OC Mid-Cap Fund

Fund Update | 31 July 2026

Total returns†

At 31 Jul 2026	1 Mth %	3 Mths %	1 Yr %	3 Yrs % p.a.	5 Yrs % p.a.	10 Yrs % p.a.	Incep % p.a. (Nov 2023)
OC Mid-Cap Fund	(2.2)	1.5	(6.0)				6.7
S&P/ASX MidCap 50 Accumulation Index	0.6	3.8	2.3				11.8
Outperformance	(2.9)	(2.3)	(8.3)				(5.1)
S&P/ASX MidCap 50 Industrials Acc Index	1.2	7.5	(5.8)				9.6
Outperformance	(3.5)	(6.0)	(0.2)				(2.9)

Performance review

Global equity markets were weaker in July as escalating US-Iran tensions pushed the price of Brent crude oil above US$100/barrel and rising bond yields coincided with a sharp AI-led equities sell off. While these macro cross currents weighed on sentiment and prompted extensive hedge fund de-grossing, the broader equity market weakness was largely driven by global positioning rather than company specific disappointments. Several of our June winners were caught up in the unwind, with the OC Mid-Cap Fund finishing down -2.2%, behind the S&P/ASX Mid-Cap Accumulation Index, which rose +0.6%.

Zip Co (Z1P, -21.3%) gave back some of its recent gains as rising US rate expectations drove a rotation out of high growth fintechs with the share price pull back not attributable to any company specific issue. **Pro Medicus (PME, -20.3%)** also retraced following an exceptional share price rally in June (+53.8%) on the back of US contract wins. **HUB24 (HUB, +17.2%)** was a strong contributor in July after releasing 4Q26 FUM flows that proved resilient despite macro volatility and uncertainty driven by proposed tax changes. Encouragingly, adviser and new licensee additions remained strong, supporting confidence in the platform's momentum.

Outlook

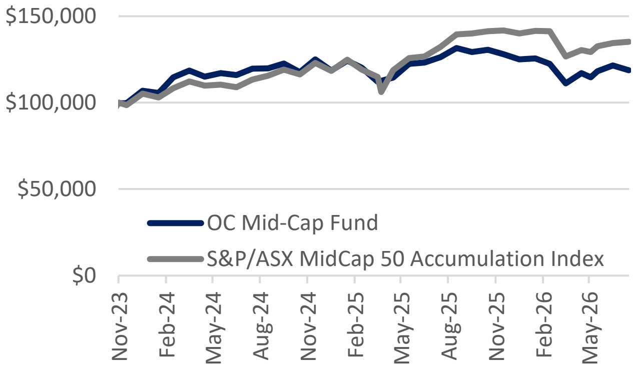
The re-escalation of hostilities in the Middle East was the most significant macro development during July, reversing the more constructive de-escalation backdrop we highlighted last quarter. Higher oil prices, renewed disruption to Red Sea shipping and the associated pressure on freight, insurance and input costs have reintroduced a supply-side inflation risk at a time when markets had become more comfortable with the disinflation trajectory. While this has added to near-term uncertainty, we believe the market has moved quickly to price in much of this risk, creating a more balanced starting point for fundamental investors.

Domestically, the conflict has complicated the interest rate outlook by lifting imported inflation risks and making the RBA's task more difficult. The RBA held rates steady at 4.35% in June, but its August decision will require it to weigh persistent inflation against clear signs of pressure on the consumer and softness in housing. We remain measured on the most rate sensitive domestic cyclicals, but the recent pullback has also improved prospective returns in a number of high quality businesses where earnings resilience remains intact.

More positively, the AI-led sell off that drove much of July's volatility appears to be easing. Heavy hedge fund degrossing swept through crowded technology, fintech and AI-infrastructure names, often with little regard for company fundamentals. Positioning in these sectors is now materially cleaner and indiscriminate selling is showing signs of abating. In our experience, once forced deleveraging subsides, the market's focus generally returns to earnings quality, balance-sheet strength and the durability of growth, areas where we believe a number of our portfolio positions remain well placed.

That sets up an important August reporting season. Small and mid-cap equities continue to trade at a meaningful valuation discount to large caps, in part reflecting the continued rise of passive flows, index concentration and reduced price discovery outside the largest names. We see reporting season as a key opportunity for fundamentals to reassert themselves, particularly for businesses that can demonstrate resilient earnings, disciplined cost control and confidence in their outlook. Some of our July detractors remain amongst our highest conviction positions heading into results season. While we remain alert to macro risks, we believe the portfolio is well positioned heading into reporting season and that positive earnings delivery can help close the gap between share prices and underlying business value.

Performance Comparison of $100,000 since inception*



Top 5 holdings#

Company	ASX Code
Charter Hall Group	CHC
Mineral Resources Limited	MIN
NEXTDC Limited	NXT
Orica Limited	ORI
REA Group Ltd	REA

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

Key Facts

Fund Overview
By investing in high quality mid-capitalisation Australian listed companies with sustainable business models, quality management and attractive investment fundamentals, the OC Mid-Cap Fund seeks to deliver investors strong long-term returns.

Responsible entity
Copia Investment Partners

Inception date
16 November 2023

Benchmark
S&P/ASX MidCap 50 Accumulation Index

Investment time frame
At least 5 years

Distribution
Annual

Management fee
0.85% p.a. (including GST net of RITC)

Performance fee
15.38% (including GST net of RITC) of the amount the Fund outperforms its benchmark provided specific conditions are met including high water mark.

High-water mark
Yes

Platforms
HUB24

Typical Investment Exposure

By Style	
Up to 100%	Core Fundamental
0 - 10%	Innovators
0 - 10%	Event Driven
0 – 20%	Cash
By Index	
Up to 100%	S&P/ASX MidCap 50 Exposure
0 – 20%	S&P/ASX 50 Exposure
0 – 20%	Exposure outside S&P/ASX 100

CONTACT COPIA

1800 442 129 | clientservices@copiapartners.com.au | copiapartners.com.au

† 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. The index does not incur these costs. This information is provided for general comparative purposes. * 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 MidCap 50 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.