

# PORTFOLIO UPDATE

## HNW Australian Equity Concentrated Portfolio

### Monthly Report January 2026

- January was a mostly positive month for equity markets, with macroeconomic news dominating headlines and bombarding investors with news such as the abduction of the President of Venezuela, tariff hikes on South Korea, threats by the US to seize Greenland and escalating tensions with Iran.
- The **HNW Australian Equity Concentrated Portfolio** gained 1.11%, underperforming the benchmark return of 1.78%, a disappointing outcome in a month that was dominated by geopolitical headlines and global macroeconomic news, rather than changes to expected company profits and dividends.
- Atlas is looking forward to the February profit season and has been pleased with the quarterly updates given by Portfolio companies in January. We expect the reporting season to continue to show the resilience of company earnings from the companies held in the Portfolio, and that management will guide to higher profits and dividends over the coming year.

	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	12m rolling	Incept annual
HNW Equity Concentrated Portfolio	-3.5%	-3.1%	0.7%	4.3%	1.4%	3.9%	0.9%	-3.2%	2.1%	-0.6%	1.0%	1.1%	4.7%	6.2%
ASX 200TR	-3.8%	-3.4%	3.6%	4.2%	1.4%	2.4%	3.1%	-0.8%	0.4%	-2.7%	1.3%	1.8%	7.4%	10.0%
Active return	0.2%	0.3%	-2.9%	0.1%	0.0%	1.5%	-2.2%	-2.5%	1.7%	2.0%	-0.3%	-0.7%	-2.7%	-3.8%

#### Portfolio Objective

Investments within the Australian Equity portfolio are selected based on the highest conviction. This may result in some GICs being over- or underrepresented relative to the index.

#### Appropriate Investors

Accumulation for entities wanting higher conviction or that have more limited resources.

#### Portfolio Details

Benchmark	Not Aware
Number of Stocks	10-15
Asset Allocation	100% Equity
Inception Date	30 <sup>th</sup> November 2022
Security Target	within 5% of S&P ASX 200 weights

#### Performance Update

There was minimal company news flow in January, with companies in a "blackout" before releasing their financial results in February. During January, the Portfolio's mining and toll road companies provided quarterly production and trading updates that were largely in line with our expectations.

Globally, US President Donald Trump placed higher tariffs on South Korea and announced the desire to purchase Greenland from Denmark. These heightened geopolitical events sent gold higher to \$4750 an ounce. Expectations of rate rises in Australia on higher inflation saw the AUD rise 4.4% over the month to \$69.7 US cents. Oil gained 16% to finish above US\$70/bl on heightened tensions with Iran.

#### Top Dividend Gross Yield end January 2026

Company	Yield
Commonwealth Bank	4.1%
Woodside	7.3%
ANZ Bank	6.9%
Ampol	6.2%
Transurban	5.0%

#### Estimated portfolio metrics for FY26

	ASX 200	HNW Con
PE (x) fwd.	18.3	14.6
Dividend yield (net)	3.5%	4.9%
Est Franking	67%	82%
<b>Grossed Up Yield</b>	<b>4.1%</b>	<b>6.4%</b>
Number of stocks	200	17
Avg mcap \$B	11	69
Beta (3mth rolling)	1.0	0.93

Source: Bloomberg & UBS

# PORTFOLIO UPDATE

## HNW Australian Equity Concentrated Portfolio

January 2026

### Portfolio Performance

In January, the **HNW Australian Equity Concentrated Portfolio** gained 1.11%, below the benchmark return. Over the month, there was minimal company-specific news, with geopolitical events and global macroeconomic news driving markets.

Over the month, positions in Whitehaven Coal (+14%), Dyno Nobel (+9%), Woodside Energy (+8%), Mineral Resources (+5%) and CSL (+5%) added value.

On the negative side of the ledger, Ampol (-10%), Dalrymple Bay (-3%), and Transurban (-2%) detracted value. Ampol's share price move was surprising in light of guiding in January that they expect to report 30% profit growth for the year.

### A noisier January than most

January historically is a quieter month on the ASX, with most companies in "blackout" until their results in February. This January was quite different, with macroeconomic news dominating headlines and moving markets on low-volume trading days.

Some events include Trump escalating his 'excellent adventure' in whole new directions – including abducting the President of Venezuela, seizing its oil, and appointing himself President of Venezuela. He also appointed himself head of the body to turn Gaza into a grand casino project, and he threatened to seize Greenland from Denmark. Trump also announced more tariff hikes and backflips and stepped up his war on the 'enemy within' on the streets of US cities, killing more citizens.

### Portfolio Trading

Over the month, the Portfolio added to positions in Atlas Arteria and Sonic Healthcare.

### Performance Calculation Methodology

The following conventions have been adopted for calculating performance:

- Transaction expenses of 10bp are applied to Portfolio buy and sells. Transaction expenses are capitalised into the cost base. Rebalancing transactions incur transaction expenses.
- Cash-flow from dividends is credited on the ex-date rather than the pay date. Franking is not considered which is consistent with the calculation methodology of the benchmark. Cash-flow from dividends is assumed to be reinvested in issuer stock at the closing price on the ex-date.
- The Portfolio can participate in entitlement-based capital raisings, however, cannot participate in institutional raisings.
- The Portfolio must fund the required amount by the sale of the equivalent amount of equity. In the event of a subsequent scale-back the Portfolio will also record the pro-rata amount of script issued.
- Performance does not include consideration of taxation including capital gains tax.
- Performance numbers are presented on an unaudited basis

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