MONTHLY REPORT
JULY 2026

PENGANA EMERGING COMPANIES FUND

DESCRIPTION

The Pengana Emerging Companies Fund combines the skills of highly experienced small company investors (collectively over 45 years' experience) with a limited fund size and an objective of providing above market returns over the medium term. Our benchmark is the S&P/ASX Small Ordinaries Accumulation Index. The fund managers Steve Black and Ed Prendergast are part owners of the business and investors in the Fund, providing a strong incentive to perform. The Fund has strong research ratings from all major research houses and over the period since its inception has delivered returns well above benchmark.

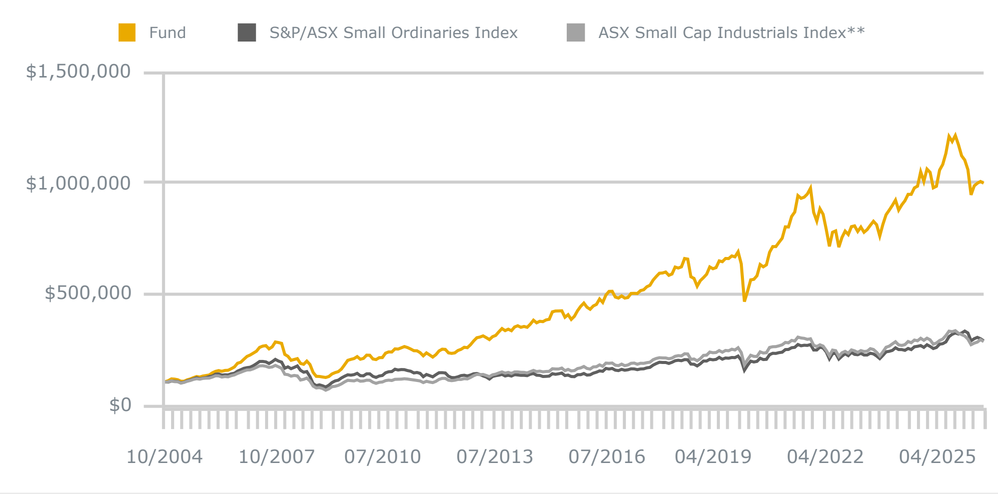
PERFORMANCE TABLE

NET PERFORMANCE FOR PERIODS ENDING 31 Jul 2026[1]

	1 MTH	1 YEAR	3 YEARS P.A.	5 YEARS P.A.	10 YEARS P.A.	15 YEARS P.A.	20 YEARS P.A.	SINCE INCEPTION P.A.
Emerging Companies Fund	-0.8%	-11.8%	7.3%	2.8%	7.3%	9.9%	9.7%	11.1%
S&P/ASX Small Ordinaries Index	-3.2%	1.8%	7.5%	2.2%	5.8%	4.7%	3.9%	5.0%
Outperformance	2.4%	-13.7%	-0.2%	0.6%	1.5%	5.2%	5.9%	6.2%
ASX Small Cap Industrials Index**	-2.9%	-8.6%	4.1%	-0.2%	4.2%	6.6%	4.2%	4.9%
Outperformance	2.2%	-3.2%	3.2%	3.0%	3.0%	3.3%	5.6%	6.2%

PERFORMANCE CHART

NET PERFORMANCE SINCE INCEPTION[2]



JULY REPORT

COMMENTARY

The Fund fell 0.8% in July, outperforming the Small Industrials by 2.2% and outperforming the Small Ordinaries by 2.4%. For the 12 months to July, the Fund was down 11.8%, underperforming the Small Industrials by 3.2% and underperforming the Small Ordinaries by 13.7%.

US markets were flat in July, with tech stocks falling 3%, offsetting a slight rally in broader industrials as earnings season proved positive. The correction in the NASDAQ should not come as a surprise, given the 21% rally in the prior three months, driven by AI stocks. Bond markets faded, reflecting the strong economy and earnings season, which likely skews the outlook away from rate cuts.

Oil prices spiked dramatically again in July, rising 24% as fears the Iran conflict would drag on. Reversing earlier confidence that the situation was easing, investors now fear the supply disruptions will continue. We now move into a more critical period with inventories now run down, especially in China, which could easily see a squeeze over the coming months. This situation remains completely uncertain, and will likely be a key driver of all global markets and economies throughout the year.

The Australian share market rose 2.3% with industrials (primarily banks) outperforming resources stocks. Smallcap stocks underperformed the largecaps given the lack of bank exposure, with the mining sector again underperforming industrials. A milder CPI outcome gave the RBA room to delay further interest rate increases; however, the strong labour market and fiscal stimulus saw the RBA warn that further rises were not out of the question.

Our best contributors in July included:

Generation Development (+15%) and **HUB 24** (+17%) both posted solid quarterly flow outcomes, resulting in strong bounces. The sector has been heavily shorted, hence a sharp rally on moderately positive news. **Mainfreight** (+15%) released its first quarter numbers, showing profit growth of 78% as NZ and Australian operations enjoyed margin expansion and healthy revenue growth. **Energy One** (+10%) received an indicative takeover from a European rival, subject to due diligence. **Channel Infrastructure** (+9%) continues to rally with fuel certainty heavily supporting investor sentiment.

Our detractors in July included:

Zip Co (-21%) is an especially volatile stock (and is therefore a small position in our fund) and fell back after a 109% rally in the three preceding months. **Wagners** (-15%) fell back, following a 108% rally in the June financial year. The company is well exposed to SE Queensland construction and pre Brisbane Olympics building activity, and a correction after such a strong rally is not a surprise. **Mader Group** (-13%) drifted in the absence of stock specific news. **Imdex** (-10%) and **ALS Group** (-5%) drifted back, again after strong full year rallies, as traders took profits.

TOP HOLDINGS (ALPHABETICALLY)

ALS Ltd.	Industrials
Charter Hall Group	Real Estate
Freightways Group Limited	Industrials
Generation Development Group Limited	Financials
HUB24 Limited	Financials

FEATURES

APIR CODE	PER0270AU
REDEMPTION PRICE	A$ 2.2167
FEES *	Management Fee: 1.3340% Performance Fee: 20.5% of the performance above the benchmark
STRATEGY INCEPTION DATE	1 November 2004
BENCHMARK	S&P/ASX Small Ordinaries Accumulation Index

FUND MANAGERS

Ed Prendergast
Senior Fund Manager

Steve Black
Senior Fund 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 1 November 2004.
* For further information regarding fees please see the PDS available on our website.
** The Fund does not invest in resource stocks.

PENGANA EMERGING COMPANIES FUND

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