APIR: FHT4217AU

Monthly Performance Report - May 2026

Datt Small Companies Fund (Class A)

DATT CAPITAL

Portfolio Review

The Fund returned **-1.30%** in May, underperforming its benchmark by **3.33%**. The Fund has returned **+17.38%** per annum net to its investors since inception. 70% of the Fund's capital was deployed as at month end.

May was another month of consolidation with some rotation in the portfolio in preparation for the months ahead. The Federal Budget released in May caused some market anguish with significant uncertainty reflected by elevated volatility. The Fund entered positions with anticipated significant upside and positive tailwinds to both local and global conditions.

We remain conservatively positioned given the volatile market conditions. The portfolio continues to hold elevated levels of cash and energy exposures.

The largest contributor was New Hope Corporation which benefitted from higher thermal coal prices and an anticipated strengthening of forward looking demand due to ongoing disruption in LNG supply out of Qatar.

The largest detractor in the portfolio was Viva Energy, which was sold off heavily due to an 'act-of-god' explosion in its Geelong Refinery. Luckily, this only affected a portion of production with no injuries; the company provided guidance that full production would resume after 2 months.

The portfolio held 27 positions at month close with the top 5 positions accounting for 29% of the portfolio.

Market Review

The Small Ords rose 2.03% for the month, outperforming parts of the large-cap market but still reflecting a selective rather than broad-based risk-on environment. Sector leadership within small caps remained tilted toward cyclicals and higher-beta resource exposures, with lithium, gold and base metals names leading, while healthcare and rate-sensitive industrials remained under pressure. The April monthly CPI print of 4.2% was firmer than the RBA's February forecasts but less severe than feared given Middle East-driven fuel pass-through. Despite late-month volatility, liquidity remained tight and dispersion across the small-cap universe continued to create selective opportunities.

Inflation remains a concern with the RBA raising cash rates by a further 25 basis points to 4.35 per cent in May on an 8–1 vote that fully unwound last year's easing cycle. We anticipate a rising outlook for inflation driven by the present energy shock given the war in the Middle East, with second-round effects on prices for goods and services more broadly likely to keep the path back to target extended well into 2027.

The environment remains very beneficial for active, skilled stock pickers, and we continue to see many opportunities across sectors in tax loss season.

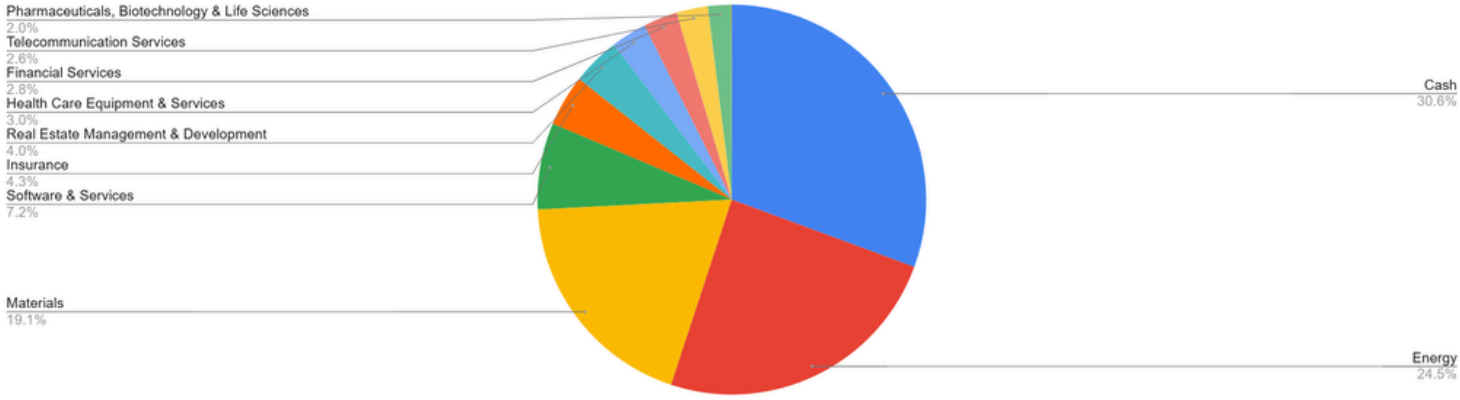
Key Information	
Unit Price	1.3388 (as of May 31)
Min. Investment	$50,000
Investment Management Fees	1.54%
Performance Fee (p.a.)	20.5% > benchmark
Benchmark	S&P/ASX Small Ordinaries Accumulation Index (XSOA)
Fund Administrator & Trustee	Fundhost
Auditor	Ernst & Young
Custodian/PB	HSBC
Platform Availability	• FNZ IDPS, • Hub24 IDPS, • Mason Stevens IDPS, • Netwealth IDPS, • Olivia123

Fund Performance

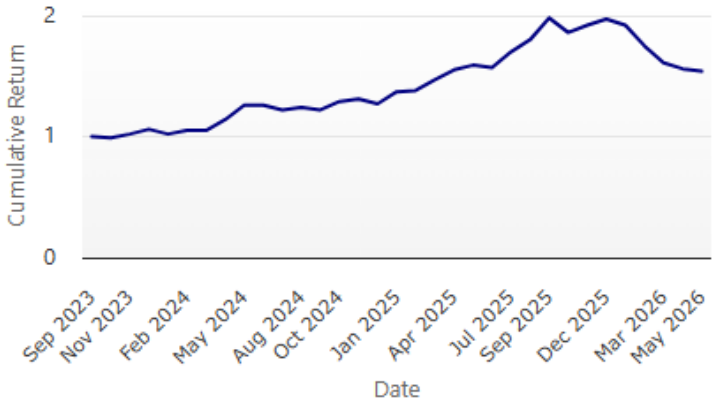
	1 month	3 month	6 month	1 year	Since inception (p.a)	Since Inception
Datt Small Companies Fund *	-1.30%	-11.75%	-19.74%	-3.59%	17.38%	53.32%
Vs. Benchmark * *	2.03%	-6.13%	-4.70%	11.25%	12.86%	38.08%
Net Value Add	-3.33%	-5.62%	-15.04%	-14.84%	4.52%	15.24%

Note: * Performance is reported after all fees and expenses and relates to Class A units. Inception date of the Fund is October 2023. Past performance is not an indicator of future performance. * * Benchmark is the S&P/ASX Small Ordinaries Accumulation Index.

Portfolio Composition (GICS industry group)

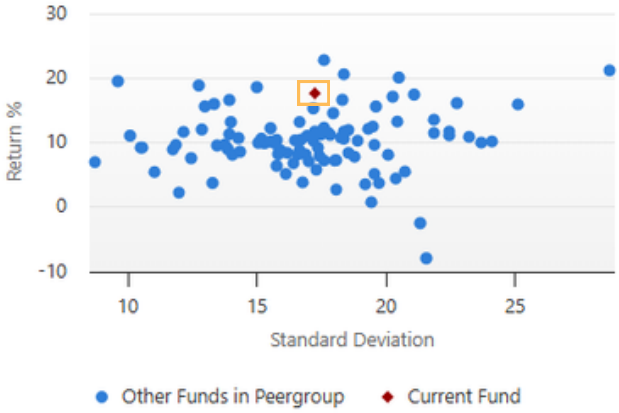


The Fund Cumulative Return - as of May 2026



Source: Fund Monitors

Fund Annualised Return/Volatility vs Peergroup



Source: Fund Monitors

Returns by Month

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	FYTD
FY24				-1.00%	3.45%	3.86%	-4.27%	3.20%	0.35%	8.03%	10.90%	-0.06%	26.28%
FY25	-3.09%	1.06%	-1.06%	5.46%	1.33%	-3.12%	8.08%	0.99%	6.44%	5.14%	2.79%	-1.51%	24.03%
FY26	8.72%	5.50%	10.21%	-6.12%	3.35%	2.72%	-2.61%	-9.06%	-8.02%	-2.79%	-1.30%		-2.11%

Note: Actual performance will differ for clients due to timing of their investment. Returns are calculated net of all fees, since inception and relate to Class A units. Inception date of the Fund is October 2023. Past performance is not an indicator of future performance.

About the Datt Small Companies Fund

The Datt Small Companies Fund focuses on high-quality, undervalued companies outside the ASX100 with strong fundamentals and long-term growth potential. We apply a disciplined, bottom-up research process to identify scalable businesses that are often underappreciated or less efficiently covered by the broader market.

Investment Opportunity

Australian listed markets offer a broad range of opportunities in the small-cap sector, covering industries that reflect the breadth of the Australian economy. Many of these companies sit outside the focus of large institutional investors, which can lead to less coverage and greater potential for pricing inefficiencies. This creates an environment where skilled, research-driven investors can identify and capture value. The Small Companies Fund aims to invest in high-quality Australian small-cap growth opportunities, with the objective of delivering returns above its benchmark over time.

Our Strategy

- **Back Future Leaders**: Our objective is to identify and invest in the blue-chip companies of tomorrow, small and micro-cap Australian businesses with the potential for long-term, scalable growth.
- **Invest with High- Conviction**: The Fund holds a concentrated portfolio of 15–25 small-cap equities across various industry sectors, selected purely on risk-adjusted return potential.
- **Apply Independent Research**: Primary Research is the core competency of the investment team. Our research library provides us unique, differentiated insights ahead of the herd.
- **Strong record of Active Management** and proven record of alpha generation over time via prudent stock selection and risk control.
- **Limited Capacity** with an onus on performance over asset gathering.

We encourage investors interested in our Fund offerings to please contact Daniel Liptak via email at daniel@datt.com.au or via phone on 0419 004 524.

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