

Contact Australian Ex-50 Fund

ARSN: 639 574 708 | APIR Code: EVO4741AU

MONTHLY REPORT: JULY 2025



INVESTMENT STRATEGY

The Contact Australian Ex-50 Fund invests in a concentrated portfolio of quality Australian companies that sit outside the S&P/ASX 50 Index, with a focus on Founder-led businesses and tomorrow's leaders.

The Fund's investment objective is to seek a total return in excess of 10% per annum, after deduction of management fees and expenses. We invest in quality companies that are profitable, pay dividends, generate attractive returns on capital and are managed by capable people. Our investment process builds on a legacy that has been honed for five generations.

Our management fees are low. Contact Asset Management's founders are aligned through co-investment in the Fund and we pride ourselves on taking a sensible and long-term approach to investing.

CONTACT EX-50 FUND OVERVIEW

Portfolio Managers	Will Culbert and Tom Millner
Targeted Return	10% per annum (net of fees)
Number of Stocks	25
NAV Unit Price	\$1.21 (ex-distribution)
Management Fee*	0.60% per annum (excluding GST)
Performance Fee	Nil
Platform Availability	AMP North, BT Panorama, Hub24, Macquarie Wrap and Netwealth

A Proven Track Record

We have over 80 years combined investment experience, running a variety of very successful portfolio strategies.

Robust Investment Process

We invest in Quality companies for the long-term using a process and philosophy that has been honed for generations.

Founder Led Alignment

We aim to invest in founder-led businesses. Founder-led businesses tend to outperform significantly over the long-term.

Industry low Fees

Our fees are among the lowest in the Australian market. Low fees boost the ability to effectively compound capital over time.

FUND COMMENTARY

The Fund delivered one of its strongest months on record in July, with a 7.1% return. This was a solid result amid a volatile investing environment. The return was well ahead of the S&P/ASX Small Ordinaries Index (+2.8%) and the S&P/ASX Midcap 50 Index (+4.3%).

At the start of the month the Fund paid a semi-annual distribution of 2.46 cents per unit. For those unitholders that chose to reinvest, the reinvestment price was \$1.135. At month end, the historical net distribution yield for the Fund was 3.2%. In a market where yield is becoming more difficult, we consider this a solid outcome and is in line with our ambition to provide income and capital growth.

Last month, we noted that Johns Lyng (JLG) had received a non-binding, indicative takeover proposal from Australian private equity firm Pacific Equity Partners (PEP). At the time no financial details were disclosed. In July, a bid (via Scheme of Arrangement) was officially made at \$4.00/share. While JLG has doubled from its April 2025 lows, the bid seems opportunistic by PEP at a time when JLG had been battling timing issues on several major contracts. Nevertheless, the recent performance has been good for the Fund.

Harvey Norman (HVN) has performed well over the past twelve months as it benefits from increased household technology spend (partly AI driven) and robust consumer confidence. An environment of rising house prices, low unemployment and falling interest rates bode well for HVN trading. We have been long term holders of HVN and have long argued that the market fails to appreciate the value of both the underlying property assets and the opportunity for growth outside of Australia.

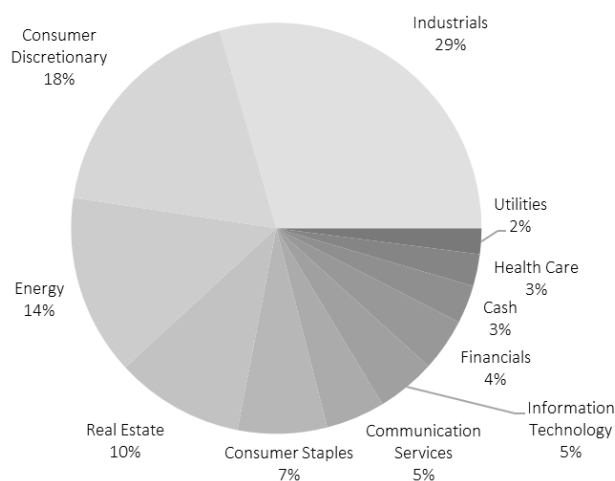
Hansen Technologies (HSN) had a positive update in July when it increased EBITDA guidance to between A\$110-\$112 million, which is 9-11% above the top end of the previous range. The upgrade was a function of better-than-expected margins from productivity gains as well as earnings growth from the Powercloud (Germany) acquisition. HSN continues to be led by the founding family who take a long-term view and have built a resilient business with a high level of recurring revenue that also benefits from M&A success.

HUB24 provided a quarterly update which highlighted continued growth in Funds Under Administration and market share gains. Importantly, Adviser growth increased by 12.6% on the prior year. This is a leading indicator of future flows. HUB management noted that it is "well positioned for continued growth, supported by a strong pipeline of opportunities."

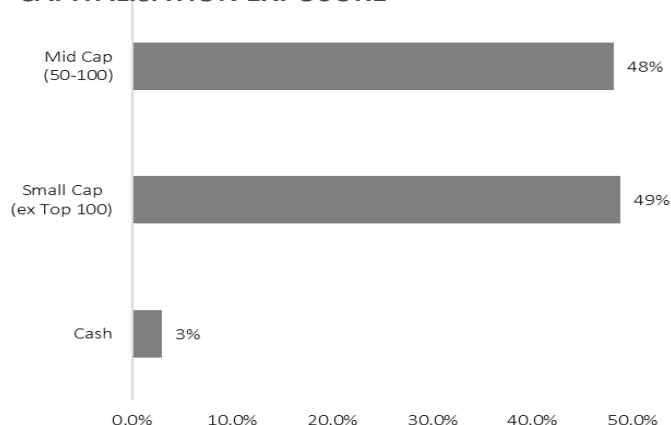
We look forward to the upcoming August Reporting Season and the opportunity to engage with management teams of our investee companies. As always, we anticipate an interesting period and one where we think some of the inflationary and interest cost pressures of recent years will subside. There are many growth stocks that have benefited from the momentum trade that will need to deliver strong outlook statements to justify high multiples.

We maintain a carefully constructed portfolio with a clear focus on long-term growth and sustainable income. We continue to favour quality companies that are profitable, offer a dividend stream, are run by capable management teams and offer valuation upside.

PORTFOLIO CHARACTERISTICS



CAPITALISATION EXPOSURE



TOP 10 POSITIONS

1	IPH Limited
2	Metcash Limited
3	Ampol Limited
4	Harvey Norman Holdings
5	Johns Lyng Group
6	Flight Centre Travel
7	Hansen Technologies
8	ARB Corporation
9	Yancoal Australia
10	HUB24 Limited

QUALITY & VALUATION RATIOS

Return on Capital Employed	14.0%
Operating Margin	14.9%
P/E Ratio (FY1e)	16.1x
EPS Growth	12.1%
Historical Net Distribution Yield*	3.2%

Source: Factset, Contact Asset Management estimates. *The Distribution Yield is based on December 2024 and June 2025 distributions totalling 3.9cpu and 31 July 2025 NAV price of \$1.21

Performance to 31 July 2025	1 Month	3 Months	1 Year	3 Years (p.a.)	Inception (p.a.)
Contact Australian Ex-50 Fund	7.1%	13.5%	0.3%	5.5%	7.1%
S&P/ASX Small Ordinaries Index	2.8%	9.6%	12.0%	7.1%	11.1%
S&P/ASX Mid-cap 50 Index	4.3%	11.4%	16.6%	11.8%	13.1%
Targeted return of 10% per annum		2.5%	10.0%	10.0%	10.0%

Performance is reported net of all fees and assumes reinvestment of distributions. Past performance is not a reliable indicator of future returns. # Inception date is 17 March 2020. Performance figures may be subject to rounding. Numbers greater than one year are annualised. The reference to the blended Mid cap/Small cap index is for information only. There are no performance fees or hurdles tied to this index.

The Contact Australian Ex-50 Fund Product Disclosure Statement (PDS), Reference Guide and Target Market Determination (TMD) is available at

<https://contactam.com.au/ex-50-fund-overview/>

The material contained within this Report (The Report) has been prepared by Contact Asset Management Pty Limited (ABN 54 614 316 595, AFSL 494045)(Contact). It is issued by the Responsible Entity of the Fund, Evolution Trustees Limited (ABN 29 611 839 519, AFSL 486217)(Evolution). Figures referred to in The Report are unaudited. The NAV Unit Price has been used for performance reporting, however if an investor is to come out of the fund that would be done at the exit price. The Report is not intended to provide advice to investors or take into account an individual's financial circumstances or investment objectives. This is general investment advice only and does not constitute advice to any person. Neither Evolution nor Contact guarantee repayment of capital or any particular rate of return from the Fund. Neither Evolution nor Contact gives any representation or warranty as to the reliability, completeness or accuracy of the information contained in this Report. Investors should consult their financial adviser in relation to any material within this document. Past performance is not a reliable indicator of future performance. Investors should consider the PDS, Reference Guide, TMD and any other material published by Contact or Evolution in deciding whether to acquire units in the Fund. This information is available at www.contactam.com.au * Management fee 0.60% per annum (excluding GST) of the net asset value of the Fund (after any current accrued Management Fees and expenses). The sector splits are based on classifications from Factset.