

Total returns[†]

At 31 Aug 2025	1 Mth %	3 Mths %	1 Yr %	3 Yrs % p.a.	5 Yrs % p.a.	10 Yrs % p.a.	Incep % p.a. (Nov 2003)
OC Micro-Cap Fund	7.8	14.6	14.5	9.1	5.2	11.7	12.6
S&P/ASX Emerging Companies Accum.	9.9	13.9	21.7	6.5	11.1	12.1	6.5
Outperformance	(2.1)	0.7	(7.2)	2.6	(5.9)	(0.4)	6.1

Performance review

The August reporting season saw the domestic micro-cap index begin to play catch-up on the larger cap benchmarks after several years of underperformance with interest rate cuts and greater confidence in the domestic economic outlook driving renewed investor interest in the space. The S&P/ASX Emerging Companies Accumulation Index was up +9.9% in August with a surging resources market underpinning outstanding performance for speculative early-stage gold and lithium stocks during the month. The OC Micro-cap Fund was up +7.8% in August with many of the Fund's core industrial holdings reporting strong results during the month.

Eroad Limited (ERD, +56.3%) rallied in August as the New Zealand government announced a transition away from petrol taxes to electronic Road User Charging (eRUC). As a key player in the NZ telematic industry for commercial vehicles, ERD is well positioned in a NZ rollout of eRUC. **Australian Finance Group Limited (AFG, +26.1%)** printed higher net interest margin and loan book metrics than market had expected due to reductions in the RBA cash rate over the past six months. As a key player in the Australian mortgage broking industry, AFG is well positioned in a declining interest rate environment. **Smart Parking Limited (SPZ, +24.4%)** produced a better than expected FY25 result due to improved debt collections of parking fines issued in the UK. At its result, SPZ also issued a strong July trading update which includes the benefit of a recent US acquisition and northern hemisphere seasonality, but nonetheless bodes well for FY26.

Outlook

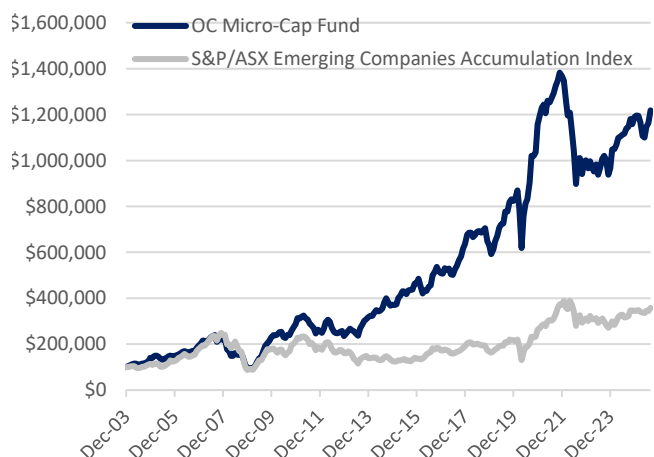
Share price movements during reporting season are becoming increasingly volatile with 46% of the ASX200 moving +/-5% on reporting results, well above the long run average of 27%. The rise of passive index-tracking funds and ETFs reducing market velocity and the growing influence of quantitative and event driven funds, which tend to be active around results, mean that this is likely to be a structural trend, rather than an anomaly this reporting season.

The consumer discretionary sector was the biggest area of upside surprise during the month with domestic consumers displaying resilience and increasing optimism about the outlook underpinned by easing cost of living pressures and interest rate relief. The mining services space was also particularly buoyant driven by robust order books, strong demand from bulk commodity producers, easing cost pressures, and resilient margins despite global macro-economic uncertainty. Emeco Holdings, RPMGlobal and XRF Scientific were strong performers for the Fund during the month.

With growing signs that the US labour market is weakening, investors are becoming concerned that the US Federal Reserve (the Fed) has waited too long to cut rates with a 25 basis points rate cut in mid-September now a near certainty and some economists even calling for a jumbo-sized 50-basis point cut. The Fed has been concerned about the inflationary impact of the Trump tariffs, but with unemployment now ticking up to 4.3%, money markets are forecasting almost three rate cuts (0.70%) over the balance of the calendar year.

In August 2025, Australia recorded positive domestic economic signals including home prices rising +0.7% and consumer sentiment improving on expectations of easing financial pressures. These indicators highlight underlying resilience in the domestic economy, with housing, employment demand and monetary easing offsetting external uncertainties such as trade tensions and global growth concerns. Micro-cap stocks tend to be more cyclical and benefit disproportionately from a rate cutting cycle, so the RBA's August rate cut and the Fed's likely rate cuts over the balance of the year augurs well for the micro-cap space to continue its recent outperformance.

Performance Comparison of \$100,000 Since Inception*



Top 5 holdings[#]

Company	ASX Code
Alliance Aviation Services Limited	AQZ
Aspen Group	APZ
Genusplus Group Ltd	GNP
Lotus Resources Limited	LOT
Viva Leisure Limited	VVA

[#] The top 5 portfolio holdings are in alphabetical order and may not be representative of current or future investments.

Key Facts

Fund Overview

The Fund is a long-only, benchmark-unaware and primarily invests micro-cap securities listed, or near listing, on the ASX or the New Zealand Stock Exchange with sustainable business models and attractive investment qualities. OC will also invest in a small number of concept stocks that have robust business models and a pathway to profitability within five years and event driven and thematic stocks where we anticipate near term price appreciation. Micro-cap companies, for the purposes of the Fund, are companies with a market capitalisation of less than \$500 million at the time of the initial acquisition.

Responsible entity

Copia Investment Partners

Inception date

October 2016 as the OC Micro-Cap Fund. The Fund was previously the OC Concentrated Equity Fund which was established in December 2003.

Benchmark

S&P/ASX Emerging Companies Accumulation Index

Investment time frame

At least 5 years

Minimum investment

Initial: \$5,000

Additional: \$1,000

Distribution

Yearly

Management fee

1.20% p.a. (including GST net of RITC)

Performance fee

20.5% (including GST net of RITC) on any performance (after deducting the management fee) above the Performance Hurdle, subject to the high-water mark and after recovering any past underperformance.

Performance hurdle

S&P/ASX Emerging Companies Accumulation Index

High-water mark

Yes

Typical Investment Exposure

Cash	0%-20%
Equities	70%-100%
Including:	
S&P/ASX 300 Constituents	0%-20%
Unlisted Securities	0%-10%
NZX/Foreign Listed Securities	0%-10%

Platforms

AMP MyNorth | BT Panorama | CFS First Wrap | Hub 24 | Insignia (Expand) | Xplore (Linear) | Macquarie | Netwealth | Powerwrap | Praemium | DASH | Mason Stevens



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*The total return performance figures quoted are historical, calculated using end-of-month hard-close mid-prices and do not allow for the effects of income tax or inflation. Total returns assume the reinvestment of all distributions. The performance is quoted net of all fees and expenses as levied at the time. The index does not incur these costs. This information is provided for general comparative purposes. The returns for the OC Concentrated Equity Fund are used prior to the conversion to the OC Micro-Cap Fund. The inception date of the fund is 21/11/2003, the inception date of the index is 31/12/2003. *The performance comparison of \$100,000 over 10 years is for illustrative purposes only. All returns shown are based on Australian dollar figures. Past performance is not a reliable indicator of future performance. The total returns shown are prepared on an ongoing basis (i.e. they include all ongoing fees and expenses and assume reinvestment of all distributions). They do not take personal taxation into account. The comparison with the S&P/ASX Emerging Companies Accumulation Index is for comparative purposes only. Index returns do not allow for transactional, management, operational or tax costs. An index is not managed and investors cannot invest directly in an index.

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