

PENGANA GLOBAL SMALL COMPANIES FUND

DESCRIPTION

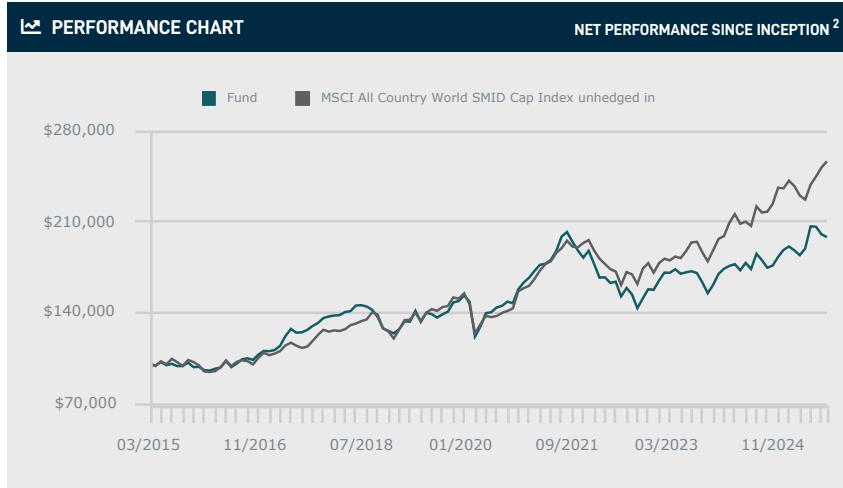
The Fund invests principally in small and midcap listed (or soon to be listed) global equities. Its investment objective is to obtain returns greater than the MSCI All Country World Index SMID Cap unhedged in Australian dollars ('Index') over rolling 3 year periods after fees. The Fund's investment manager, 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

	1 MTH	1 YEAR	2 YEARS P.A.	3 YEARS P.A.	5 YEARS P.A.	NET PERFORMANCE FOR PERIODS ENDING 31 Aug 2025 ¹ SINCE INCEPTION P.A.
Global Small Companies Fund	-1.1%	9.8%	7.8%	8.8%	6.4%	6.8%
MSCI All Country World SMID Cap Index unhedged in AUD	1.9%	18.2%	14.8%	14.8%	12.9%	9.5%

PERFORMANCE CHART

NET PERFORMANCE SINCE INCEPTION²



TOP HOLDINGS (ALPHABETICALLY)

Hilti Ltd.	Industrials
NICE Information Service Co., Ltd.	Industrials
Noritsu Koki Co., Ltd.	Consumer Discretionary
Scout24 SE	Communication Services
USS Co., Ltd.	Consumer Discretionary

CAPITALISATION BREAKDOWN

Under 2bn USD	34.8%
In between 2bn - 5bn USD	26.7%
Above 5bn USD	32%
Cash	6.4%

REGION BREAKDOWN

Europe ex UK	22.4%
North America	23.9%
Asia ex Japan	7.3%
Japan	18.4%
UK	10.2%
Middle East / Africa	5.3%
Latin America	6.1%
Cash	6.4%

STATISTICAL DATA

VOLATILITY³ 12.8%

NUMBER OF STOCKS 46

BETA⁴ 0.89

MAXIMUM DRAW DOWN -29.1%

AUGUST REPORT

COMMENTARY

Summary

- The Fund fell 1.1% in August, lagging the benchmark as quality-focused holdings underperformed in a style-driven market.
- Global equities were led higher by value-oriented small caps, with strong gains across Japan, broader Asian markets, and Europe, although currency fluctuations reduced returns in AUD terms.
- The Fund exited **Oddity Tech** and **Insource**, while top contributors included **Doorman Products**, **USS**, and **Nextracker**. **Eckert & Ziegler** was the main detractor.

Market review

Global equities advanced in August, with markets shaped by a clear rotation in style leadership. Quality stocks underperformed as investors favoured value, growth, and momentum exposures. This shift reflected renewed risk appetite, with investors rewarding companies more exposed to cyclical recoveries and leveraged earnings. The pattern mirrored the early period of President Trump's first term, when quality temporarily lagged before resuming leadership, underlining the impact of style dynamics on short-term returns.

Value-oriented small caps led the advance. In the United States, small caps moved higher, driven by renewed interest in domestically focused businesses and more attractively valued sectors. Global small caps more broadly also reflected this pattern, with value continuing to outperform quality. The breadth of participation highlighted the market's preference for lower-valued companies, even as quality-oriented businesses retained sound fundamentals.

In other regions, markets also delivered strong gains. Japanese equities rose on the back of currency weakness and firmer domestic demand, which provided a tailwind to exporters and local cyclicals. Across Asia outside Japan, technology-led momentum and renewed confidence in export markets supported a sharp rebound. European small caps also advanced as business activity improved and sentiment stabilised. Together, these gains illustrated broad-based strength across both developed and emerging markets.

Currency movements detracted from overall results in Australian dollar terms. The Australian dollar strengthened modestly against several major currencies, reducing the translated value of offshore gains. Despite this headwind, global equities continued to provide a constructive backdrop, with cyclical and lower-valued companies driving market leadership.

Portfolio Commentary

The Fund declined in August, lagging its benchmark as style-driven moves weighed on quality-focused holdings. The portfolio saw no major new investments during the month, with activity limited to the exits of **Oddity Tech** and **Insource**.

Performance drivers were mixed. **Doorman Products**, a US-based manufacturer of speciality building products, was among the strongest contributors. The company reported robust quarterly earnings and highlighted continued end-market demand growth, which reinforced investor confidence in its outlook. **USS**, a Japanese auction and remarketing platform for used vehicles, also contributed positively. Results benefited from a rebound in domestic

auto and industrial markets, providing evidence of cyclical recovery alongside resilient demand in its core businesses. **Nextracker**, a US-based provider of solar tracking systems, added to gains. The company announced record growth in its project pipeline and secured new contract wins, underlining its leadership in global solar infrastructure at a time of accelerating investment in renewable energy.

Eckert & Ziegler, a German provider of radioisotope-based medical treatments and components, was the largest detractor. The company lowered profit guidance after facing regulatory delays on a new therapy platform. While the share price reacted negatively, the impact was modest, and the business retains a strong market position in radioisotope technology.

Beyond these individual names, the portfolio did not experience significant single-stock detractors. Instead, results were shaped by the broader style rotation that favoured value-oriented companies over quality. The team continues to view quality as a durable driver of long-term outperformance, even if temporarily out of favour.

The Fund remains positioned in high-quality companies with strong balance sheets, recurring revenues, and structural growth drivers. These businesses have historically compounded value through a variety of market conditions. While recent style moves have created a headwind, the fundamentals of portfolio holdings remain intact, and the team expects quality to regain leadership as earnings resilience and disciplined capital allocation reassert their importance in more challenging environments.

FEATURES

APIR CODE	PCL0022AU
REDEMPTION PRICE	A\$ 1.5705
FEES *	Management Fee: 1.1% Performance Fee: 20.5%
MINIMUM INITIAL INVESTMENT	A\$10,000
FUM AT MONTH END	A\$ 57.59m
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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