

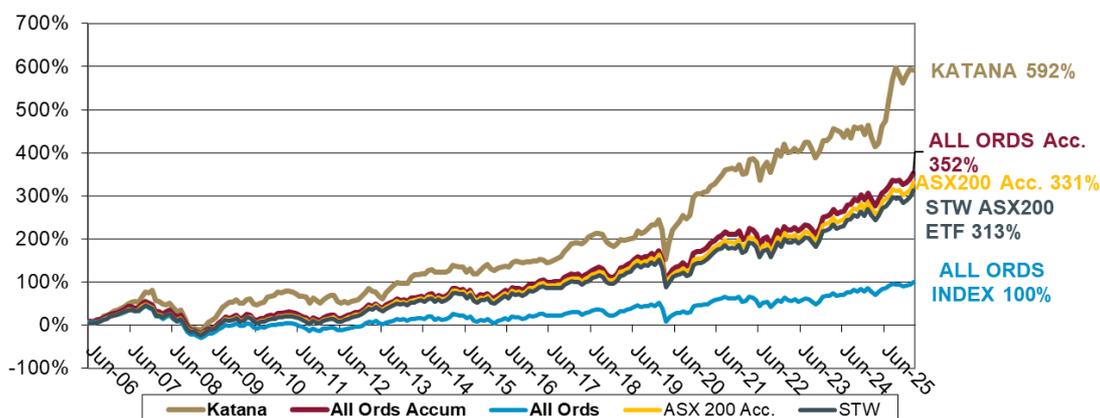
# Katana Australian Equity Fund



Performance at 28 February 2026	1 Month	1 Year	3 Years	5 Years	(Inception) 20 Years
Katana Investment Portfolio (net of all fees)	-0.18%	29.38%	11.35%	11.11%	10.06%
ASX All Ordinaries Accumulation Index	3.34%	15.81%	12.09%	10.42%	7.77%

**Alignment and Respect**  
 Our team is passionate about what we do because our futures ride alongside those of our investors. Currently, staff interests comprise in excess of 20% of the total funds under management across both investment trusts.

**Katana Performance (net of all fees) versus All Ordinaries Accumulation Index**



Source: Katana Asset Management, strategy inception was January 2005. Fund net returns are post fees, pre tax using redemption prices and assume reinvestment of distributions. Dated 28/02/2026. Past performance is not an indicator of future performance

**Key contributors:**

- Forrestania Resources Ltd** management appointed engineers to bring the Lake Johnson plant back online. The company could be producing gold by December this year which will lead to a material re rate in the valuation.
- BHP Group Ltd** Preferred large cap materials exposure with growing copper earnings at a time of accelerating demand and emerging deficit.
- Mineral Resources Ltd** the company beat market expectations for their interim results, and a buoyant lithium market has materially increased the profitability of the business. This combined with peak debt for the company has lead to broker upgrades.

**Key detractors:**

- CSL Ltd** Share price decline was driven by the sudden departure of the CEO together with ongoing weakness in core plasma markets. CSL remains a high quality, global provider of critical healthcare products. Trading on 16x current FY moving to 14x FY27.
- Seek Ltd** Attractive valuation with yield expansion evident now trading at historically low multiples.
- AMP Ltd** Reported a solid result but was aggressively sold down on a lack of capital management together with fears that the company may make a large acquisition. We are hopeful that management focus on growing their superannuation platform, which was number 1 for net inflows during the period.

Top 10 Holdings	Weight
Electro Optic Systems Holdings Ltd	4.83%
GenusPlus Group Ltd	4.19%
Mineral Resources Ltd	3.64%
Wesfarmers Ltd	3.62%
Forrestania Resources Ltd	3.60%
ResMed Inc.	3.23%
BHP Group Ltd	2.79%
Macquarie Group Ltd	2.55%
Genesis Minerals Ltd	2.04%
Centuria Office REIT	1.80%
<b>Total Top 10 Holdings</b>	<b>32.29%</b>
<b>Total Cash</b>	<b>17.57%</b>

Market Commentary

*“A bank is a place that will lend you money if you can prove that you don’t need it.”*

*Bob Hope*

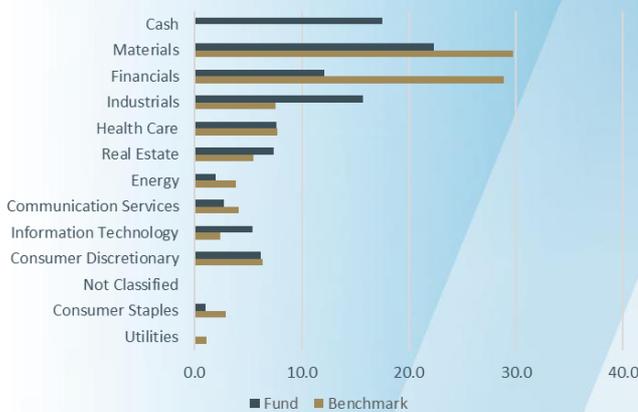
The benchmark was strong in February, driven primarily by the banking sector, with support from *Materials*. CBA rose 16.91% during the month and regained the mantle as the largest stock on the ASX. Approaching 12% of the entire index, it was an extraordinary rerating. Made even more spectacular by the fact that the stock also traded ex dividend during the month.

The other major banks were also unusually strong. NAB rose 13.03%, Westpac 9.58% and ANZ 9.1%. The sudden and explosive rise in bank equity valuations caught the vast majority of active managers by surprise – including ourselves. This was the primary driver in the fund’s relative underperformance during the month of February.

The fund was also impacted by drawdowns in CSL Ltd, Seek Ltd and AMP Ltd. CSL declined a further 19.10% during the month. Whilst the fund did trim 1/3 of the holding heading into the result, the reaction to the half yearly announcement appeared excessive. The fund utilised the sell-down as an opportunity to rebuild the holding, but the sheer size of the decline still impacted overall performance. CSL is a globally significant, high-quality tier 1 service provider. The healthcare industry has amongst the best profit tailwinds, with the ageing population, increasingly affluent middle class and rapid advances in technology leading to an ever-expanding list of treatments. We have not seen such a sell-down in this sector in more than 2 decades. This is generating a growing list of opportunities, with CSL being front and centre.

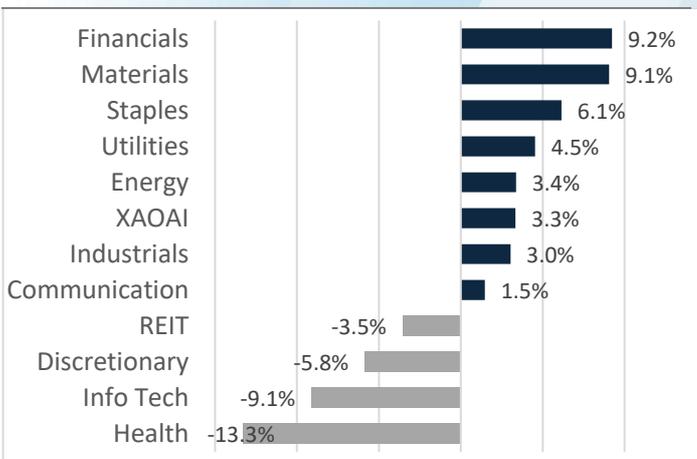
In the case of AMP, the Manager is at a loss to explain the share price reaction to what looked to be a strong result. The fund has been actively adding to the holding at these depressed levels, and remains confident in the medium term outlook.

Sector Exposure vs All Ords



**Key Facts**

<b>APIR Code</b>	KTA0002AU
<b>Minimum Application</b>	\$25,000
<b>Asset Allocation</b>	Australian equities 65-95%; Cash 5-35%



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