

PENGANA GLOBAL SMALL COMPANIES FUND

DESCRIPTION

The Fund invests principally in small and midcap 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.

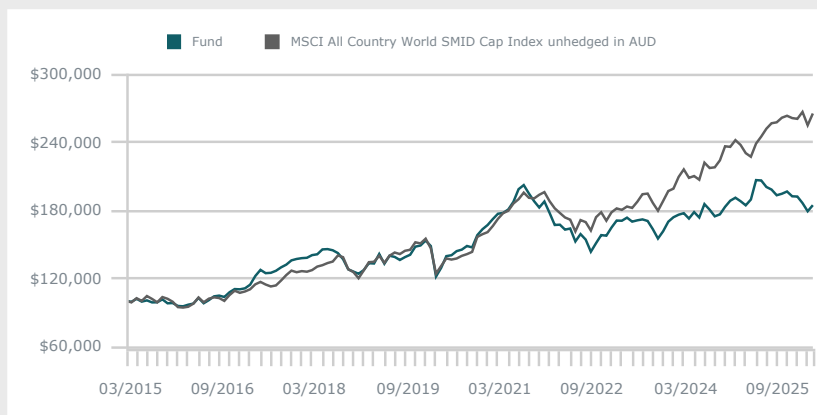
PERFORMANCE TABLE

NET PERFORMANCE FOR PERIODS ENDING 30 Apr 2026¹

	1 MTH	1 YEAR	2 YEARS P.A.	3 YEARS P.A.	5 YEARS P.A.	SINCE INCEPTION P.A.
Global Small Companies Fund	3.0%	-2.6%	3.4%	2.1%	0.7%	5.7%
MSCI All Country World SMID Cap Index unhedged in AUD	4.1%	16.8%	12.8%	13.1%	8.4%	9.2%

PERFORMANCE CHART

NET PERFORMANCE SINCE INCEPTION²



TOP HOLDINGS (ALPHABETICALLY)

Gaztransport & Technigaz SA	Energy
IMI plc	Industrials
International Seaways, Inc.	Energy
Nextpower Inc. Class A	Industrials
Noritsu Koki Co., Ltd.	Consumer Discretionary

CAPITALISATION BREAKDOWN

Under 2bn USD	27.9%
In between 2bn - 5bn USD	32.8%
Above 5bn USD	38.7%
Cash	0.7%

REGION BREAKDOWN

Europe ex UK	24.5%
North America	43%
Japan	9.7%
UK	10.6%
Middle East / Africa	6.4%
Latin America	5.2%
Cash	0.7%

STATISTICAL DATA

VOLATILITY³ 12.6%

NUMBER OF STOCKS 35

BETA⁴ 0.89

MAXIMUM DRAW DOWN -29.1%

APRIL REPORT

COMMENTARY

- The Fund rose 3.0% in April, lagging the MSCI ACWI SMID Cap Index (net, AUD), which gained 4.1%, as the portfolio's quality and growth tilt trailed a market favouring cyclical names and the largest AI infrastructure winners where the Fund is underweight.
- Global equity markets advanced strongly, with gains concentrated in the mega-cap winners of the AI and power buildout. Smaller companies struggled to keep pace, and the resulting dispersion weighed on quality-oriented strategies.
- Portfolio activity remained measured, with **Gamma Communications** added on the back of an active takeover process, and **NICE Information Service** exited after the long-term thesis failed to play out.

Market review

Global equities posted broad gains in April as the AI and power buildout extended its dominance over market leadership across regions. Korea was the standout, driven by a breakout in its largest semiconductor manufacturer and a sharp re-rating across custom AI chip designers. European semiconductor and industrials names also moved higher, with one of the region's largest energy equipment manufacturers posting a record quarterly order intake.

Technology and industrials drove the market, while smaller companies were left behind as investors funnelled risk into the largest winners of the spending cycle. The resulting dispersion weighed disproportionately on diversified, quality-focused approaches.

Capital rotation reinforced the cyclical tilt, with more economically sensitive parts of the market favoured over defensive areas. Leadership narrowed rather than broadened.

The macro backdrop turned more complicated. US headline inflation printed at a three-year high, with synchronised producer price pressure visible across Japan, India, China and the Eurozone. Rate-cut expectations for the year collapsed against the inflation backdrop, with the Federal Reserve holding steady at its end-April meeting ahead of a leadership transition. The European Central Bank also stayed on hold. A firmer Australian dollar modestly compressed AUD-denominated returns. Geopolitics remained a feature, with Brent oil staying elevated as the Strait of Hormuz remained effectively closed.

Inflation pass-through into corporate margins is now the central question for the remainder of the year.

Portfolio Commentary

The Fund delivered a positive absolute return in April but fell short of the benchmark. Gains were captured by the largest names exposed to the AI buildout, where the portfolio is underweight, and the quality and growth orientation of the holdings proved a relative headwind.

Sensient Technologies, the US specialty colours and flavours manufacturer, delivered a standout first-quarter result late in the month. Revenue and earnings both beat consensus, supported by accelerating conversions from synthetic to natural colourants ahead of the January 2028 regulatory deadline. Management raised full-year guidance and now targets double-digit revenue growth for the Colour Group.

Pexip Holding ASA, the Norwegian video infrastructure specialist, built on momentum from the prior year, with revenue growth now running alongside expanding profitability. Its position in FedRAMP-authorized cloud video and exposure to the European sovereign IT and NATO defence spending cycle continue to underpin a multi-year growth runway.

Max Stock, Israel's leading deep-discount retailer, continued to climb following its FY2025 results released in mid-March. The print featured a record quarterly gross margin, accelerating same-store sales and a sharp uplift in operating cash flow. A partial easing of geopolitical risk in Israel provided an additional tailwind.

The principal detractor was **Grupo Aeroportuario del Centro Norte**, the Mexican airport operator known as OMAB, which sold off after a disappointing first-quarter result. Contracted services costs ran materially higher for a second consecutive quarter, with management signalling the elevated cost base would persist through 2026. The April tariff reset proceeded on plan, and we see recovery potential if costs normalise. Broader Mexican equities also traded softer through the month against a more cautious sovereign backdrop.

Nextpower, the US solar tracker and integrated energy platform provider, drifted lower as the solar complex came under pressure from US trade policy uncertainty and rising tariff costs ahead of its early-May result. That print delivered record annual revenue, a record backlog and raised guidance, but came after period-end. We retain conviction in the platform.

Portfolio activity was deliberately measured. **Gamma Communications**, a UK provider of unified communications services, was added to the portfolio. The name is well known to us, with the decision to re-enter driven by takeover dynamics rather than the standalone case. The board opened a formal offer period in early April with a structured auction across multiple bidders, and at around five times EV/EBITDA with £143 million of net cash, the risk-reward is attractive.

NICE Information Service, Korea's dominant credit bureau, was exited during the month. Despite solid operational results, the holding never delivered the value creation originally underwritten. Slower-than-expected margin expansion and persistent multiple compression across Korean small-caps weighed on the outcome.

The portfolio remains concentrated in high-quality businesses with durable competitive advantages. The restraint in activity during a month of pronounced factor rotation reflects our confidence in the underlying holdings.

FEATURES

APIR CODE	PCL0022AU
REDEMPTION PRICE	A\$ 1.4614
FEES *	Management Fee: 1.1% Performance Fee: 20.5%
MINIMUM INITIAL INVESTMENT	A\$10,000
FUM AT MONTH END	A\$ 38.41m
STRATEGY INCEPTION DATE	1 April 2015
BENCHMARK	MSCI All Country World SMID Cap Index unhedged in AUD

FUND MANAGERS



Jon Moog
CIO and Portfolio Manager

1. Net performance figures are shown after all fees and expenses, and assume reinvestment of distributions. No allowance has been made for buy/sell spreads. Please refer to the PDS for information regarding risks. 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.

* For further information regarding fees please see the PDS available on our website.

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