OC Premium Small Companies 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. (Dec 2000)
OC Premium Small Companies Fund	(7.5)	0.5	(6.5)	1.9	1.1	5.7	9.4
S&P/ASX Small Ordinaries Accumulation	(3.2)	(3.2)	1.8	7.5	2.2	5.8	5.8
Outperformance	**(4.3)**	**3.6**	**(8.3)**	**(5.6)**	**(1.1)**	**(0.1)**	**3.6**
S&P/ASX Small Industrials Accumulation	(2.9)	2.6	(8.6)	4.1	(0.2)	4.3	5.5
Outperformance	**(4.6)**	**(2.2)**	**2.2**	**(2.2)**	**1.3**	**1.5**	**3.9**

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 Premium Small Companies Fund finishing down -7.5%, behind the S&P/ASX Small Ordinaries Accumulation Index which fell -3.2%.

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. **GenusPlus (GNP, -20.2%)** also retraced recent gains, moving with global electrical contractors caught up in the AI-trade unwind, however its order book and outlook remain strong. **Web Travel Group (WEB, +15.5%)** rallied after releasing 1H27 guidance that, whilst broadly in line with consensus, provided welcome reassurance against a challenging travel backdrop caused by extended Middle East related disruptions. WEB also announced an on-market buyback of up to $90m.

Outlook

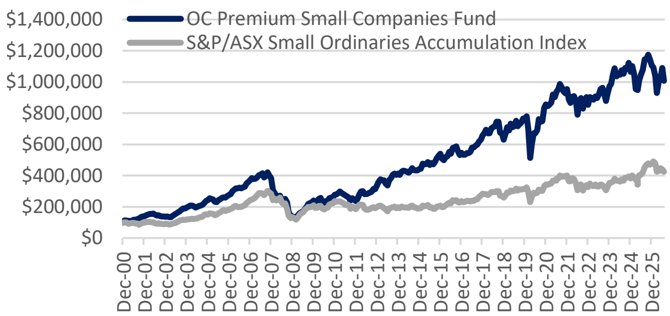
The re-escalation of hostilities in the Middle East was the most significant macro development during July, reversing the more constructive de-escalation backdrop we highlighted last quarter. Higher oil prices, renewed disruption to Red Sea shipping and the associated pressure on freight, insurance and 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
Breville Group Limited	BRG
GenusPlus Group Ltd	GNP
Kelsian Group Limited	KLS
Reliance Worldwide Corporation Limited	RWC
ZIP Co Limited	ZIP

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 unit trust. It primarily invests in 30 to 50 quality small to medium-sized Australian companies with sustainable business models, quality management and attractive investment fundamentals that are listed, or about to list, on the ASX.

Responsible entity
Copia Investment Partners

Inception date
December 2000

Benchmark
S&P/ASX Small Ordinaries Accumulation Index

Investment time frame
At least 5 years

Distribution
Half-yearly

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

Performance fee
20.5% (including GST net of RITC) of the amount the Fund outperforms its benchmark provided specific conditions are met including a minimum absolute 5% return.

Performance hurdle
S&P/ASX Small Ordinaries Accumulation Index

High-water mark
Yes

Typical Investment Exposure

Cash	0%-20%
Equities	80%-100%
Including:	
S&P/ASX 100 Constituents	0%-20%

Platforms
AMP MyNorth | Grow Wrap | Asgard | BT Panorama | CFS First Choice | CFS First Wrap | Hub 24 | Insignia (Expand) | Xplore (Linear) | Macquarie | MLC/Navigator | Netwealth | OneVue | 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. 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 Small Ordinaries 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.

Past performance is not a reliable indicator of future performance. Positive returns, which the OC Premium Small Companies Fund (the Fund) is designed to provide, are different regarding risk and investment profile to index returns. A performance fee of 20.5% is payable annually on any excess performance (after deducting the management fee) above the benchmark, S&P/ASX Small Ordinaries Accumulation Index, to 30 June. A performance fee is only payable where the Fund has returned 5% or more since the last performance fee was paid. This document is for general information purposes only and does not take into account the specific investment objectives, financial situation or particular needs of any specific reader. As such, before acting on any information contained in this article, readers should consider the appropriateness of the information to their needs. This may involve seeking advice from a qualified financial adviser. Copia Investment Partners Ltd (AFSL 229316, ABN 22 092 872 056) (Copia) is the issuer of the OC Premium Small Companies Fund (ARSN 098 644 976). A current PDS is available from Copia located at Level 47, 80 Collins Street (North Tower), Melbourne VIC 3000, by visiting ocfunds.copiapartners.com.au or by calling 1800 442 129 (free call). A person should consider the PDS before deciding whether to acquire or continue to hold an interest in the Fund. Any opinions or recommendation contained in this document are subject to change without notice and Copia is under no obligation to update or keep any information contained in this document current.

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