

# PURE MICROCAP

## VALUE FUND



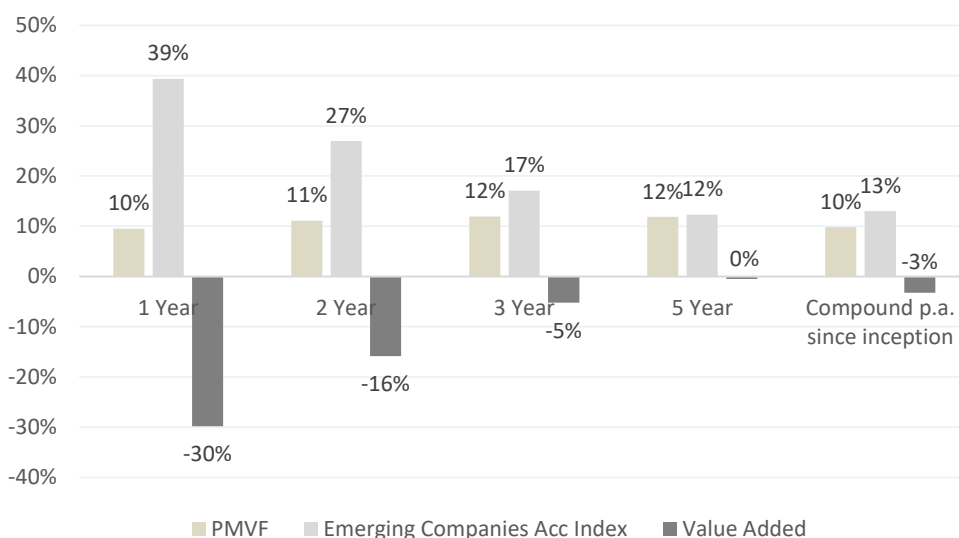
### MONTHLY PERFORMANCE AS AT 31/12/2025

latest unit price <b>\$1.6169</b>	return since inception (Oct 2017) <b>116.63%</b>	return 1 month <b>-1.26%</b>
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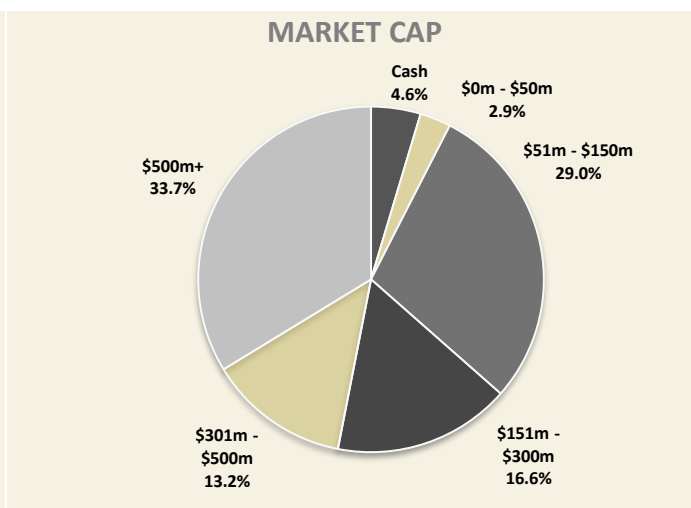
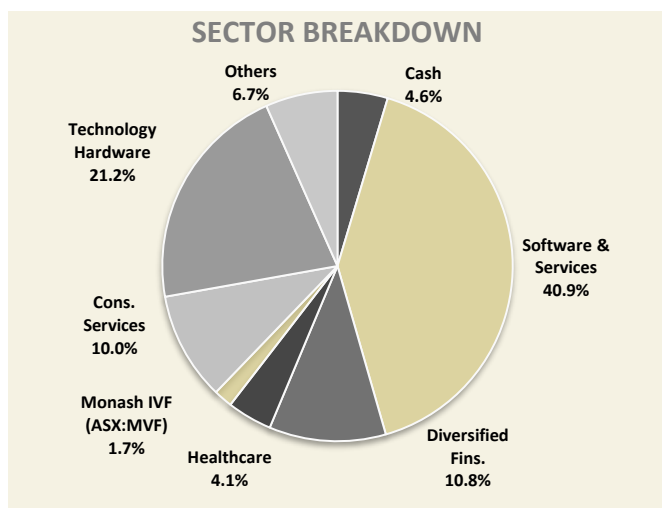
VALUE OF \$1,000,000 INVESTED AT INCEPTION > **\$2,166,290**

#### FUND OUTLINE

The Pure Microcap Value Fund is a wholesale fund investing in a portfolio of undervalued, profitable and growing ASX microcap companies.



	Compound p.a. since inception	Total since inception	7 Year Annual Compound	5 Year Annual Compound	3 Year Annual Compound	1 Year	1 Month
<b>PMVF</b>	<b>9.82%</b>	<b>116.63%</b>	<b>13.74%</b>	<b>11.85%</b>	<b>11.92%</b>	<b>9.54%</b>	<b>-1.26%</b>



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### MARKET UPDATE AND COMMENTARY

The US third-quarter GDP figure, which had been delayed by two months due to the federal government shutdown, was finally released. The US economy expanded at an annualised rate of 4.3%, the fastest pace of growth in two years. Growth was driven primarily by consumer spending and exports. Business investment, which had grown by 7.8% in the previous quarter, slowed to 2.8% in the third quarter. This GDP print comes at a time when the US labour market is showing signs of slowing. The November jobs report showed the US economy added 64,000 jobs, with job creation clearly decelerating, while the unemployment rate ticked up to 4.6%. Taken together, these indicators support a continued dovish stance by the US Federal Reserve.

The next RBA meeting in Australia is scheduled for 3 February. Prior to that meeting, the RBA Board will digest another CPI print, covering inflation for the month of November. The current monetary policy setting sits on a knife edge. A resurgence in inflation over the past three months has effectively extinguished expectations of near-term rate cuts. A further upside surprise in CPI would almost certainly force the RBA's hand to raise rates.

**Microequities Pure Microcap Value Fund returned -1.26% in December; this brings the total return net of fees to 116.63% for the Fund since inception in October 2017.**

**Monash IVF Group (ASX:MVF)** last month announced that it had rejected a non-binding indicative offer (NBIO) from Genesis Capital and WHSP Holdings Pty Ltd ("Soul Patts") to acquire 100% of the company at 80 cents per share. The consortium had indicated that it held an interest of approximately 19.6% of Monash IVF's shares. This month the NBIO was withdrawn after the Monash IVF board declined to grant due-diligence access. We viewed the proposal as highly opportunistic and unattractive. Monash IVF accounts for 1.7% weighting at month end.

Higher education company **EDU Holdings (ASX:EDU)** significantly upgraded profit guidance for 2025, with revenue expected to grow 92% and NPAT to increase 5.5-fold compared to last year. The company with more than \$20m of net cash is also conducting a significantly accretive share buyback from its two largest shareholders at a large discount to the traded share price. We applaud the company management's opportunistic capital management activities and strong operational performance in recent years.

One of our enterprise software businesses announced a landmark national contract win which is its second largest in the company's history. We expect this win will underpin revenue and earnings growth from FY27 onwards. Another software business under new management announced its first contract win for a new product.

<b>Projected EPS Growth</b>	
1 Year Forward (on a weighted basis)	<b>+37.0%</b>
<b>Projected EPS Growth</b>	
2 Years Forward (on a weighted basis)	<b>+19.9%</b>

<b>Number of companies</b>	<b>44</b>
<b>Top 5 Holdings</b> % of NAV	<b>45.1%</b>
<b>Top 10 Holdings</b> % of NAV	<b>64.7%</b>
<b>Top 20 Holdings</b> % of NAV	<b>83.3%</b>
<b>Cash Position</b> % of NAV	<b>4.6%</b>

**Important information:** This information is not intended to be financial advice. Past performance is not indicative of future performance. Microequities Asset Management Pty Ltd is a corporate authorised representative, number 462438, as appointed by Microequities Asset Management Group Limited holder of AFSL number 287526. Application for units in the Fund is limited to investors that are wholesale or sophisticated investors within the meaning of Section 761G(7) and 761GA(7) of the Corporations Act 2001.