SGHiscock
Investment Management

SGH Medical Technology Fund

July 2026

Performance[1]	Total net Return	S&P/ASX200 Health Care Accum. Index	Value Added Fund vs S&P ASX200 Health Care Accum. Index[2]
1 month (%)	-4.53	2.27	-6.80
3 months (%)	-5.28	5.27	-10.55
6 months (%)	-21.92	-21.89	-0.03
1 year (%)	-26.37	-40.12	13.75
2 years (% p.a.)	-17.09	-22.86	5.77
3 years (% p.a.)	-8.52	-11.72	3.20
Inception 20 June 2021 (%p.a.)	-9.48	-8.17	-1.31

[1]Distribution Return is the return due to distributions paid by the Fund, Growth Return is the return due to changes in initial capital value of the Fund, Total Net Return is the Fund return after the deduction of ongoing fees and expenses and assumes the reinvestment of all distributions.

[2]Index = S&P/ASX 200 Health Care Accumulation Index.

Past performance is not a reliable indicator of future performance

Investment Objective

To provide long-term capital growth by investing in a portfolio of medical technology companies where innovation plays a crucial role in improving global health and economic outcomes. This includes biotechnology, pharmaceuticals, medical devices & equipment, medical data, information technology (e-health), and robotics.

Investment Held

The Fund will invest predominantly in medical technology companies and securities listed on the Australian Securities Exchange (ASX). No more than 30% of the portfolio to be invested in international companies.

Key Facts

Investment manager	SGHiscock Investment Management.
Inception date	30 Jun 2021
Benchmark	S&P/ASX200 Health Care Accumulation Index
Management fees[3]	1.33%
Performance fee[4]	20.50%
Fund size	$3.3M
Distributions	Annually
Buy/sell spread	+0.35/ -0.35%
Minimum initial investment	$20,000
Base currency	AUD
APIR	ETL2825AU
Domicile	Australia

	Unit Price
Application	$0.6067
Net Asset Value	$0.6046
Withdrawal	$0.6025

	Distribution CPU
30-Jun-26	Nil

[3] *Includes estimated GST payable, after taking into account Reduced Input Tax Credits ("RITC").*

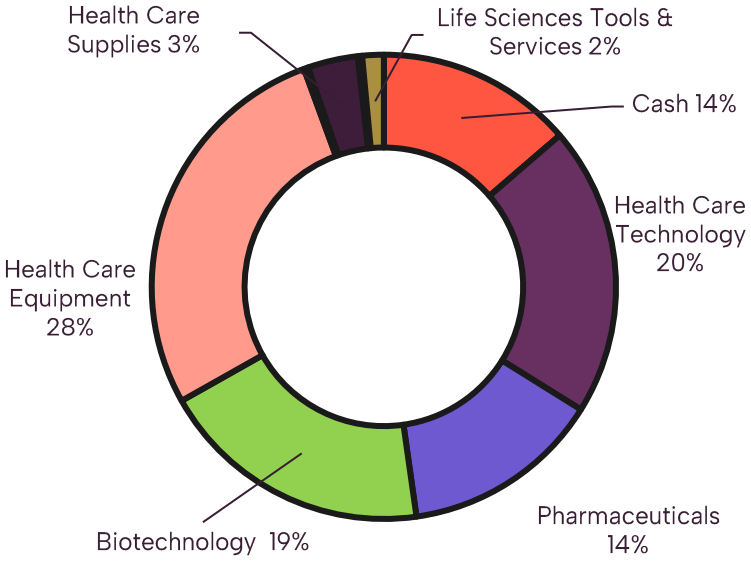
[4] *A performance fee of 20.50% (inclusive of GST and an estimate of RITC) of any performance in excess of the performance hurdle (the daily percentage movement in the S&P/ASX 200 Health Care Accumulation Index*

Top 10 Holdings
Pro Medicus Limited
ResMed Inc.
Fisher & Paykel H.
CSL Limited
Planet Group Holdings
Neuren Pharmaceuticals Limited
Artrya Limited
Mesoblast Limited
Island Pharmaceuticals Ltd

Top 10 holdings represent 45.6% of the total Fund.

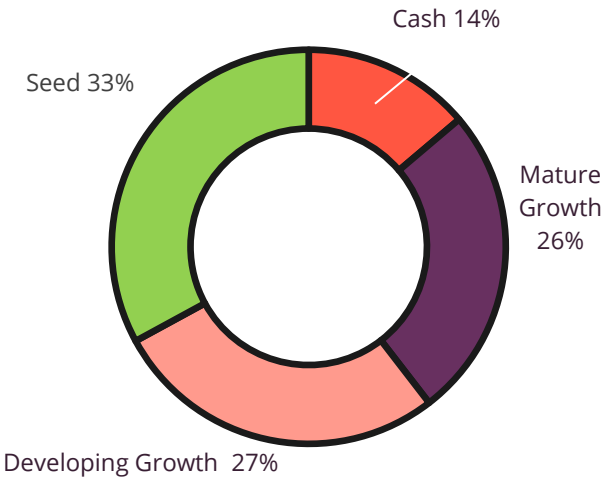
Asset Allocation: The Fund

Sector	Fund %
Cash	13.7%
Health Care Technology	20.2%
Pharmaceuticals	13.9%
Biotechnology	19.1%
Health Care Equipment	27.6%
Health Care Services	0.3%
Health Care Facilities	0.0%
Health Care Supplies	3.5%
Health Care Distributors	0.3%
Life Sciences Tools & Services	1.5%



Top 3 Mature Growth Companies	Top 3 Developing Growth Companies	Top 3 Seed Companies
Pro Medicus Limited	Planet Group Holdings	Artrya Limited
ResMed Inc.	Neuren Pharmaceuticals Ltd	Island Pharmaceuticals Ltd
Fisher & Paykel H	Mesoblast Limited	Echoiq Ltd

Lifecycle	Fund %
Cash	**13.8**
Mature Growth	**25.7**
Developing Growth	**27.5**
Seed	**32.9**



Monthly Commentary

Dimerix (ASX: DXB) strengthened its renal disease pipeline during the month through the acquisition of DMX-652, a Phase 2-ready acute kidney injury asset from UK-based Mission Therapeutics. Dimerix is a clinical-stage biopharmaceutical company focused on kidney disease, with its lead asset DMX-200 currently in the fully recruited ACTION3 Phase 3 trial for focal segmental glomerulosclerosis. The acquisition of DMX-652 broadens the portfolio beyond FSGS into acute kidney injury, while still leveraging Dimerix's existing renal expertise, clinical network and commercial partnering infrastructure.

DMX-652 is an oral, once-daily inhibitor of USP30, a mitochondrial enzyme involved in the removal of damaged mitochondria. In acute kidney injury, particularly following cardiac surgery, kidney cells can be damaged by ischaemia and reperfusion, leading to mitochondrial dysfunction, inflammation and cell death. DMX-652 is designed to support mitochondrial quality control and potentially prevent kidney injury before it becomes clinically severe. The initial target indication is cardiac surgery-associated acute kidney injury, where there are currently no approved disease-modifying therapies and where Dimerix estimates the global market opportunity at US$3.5bn in 2026, growing to approximately US$7.5bn over the next decade.

The attraction of the transaction is that Dimerix has acquired a substantially de-risked package for a relatively modest upfront payment. The asset has completed Phase 1 testing in healthy volunteers, with 85 participants receiving DMX-652 and no serious drug-related adverse events reported. It also comes with an open US IND, an FDA-cleared Phase 2 protocol, GMP-grade drug product sufficient for the trial and assigned composition-of-matter intellectual property. The planned Phase 2 study is expected to enrol approximately 160 patients at high risk of acute kidney injury following cardiac surgery, with AKI incidence at seven days as the primary endpoint. First patient dosing is expected in 1H CY27, with an interim readout anticipated during 2027.

From an investment perspective, this is important because it restores a nearer-term catalyst pathway to a story where the major value inflection for DMX-200 had moved to the final ACTION3 proteinuria endpoint in March 2028. The acquisition does not remove the central importance of ACTION3, but it improves the shape of the investment case by adding a second renal asset with an independent development timeline and a more compressed Phase 2 trial design. The company has also secured a A$10m non-dilutive funding facility, with discussions progressing for up to a further A$40m on substantially similar terms. Together with A$16.2m cash at 30 June and the expected ~A$14.1m upfront payment from Everest Medicines, Dimerix is funded through

completion of ACTION3 and initiation of the DMX-652 Phase 2 trial, without having raised equity since early 2024.

Mesoblast (ASX: MSB) reported US$115m of Ryoncil net revenue for its first full year following FDA approval, the midpoint of its US$110–120m guidance range. Revenue momentum improved through the year, with fourth quarter sales of US$36m up 19% on the prior quarter and second half revenue 37% above the first half. Product gross margins were attractive at approximately 91% excluding amortisation, while reimbursement is now well established through a dedicated CMS code and coverage across the substantial majority of US transplant centres. In our view, the first full year of sales has addressed the key question following approval: whether Mesoblast could commercialise Ryoncil at scale in the US market.

The pipeline also continued to progress, with at least 300 patients now treated in the pivotal Phase 3 trial of rexlemestrocel-L in chronic low back pain, positioning the company for top-line results in mid-CY2027. Mesoblast also received a BLA filing number and requested modular review for the same product in the prevention of gastrointestinal bleeding in end-stage heart failure patients supported by a left ventricular assist device. While this is a much smaller indication, it draws on the same product and the same manufacturing process, which matters because chemistry, manufacturing and controls has historically been the most demanding part of Mesoblast's regulatory record. In our view, approval in the smaller indication would therefore de-risk the far larger chronic low back pain opportunity by more than the market currently reflects.

The balance sheet remains the key offset, although the refinancing has improved its shape. Mesoblast drew the remaining US$50m of its US$125m facility and repaid its senior debt, reducing the cost of debt from approximately 15% to a fixed 8% on an interest-only basis. The facility is now fully drawn, leaving no undrawn capacity against US$102.9m of cash at 30 June. Headline funding cover in the quarterly report fell sharply, but that overstates the change: the June quarter's higher cash spend reflected a US$8.8m reduction in customer receipts rather than an increase in costs, with receipts trailing revenue across the year as the launch builds receivables. While the equity remains highly sensitive to the mid-CY2027 readout, Mesoblast enters that period with a commercially proven product, improving launch momentum, a materially lower cost of debt and a pipeline in which one approval now informs another.

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