castlereagh equity

31 July 2026
Monthly Report

Returns

As at 31 July 2026	1m %	3m %	1y %	3y % pa	5y % pa	Since inception % pa (Nov 13)
Gross	-3.0	15.3	3.6	0.0	-1.7	10.4
Net of Fees	-3.0	15.3	3.6	0.0	-1.7	9.6
S&P Biotechnology Select Industry Index (converted to AUD)	-9.0	13.8	58.3	18.6	4.8	10.0

Portfolio Composition

NAV per share	% in cash	% shares in USD	% shares in AUD
1.73*	15	62	23

Commentary

Month of July regaled us with the inevitable blowouts of leveraged traders in the South Korean market. Geopolitical disruptions continued. Nevertheless sentiment continues to improve in the life sciences and healthcare sector. IPO and fundraising continued at a healthy clip. M&A activity was also strong, with a rumoured mega tie-up between pharma giants Astra Zeneca and Bristol Myer Squib. Pockets of weakness continued in academic funding and research. Hospital utilisation and procedures also hit a rough spot, and together with tariff uncertainties, continues to weigh on the medtech sector. Bright spots in the sector include bioprocessing and genomic testing.

After a strong month in June, the market gave back some gains in July. The CE portfolio also had a small decline.

I continue to take the opportunity to trim down some positions, resulting in increasing levels of cash. There are no other significant transactions for the month, other than Lantheus (LNTH), a portfolio position, being taken over at a price below market expectations.

Thank you for your continued trust and confidence in us.

Regards

Peter Phan

Portfolio Manager

Appendix 1: Gross Monthly Returns

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	SPSIBI
2022	-5.5	0	0.5	-4.5	1.0	-0.5	2.0	-1.0	-5.0	2.0	4.0	-0.5	**-7.5**	-20.4
2023	2.0	2.0	-1.2	1.8	-2.3	0.0	5.4	-5.7	-3.0	-7.5	6.1	6.4	**2.9**	6.9
2024	1.2	1.0	0.5	-7	2.5	-1.8	0.0	3.1	0.0	-3.5	2.5	1.2	**-1.2**	10.6
2025	4.8	-2.5	-6.6	2.5	2.0	1.0	1.8	-3.0	7.4	4.6	-2.7	-4.9	**2.4**	26.0
2026	-0.5	-2.4	-8.0	0.0	4.0	14.0	-3.0						**3.0**	15.2

SPSIBI = S&P Biotechnology Select Industry Index (converted to AUD)

Appendix 2: Portfolio Composition

Functional Sub-Sectors*	% of portfolio
Cash	15.0%
Software/Data	16.0%
Tools and Devices	16.0%
Bioprocessing	21.0%
Genomics	6.0%
Radiopharma	13.0%
Drug Discovery	5.0%
Legacy- Financial Industry	8.0%

Industry Sectors*	% of portfolio
Cash	15.0%
Life Sciences	40.0%
Healthcare	37.0%
Legacy- Financial Industry	8.0%

Business Model Categories*	% of portfolio
Cash	15.0%
Picks and Shovels	67.0%
Services	10.0%
Infrastructure	0.0%
Legacy- Financial Industry	8.0%

Appendix 3: CE NAV

CE commenced on 1 November 2013 with shares issued at $1 per share, backed by $1 of cash per share.

CE NAV is after payment of dividend and director fees in calendar month February of each year. These payments “reset” the NAV as follows:

(a) 1.52 to 1.34 in Feb 2017
(b) 1.46 to 1.39 in Feb 2018
(c) 1.39 to 1.39 in Feb 2019
(d) 2.29 to 2.10 in Feb 2020
(e) 2.53 to 2.25 in Feb 2021
(f) 2.03 to 1.77 in Feb 2022
(g) 1.77 to 1.65 in Feb 2023
(h) 1.65 to 1.65 in Feb 2024
(i) 1.72 to 1.72 in Feb 2025
(j) 1.67 to 1.67 in Feb 2026