

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.

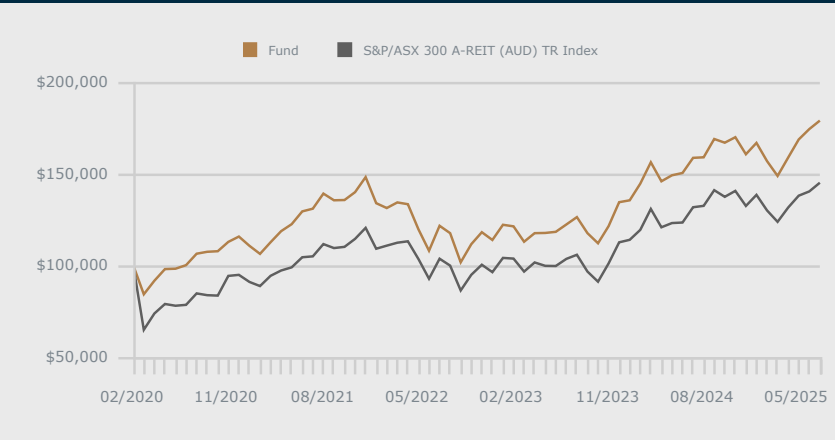
PERFORMANCE TABLE

NET PERFORMANCE FOR PERIODS ENDING 31 Jul 2025¹

	1 MTH	1 YEAR	2 YEARS P.A.	3 YEARS P.A.	SINCE INCEPTION P.A.
High Conviction Property Securities Fund	2.7%	12.8%	20.9%	13.7%	11.3%
S&P/ASX 300 A-REIT (AUD) TR Index	3.4%	10.2%	18.3%	11.8%	7.1%

PERFORMANCE CHART

NET PERFORMANCE SINCE INCEPTION²



TOP HOLDINGS (ALPHABETICALLY)

Cedar Woods Properties Limited	Real Estate
Gemlife Communities Group	Real Estate
Goodman Group	Real Estate
Mirvac Group	Real Estate
Scentre Group	Real Estate

SECTOR BREAKDOWN

Office REITs	2.1%
Retail REITs	17.6%
Diversified REITs	13.2%
Specialized REITs	2.3%
Industrial REITs	43.3%
Real Estate Management & Development	8.8%
IT Services	2.1%
Capital Markets	5.3%
Cash	5.3%

STATISTICAL DATA

VOLATILITY³ 20.5%

NUMBER OF STOCKS 13

BETA⁴ 0.74

MAXIMUM DRAW DOWN -31.4%

A-REIT- BEST SHAPE IN 5 YEARS

COMMENTARY

The A-REIT sector extended its strong run in July, advancing 3.38% and outperforming the broader equities market by 2.4%. This resilience came despite a modest 10-basis-point rise in 10-year bond yields to 4.26% and the RBA's surprise decision to keep the cash rate steady at 3.85%.

The Fund returned 2.7% over the month. Over the 12 months to July 2025, the Fund delivered a strong return of 12.8%, outperforming the benchmark by 2.6%.

A-REITs typically benefit from falling interest rates, and the market was caught off guard when the RBA left rates on hold at its July meeting. The August board meeting delivered a 25bp rate cut.

As anticipated, the REIT reporting season is off to a solid start. Based on these early results, we expect to see the start and/or acceleration of NTA and earnings growth across most asset classes. The decline in BBSW is well recognised, and we anticipated that REITs would take advantage of lower swap rates to strengthen their hedging positions.

Transaction activity is also gathering pace, with increased asset recycling, heightened competition for AUM, and signs of improving demand for assets – even in more challenging segments such as office. The ability to now recycle assets at attractive spreads is particularly beneficial for smaller REITs with limited balance sheet capacity, and even more advantageous for REIT fund managers able to recycle capital into new opportunities.

The outlook for real estate is the strongest since COVID, supported by falling interest rates, stabilising asset values, robust rental growth, and constrained new supply due to rising replacement costs. As specialist active A-REIT managers, we are well placed to capture opportunities as market conditions improve.

The Fund sees compelling opportunities ahead, with residential and discretionary retail poised to benefit from persistent supply constraints. At the same time, powerful structural trends are creating momentum in alternative sectors – from data centres and land lease communities to self-storage and real estate private debt – offering multiple avenues for growth.

FEATURES

APIR CODE	PCL8246AU
REDEMPTION PRICE	A\$ 1.2682
FEES *	Management Fee: 0.70% Performance Fee: 15%
MINIMUM INITIAL INVESTMENT	A\$10,000
FUM AT MONTH END	A\$ 25.09m
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 inceptioned 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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