return Index
Open	Yes
Valuation	Daily
Management Fee	1%
Performance/Ongoing Fees	15%
Funds Under Management	AU\$3.85M (as of 24 th February 2025)
Minimum Initial Investment	No minimum number of units that an investor can buy on the ASX
Subsequent Investment	Additional investments at any time by purchasing units on the ASX market
Investment Timeframe	Recommended 5 years +
Distributions	The fund makes semi-annual distributions, paid via reinvestment into the fund, unless otherwise directed by the investor
Redemption Option	No minimum number of units that an investor can seek to sell on the ASX market

PRIMARY CONTACT

Name & Title	Marc Maasdorp, CEO
Email Address	enquiries@savana.ai
Principal Business Address	10 Tudor Street Surry Hills Sydney NSW 2010
Website	www.savana.ai

Investment Profile

HISTORY/BACKGROUND

Savana Asset Management Pty. Ltd. (ABN 79 662 088 904) is a boutique asset management business based in Sydney, Australia. It uses an algorithmic, long-only style to manage multiple equity portfolios. The business was launched in 2017 and is a Corporate Authorised Representative (No. 1308949) of Fat Prophets Pty. Ltd. (AFSL 229183).

The Savana US Small Caps Active ETF (Ticker: SVNP) started trading under Savana's management on 7 November 2024. It is a listed ETF available to both retail and wholesale investors.

Savana Asset Management is an investment manager that utilises Collective Intelligence to make investment decisions. The company was founded by Steve Duchesne and John Atkinson and has been running its algorithm since 2017. The algorithm was initially used in an investment banking platform called Rainmakr.ai; the goal being to invent the world's most prescient investment banker. It was designed to assist deal-makers to find interesting ideas quickly. They later started incubating a strategy and noticed the target companies significantly outperformed the market. In the Australian universe, the algorithm performed well. Over time, the algorithm has been improved and augmented and is now the backbone of stock selection for the US ETF.

Savana Asset Management launched its SVNP in November 2024 based on the new and improved algorithm.

The algorithm is designed to identify companies with strong return potential by analysing various data sources. It is a decidedly 'value-oriented' strategy that uses a proprietary valuation methodology powered by innovations in Complex Systems theory and Collective Intelligence.

The ETF is a relatively concentrated portfolio of 30-50 stocks and will typically be in the upper end of that range. This contributes to a somewhat higher level of volatility of returns over time.

Explanatory Note on Performance and History

The Savana US Small Caps strategy was implemented on the ASX as an ETF on the 7th of November 2024. Total returns are calculated in Australian dollars based on the net asset value per unit. Returns are after fees and costs with dividends reinvested.

Note 1: Prior to the 7th of November 2024, the ETF traded under a separate name and strategy, the FATP Global High Conviction Hedge Fund (ASX: FATP). This strategy was replaced by the Savana US Small Caps strategy, and the ASX ticker was updated accordingly from "FATP" to "SVNP".

Note 2: Prior to listing on the 7th of November 2024, the Savana US Small Caps strategy was run as a contemporaneous paper-trade fund from July 2022. This simulated the performance of the SVNP's investment strategy, but with no actual money invested. Performance statistics in this report include this history and should be interpreted with this caveat.

OBJECTIVE

The Fund aims to outperform the S&P 600 Total Return Index AUD, after fees, over a medium-to-long-term investment horizon.

FUNDS UNDER MANAGEMENT

The Savana US Small Caps Active ETF has AU\$3.85M (as at 24th February 2025) in FUM.

INVESTMENT UNIVERSE

The Fund's primary focus is on US-listed small-cap equities. Savana defines 'small caps' as companies with a market capitalisation between approximately US\$500M and US\$2BN. The investment committee applies a minimum market capitalization of US\$500m, however, there is no maximum. This is determined by the stock's valuation ranking.

Investment Philosophy

The core of Savana's philosophy is to identify and invest in significantly undervalued stocks, believing these offer the highest potential returns and downside protection. It is a value-based philosophy relying on automation and Collective Intelligence to scour the market, make thousands of valuation determinations, and identify the optimal portfolio. One of the cornerstones of this approach is Diversity Prediction Theorem, which suggests that a group's collective error is reduced not only by having individuals make more accurate predictions (lower average error), but also by having those individuals make different types of errors (higher diversity of thought and expertise). This makes for a highly efficient system that can run effectively with modest human interaction and low running costs.

Savana uses sophisticated quantitative algorithms based on the science of Complex Systems theory and Collective Intelligence to analyse an expansive range of financial data and identify undervalued stocks. This technique allows them to systematically evaluate a large number of stocks, removing human bias from the selection process. It can be applied across different geographies, allowing for a broad investment scope.

While algorithms drive the stock selection, Savana incorporates human oversight to address any anomalies, data errors, and external factors that algorithms might miss. They also focus on risk-adjusted returns, aiming to deliver strong performance while managing potential risks. There are criteria for minimum market capitalisation and liquidity to ensure potential investments have sufficient trading volume.

The fund is equally weighted, a deliberate choice to ensure adequate risk diversification in a portfolio that holds a small number of stocks relative to its benchmark. Savana rebalances its portfolio regularly (typically bi-monthly) to maintain the desired asset allocation and ensure the portfolio remains aligned with the changing valuations and rankings of the algorithm.

Savana believes in running **low-cost operations**, both for its business and the Fund. Minimising the need for an investment team addresses challenges such as high expenses, key person risk and confirmation biases. Savana aims to minimise trading costs through strategies like using dark pools and negotiating favourable brokerage rates.

Investment Strategy

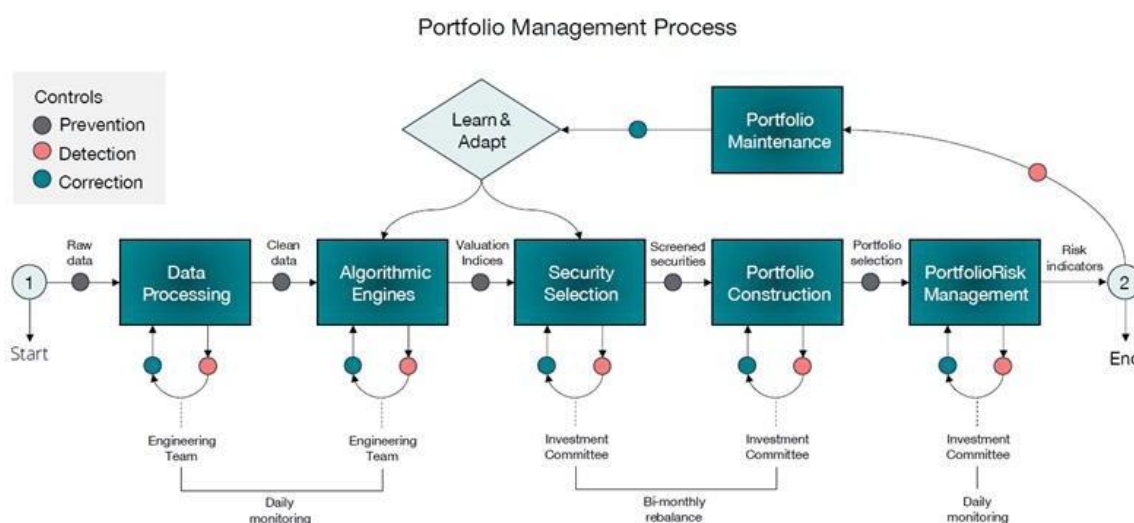
Savana's algorithmic platform analyses vast amounts of data to identify undervalued stocks with high growth potential. Savana's investment philosophy is based on the belief that the market is not always efficient and that there are opportunities to generate alpha by exploiting inefficiencies, given sufficient and competent algorithmic resources. Savana's platform is designed to identify these inefficiencies and create a portfolio with optimal risk/return outcomes.

The proprietary platform uses a variety of proprietary models to assess stocks, leveraging the tenets of Diversity Prediction Theorem.

Savana's technology platform provides an end-to-end solution to identify the most attractive companies. Once the platform has constructed the portfolio, Savana's investment team review and sign off the constituent companies. The fund typically holds between 30 and 50 stocks. The portfolio is rebalanced every 2 months to align stock allocations to the latest algorithm rankings and recommendations.

Savana's investment strategy is a relatively new approach to investing and has generated encouraging returns in its short history. Savana believes that its technology platform gives it a competitive advantage in the market and that it can continue to generate strong returns for its investors.

Investment Process



Savana's investment process is based on the belief that automation and the sophisticated use of algorithms can identify and exploit inefficiencies in the stock market far faster, more efficiently and at lower cost than a traditional investment team, resulting in high alpha generation and better risk outcomes.

The process follows 4 stages designed to identify and invest in undervalued stocks with high growth potential, as described below:

1. Data collection and analysis – Savana collects and analyses vast amounts of data from various sources. This data is used to identify companies with strong fundamentals such as high profitability, financial health, and growth potential.
2. Valuation – This step assesses company valuations across the investment universe daily and ranks their relative attractiveness. Savana uses various valuation techniques to assess the intrinsic value of stocks. Savana has put care and effort into preventative and corrective measures to mitigate the major risks in quantitative investment science, namely input data errors and calculation errors,
3. Portfolio construction – Savana constructs a portfolio in a relatively straightforward manner. Stocks are included from the 30-50 most undervalued candidates ranked by the valuation step. They are then kept in the portfolio on an equal-weight basis.
4. Portfolio monitoring and rebalancing – Savana re-values and re-ranks the universe list daily. Stock weights in the portfolio will drift away from equal weights depending on market performance. The list of the most preferred stock holdings will change over time due to changes in company fundamentals and company market prices. Savana monitors both of these effects carefully, and the portfolio is rebalanced every 2 months to adjust for these effects. This ensures that the fund's holdings remain aligned with its investment strategy, current market valuations, and the latest algorithm recommendations while remaining appropriately diversified.

This investment process is a continuous cycle. Savana is constantly collecting and analysing new data, assessing valuations, constructing portfolios, and monitoring and rebalancing its holdings. This ensures that the fund stays invested in the most promising undervalued stocks.

ESG

ESG (Environmental, Social, and Governance) is not a primary focus of the investment strategy as it relies on more traditional financial factors. Savana does not specifically target ESG metrics in their stock selection process. However, they express openness to the idea of launching a separate ESG-focused fund in the future, indicating a potential consideration for ESG factors in their broader business strategy.

Interestingly, the Foresight Factors Style Analysis of the Fund shows an above-average score on ESG factors relative to the S&P 600 Index, indicating that the algorithm may have a tendency to lean into stocks with better ESG credentials than average.

SELL DECISIONS

The fund updates its portfolio every 2 months, creating automatic buy and sell decisions. An equal-weighted approach is used, but they allow some flexibility to increase the number of positions (30-50) in the fund as needed. These decisions are based on liquidity, i.e., how easy it is to buy and sell the stock.

If there is fraud or malfeasance at a company, Savana will sell the stock immediately, irrespective of rebalancing. Savana maintains a high conviction approach which can often be perceived as contrarian. Provided model prediction supports significant undervaluation, Savana may invest further on price declines upon rebalancing to lock in a lower base cost. The behavioural edge of the algorithmic strategy supports contrarian investing which represents an emotional barrier to many investment managers. Generally, the algorithm's nature ensures disciplined selling on price rises, a natural feature of a stock realizing its intrinsic value, and purchases on price declines.

RESOURCES

Savana's main technological resource resides in its algorithmic approach, which the team believe is unique. Savana states that the technology is based on 'Complex Systems theory pioneered by the renowned Santa Fe Institute', which includes a 'proprietary Collective Intelligence filter involving the Diversity Prediction Theorem from Complex Systems science, combined with parameter optimising machine learning and data mapping, in order to identify the most undervalued stocks, conditioned for its sectoral characteristics.'

Savana has a range of external service providers, including an auditor, legal team, exchange, administrator, market-maker, responsible entity and iNAV provider. They use 'scale players with credible brands' as the table below attests, so they can focus on what they do best – identifying investment opportunities.

Service	Firm
Fund Administrator	Apex Fund Services
Custodian	Apex Fund Services (sub-custody JP Morgan)
Responsible Entity/Trustee	K2 Asset Management
Auditors/Taxation Advisor	KPMG
Legal Services	Baker McKenzie

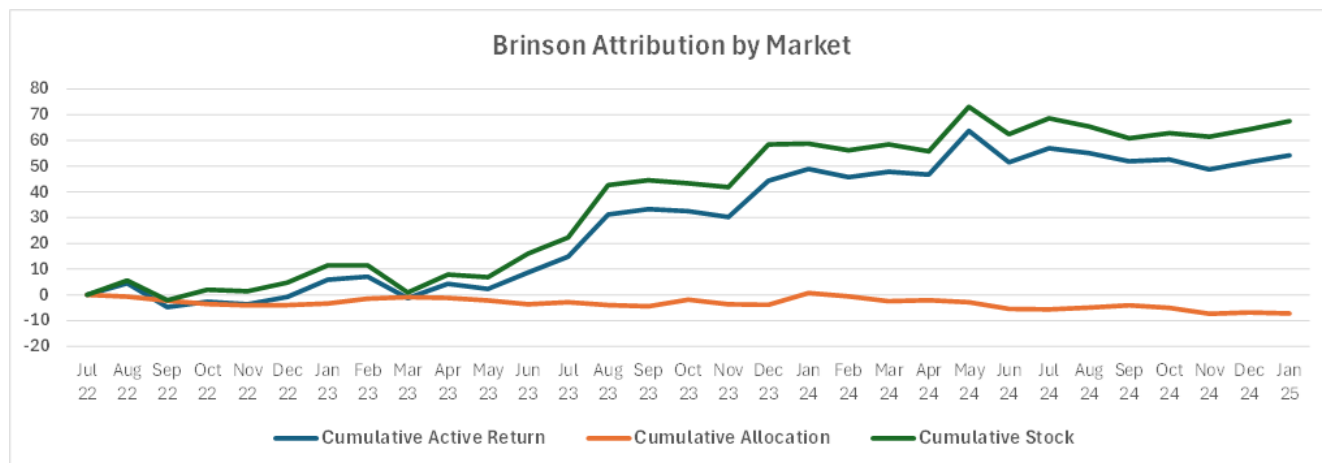
Portfolio Construction

The complexity and stated core competitive advantage of the Savana investment process resides in the algorithms that assess, value and rank stocks by their degree of undervaluation and growth potential. The portfolio construction process is relatively straightforward and is a mechanical, rules-based process overlayed with human oversight and occasional intervention in extraordinary circumstances.

Portfolio construction and maintenance can be seen in the context of overall management in the summary below:

1. Data Acquisition:
 - Uses various data providers
 - Focuses on data quality
 - Identifies sources with the best coverage along with the fewest errors
2. Data Processing:
 - Stores data
 - Focuses on transforming data
 - Performs quality checks
3. Security Selection:
 - Uses in-house algorithm to analyse data
 - Algorithm identifies undervalued securities and ranks them
4. Portfolio Construction:
 - Select 30-50 of the most undervalued securities
 - Equal weight is applied to each security
 - Cash is kept to a working balance minimum
5. Portfolio Maintenance:
 - Portfolio is monitored daily
 - Rebalanced bi-monthly

The Brinson Attribution Analysis in the chart below demonstrates that the overwhelming majority of Savana's portfolio returns derive from Active Management and Stock Selection. In layman's terms this is indicative of a manager displaying skill in stock picking as opposed to luck.



Risk Management

Savana's algorithmic quantitative investment process has built-in mechanisms that are essentially risk management guardrails:

- The valuation process focuses on the value factor and identifying undervalued stocks, which tend to have lower downside risk than the broader market
- Equal weighting leads to stronger diversification through a lack of lumpy concentration within the portfolio
- Regular rebalancing automatically re-aligns weights back to the equal weighting rule, thereby correcting any allocation drift caused by market movements or other factors

Savana uses the **Capital IQ platform** to upload the portfolio and receive a daily news feed that tracks all events (positive or negative) relating to the constituents. This also applies to incoming stocks and potential candidates. Any statistically out-sized price swings in portfolio holdings will trigger a deeper dive into news and fundamentals.

Portfolio allocation upside drift

There is some flexibility within the equal-weighting rule that allows the Fund to ride the success of a stock with strong positive momentum up to the next rebalance date. A stock with strong momentum can run to a roughly 8-10% weight, which would then trigger a review and likely a rebalance back to equal weight. This is an internal 'soft-limit' rule as there are no formal 'hard-limit' restrictions imposed by the Fund's governance documents on holdings weights. Note that since rebalances occur every 2 months anyway, there is a limited lifespan to such circumstances, and this situation has not yet occurred in the Fund.

Portfolio allocation downside drift

The more salient risk management issue relates to the downside when a stock falls dramatically in price. The portfolio and the benchmark are also unhedged, so returns are subject to exchange-rate volatility.

There are no automatic stop-loss triggers for abnormal or out-sized price drops. However, since the portfolio is rebalanced every 2 months, the issue is short-lived. In cases of fraud or malfeasance, the stock will be investigated and sold immediately.

Savana has done some statistical back-testing on this issue and found that often, when a stop-loss intervention is executed, the portfolio misses out on a subsequent rebound in price. Savana believes it is better not to interfere because that's what drives the quantitative approach in the first place. Letting the stock rebound from the bottom can provide significant returns, and with an equal-weighting approach, there isn't a great deal of capital at risk on any one stock. The Fund can afford to have that conviction.

PORTFOLIO RISK LIMITS

Risk Factors	Proposed Range or Limit
Number of Positions	30 to 50
Market Cap	Minimum of US\$500M
Position Size	Target approx 2% (50 stocks), soft limit of 8-10% due to price rises before rebalance
Rebalance Frequency	Bi-monthly
Cash Holdings	0-100% per mandate, target < 1%
Limit to Small Cap Stocks	Fully invested – modest cash for working capital purposes
Sector/Industry Exposure	There are no formal constraints for sector/industry exposure

Leverage, derivatives, short selling, and stop losses are not used. Securities lending is not permitted.

Investment Team

Given the highly automated process Savana uses, it does not require a traditional investment team. The investment committee is essentially responsible for the investment engine and all portfolio management functions, with support from a portfolio manager and a technology team.

Name	Role/Responsibility	Location	Years with Company	Years with Industry
Stephen Duchesne	Founder	Sydney	14	38
Marc Maasdorp	CEO	Sydney	3	12
Samuel Atkinson	Associate Director	Sydney	1	5
James Rusconi	Portfolio Manager	Sydney	5	5
		Average	5.8	15.0

BIOGRAPHIES (as supplied by Savana)**Stephen Duchesne – Co-founder, Executive Director**

As a career financial markets and investment banker, Stephen has led successful teams at global investment banks such as Midland Montague, Credit Suisse and Merrill Lynch, where he was MD and Head of Australasian Debt Markets.

John Atkinson – Co-Founder and Non-Executive Director

John Atkinson began his career as a lawyer in Australia and eventually became the Global Head of Baker & McKenzie's M&A practice based in Hong Kong and then New York. After leaving the law John created a venture capital firm, founding or co-founding a number of companies which include: Little World Beverages (Little Creatures), White Energy, Krispy Kreme Australia and New Zealand, Rainmakr.Ai, Big Picture Medical, Cashu Investments and Savana Asset Management.

Luc Maasdorp – Non-Executive Director

Luc is an experienced strategy, innovation and venture capital professional. Prior to co-founding Centerstone, he served as Managing Director of Strategy and Innovation for Deloitte Global in New York, where he also led an internal venture fund for the firm.

Marc Maasdorp – Chief Executive Officer

Marc is a qualified Chartered Accountant and Chartered Financial Analyst. Prior to joining Savana, he was an Investment Director at Centerstone Capital. His investment experience spans venture capital and private equity across Africa and Australia.

Sanjev Rajendren – Chief Technical Officer

Sanjev is a versatile technology leader with a proven track record of driving product innovation across diverse technical domains. Drawing from his previous experience at Deloitte, where he played a key role in product development, he brings a unique blend of enterprise expertise and hands-on technical knowledge.

James Rusconi – Portfolio Manager

Over his nearly 5 years with Savana, James has been central to building the algorithms, portfolio management frameworks, and data infrastructure that underpin Savana's investment processes. Before joining Savana, James served as a Research Assistant at the University of New South Wales (UNSW), one of Australia's leading universities, where he conducted research focused on the Venture Capital sector.

Samuel Atkinson – Associate Director

Samuel was an integral member of the original Savana team, serving as a financial analyst focused on evaluating, refining, and optimising Savana's proprietary algorithmic model. Following this, he gained over 5 years of experience in structured finance, including 2 years in London, where he played a key role in supporting his company's growth and expansion initiatives. Samuel returns to Savana with a dynamic skillset spanning financial analysis, strategy and business development.

Business Management

Savana's Board of Directors are outlined in the table below. The Board meets regularly and as required. The majority of the Board's members are non-executives, bringing a sensible level of independent oversight.

Name	Role
Stephen Duchesne	Co-founder, Executive Director
John Atkinson	Co-Founder and Non-Executive Director
Luc Maasdorp	Non-Executive Director

As previously noted, Savana outsources several significant functions to external service providers ('scale players with credible brands').

Service	Firm
Fund Administrator	Apex Fund Services
Custodian	Apex Fund Services (sub-custody JP Morgan)
Responsible Entity/Trustee	K2 Asset Management
Auditors/Taxation Advisor	KPMG
Legal Services	Baker McKenzie

The day-to-day management of the business is also governed by a number of key corporate policies and structures, as outlined below:

- Audit and Risk Committee Charter
- Board Charter
- Compliance Plan
- Conflicts of Interest Policy
- Investment Committee Charter
- Unit Pricing and Valuation Policy

Performance

Explanatory Note on Performance and History

The Savana US Small Caps strategy was implemented on the ASX as an ETF on the 7th of November 2024. Total returns are calculated in Australian dollars based on the net asset value per unit. Returns are after fees and costs with dividends reinvested.

Savana US Small Caps Active ETF

Note 1: Prior to the 7th of November 2024, the ETF traded under a separate name and strategy, the FATP Global High Conviction Hedge Fund (ASX: FATP). This strategy was replaced by the Savana US Small Caps strategy, and the ASX ticker was updated accordingly from "FATP" to "SVNP".

Note 2: Prior to listing on the 7th of November 2024, the Savana US Small Caps strategy was run as a contemporaneous paper-trade fund from July 2022. This simulated the performance of the SVNP's investment strategy, but with no actual money invested. Performance statistics in this report include this history and should be interpreted with this caveat.

The Collective Intelligence-driven strategy has performed well over the period since July 2022, noting that this period is largely represented by a paper-traded portfolio without actual money invested. It does, however, provide some comfort as a "proof-of-concept" for the strategy, but has not faced real-world execution conditions.

Savana US Small Caps Strategy Performance*

Period	Savana	S&P 600 TR	Excess
1 Month	+0.46%	-3.15%	+3.61%
1 Year	+19.62%	+19.79%	-0.17%
Inception	+41.02%	+15.98%	+25.03%

* Period from Jul-2022 to Jan-2025. Represents contemporaneous paper-portfolio historical returns spliced to ETF record

Savana US Small Caps Active ETF (SVNP) Performance

Period	Savana	S&P 600 TR	Excess
Inception*	-2.63%	-5.61%	+2.97%

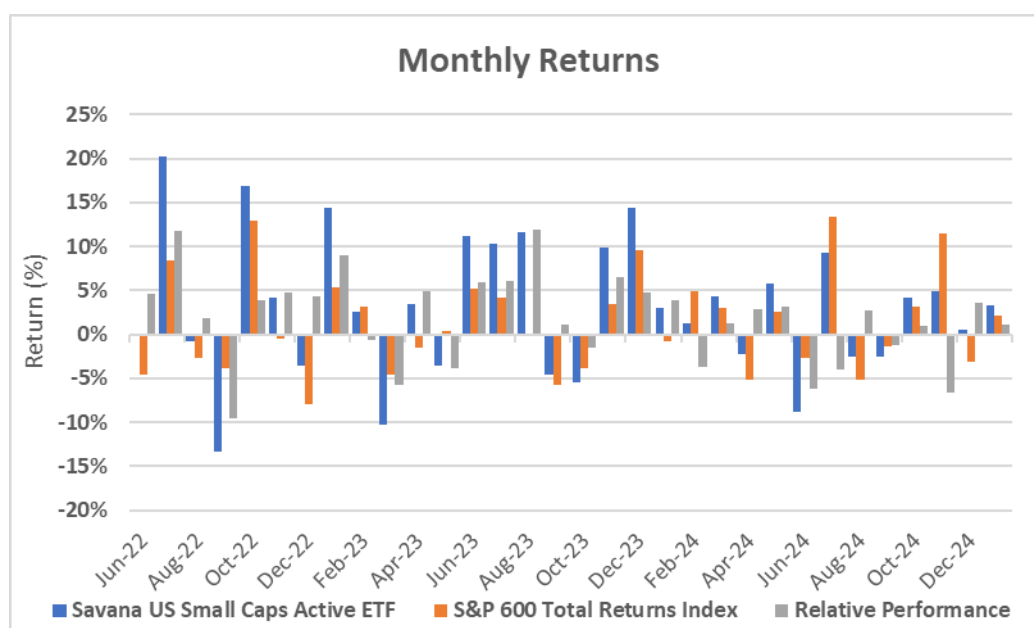
* Period from 7 Nov 2024 to 27 Feb 2025

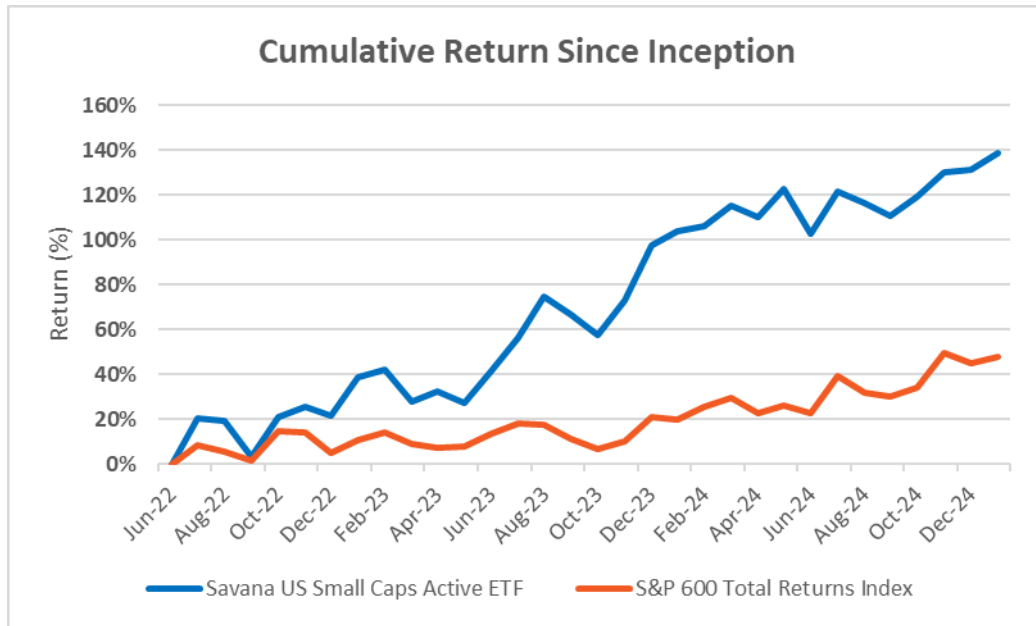
Of greater significance is the real-world performance of the ETF since its launch on 7 November 2024. Although it is a very short period of time, it does demonstrate alignment with 2 important features of the investment proposition:

- Active outperformance of the benchmark
- Downside risk mitigation in periods of negative return for the market

RETURNS OVER TIME VS BENCHMARK

The charts below show the monthly and cumulative returns for the Savana US Small Caps Active Strategy, the US S&P 600 Index, and relative performance. Savana has outperformed on a relative basis since its inception.





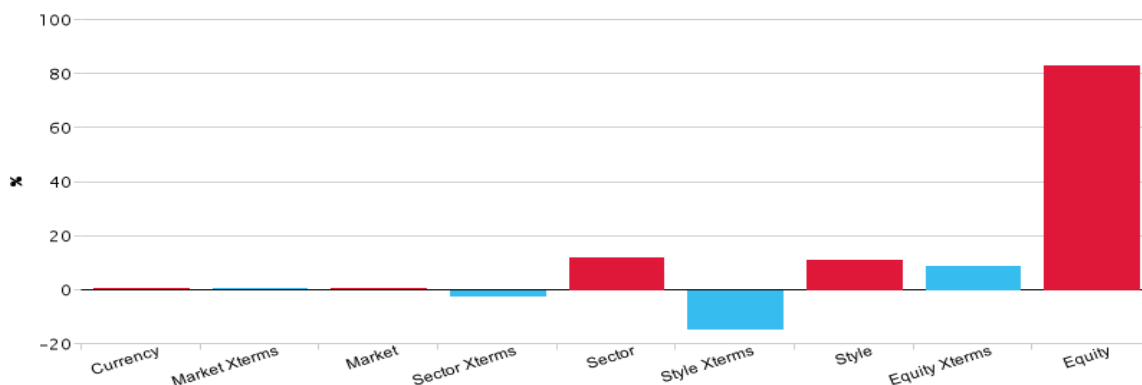
INDICATIVE PORTFOLIO CHARACTERISTICS (JANUARY 2025)

Asset Sector	Details	Weights/Ratio (%)
Cash	Custodian	0%
Equity – Listed		100%
Equity – Top 5	Nebius Group NV – 5.04% Dana Inc – 4.74% United Fire Group – 4.08% Vital Energy Inc – 3.78% Steel Partners Holding LP – 3.77%	21.41%
Equity – Unlisted	N.A.	0%
Dividend Yield (12M)	Cap-Weighted	2.9%

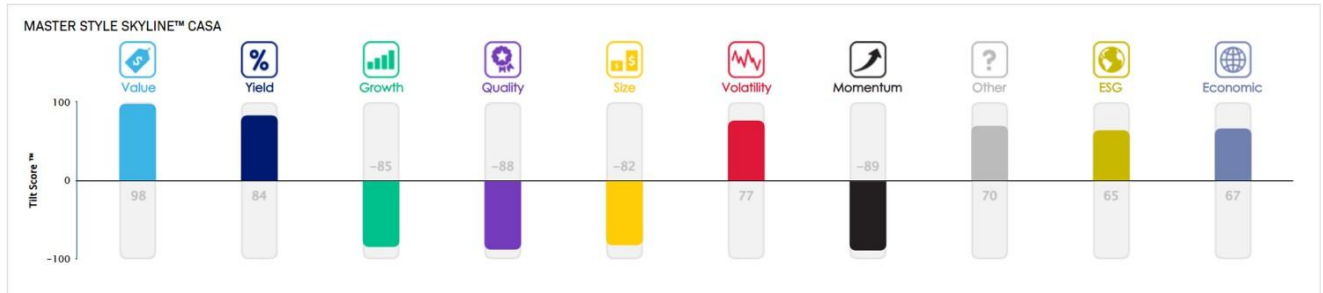
INDICATIVE PORTFOLIO RISK AND STYLE EXPOSURE

The Fund has an estimated volatility of 21.4% (as at January 2025). This is consistent with Savana's focus on small-cap equities. For perspective, this is higher than the estimated volatility of the US S&P 600 Index (17.4%). The chart below breaks down the model portfolio's volatility into its constituent risk exposures.

Equity, or stock-specific risk, accounts for just over 80% of the Fund's volatility. This result confirms that Savana's focus is on stock picking meaning it is not a passive fund or systematic/factor-based manager. Fund risk and returns are likely to be driven primarily by the performance of Savana's stock selection and not by residual or unintended risk exposures (i.e. style or sector).



The chart below compares the Fund's style exposures to the US S&P 600 Index. It shows the current style exposure as of January 2025.



Value and Growth exposures are essentially opposites, which is to be expected given the algorithm's explicit focus on value. A low score on Momentum is also aligned with the fact that the algorithm focuses much more on fundamentals than on technical. The negative quality exposure needs to be interpreted in the context of the Fund's investment universe. All other things being equal, small-cap stocks are typically lower quality than mid- and large-cap stocks. Also, the focus on value factors in the algorithm tends to lean somewhat against high-quality growth attributes in stocks.

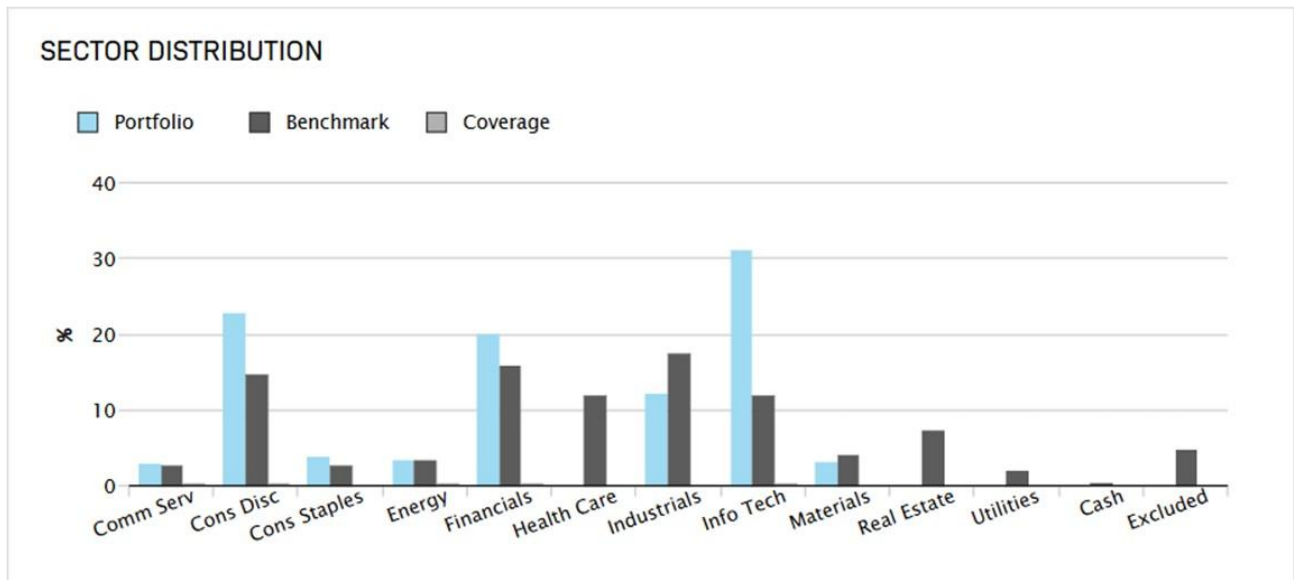
The fund's positive exposure to volatility is also consistent with its focus on small-cap stocks.

SECTOR WEIGHTING

Sector weightings are basically a residual of the algorithm's stock selection rather than a conscious active management decision.

The Fund is relatively diversified across sectors with a notable absence of Real Estate and Utilities at the moment, which would indicate the algorithm's 'view' that stocks in those sectors do not represent value opportunities.

Cash is minimal and should remain so. Savana intends to remain fully invested, with cash representing modest working capital needs rather than an active top-down asset allocation decision.



Compliance

The Fund is a registered managed investment scheme listed on the ASX and trading as an ETF. K2 Asset Management acts as the Responsible Entity and supervises the compliance and reporting requirements (including ASX-mandated disclosures).

Savana Asset Management's compliance functions are primarily overseen by the Compliance Officer/CEO. Additional support is provided by an outsourced compliance service provider, Pajeska Group, who are responsible for monitoring ongoing compliance with Savana Asset Management's obligations as an authorised corporate representative of an AFSL.

Savana Asset Management's key compliance management personnel are Marc Maasdorp, who performs the duties of the Compliance Officer and Samuel Atkinson – Associate Director -, who provides support and performs the duties of the Compliance Officer in his absence.

The role and responsibilities of the Compliance Officer/CEO are listed below:

- Prepare a compliance program
- Manage the day-to-day operation of the compliance policy, including overseeing the compliance measures, processes and procedures, and reviewing monthly operational reports
- Prepare and submit compliance reports to the ARC (based on information provided to the Compliance Officer) setting out any instances of failure in compliance, the remedial action taken and any other significant issues relevant to the compliance program
- Conduct periodic reviews of the compliance policy (including the compliance measures, processes and procedures) and update it as required
- Providing support for engagement with regulatory bodies and the authorising licensee, as required
- Notify management if the Compliance Officer becomes aware of any instances of non-compliance

Additional support is provided by external service providers as required. They provide regular updates to ensure that key compliance personnel are aware of changes to compliance best practices. These updates help Savana audit its existing compliance efforts and continue to make compliance improvements.

Transparency & Reporting

Clients are provided with monthly reporting via a Fact Sheet. The reports detail the Fund's overall performance, major stock holdings, key portfolio statistics (including P/E and P/B), sector breakdown and distribution details.

THIRD-PARTY & SERVICE ADVISORS

Service	Firm
Fund Administrator	Apex Fund Services
Custodian	Apex Fund Services (sub-custody JP Morgan)
Responsible Entity/Trustee	K2 Asset Management
Auditors/Taxation Advisor	KPMG
Compliance Plan Auditor	K2 Asset Management
Compliance Services	K2 Asset Management

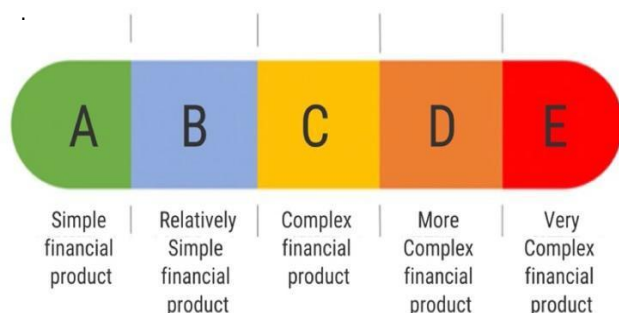
Investment Rating Scale

The Foresight Analytics' investment rating is an opinion on how we believe a fund will perform against a range of risks.

Rating	Definition
Superior	Indicates the highest level of confidence that the fund can deliver a risk-adjusted return in line with the investment objectives of the fund.
Very Strong	Indicates a very strong conviction that the fund can deliver a risk-adjusted return line with the investment objective of the fund.
Strong	Indicates a strong conviction that the fund can deliver a risk-adjusted return in line with the investment objective of the fund.
Competent	Indicates that the fund may deliver a return in line with the fund's relevant benchmark.
Weak	Indicates a view that the fund is unlikely to deliver a return in line with the investment objective of the fund and or meet the return of its benchmark.

Foresight Complexity Indicator

Foresight Complexity Indicator (PCI) highlights the complexity of an investment by its terms and conditions' structure and transparency that may affect the investor's return



Investment Rating & Foresight Complexity Methodology

Foresight Analytics and Ratings' methodology for its investment rating and research can be downloaded from its website.

Contact Details

Foresight Analytics

Level 2, Suite 208, 33 Lexington Drive, Bella Vista, 2153

Telephone: 02 8883 1369

Website: www.foresight-analytics.com

Analyst: Rob da Silva

Email: rob@foresight-analytics.com

Disclaimer

This report has been prepared solely by Foresight Analytics and Ratings Pty. Ltd. (ABN 95616254294, AFSL No. 494552). This report is for information purposes only. It is neither an offer to sell nor a solicitation of any offer to purchase any securities in an investment product or investment fund. Any investment in a financial product or fund involves a degree of risk.

Foresight Analytics and Ratings Pty. Ltd. has made every effort to ensure the reliability of the views and ratings expressed in this report and those published on its website. Foresight Analytics and Ratings' research is based upon information known to us or that we obtained from sources that we believed to be reliable and accurate at the time of publication. All opinions and views expressed constitute our judgment as of the date of the report and may change at any time without notice and without obligation. Such information may be based on certain assumptions and involve elements of subjective judgment and analysis.

Foresight Analytics and Ratings Pty. Ltd. has received a fee paid by either the fund manager or investment product sponsor for the rating and this report. This report is prepared for general information only and, as such, does not take into account individual circumstances and/or objectives. Individuals should therefore discuss, with their financial planner or advisor, the merits of each rating for their own specific circumstances and realise that not all investments will be appropriate for all subscribers.

To the extent permitted by law, Foresight Analytics and Ratings Pty. Ltd. and its employees, agents and authorised representatives exclude all liability for any loss or damage (including indirect, special, or consequential loss or damage) arising from the use of, or reliance on, any information within the report whether or not caused by any negligent act or omission. If the law prohibits the exclusion of such liability, Foresight Analytics and Ratings Pty. Ltd. hereby limits its liability, to the extent permitted by law, to the resupply of the said information.

Financial Services Guide

A copy of the Foresight Analytics' Financial Services Guide can be provided by calling 02 8883 1369.