

ALC Active Australian Equities Fund

Monthly report – September 2025

Returns	1 Month	3 Months	6 Months	1 Year	2 Year	3 Years p.a.	5 years p.a.	Since inception p.a.*
ALC Active Australian Equities Fund	32.68%	32.01%	46.65%	42.85%	10.68%			7.65%
Strategy						18.26%	21.27%	19.90%
ASX 200	-0.78%	4.71%	14.66%	10.56%	16.03%	15.17%	12.98%	12.44% / 11.03%
Out (Under) Performance Fund	33.46%	27.30%	31.99%	32.29%	-5.35%			-4.80%
Out (Under) Performance Strategy						3.09%	8.29%	8.87%

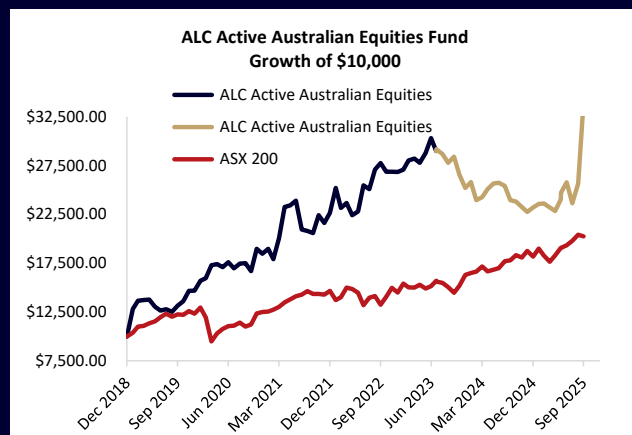
Performance is reported net of all fees. Returns greater than one year are annualized. Past performance is not a reliable indicator of future returns.

*The inception date of the ALC Active Australian Equities Fund is 27/07/2023 and inception date of the Strategy is 31/12/2018.

The Fund seeks to generate positive absolute returns above the performance benchmark by investing in Australian-listed equities. The Fund employs a mixed strategy comprising of a high-conviction portfolio that is designed to deliver strong total returns, augmented by a short-term portfolio with a number of holdings that are expected to deliver short-term returns and provide risk-mitigation.

AL Capital employs a combination of in-depth top-down and bottom-up research to construct the high-conviction portfolio, led by our portfolio managers with strong track records. To achieve the desired net market exposure, as well as for risk control, the actively traded short-term portfolio is also utilised. Through this, AL Capital aims to achieve positive returns regardless of the overall market direction.

Risk management sits at the heart of the investment process, playing both a defensive role in helping AL Capital avoid losses in a leveraged structure as well as an offensive role in identifying shorts where risks are often mispriced.



Past performance is no indication of future performance. Investments may rise and fall in value and returns cannot be guaranteed.

Performance

In September, the Fund returned 32.68%, outperforming the market, which declined -0.78%.

Pleasingly, performance was broad-based across the portfolio. Notable sectors included Materials +14.14%, despite a low net positioning through the month, while Healthcare added +15.44%. The fund also participated in a number of capital market transactions, contributing a further +8.71%.

Portfolio positioning

The Fund entered and exited the month with a relatively low net market exposure. We continue to favour a diversified portfolio, holding 92 positions across sectors and styles to manage volatility and maintain flexibility. Our largest exposures at month-end were lithium miner Pilbara Minerals Ltd (ASX:PLS), medical imaging software provider 4D Medical Ltd (ASX:4DX), and rare earth explorer Victory Metals Ltd (ASX:VTM).

We remain overweight precious metals and defence stocks, reflecting our view that heightened geopolitical tensions and increased military spending continue to be supportive. With equity markets continuing to support further deal flow, we will continue recycling capital into attractive opportunities.

Market Commentary

Markets endured a challenging September as persistent hawkish signals from central banks reshaped expectations around the path of interest rates and reinforced the prospect of “higher for longer” policy rates. The RBA kept the cash rate at 3.60%, due to elevated inflation and stronger-than-expected demand against economic uncertainty.

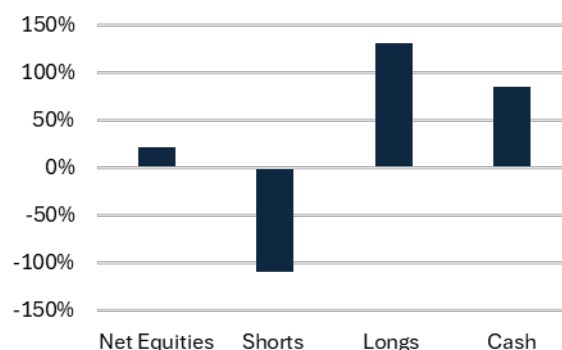
The S&P/ASX 200 fell 0.32%, over the month. driven mainly by resource sector weakness and pressure on financials, reflecting concerns over China’s slowdown. Global equities saw broader gains, with the MSCI World Index rising 2.44% and the S&P 500 advancing 4.25%, with large-cap technology and consumer discretionary stocks leading gains.

Credit markets remained firm, with CDS spreads steady around 66bps, underscoring persistent demand for yield and confidence in corporate balance sheets. Australian government bond yields slightly increasing, with the 10-year yield ending at 4.29%, as investors priced in a slower and more gradual RBA policy response. In the U.S., the 10-year Treasury yield finished September at 4.15%.

As markets head into the final quarter of 2025, investors remain focused on the trajectory of inflation, the resilience of global growth, and further central bank guidance.

Volatility is likely to remain elevated as markets navigate the balance between restrictive policy settings and the potential for slower economic activity into 2026.

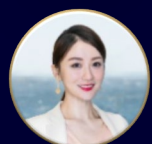
Fund Positioning % of NAV



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Equity Trustees Limited ("Equity Trustees") (ABN 46 004 031 298), AFSL 240975, is the Responsible Entity for the ALC Active Australian Equities Fund ("the Fund"). Equity Trustees is a subsidiary of EQT Holdings Limited (ABN 22 607 797 615), a publicly listed company on the Australian Securities Exchange (ASX: EQT).

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ALC Active Australian Equities Fund's Target Market Determination is available <https://www.eqt.com.au/insto>. A Target Market Determination describes who this financial product is likely to be appropriate for (i.e. the target market), and any conditions around how the product can be distributed to investors. It also describes the events or circumstances where the Target Market Determination for this financial product may need to be reviewed.