

# Ophir High Conviction Fund

Figures as at 31 December 2025  
Date of Issue 22 January 2026



ASX Code OPH

## About The Fund

The Ophir High Conviction Fund (the Fund) seeks to provide investors with a concentrated exposure to a high quality portfolio of listed companies outside the S&P/ASX50. Employing an extensive investment process that combines a rigorous company visitation schedule and fundamental bottom-up analysis, the Fund aims to identify businesses operating within structural growth sectors with the ability to meaningfully grow and compound earnings over time. Typically, the majority of businesses within the portfolio will already have well established business models with large or growing end markets and a clearly identifiable pipeline of future growth opportunities. As a concentrated portfolio, the Fund seeks to identify the very best of these opportunities in order to ensure each portfolio position delivers a meaningful impact on overall portfolio returns.

ASX Code	Net Return Since Inception (p.a.)	Fund Size
OPH	+13.6%	\$764.9m

## Ophir Asset Management

- Privately owned investment management business established by founders Andrew Mitchell and Steven Ng in 2012
- Fundamental bottom-up research approach combining rigorous company visitation and detailed propriety analysis
- Strict management of Fund capacity to help protect long-term performance
- Highly experienced investment team with extensive track record of high performance through all market cycles
- Complete alignment of interests, with Senior Portfolio Managers substantial investors in the Fund

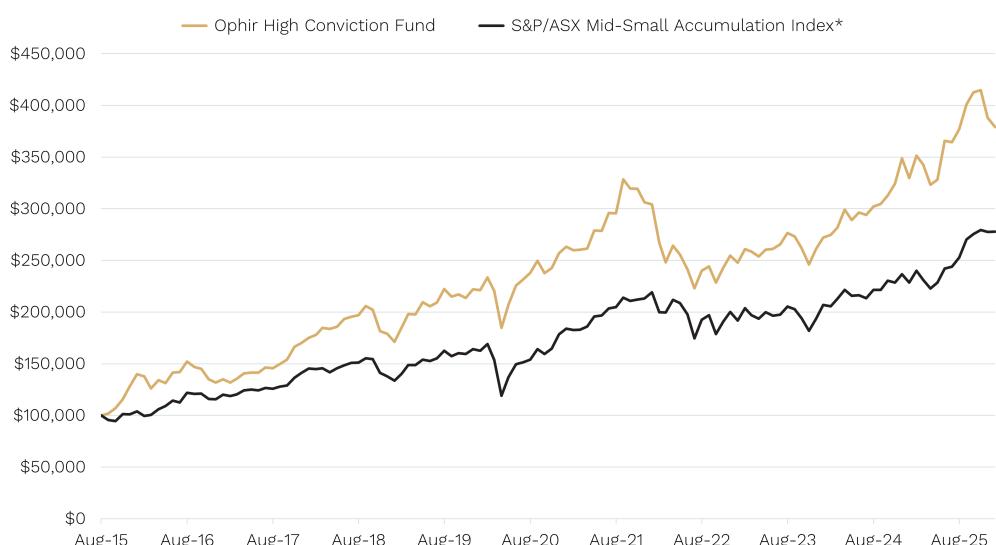


Chart represents net value of \$100,000 invested since inception and assumes distributions reinvested. Please note past performance is not a reliable indicator of future performance. Total returns have been calculated using NAV prices after taking into account all of Perpetual's ongoing fees and assuming reinvestment of distributions. No allowance has been made for taxation. \*The Fund's benchmark is the S&P/ASX Mid-Small Index, being the composite benchmark of 50% of the S&P/ASX MidCap 50 Accumulation Index and 50% of the S&P/ASX Small Ordinaries Accumulation Index.

	Since Inception (p.a)	7 Years (p.a)	5 Years (p.a)	3 Years (p.a)	1 Year	3 Months	1 Month
<b>Fund Return (Net)</b>	<b>13.6%</b>	<b>12.0%</b>	<b>7.6%</b>	<b>15.2%</b>	<b>15.0%</b>	<b>-8.1%</b>	<b>-2.3%</b>
Benchmark*	10.3%	11.0%	8.6%	13.2%	21.7%	0.9%	0.1%
ASX: OPH Unit Price Return	N/A	10.1%	4.5%	14.2%	16.0%	-8.4%	1.0%

The figures in the table above assume reinvestment of distributions. Performance figures are calculated using the Net Asset Value (NAV) of the Fund as at 31 December 2025, not the market price. Past performance is not a reliable indicator of future performance. \*ASX Mid-Small Accumulation Index (Net) (AUD), being the composite benchmark of 50% of the S&P/ASX MidCap 50 Accumulation Index and 50% of the S&P/ASX Small Ordinaries Accumulation Index.

## Senior Portfolio Managers



**Andrew Mitchell**  
B Ec (Hons), MAppFin | Founder and Portfolio Manager  
20+ years experience in financial markets, previously Paradice Investment Management and Commonwealth Department of Treasury.



**Steven Ng**  
B Acc, CFA | Founder and Portfolio Manager  
23+ years experience in financial markets, previously Paradice Investment Management and ING.

## Key Information

<b>Responsible Entity</b>	The Trust Company (RE Services) Limited
<b>Investment Manager</b>	Ophir Asset Management Pty Ltd
<b>Fund Inception</b>	August 2015
<b>Number of Stocks</b>	20 - 40
<b>Distributions</b>	Annually
<b>Applications/ Redemptions</b>	Daily
<b>Investment Objective</b>	Outperform benchmark (after fees) over the long term (5+ years)

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## Allocation of Investments

### Portfolio Sector Exposures



- Communication Services
- Consumer Staples
- Financials
- Industrials
- Materials
- Utilities

- Consumer Discretionary
- Energy
- Health Care
- Information Technology
- Real Estate
- Cash

## Top 5 Portfolio Holdings

(Alphabetical) As at 31 December 2025 (updated quarterly)

Company	Industry	ASX Code
Generation Development Group	Insurance	GDG
Judo Capital Holdings Ltd	Banks	JDO
Life360 Inc	Software	360
Megaport Ltd	Software	MP1
Mineral Resources Ltd	Materials	MIN
Average Portfolio Market Cap		\$7.3bn

## Net Asset Value (NAV & Unit Price)

As at 31 December 2025

	Amount
Unit Price	\$3.44
ASX Price	\$3.18

## Market Commentary

December's Santa rally was lukewarm for developed markets, a disappointing way to wrap up 2025, despite the S&P 500 returning +17.9% for the year. Artificial Intelligence continues to be the centre of attention and is set to be the key focus for 2026. The space is intensifying as AI firms compete for both capital and talent. Apple, for example, recently appointed a former Microsoft and Google AI executive to lead its technology division. Rivalry in AI extends globally as a study from the Massachusetts Institute of Technology shows downloads of AI models from Chinese companies have overtaken American models.

In 2025, over \$150bn of private capital flowed into large Silicon Valley-based AI startups such as OpenAI and Anthropic. OpenAI believes it can raise a further \$100bn in 2026 from private investors, while Anthropic is exploring a listing in 2026 after a funding round in January 2026 valued the company at \$350bn.

As funding rounds grow ever larger, AI companies are under pressure from private investors to show a return on capital before passing the hat around again. The challenge is compounded by rising operating costs, as the computing power needed to run AI models increases with usage. According to leaked documents, OpenAI expects to burn through \$17bn of cash in 2026, up from \$9bn in 2025.

Australian markets rose in December, the ASX 200 and the ASX Small Ordinaries ended the month up +1.3%, and +1.4% respectively. Australian large cap growth fell with the MSCI Australia Growth Index down -0.9% while the MSCI Australia Value Index rose +4.6%. Conversely, small cap growth rose relative to value with the MSCI Australia Small Cap Growth up +0.7% as the MSCI Australia Small Cap Value Index fell -0.1%.

For ASX 300 sectors, Materials (+6.8%) and Financials (+3.4%) led, while I.T. (-8.1%) and Healthcare (-7.0%) were the laggards. In the ASX Small Ords Index, Materials (+9.6%) and Industrials (+8.0%) led returns, while I.T. (-7.0%) and Consumer Discretionary (-4.3%) were the worst performing sectors.

Inflation fell from 3.8% to 3.4% year-on-year, beating market expectations of 3.6%. While not the sole determining factor, it delays market expectations of a rate hike at its next meeting in early February. Unemployment was flat at 4.3% and Australia's third quarter GDP increased from 1.8% to 2.1% year-on-year driven by household consumption and private investment.

## Portfolio Commentary

Over the month, the Ophir High Conviction Fund's investment portfolio returned -2.3% (net of fees) versus the index which returned +0.1%. Since its inception in August 2015, the Fund has returned +13.6% p.a. (net of fees) while the index has returned +10.3% p.a. The Ophir High Conviction Fund's ASX listing returned +1.0% for the month.

In terms of portfolio positioning, the number of holdings remained at 34 and cash levels increased to 4.9%.

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One of the largest contributors to performance for the month was Develop Global Ltd (ASX: DVP). The mining owner and mining services company gained +25.3% over the month as gold and copper prices performed strongly.

One of the largest detractors to performance for the month was Life360 (ASX: 360), the family tracking app fell -17.1% over the month. Growth as a factor underperformed and the stock fell in line with the sector-wide fall in I.T. However, the company has recently completed a value-add acquisition in Nativo and is performing in line with our expectations after a strong earnings beat and guidance raise at its 3Q25 result.

## Outlook

While inflation has slightly cooled, it remains above the RBA's target band putting upward pressure on interest rate expectations. Rate-sensitive names, especially in technology, may be laggards in the near-term outlook.

The U.S. market is seen as the leading indicator for investors into 2026. As geopolitical tensions, aggressive foreign policy, and a weaker consumer continue, markets may remain subdued in the near-term until a newly appointed dovish Fed Chair brings interest rate relief mid-year 2026. A cut likely increases breadth in the U.S. equity market but risks accelerating inflation.

Our focus remains on reasonably valued small-cap businesses with robust earnings growth. The portfolio maintains a balanced mix of cyclical and defensive exposures, with a tilt toward less macro-sensitive companies.

Small caps in Australia continue to offer compelling valuations relative to large caps, trading between one and two standard deviations cheap versus the 20-year average. We will continue our disciplined approach to identifying growing, resilient businesses that we believe will ultimately be rewarded as the market normalises amid below-trend economic growth.

## Investment Process

Ophir employs a fundamental, bottom-up research approach aimed at identifying businesses with the ability to meaningfully grow and compound earnings over time. Typically, the investment process will look to uncover businesses that are operating within, or about to enter, a period of structural growth and are generating cash or have a clearly identifiable pathway toward free cash flow generation. In order to identify these opportunities, the Ophir investment team spend a considerable amount of time understanding the quality of the business and the environment in which it operates.

## About Ophir Asset Management

Ophir Asset Management is a specialist small and mid-cap equities investment manager established by founders Andrew Mitchell and Steven Ng in 2012. The business currently manages approximately \$2.0bn in capital on behalf of institutional superannuation funds, family offices, private wealth groups and individual investors. The investment team comprises 11 investment professionals drawn from a diverse range of backgrounds working across all Ophir funds.

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The Trust Company (RE Services) Limited ABN 45 003 278 831 AFSL 235150 (Responsible Entity) is the responsible entity of Ophir High Conviction Fund (the Fund). This document has been prepared by Ophir Asset Management Pty Ltd ABN 88 156 146 717, AFSL 420 082 (Ophir), the investment manager of the Fund and is authorised for release by The Trust Company (RE Services) Limited as responsible entity and the issuer of units in the Fund. The information is of general nature only and has been prepared without taking into your account your objectives, financial situation or needs. Before making an investment decision, you should consider obtaining professional investment advice that takes into account your personal circumstances and should read the current product disclosure statement (PDS) of the Fund. The PDS can be obtained at [www.ophiram.com](http://www.ophiram.com). Neither the Responsible Entity nor Ophir guarantees repayment of capital or any particular rate of return from the Fund. All opinions and estimates included in this document constitute judgements of Ophir as at the date of the document and are subject to change without notice. Past performance is not a reliable indicator of future performance. Ophir accepts no liability for any inaccurate, incomplete or omitted information of any kind or any losses by using this information.