

1851 | EMERGING COMPANIES FUND

March 2026 Monthly Report

| NET PERFORMANCE | 1M | 6M | 1 YR (p.a.) | 3 YRS (p.a.) | 5 YRS (p.a.) | SINCE INCEPTION (p.a.) | SINCE INCEPTION* (Total) |
|---|-------------|--------------|-------------|--------------|--------------|------------------------|--------------------------|
| 1851 Emerging Companies Fund [^] | -10.0% | -11.9% | 15.4% | 12.2% | 8.9% | 12.3% | 105.0% |
| S&P/ASX Small Ordinaries Accumulation Index | -11.0% | -9.3% | 13.6% | 8.5% | 4.0% | 4.5% | 31.2% |
| OUTPERFORMANCE | 1.0% | -2.6% | 1.8% | 3.7% | 4.9% | 7.8% | 73.8% |

[^] Performance is reported after all fees and expenses. Past performance is not a reliable indicator of future returns. *31 January 2020.

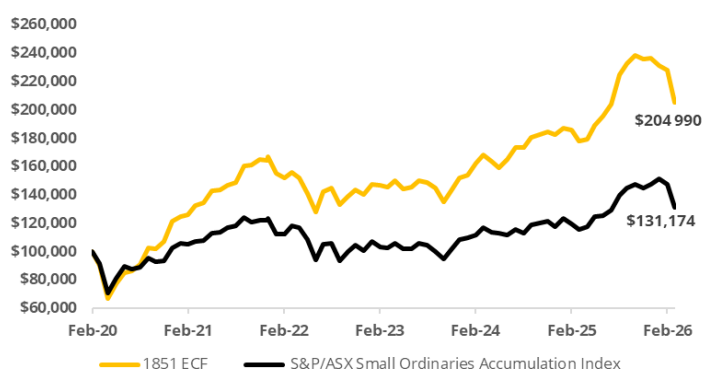
Portfolio commentary

War in the Middle East and subsequent shock to the global energy outlook hijacked equity markets in March, with the Small Ordinaries Accumulation Index decline of 11% reflecting the worst single monthly performance since June 2022. By comparison, the Fund declined 10.0% across a month where, outside a select group of energy stocks benefitting from elevated oil prices, there were very few places to hide. Even Gold, long considered the bastion of safe havens designed to outperform during periods exactly like these, retreated heavily – with the global benchmark exchange traded fund (GDX) declining 21% in March, underlining how the fundamentals and momentum for the precious metal had become so dislocated in the past 12 months. Key contributors to the Fund's performance for March included: Leading NBN reseller Superloop (+10%) continued its rally post results with the market incrementally less concerned with pricing competition from larger incumbents; and mining and defence contractor Duratec (+21%) held an investor day confirming significant opportunities presented by the AUKUS defence spend across the next 2-5 years. Our main detractors were: diversified lender and fund manager MA Financial (-24%) was impacted by a global sell-off in financial stocks and concerns around private credit fund redemptions at US peers; fund manager L1 Group (-21%) suffered from the same apathy to financials, despite successfully raising ~A\$1bn for a new product during the month; and leading infant retailer Baby Bunting (-30%) fell on interest rate hike concerns with seemingly no allowances made for the significant (and successful) store transformation process underway.

Market outlook

Markets now await a hopefully speedy resolution to Middle Eastern hostilities. From an economic standpoint, a swift resolution is critical to re-opening energy markets and ensuring only a short-term inflation shock rather than something more permanent. From an equity market standpoint, the Fund has seen several short term drawdowns since inception and historically these have presented single stock opportunities which have become some of the Fund's best performers through time. The Australian small cap sector is now trading on a forward price to earnings ratio of 14.5x, a 15% discount to the ten year average. To this end, the team has a travel schedule capturing more than 100 companies over the next month and, with healthy cash levels and a liquid portfolio, is well positioned to capitalise on this volatility as the economic outlook eventually improves.

Return on \$100,000 since inception



Top 5 Holdings

| | |
|------------|-------------------------|
| IRE | IRESS |
| WGN | Wagners Holding Company |
| ABB | Aussie Broadband |
| IDX | Integral Diagnostics |
| PFP | Propel Funeral Partners |

Fund information

| | |
|---------------------------------|-----------------|
| Fund status | Soft closed |
| APIR code | PIM5565AU |
| Inception date | 31 January 2020 |
| Fund size | \$555m |
| Unit price | \$1.55 |
| Distributions | Annually |
| Applications/Redemptions | Monthly |
| Cash weighting | 12% |

Team

| | |
|---|---|
| Chris Stott CIO/Portfolio Manager | Martin Hickson Portfolio Manager |
| Matthew Nicholas Deputy Portfolio Manager | Tom Camilleri Equity Analyst/Dealer |
| Mary-Ann Baldock Chief Operating Officer | |

* There is no guarantee that the Fund's investment objective will be achieved. The investment objective is not intended to be a forecast. It is merely an indication of what the fund aims to achieve over the medium to long term. The Fund may not be successful in meeting this objective. Neither returns nor your capital invested are guaranteed.