

## 1851 | EMERGING COMPANIES FUND

## September 2026 Monthly Report

| Net Performance                           | 1m          | 6m          | 1 yr<br>(p.a.) | 3 yrs<br>(p.a.) | 5 yrs<br>(p.a.) | Since<br>Inception<br>(p.a.) | Since<br>Inception* |
|-------------------------------------------|-------------|-------------|----------------|-----------------|-----------------|------------------------------|---------------------|
| 1851 Emerging Companies Fund <sup>^</sup> | 2.8%        | 11.1%       | -2.1%          | 16.4%           | 7.2%            | 13.1%                        | 127.8%              |
| S&P/ASX Small Ordinaries Accum Index      | -2.3%       | 2.8%        | -6.7%          | 10.4%           | 2.2%            | 4.6%                         | 34.8%               |
| <b>Outperformance</b>                     | <b>5.1%</b> | <b>8.3%</b> | <b>4.6%</b>    | <b>6.0%</b>     | <b>5.0%</b>     | <b>8.5%</b>                  | <b>93.0%</b>        |

<sup>^</sup> Performance is reported after all fees and expenses. Past performance is not a reliable indicator of future returns. <sup>\*</sup>31 January 2020.

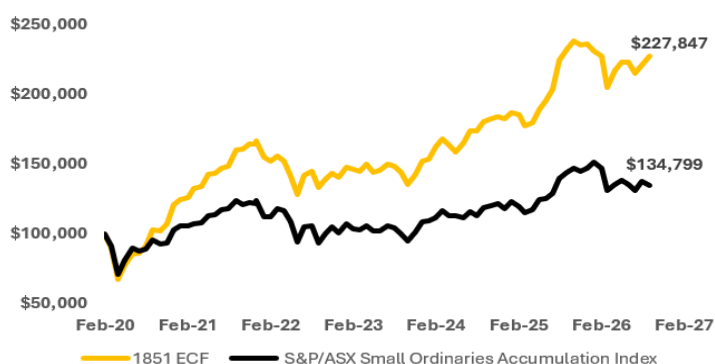
## Portfolio commentary

The Fund delivered a positive return of 2.8% after fees in September compared to the Small Ordinaries Accumulation benchmark which declined 2.3%, outperforming by 5.1%. Rising bond yields saw global equity markets (excluding technology stocks) come under renewed pressure, with domestic performance best reflected by the Small Industrials Accumulation index which fell 1.3%. The Fund's performance was supported by various names exposed to the electrification, mining and defence thematics. Key contributors to September returns included: communications and metal detection specialist Codan (+40%) rallied post a surprise trading update pointing to first half profit 50% above analyst expectations, driven by surging demand in defence and gold markets; diversified financial services provider COG Financial (+22%) continued its post-result strength, with recent car sales statistics pointing to robust demand for electric vehicles and novated leases; electrical contractor SKS Technologies (+31%) reached all time highs with development application data suggesting the data centre construction pipeline is stepping up again; and Janus Electric (+62%), which provides low emissions technology solutions to the heavy vehicle industry, rallied as markets increasingly appreciate the engine conversion opportunity in its key Australian and US markets. Our key detractors were Motorcycle Holdings (-17%) and L1 Group (-12%), which both declined on no news flow following strong share price rallies in August.

## Market outlook

A myriad of factors ranging from elevated oil prices to insatiable demand for AI saw global bond yields continue to break higher in September. The US Federal Reserve raised interest rates for the first time since 2023, with markets pricing further tightening in coming months. Domestically, the RBA, which commenced its rate hike cycle in February, raised the cash rate yet again to 4.6% (its highest level in 15 years). With local economic data showing signs of a slowdown, the path for future monetary policy is less clear. Regardless, the Fund remains highly liquid and focused on stocks with growth profiles and catalysts independent of the global macro backdrop.

## Return on \$100,000 since inception



## Top 5 holdings

|     |                           |
|-----|---------------------------|
| COG | COG Financial Services    |
| BAP | Bapcor                    |
| CCL | Cuscal                    |
| FDC | FDC Consolidated Holdings |
| WGN | Wagners Holding Company   |

## Fund information

|                |                 |
|----------------|-----------------|
| Fund status    | Soft closed     |
| APIR code      | PIM5565AU       |
| Inception date | 31 January 2020 |
| Fund size      | \$582m          |
| Unit price     | \$1.46          |
| Distributions  | Annually        |
| Cash           | 14%             |

## Team

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

<sup>\*</sup> 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.