Concentrated

QUEST
Invest with Experience

Portfolio Features

Inception	9 February 2005
Benchmark Index	S&P/ASX300 Accumulation Index
No of holdings	35 (Maximum 35)
Investment horizon	3 - 5 years
Investment Strategy	Fundamental with a focus on business quality and free cash flow
Derivatives/Shorting	Nil
AFSL	279207
Lonsec Rating	Reviewed and Rated by Lonsec

Concentrated Portfolio August 2026

Major global markets continued to rally in August, buoyed by earnings revisions in most regions. The **MSCI World Index** rose 2.8%, with the **Shanghai Composite** +4.0%, **NASDAQ** +3.9% and the **Korean Composite (KOSPI)** recovering 3.4%.

Yields of longer tenure sovereign debt continue to escalate, with the US 10 year finishing August with a yield of 4.68%, up from 4.12% at the end of 2025. The Australian 10 year debt yield also lifted, finishing August at 5.08% from a start of year 4.75%. The conflict in the Strait of Hormuz remains unresolved. Gold rose 9% and copper rose again, up 3% for the month and +15% YTD.

The ASX finished with a positive return despite material weakness in **Banks** -7% and **Consumer Discretionary** stocks -8%. **Gold** +29% and **Healthcare** +19% were the major positives.

Reporting season highlights were:

1. Second highest reporting season share price volatility
2. Resilience of the local economy amid tight cost control
3. Fewer than normal upgrades
4. Surprise recovery in Healthcare
5. $7bn in new buybacks
6. Bank arrears remain reasonably benign
7. Weak post June retail updates (JB Hi FI, Harvey Norman, Premier, Wesfarmers)

NAB's business surveys report weak business confidence despite business credit growing over 10% pa. Inflationary data and comments by the RBA indicate the likelihood of another rate rise pre Christmas.

The Quest portfolio performed well in August. Reporting season was good to Quest: 74% of the portfolio met or beat our expectations, with only 6% disappointing, with the balance not reporting or cash. **Ramsay** +16% was the standout as new management continues to deliver. **PLS Group, Core, Guzman y Gomez**, **Santos** and **Stockland** each reported well. Not every beat was rewarded with **Megaport** -9% soundly beating expectations but falling nonetheless. Bank weakness had a larger impact on the benchmark than the Quest portfolio.

Stock Performance August 2026

POSITIVE	
Core Lithium	+58%
Vault	+40%
PLS	+30%
Ramelius	+26%
FDC	+19%

NEGATIVE	
Life360	-21%
Siteminder	-10%
Megaport	-9%
Sigma	-8%

Performance*

To 31 August 2026	1 month	3 months	1 year	3yrs (pa)	5yrs (pa)	10 yrs (pa)	15yrs (pa)	Since inception (pa)
Quest Aust Equities Concentrated	**+2.4%**	**+4.0%**	**+2.8%**	**+6.0%**	**+6.0%**	**+10.7%**	**+11.4%**	**+11.1%**
ASX300 Accumulation index	+1.6%	+4.4%	+4.3%	+11.2%	+7.6%	+9.3%	+9.4%	+8.0%
Value added	+0.7%	-0.4%	-1.4%	-5.2%	-1.5%	+1.4%	+2.1%	+3.1%

*Returns before fees and tax. **Past performance is no guarantee of future performance**. Individual returns will differ for investors, depending on when the initial investment was established and the timing of any additional investments or redemptions. Inception date is October 2024.

PORTFOLIO ACTIVITY

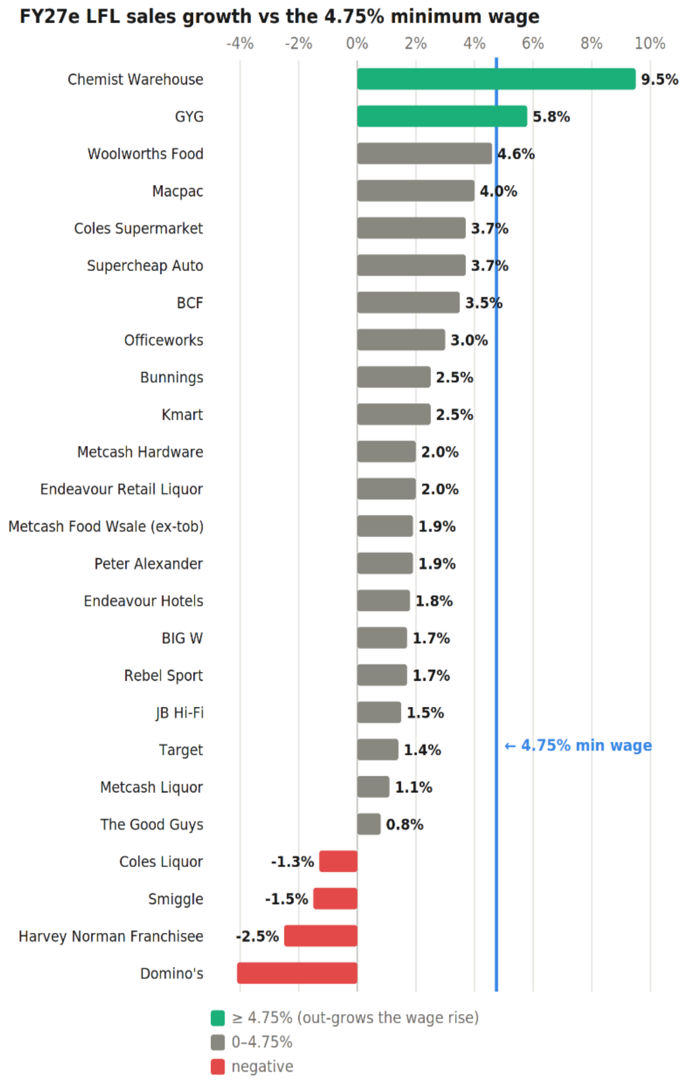
Global markets continue near all-time highs and analysis shows managers remain fully invested. The Fear of Missing Out dynamic is real and we remain cognisant of risk. The portfolio contains a disciplined mix of quality businesses trading at prices we can easily justify. Experience tells us to be mindful of the crowded parts of the market as conditions evolve and we constrain our exposures to the more ebullient parts of the market.

Minor adjustments were made during the month with a gold switch of **Capricorn** to **Ramelius,** quick profit realisation in **Guzman y Gomez** and a reduction to the **ANZ** weight.

ANZ entered the portfolio in late 2024 upon the announcement of a new CEO from HSBC. Although not arriving until May 2025, our investigations revealed an excellent reputation coupled with Quest's view that change was very necessary. It took a while for the market to warm to Mr Matos but with ANZ the best performing major since early 2025 and a material reduction in the ANZ PE discount to the other three, he is progressing well towards ANZ's rehabilitation.

The investment in Capricorn Metals was successfully realised and reinvested into Ramelius Resources, where we believe the benefits of the Spartan acquisition are beginning to be seen.

Inflation globally remains a major issue as seen in rising bond yields, wealth inequality creating political unrest as well as the escalating cost of servicing government and corporate debt. The following chart from JPMorgan documents the impact of the Australian Fair Work Commission's 4.75% minimum wage growth relative to the companies with the highest exposure to this cohort of employees. Only two retailers are forecast to grow revenue above the wage cost escalation in FY2027.



INVESTMENT PROFILE

The Quest Australian Equities Concentrated Portfolio is a Separately Managed Account (SMA), actively managed by Quest Asset Partners Pty Limited. Our objective is to outperform the S&P/ASX300 Accumulation Index. The SMA structure allows the investor to retain beneficial ownership of the portfolio while maximising transactional and tax visibility.

CONTACT THE MANAGERS

Michael Evans	ph.02 9409 2300 mevans@questap.com.au
Troy Cairns	ph.02 9409 2303 tcairns@questap.com.au
Swapan Pandya	ph.02 9409 2302 spandya@questap.com.au