MONTHLY REPORT
JUNE 2026

PENGANA HIGH CONVICTION PROPERTY SECURITIES FUND

DESCRIPTION

A Property Fund focussed on capital security, income yield, and sustainable growth.

The Fund believes each security has an underlying or intrinsic value and that securities become mispriced at times relative to their value and each other.

The Fund seeks to exploit such market inefficiencies by employing an active, value based investment style to capture the underlying cashflows generated from real estate assets and/or real estate businesses.

The Fund believes that responsible investing is important to generate long term sustainable returns. Incorporating ESG factors along-side financial measures provides a complete view of the risk/return characteristics of our property investments.

The Fund is benchmark unaware. All positions are high conviction and assessed on a risk-reward basis, resulting in a concentrated portfolio of 10-20 securities.

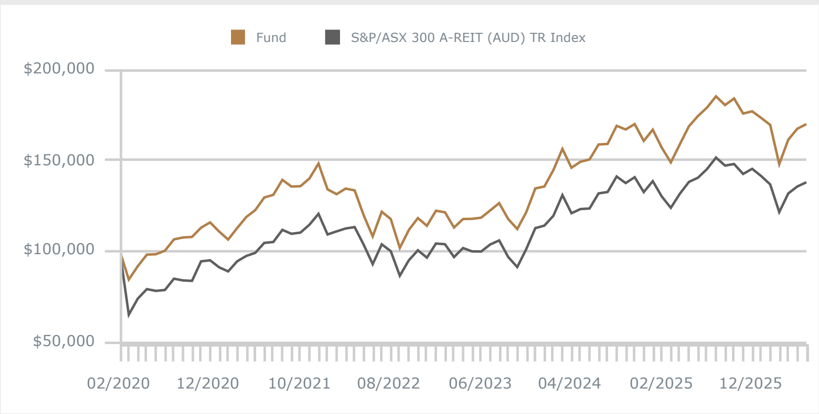
PERFORMANCE TABLE

NET PERFORMANCE FOR PERIODS ENDING 30 Jun 2026[1]

	1 MTH	1 YEAR	2 YEARS P.A.	3 YEARS P.A.	SINCE INCEPTION P.A.
High Conviction Property Securities Fund	1.5%	-2.6%	6.3%	12.8%	8.7%
S&P/ASX 300 A-REIT (AUD) TR Index	1.7%	-1.8%	5.7%	11.4%	5.2%

PERFORMANCE CHART

NET PERFORMANCE SINCE INCEPTION[2]



TOP HOLDINGS (ALPHABETICALLY)

Charter Hall Group	Real Estate
Goodman Group	Real Estate
Qualitas Limited	Financials
Region Group	Real Estate
Scentre Group	Real Estate

SECTOR BREAKDOWN

Retail REITs	18.8%
Diversified REITs	14.3%
Specialized REITs	3.4%
Industrial REITs	43.6%
Real Estate Management & Development	9.5%
IT Services	2.6%
Capital Markets	4.7%
Cash	3.1%

STATISTICAL DATA

VOLATILITY[3]	NUMBER OF STOCKS	BETA[4]	MAXIMUM DRAW DOWN
20.3%	14	0.76	-31.4%

STRONG FUNDAMENTALS LEADING INTO REPORTING SEASON

COMMENTARY

A-REITs rose 1.7% and outperformed the broader equity market (S&P/ASX200 Index) for the third consecutive month in June, supported by an 11bp decline in the Australian 10-year government bond yield to 4.7%. In comparison, the Fund returned 1.5%, slightly underperforming the benchmark.

We're pleased to share that Pengana's High Conviction Property Securities Fund has been upgraded to a 'Recommended' rating by Zenith Investment Partners. This reflects the Fund's high-conviction positioning, disciplined valuation framework, and strong ESG integration as key differentiators.

Portfolio Manager Amy Pham recently sat down with Marketing Manager Aiden James to discuss the fund's consistent outperformance since inception, the strong momentum across the A-REIT sector heading into reporting season, and why the proposed CGT and negative gearing reforms could prove a meaningful tailwind for the sector. Amy also shares her thoughts on the growing divergence between sector winners and losers, and what the fund's recent Zenith 'Recommended' rating means for investors.

Market expectations for further monetary tightening continued to moderate, with the implied probability of a November RBA rate hike falling to approximately 21%, from around 43% at the end of the previous month. The shift in interest rate expectations was driven by easing geopolitical tensions in the Middle East and a softer-than-expected inflation outcome, reinforcing expectations that the RBA has likely reached the end of its tightening cycle.

A-REITs enter the forthcoming reporting season from a position of strength, underpinned by resilient operational earnings. Several names, including **Goodman**, **Vicinity**, **GPT**, **Centuria Industrial** REIT and **GemLife**, have reaffirmed FY26 guidance, while **Charter Hall** has upgraded earnings guidance for the third time this year. Despite ongoing macroeconomic headwinds, including geopolitical uncertainty, three interest rate hikes and inflationary pressures, the sector continues to offer resilient earnings, attractive income and sustainable growth.

FY27 earnings expectations will be heavily influenced by the interest rate outlook and its implications for funding costs and active earnings. For residential developers such as **Stockland** (SGP) and **Mirvac** (MGR), the key focus will be on sales volumes amid higher interest rates and proposed changes to the CGT discount and negative gearing. Margin resilience will also remain a key consideration, particularly given softening house price growth, elevated cost inflation and the material increase in cost pressures across Queensland due to competing infrastructure projects and the upcoming Brisbane 2032 Olympics.

We expect **Goodman Group** (GMG) to guide to at least 9% growth for FY27, with upside from performance fees, data centre land sales and development profits. Earnings visibility should improve as the development projects and contracted pipeline progresses over the next 12 months.

We continue to favour companies with strong free cash flow and robust balance sheets that are well positioned for a higher-for-longer rate environment, including **GemLife** (GLF), **Region Group** (RGN) and **Charter Hall Group** (CHC). We also remain supportive of AI infrastructure enablers with capital backing to deliver on their secured pipeline, including **Goodman Group** (GMG) and **NextDC** (NXT).

FEATURES

APIR CODE	PCL8246AU
REDEMPTION PRICE	A$ 1.177
FEES *	Management Fee: 0.70% Performance Fee: 15%
MINIMUM INITIAL INVESTMENT	A$10,000
STRATEGY INCEPTION DATE	11 March 2020
BENCHMARK	S&P/ASX 300 A-REIT Total Return Index

FUND MANAGERS

Amy Pham
Portfolio Manager

Jade Ong
Investment Specialist

1. Net performance figures are shown after all fees and expenses, and assume reinvestment of distributions. The Fund incepted on March 11th 2020. Index performance calculations include a complete month's performance for March 2020. 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 11 March 2020.
3. Annualised standard deviation since inception.
4. Relative to S&P/ASX 300 A-REIT TotalReturn Index.

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

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