

# DEEP VALUE FUND



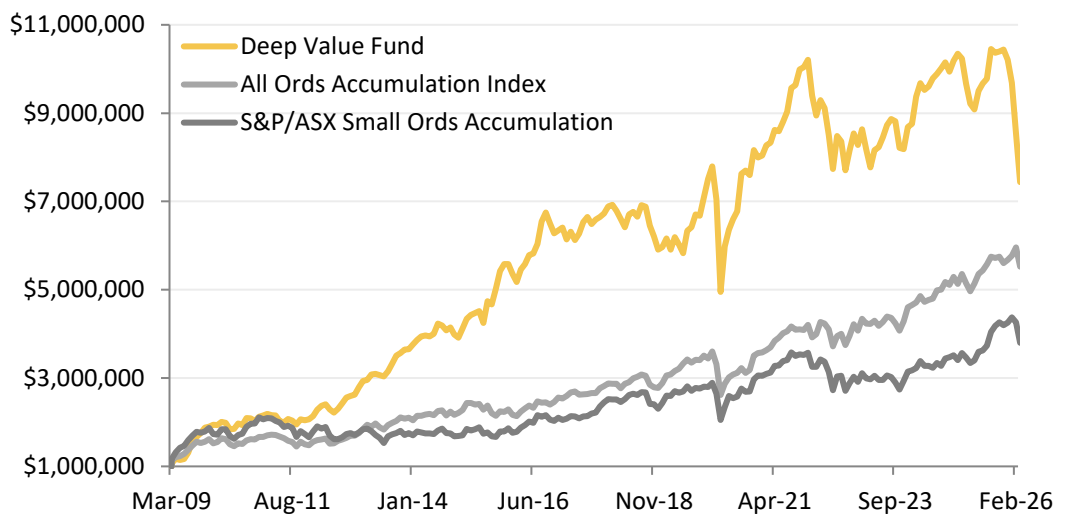
## MONTHLY PERFORMANCE AS AT 31/03/2026

latest unit price <b>\$3.5025</b>	return since inception (March 2009) <b>643.61%</b>	return 1 month <b>-12.83%</b>
--------------------------------------	---	----------------------------------

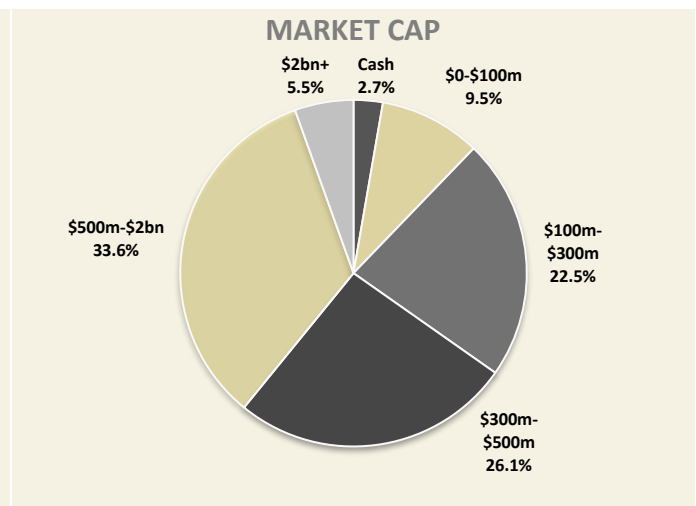
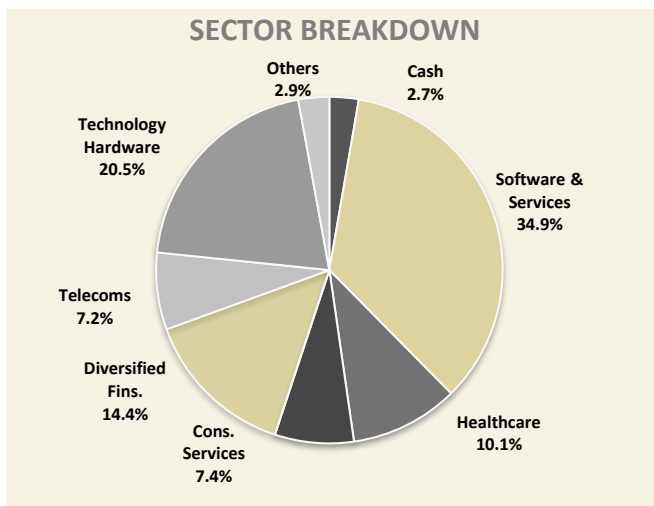
### FUND OUTLINE

The Deep Value Fund is a wholesale fund investing in a concentrated portfolio of undervalued, profitable, and growing ASX listed microcap and smallcap companies.

VALUE OF \$1,000,000 INVESTED AT INCEPTION > **\$7,436,053**



	Compound p.a. since Inception	Total since inception	15 Year Compound Annual	10 Year Compound Annual	5 Year Compound Annual	3 Year Compound Annual	1 Year	1 Month
DVF	12.46%	643.61%	8.59%	3.14%	-2.25%	-1.46%	-19.29%	-12.83%



# DEEP VALUE FUND



## MARKET UPDATE AND COMMENTARY

Financial markets became understandably absorbed with the military escalation in the Middle East and its consequent impact on LNG and oil markets. The widening conflict and Iran's hold on the strategic important Strait of Hormuz has alarmed energy markets, with disrupted supply lines causing a sharp increase across LNG and oil prices. The military conflict remains highly fluid and is likely to continue to escalate. Some significant LNG production infrastructure has been damaged, with 17% of Qatar's LNG export capacity impaired. The damage to oil and LNG infrastructure in the region is likely to have lasting impact on energy supplies. We expect energy prices to rise further and remain at relatively high levels for a prolonged period. The increase in energy prices will reverberate across the global economy with likely price increases across many inputs leading to price inflation. Peculiarly, we think, this will likely lead the RBA to pause on any further imminent rate rises, given the ultimate cost of living impact of the Middle East conflict. In domestic developments, Australia's headline CPI for the month of February came in at 3.7% down from January's 3.8%, while trimmed mean inflation remained unchanged at 3.3%.

**Microequities Deep Value Fund returned -12.83% in March; this brings the total return net of fees to 643.61% for the Fund since inception in March 2009.**

The Middle East conflict triggered a further round of pricing dislocation this month, with the Small Ordinaries Index and Emerging Companies Index both falling by approximately 11%. This has taken the already opportunity-rich Deep Value Fund portfolio to pricing levels we typically see only once or twice every decade.

Outside of the geopolitical events, several investee companies delivered positive updates during the month, although these were overshadowed by another period of significant market declines. Of the 36 companies in the Deep Value Fund portfolio, only one finished the month with a positive share price movement. The key challenge for the investment management team is not finding deep value opportunities in companies with long term growth runways but rather determining which of the deeply discounted opportunities to prioritise. Given the broad and largely indiscriminate nature of the market dislocation, we see this as an opportunity to recalibrate and further optimise the portfolio, concentrating capital into a select number of low risk, high return opportunities. Expect the portfolio over the ensuing months to further consolidate and concentrate.

<b>Projected EPS Growth</b>	
1 Year Forward (on a weighted basis)	<b>+27.3%</b>
<b>Projected EPS Growth</b>	
2 Years Forward (on a weighted basis)	<b>+23.1%</b>

<b>Number of companies</b>	<b>36</b>
<b>Top 5 Holdings</b> % of NAV	<b>48.9%</b>
<b>Top 10 Holdings</b> % of NAV	<b>65.6%</b>
<b>Top 20 Holdings</b> % of NAV	<b>86.0%</b>
<b>Cash Position</b> % of NAV	<b>2.7%</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.