Renaissance Asset Management

Renaissance Smaller Companies Fund
Fund Update August 2026
APIR: *RSC9712AU*

Fund Performance as of 31 August 2026

	1 Month	3 Months	1 Year	3 Years p.a.	5 Years p.a.	Inception p.a.*
Fund[1]	9.68%	-	-	-	-	12.62%
Benchmark[2]	5.18%	-	-	-	-	5.45%
Difference	4.51%	-	-	-	-	7.17%

1. Renaissance Smaller Companies Fund. Returns are net of applicable fees and costs. 2. Benchmark is the S&P/ASX Small Ordinaries Accumulation Index.
* The Fund commenced on 1 July 2004. Effective 20 July 2026, the Fund changed from an Emerging Companies Fund to a Smaller Companies Fund. Fund performance shown in this update is measured from 20 July 2026. All p.a. returns are annualised. Past performance is not a reliable indicator (or guarantee) of future performance.

Objective
The Fund aims to outperform the S&P/ASX Small Ordinaries Accumulation Index after management fees and costs and before tax over rolling four-year periods.

Portfolio Profile
Active long-only portfolio of primarily ASX-listed securities outside the S&P/ASX 100, generally comprising approximately 40-65 securities.

Our Investment Philosophy
Renaissance believes smaller company securities can be mispriced because of short-term sentiment, limited research coverage, momentum-driven price movements or incomplete recognition of change.

The investment process focuses on:
- Bottom-up company research and valuation
- Business quality, balance sheet strength and cash flow
- Management capability and industry structure
- Liquidity, downside risk and portfolio diversification

Market Commentary
Global equity markets were surprisingly resilient throughout August, with strong earnings growth supporting US stocks even as investors were questioning the massive AI infrastructure spend and whether this would generate sufficient returns into the future. Renewed tensions between the US and Iran, and the concerns around shipping through the Strait of Hormuz, pushed crude oil prices sharply higher during parts of August, with Brent crude briefly trading above US$90 per barrel. Gold was the other commodity that benefited from the market uncertainty as investors sought safe-haven assets to offset the uncertainty.

The other major theme over August was the rise in long-term government bond yields. US 30-year Treasury yields briefly moved above 5.3%, reaching their highest levels in two decades. Markets became concerned that persistent inflation, coupled with heavy government borrowing, would keep long-term rates elevated for longer. It was a tough month for bond investors particularly those holding long duration gov. bonds.

Over August, the S&P 500 was up 2.7%, NASDAQ 4.0%, Euro STOXX 50 up 1.0% and FTSE 100 was up 0.2%. While here in Australia, the Small Ordinaries was strong up 5.2%, the S&P/ASX 100 was up 1.2% while the S&P/ASX 300 was up 1.6%.

Fund Update and Outlook
The Renaissance Smaller Companies Fund returned 9.7% (net of fees) in August outperforming its benchmark by 4.5%. It was a particularly strong month for the Fund, particularly as it was the August reporting season, which is when public companies share with investors their financial scorecards. Stock prices can swing dramatically based on whether the results beat or miss expectations. Our exposure to the resource sector contributed strongly with the Small Resources index up a very healthy 17.6%, while the Small Industrials index returned 0.2% for the month. Our holdings in resource names Aurelia Metals (+44.4%), Paladin Energy (+23.2%), Bellevue Gold Limited (+26.5%) and 29Metals Limited (+46.3%) all providing meaningful returns. It wasn't just about resources for the Fund, with IT company Nuix Ltd (+55.8%) reporting strong results, and Neuren Pharmaceuticals (+14.7%) also contributing to the performance of the Fund.

Stocks that detracted included our positions in IT company Hansen Technologies (-19.0%) and data center provider Macquarie Technology (-5.8%) as both companies reported earnings below consensus. Performance was also negatively impacted by our zero weights in gold companies West African Resources (+32.0%), Resolute Mining (+47.3%) and Emerald Resources (+29.3%).

Top 5 Holdings

Company Name	% Portfolio
AUB Group	3.5
Austal Limited	3.3
MAAS Group Holdings	3.3
Bellevue Gold Limited	2.9
Aurelia Metals	2.9

Companies shown are illustrative only and not a recommendation to buy or sell any security.

Top Contributors and Detractors

Top Contributors	Active Weight
Aurelia Metals	Overweight
Nuix Ltd	Overweight
Paladin Energy Ltd	Overweight

Top Detractors	Active Weight
Hansen Technologies	Overweight
Macquarie Technology Group	Overweight
West African Resources	Underweight

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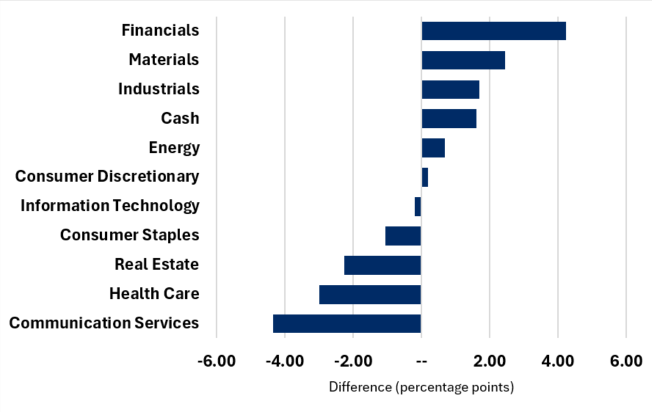
Active Sector Exposure



Fund Characteristics

Investment universe	Primarily ASX-listed securities outside the S&P/ASX 100
Investment style	Active long-only
Benchmark	S&P/ASX Small Ordinaries Accumulation Index
Portfolio	Generally, 40-65 securities
Standard Risk Measure	6 - High
Fees	Mgmt fees and costs 0.95% p.a.; performance fee 15% of outperformance above Benchmark, subject to high-water mark
Distribution	Generally, annually at 30 June.
Fund effective date	20 July, 2026
APIR Code	RSC9712AU

Disclaimer - Renaissance Smaller Companies Fund

This communication is prepared by Renaissance Smaller Companies Pty Ltd (ABN 88 103 874 102 AFSL 227074) (Renaissance), the investment manager of the Renaissance Smaller Companies Fund (Fund).

This communication is for general information only. It has been prepared without taking into account any person's objectives, financial situation or needs and is not intended to be personal financial product advice or a recommendation to acquire, hold or dispose of any financial product. Before making an investment decision, investors should consider the current Information Memorandum (IM) and obtain professional advice where appropriate.

Past performance is not a reliable indicator of future performance. Renaissance does not guarantee the performance of the Fund, repayment of capital, distributions, liquidity or any particular rate of return. Investment values can rise or fall and investors may lose some or all of their investment.

Unless otherwise stated, all amounts are in Australian dollars and performance returns are shown net of applicable fees and costs. The benchmark is the S&P/ASX Small Ordinaries Accumulation Index. Due to rounding, numbers presented in this update may not sum precisely to totals and excess performance may not equal the arithmetic difference between Fund and benchmark returns.

Any opinions, forecasts or forward-looking statements reflect the judgment and assumptions of Renaissance based on information available as at the date of publication and may change without notice. Any projections or estimates are illustrative only and may not be realised.

Companies and securities mentioned are illustrative only and are not a recommendation to buy or sell any particular security. This update should be read together with the Fund's current disclosure documents available at www.renaissanceasset.com.au.

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