

PENGANA HIGH CONVICTION EQUITIES FUND

DESCRIPTION

The Pengana High Conviction Equities Fund (the Fund) invests globally in a concentrated portfolio of up to 20 stocks. The Fund can invest in both small and large cap stocks and is diversified across countries and sectors. We avoid investment in companies that are currently, in our opinion, unnecessarily harmful to people, animals or the environment.

PERFORMANCE TABLE

NET PERFORMANCE FOR PERIODS ENDING 31 Jan 2026¹

High Conviction Equities Fund Class A

	1 MTH	1 YEAR	2 YEARS P.A.	3 YEARS P.A.	5 YEARS P.A.	SINCE INCEPTION P.A.
High Conviction Equities Fund Class A	-7.6%	29.1%	51.5%	42.3%	19.7%	27.1%
MSCI World Total Return Index (net, AUD)	-2.7%	6.5%	17.0%	19.5%	14.9%	12.7%
RBA Cash Rate plus 3%	0.5%	6.8%	7.1%	7.0%	5.7%	5.0%

High Conviction Equities Fund Class B

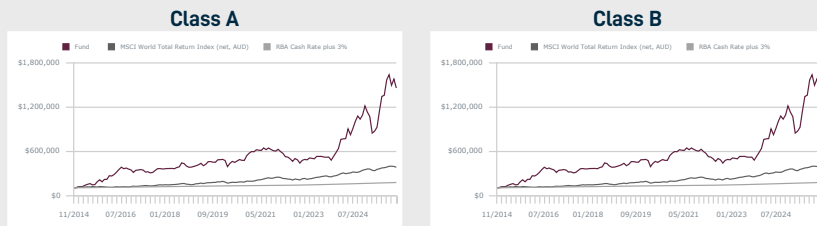
	1 MTH	1 YEAR	2 YEARS P.A.	3 YEARS P.A.	5 YEARS P.A.	SINCE INCEPTION P.A.
High Conviction Equities Fund Class B	-7.6%	29.6%	51.1%	42.3%	20.4%	23.0%
MSCI World Total Return Index (net, AUD)	-2.7%	6.5%	17.0%	19.5%	14.9%	14.7%
RBA Cash Rate plus 3% p.a.	0.5%	6.8%	7.1%	7.0%	5.7%	5.5%

Net performance figures are shown after all fees and expenses, and assume reinvestment of distributions. Performance figures are calculated using net asset values 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.

Fund inception date Class A: December 2014, Class B July 2020.

PERFORMANCE CHART

NET PERFORMANCE SINCE INCEPTION²



TOP HOLDINGS (ALPHABETICALLY)

Artrya Limited	Health Care
Brazilian Rare Earths Limited	Materials
Clarity Pharmaceuticals Ltd.	Health Care
Iperionx Ltd.	Materials
Metallium Limited	Materials

SECTOR BREAKDOWN

Health Care	42.1%
Information Technology	2.8%
Materials	53%
Options	0.3%
Cash	1.8%

CAPITALISATION BREAKDOWN

Under 5bn USD	97.9%
Derivatives	0.3%
Cash	1.8%

REGION BREAKDOWN

North America	3.2%
Australia/New Zealand	94.6%
Options	0.3%
Cash	1.8%

STATISTICAL DATA

VOLATILITY³ 27%

NUMBER OF STOCKS 19

BETA⁴ 0.88

MAXIMUM DRAW DOWN -32.1%

JANUARY REPORT

COMMENTARY

- The Fund declined 7.6% over the month, largely reflecting sharp share price moves in a small number of high-conviction holdings rather than broader portfolio weakness.
- Weakness was concentrated in **Artrya** and **Metallium**, where share prices reacted to delays and sector sentiment, while underlying business progress and long-term earnings potential remained intact.
- **IperionX** provided a meaningful offset, rising strongly following index inclusion and continued US Government support, with further catalysts expected as contracts translate into revenue and funding momentum continues.

The Fund fell 7.6% in January. This follows a strong first half of FY26, with the Fund up 37.92% over the six months to December compared with 8.71% for the benchmark. Given the Fund's focus on high-growth and commercialisation-stage companies, periods of consolidation following strong share price performance are not unusual.

Artrya declined approximately 25% over the month, following a very strong prior period in which the shares rose more than 550% over the six months to December 2025. Artrya's technology functions as an AI-driven diagnostic assistant, enhancing the speed, accuracy and consistency of coronary artery disease assessment. The share price had rallied strongly in December as several funds accumulated meaningful positions ahead of the commercialisation of its FDA-approved modules (representing ~85% of the total addressable market) and the anticipated approval of the final outstanding module.

During January, Artrya announced a number of commercial agreements that exceeded expectations in terms of potential revenue. However, the timing of revenue generation was pushed back, and FDA approval of the final module has been delayed by one quarter. From a valuation perspective, we do not consider either development to be material. In fact, some analysts increased their price targets, albeit with reduced near-term revenue forecasts. The share price weakness appears primarily attributable to lower near-term revenue expectations rather than any change in the long-term opportunity.

Metallium, a critical minerals processing technology company, also gave back some of its strong 2025 gains, declining 21% in January. Toward month-end, Reuters reported that a US Senate Committee had raised concerns about government support for price floors in critical minerals. While MTM's focus is on scaling its proprietary technology to extract precious metals through recycling printed circuit boards (electronic waste) and is arguably more exposed to the gold price, the stock was caught in a broader sell-off across the critical minerals sector.

IperionX rebounded strongly, rising 31% during the month. The move was driven by two key factors. First, IperionX was added to the REMX ETF, which experienced strong inflows in January, resulting in substantial ETF-driven buying. Second, the company continued to receive significant support from the US Government, including additional grant funding, transfers of scrap titanium feedstock at no cost, and an order to prototype parts for ground transportation vehicles.

Looking ahead, we see further catalysts in the form of additional commercial agreements, initial production orders converting to revenue, and the potential for further US government funding support across several holdings.

FEATURES

APIR CODE	Class A: HHA0020AU Class B: PCL9196AU
REDEMPTION PRICE	Class A: A\$ 5.0376 Class B: A\$ 2.1576
FEES *	Management Fee: 1.80% p.a. (Class A) 1.25% p.a. (Class B) Performance Fee: 15.38% (Class A) 20% (Class B)
MINIMUM INITIAL INVESTMENT	A\$10,000
FUM AT MONTH END	A\$ 162.06m
STRATEGY INCEPTION DATE	11 December 2014
BENCHMARK	RBA Cash Rate + 3%

FUND MANAGERS



James McDonald
Portfolio Manager



Jeremy Bendeich
Portfolio Manager

1. Net performance figures are shown are those of Class A Units, 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 11 December 2014.

3. Annualised standard deviation since inception.

4. Relative to MSCI World. Using daily returns.

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

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