PENGANA
CAPITAL GROUP

MONTHLY REPORT
JUNE 2026

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.

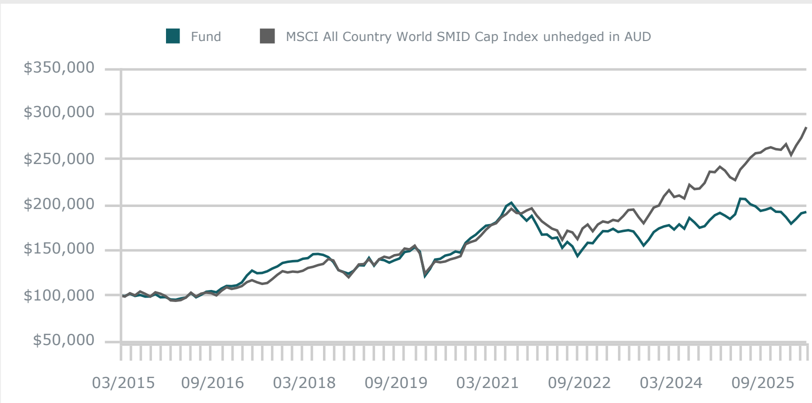
PERFORMANCE TABLE

NET PERFORMANCE FOR PERIODS ENDING 30 Jun 2026[1]

	1 MTH	1 YEAR	2 YEARS P.A.	3 YEARS P.A.	5 YEARS P.A.	SINCE INCEPTION P.A.
Global Small Companies Fund	0.8%	-6.9%	5.2%	3.9%	0.5%	6.0%
MSCI All Country World SMID Cap Index unhedged in AUD	4.3%	16.6%	17.4%	15.0%	9.0%	9.8%

PERFORMANCE CHART

NET PERFORMANCE SINCE INCEPTION[2]



TOP HOLDINGS (ALPHABETICALLY)

Dorman Products, Inc.	Consumer Discretionary
Grupo Aeroportuario del Centro Norte	Industrials
ISS A/S	Industrials
Nextpower Inc. Class A	Industrials
Pexip Holding ASA	Information Technology

CAPITALISATION BREAKDOWN

Under 2bn USD	**26.5%**
In between 2bn - 5bn USD	**28.7%**
Above 5bn USD	**39.2%**
Cash	**5.6%**

REGION BREAKDOWN

Europe ex UK	**23.7%**
North America	**43.6%**
Japan	**7.9%**
UK	**6.1%**
Middle East / Africa	**6.6%**
Latin America	**6.5%**
Cash	**5.6%**

STATISTICAL DATA

VOLATILITY[3]	NUMBER OF STOCKS	BETA[4]	MAXIMUM DRAW DOWN
12.5%	32	0.88	-29.1%

JUNE REPORT

COMMENTARY

- The Fund returned 0.8% for the month, underperforming its benchmark on stock selection and USD strength.
- Markets broadened beyond mega-cap tech, with small-caps, value, industrials and healthcare leading. AUD weakness boosted local-currency returns.
- Six new positions were added (US-focused, spanning AI infrastructure, energy, financials, hotels, consumer) and eight exited on strong gains or weakening fundamentals.

Market Review

Global equity markets delivered mixed returns in June, with market leadership broadening beyond the mega-cap technology companies that had dominated earlier in the year. European equities led the major developed markets, while US large-cap indices were held back by weakness across parts of the technology and communication services sectors. Asian markets were also generally weaker, particularly in semiconductor-heavy markets such as Taiwan and South Korea.

Small-cap equities performed relatively well, most notably in the US, where they outperformed large caps. Value stocks generally outperformed growth, while industrials and healthcare were among the stronger sectors, reflecting a rotation towards more economically sensitive and domestically focused businesses. This represented a broadening of market participation after an extended period of narrow, technology-led performance.

Currency movements were also significant for Australian investors. Australian dollar weakness lifted the AUD-denominated return from global equities above the corresponding local-currency return.

Portfolio Commentary

The Pengana Global Small Companies Fund returned 0.8% in June 2026, underperforming the benchmark MSCI ACWI SMID Cap Index return of 4.3%. Stock selection and USD strength drove the shortfall. Australian dollar weakness lifted the benchmark's AUD-denominated return well above its local-currency gain.

June was an unusually active month, with six positions initiated and eight exited as we refreshed the portfolio toward higher-conviction ideas. The portfolio's exposure to the US increased, with five of the six new holdings listed there, while exposure to the UK and Japan declined. Portfolio turnover was higher than in recent months, but remained below the elevated levels seen in prior years.

New Positions:

Maruwa (Owariasahi, Japan) is a manufacturer of advanced ceramic components used in next-generation fibre-optic equipment for AI data centres. Its access to high-quality raw materials gives it a competitive advantage and supports strong pricing. Demand is expected to grow rapidly as data-centre investment increases. We were able to buy this supply-constrained toll on AI infrastructure at a reasonable price.

Powell Industries (Houston, Texas) manufactures electrical switchgear and power-control systems for utilities, energy companies and data centres. The company is benefiting from strong demand for electrical infrastructure, has a record order backlog and maintains a conservative balance sheet with net cash and no debt.

Vita Coco (New York, New York) is the leading US coconut water brand, returned to the portfolio in June. The category continues to move into the mainstream, and the company recently upgraded its full-year outlook. The shares weakened after our purchase following a strong year-to-date run, but the operating outlook remains unchanged, and our thesis is very much intact.

Park Hotels & Resorts (Tysons, Virginia) owns a portfolio of premium US hotels and resorts in attractive locations, including Waikiki and Orlando. The investment case rests on management selling its weaker non-core hotels and using the proceeds to pay down debt, concentrating the company around its best assets, while a dividend yield near 7% pays shareholders to wait.

Tompkins Financial (Ithaca, New York) is a 190-year-old community bank serving upstate New York and southeastern Pennsylvania. Record first-quarter earnings reflected a rebuilt lending margin, and the recent sale of the group's insurance agency freed up a substantial pool of capital — roughly a sixth of the company's market value — available for buybacks or acquisitions. With a dividend paid for more than fifty consecutive years and that surplus capital yet to be deployed, we see a conservative compounder with a clear catalyst.

WisdomTree (New York, New York) is a capital-light specialist ETF sponsor. Growth has inflected: new client money is flowing in at a mid-teens annualised pace, led by the European business, and a recent acquisition added a pool of higher-fee assets. Margins are climbing as revenue scales against a largely fixed cost base, and the firm's early regulatory lead in tokenised funds offers additional long-term growth potential.

We exited eight positions during the month, redeploying capital into the new additions above. **Gamma Communications** (GAMA LN), **Noritsu Koki** (7744 JP) and **Cavco Industries** (CVCO US) were sold following strong performance. **Mirion Technologies** (MIR US), **Lincoln National** (LNC US), **Pathward Financial** (CASH US), **CVS Group** (CVSG LN) and **Tootsie Roll** (TR US) were sold due to weaker earnings, deteriorating industry conditions or reduced confidence in their investment outlook.

<u>Positive Contributors:</u>

Grupo Aeroportuario del Centro Norte (Monterrey, Mexico): OMAB rose approximately 17% in June as several tailwinds converged. The FIFA World Cup, co-hosted by Mexico with Monterrey among the host cities, began lifting passenger traffic from mid-June, while the US–Iran accord and the collapse in oil prices lifted transport stocks broadly. Sell-side sentiment also turned, and April's tariff increase is now flowing through revenue — the late-July quarterly result remains the key test of whether margins recover.

Frontdoor (Memphis, Tennessee): The US home warranty provider surged roughly 30% to an all-time high after its quarterly report in early June. Revenue and earnings both comfortably beat expectations, but the standout was management's projection of membership growth in 2026 — the first expected organic increase since 2020, resolving a long-standing bear case. Continued integration progress on a recent acquisition and ongoing share repurchases added support.

Dorman Products (Colmar, Pennsylvania): The automotive aftermarket parts supplier gained around 14% in June after completing a comprehensive refinancing that pushed its debt maturities well into the next decade while reaffirming full-year sales guidance. The aging US vehicle fleet continues to underpin demand for replacement parts, and June's sharp fall in petrol prices is an incremental tailwind for miles driven and repair activity.

Negative Contributors:

Nextpower (Fremont, California): The solar tracker and integrated energy platform declined as higher interest-rate expectations weighed on the solar sector. While recent guidance was below expectations, the company continues to have a record order backlog and is expanding beyond its core solar-tracker business.

Hilan (Tel Aviv, Israel): Israel's leading payroll and human-capital software provider fell approximately 15% in June with no company-specific news behind the move. Israeli equities broadly gave back part of their strong first-half rally as wartime risk premia finished unwinding and profit-taking set in. The core payroll franchise remains stable, and we added to the position during the month.

FEATURES

APIR CODE	PCL0022AU
REDEMPTION PRICE	A$ 1.5214
FEES *	Management Fee: 1.1% Performance Fee: 20.5%
MINIMUM INITIAL INVESTMENT	A$10,000
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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