

Fund Update

The Fund reported a Net Asset Value (“NAV”) of **\$1.1518/unit¹** at the end of January 2026, returning -4.2% during the month with interest rate sensitive stocks Lendlease and Ingenia the key detractors.

The Fund has delivered a +21.4% annualised return since inception, outperforming the S&P/ASX 300 Accumulation Index by +10.1% p.a. An initial \$1.00 investment in the Fund at inception would now be worth \$1.93³, reflecting the strength of our highly engaged, active investment approach over a longer time horizon.

The Fund maintains a sizeable ~\$140m cash balance, remaining well positioning us to take advantage of market dislocation and volatility as high-conviction opportunities emerge.

Entry price \$1.1553 / unit²

Exit price \$1.1484 / unit²

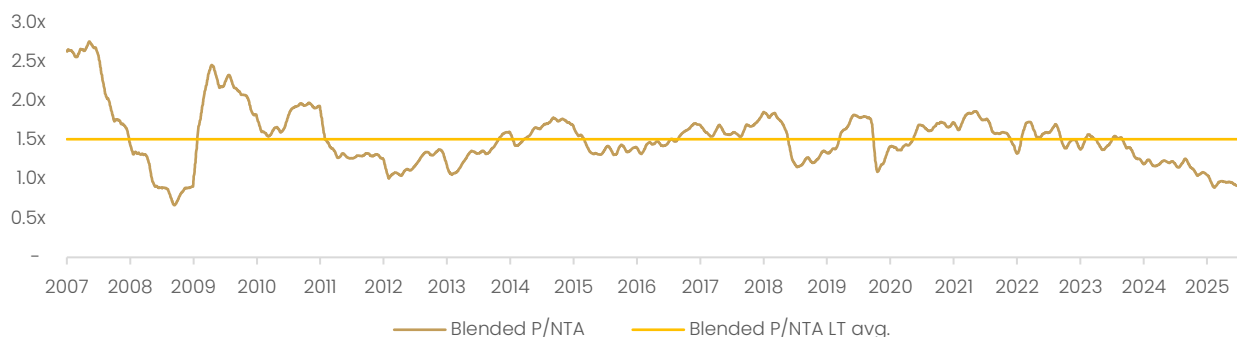
Market and Macro Update

The domestic market continued to grind up over January with the S&P / ASX200 up 1.8%. January saw the rotation into the Resources sector discussed in the Fund’s December Quarterly Report continue. The Resources sector ended the month up ~9.5% whilst the S&P / ASX200 Index ex Resources was down ~1.3%. Combined with a ~6.4% fall during December, the S&P / ASX200 Index ex Resources has now seen a ~8% decline over the past two months, with the Fund experiencing a similar decline.

Domestic economic conditions remain uncertain with the focus on the release of economic data during January. Australian CPI surprised to the upside, with the trimmed mean coming in at 3.4% YoY, above the RBA’s previous forecast of 3.2%, whilst the unemployment rate fell to 4.1%, below consensus expectations of 4.4%. Against this backdrop, the RBA increased the official cash rate by 25 bps to 3.85% at its February meeting, marking the first rate hike in over two years.

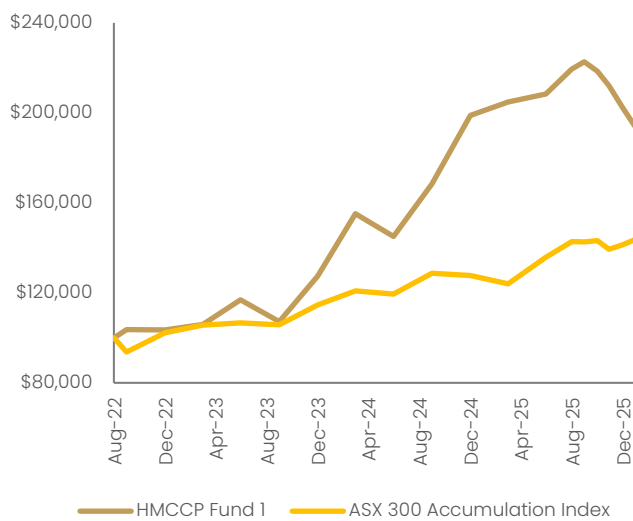
We recognise the current rate uncertainty can influence portfolio performance in the near term – particularly our more interest rate sensitive positions. However, this cyclical volatility has reinforced a particularly compelling period of undervaluation, which we highlight below – the portfolio’s three real estate investments (LLC, INA and LIC) are now trading at a blended price ~13% below their real asset backing, an opportunity not seen since the GFC. We remain confident in the high-quality asset backing, barriers to entry and structural growth tailwinds that has seen these portfolio companies consistently grow their NTA over time.

LLC, INA and LIC blended Price to Net Tangible Assets (P/NTA) over time⁴



We continue to see meaningful upside to each of our portfolio companies and remain firmly focussed on delivering returns by helping our portfolio companies execute value enhancing strategies with each having a range of short to medium term catalysts. With elevated market volatility, including the largest ASX sell-off since the April 2025 “Liberation Day” in early February, the Fund’s tactical decision to hold a significant ~\$140m cash balance stands us in good stead to take advantage of buying opportunities and market weakness.

Growth in \$100,000 invested since inception³



Fund Performance (Net)³

	Net Return	S&P/ASX Acc. Index	Excess
1mth	(4.2%)	1.7%	(5.9%)
3mth	(11.3%)	0.4%	(11.7%)
6mth	3.2%	3.3%	(0.1%)
1yr	(11.7%)	7.8%	(19.5%)
2yr (annualised)	19.5%	14.0%	5.5%
3yr (annualised)	21.7%	13.7%	8.1%
Inception (annualised)	21.4%	11.2%	10.1%
Inception (aggregate)	93.8%	43.8%	50.0%

We look forward to providing further updates on the Fund's performance and our investments as we continue to assess the evolving investment landscape, work proactively with our investee companies and selectively deploy the Fund's capital.

¹ As at month end. NAV per unit refers to Trust A and Trust C units.

² Entry and Exit prices reflect the Net Unit Value as at 31 January 2026, adjusted by the buy-sell spread (currently 0.30%)

³ Performance net of fees and costs, and assuming distributions are reinvested. Inception date 31 August 2022. Past performance should not be taken as an indicator of future performance

⁴ Source: IRESS and company filings

Fund Strategy

HMC Capital Partners Fund I (Fund) is an Australian-domiciled open-ended unlisted fund providing exposure to a high-conviction investment strategy seeking to generate superior risk-adjusted returns.

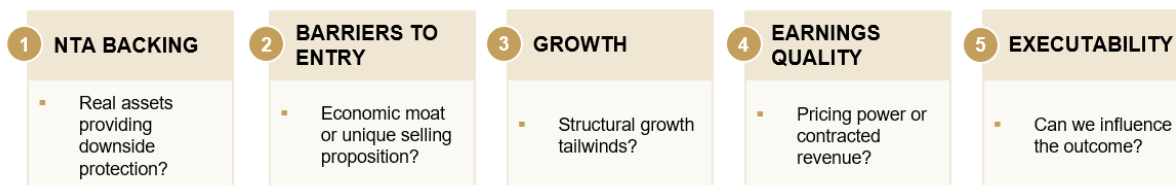
The Manager primarily invests across a concentrated portfolio of high-conviction stakes in listed Australian and New Zealand companies with real asset backing where there is potential to unlock 'trapped' value through improved capital allocation and portfolio management. The Manager also has the flexibility to invest in private companies exposed to long term structural tailwinds.

Our Disciplined Investment Process

The rigorous investment process we have undertaken over the past three years has proven effective – as evidenced by our successful investments and positive turnarounds at Sigma Healthcare, Ingenia Communities and Baby Bunting. We continue to see uncertainty and volatility as an opportunity.

Our disciplined and repeatable screening process positions us to continue to identify attractive targets and capitalise on undervalued situations – whether they are caused by management discount, conglomerate discount, cyclical factors or poor capital allocation.

Fund's consistent and repeatable investment screening process



The Fund has a limited quarterly withdrawal facility. Withdrawals are limited to the terms detailed in the Information Memorandum and the HMC website. The ability of the Fund to offer quarterly withdrawals is not guaranteed.

Contact Details

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How to Apply: The Fund remains open for applications on a monthly basis.

Refer to Information Memorandum at <https://www.hmccapital.com.au/our-funds/hmc-capital-partners-fund-i/>. If you are a Wholesale Client you may apply for Units at: <https://investor.automic.com.au/#/w/hmccp>. Existing investors can login to their Automic online investor portal at <https://investor.automic.com.au/> to access information on their holding, or to apply for additional units.

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