

## PENGANA GLOBAL SMALL COMPANIES FUND

### DESCRIPTION

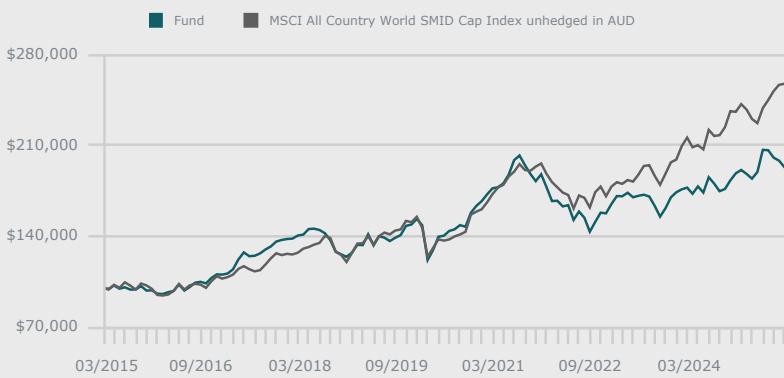
The Fund invests principally in small and midcap listed (or soon to be listed) global equities. Its investment objective is to obtain returns greater than the MSCI All Country World Index SMID Cap unhedged in Australian dollars ('Index') over rolling 3 year periods after fees. The Fund's investment manager,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

	NET PERFORMANCE FOR PERIODS ENDING 31 Oct 2025 <sup>1</sup>					
	1 MTH	1 YEAR	2 YEARS P.A.	3 YEARS P.A.	5 YEARS P.A.	SINCE INCEPTION P.A.
Global Small Companies Fund	0.7%	10.3%	12.0%	8.8%	5.7%	6.5%
MSCI All Country World SMID Cap Index unhedged in AUD	1.6%	16.8%	20.6%	14.6%	12.8%	9.5%

### PERFORMANCE CHART

### NET PERFORMANCE SINCE INCEPTION<sup>2</sup>



### TOP HOLDINGS (ALPHABETICALLY)

ChemoMetec A/S	Health Care
Gaztransport & Technigaz SA	Energy
Hilan Ltd.	Industrials
Nextracker Inc. Class A	Industrials
USS Co., Ltd.	Consumer Discretionary

### CAPITALISATION BREAKDOWN

Under 2bn USD	18.8%
In between 2bn - 5bn USD	30.7%
Above 5bn USD	38.3%
Cash	12.3%

### REGION BREAKDOWN

Europe ex UK	19.6%
North America	40.6%
Asia ex Japan	1.6%
Japan	9.5%
UK	6.5%
Middle East / Africa	5.6%
Latin America	4.3%
Cash	12.3%

### STATISTICAL DATA

VOLATILITY<sup>3</sup> 12.7%

NUMBER OF STOCKS 39

BETA<sup>4</sup> 0.89

MAXIMUM DRAW DOWN -29.1%

## OCTOBER REPORT

### COMMENTARY

- The Fund returned 0.7% in October, versus the benchmark, which rose 1.6%, with the quality tilt weighing on relative results during a month of pronounced style factor rotation.
- Global equities delivered positive returns, led by emerging markets, while technology and healthcare strength, contrasted with ongoing weakness in materials and consumer sectors.
- Two new positions were initiated in **Sensient Technologies** and **Cavco Industries**, while the exits of **Hugel** and **Samyang Foods** refined Korean exposure ahead of late-month trade policy developments.

Global equity markets rose in October, with both developed and emerging regions delivering positive results. Conditions were shaped by delayed US data releases following government shutdowns and by late-month policy developments that triggered sharp shifts across regions and sectors.

US equities advanced despite administrative disruptions, supported by resilient corporate results. Europe also moved higher, although performance was more muted given its limited exposure to commodity and technology sectors. Asia ex-Japan led global markets, helped by a major US China trade agreement announced on the final day of the month. The agreement reduced tariff rates and suspended several export controls, prompting a strong rally in Korea and Taiwan as semiconductor exporters responded to improved trade visibility and ongoing demand for AI infrastructure.

Style factors played a central role in monthly market leadership. Quality was the weakest factor as investors rotated toward value, yield, and low volatility exposures. This shift proved temporary, with quality regaining support after the Federal Reserve cut rates by 25 basis points, bringing the policy rate to its lowest level in nearly three years. The decision supported growth-oriented small caps, although the impact was moderated by the Fed's continued data-dependent stance.

Sector performance reflected these rotations. Technology outperformed on renewed semiconductor optimism, while healthcare extended its recent gains. Materials weakened further, and within small caps, defensive consumer areas were noticeably softer. These conditions created challenges for quality-focused portfolios but also set up opportunities as factor pressures stabilised late in the month.

### Portfolio Commentary

The Fund delivered a modest gain in October but lagged the benchmark as market conditions continued to favour styles other than quality. The rotation away from high return on equity businesses created headwinds, though it also provided opportunities to add high quality companies at more attractive valuations. Portfolio activity reflected this backdrop, with selective additions in the United States and the exit of two Korean holdings where conviction had declined.

Two new positions were introduced. **Sensient Technologies**, a US based specialty chemicals company focused on natural food colourants and flavours, was added after valuation compression during the quality sell off. The business is supported by resilient demand for natural ingredients, strong pricing power and consistent cash generation across its core natural colours franchise.

**Cavco Industries**, a leading US manufacturer of factory built homes, was also initiated following detailed sector

work. Structural housing shortages and favourable demographic trends underpin its demand outlook, while disciplined operations and ongoing brand alignment position the company for continued market share gains. These additions reduced the Fund's US overweight while maintaining an emphasis on durable return profiles.

Two Korean positions were exited. **Hugel**, a producer of aesthetic medical products, was sold due to concerns around management transition and rising competition in domestic markets. **Samyang Foods**, a well known packaged food manufacturer, was also sold after strong share price appreciation and a reassessment of the risk reward outlook as competitive pressures increased in key export channels.

Performance was mixed across existing holdings. **Nextracker**, a US leader in solar tracking systems, was a top contributor as strong results and growing traction in adjacent solar infrastructure components supported sentiment. **ChemoMetec**, a Danish manufacturer of automated cell counting and analysis systems, added value as bioprocessing demand strengthened. **Mirion Technologies**, a US based provider of radiation detection and measurement systems, also performed well due to improving conditions in nuclear power markets and the ongoing expansion of its software and compliance offerings.

Weaker contributors included **Hawkins**, a US specialty chemical distributor facing pressure in water treatment margins, and **Dorman Products**, an automotive aftermarket supplier affected by softer repair activity and customer inventory adjustments.

Overall, portfolio performance reflected an environment that has continued to challenge quality-oriented strategies, while the team maintains confidence that improving fundamentals will become a more important driver of returns.

**FEATURES**

APIR CODE	PCL0022AU
REDEMPTION PRICE	A\$ 1.5413
FEES *	Management Fee: 1.1% Performance Fee: 20.5%
MINIMUM INITIAL INVESTMENT	A\$10,000
FUM AT MONTH END	A\$ 52.53m
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.

## PENGANA GLOBAL SMALL COMPANIES FUND

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### PENGANA.COM

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