DEEP VALUE FUND

Microequities Asset Management

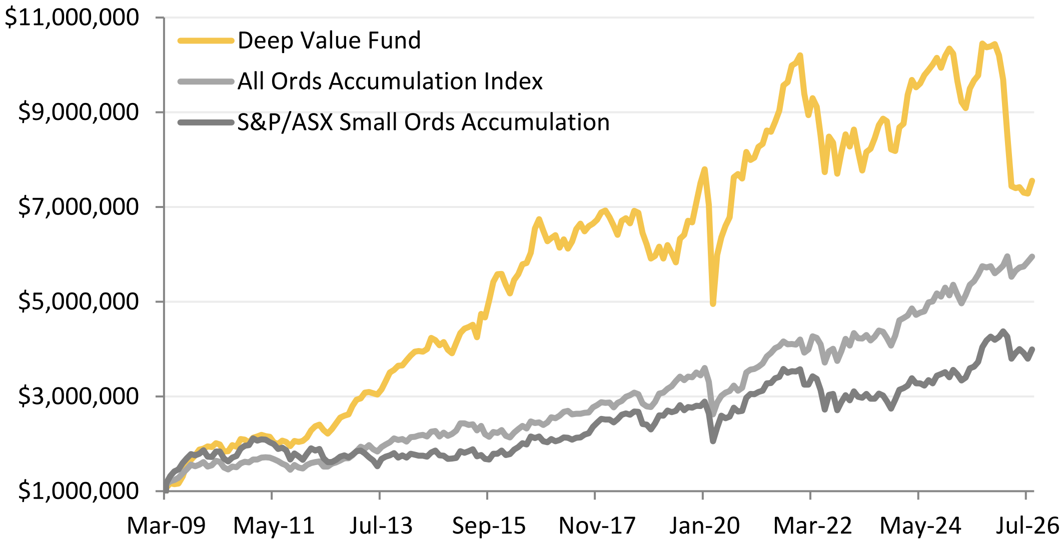
MONTHLY PERFORMANCE AS AT 31/08/2026

latest unit price	return since inception (March 2009)	return 1 month
$3.2659	655.56%	3.72%

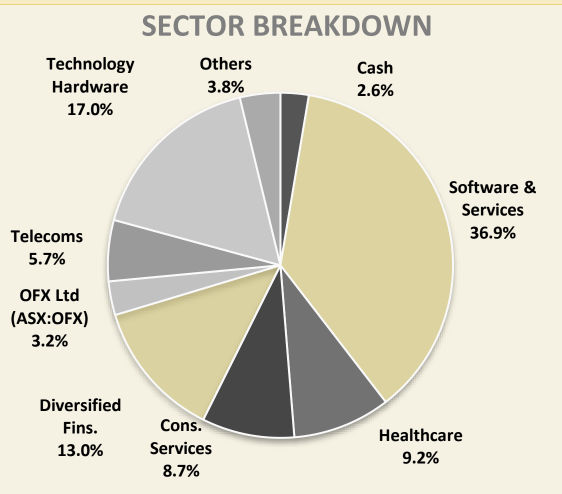
FUND OUTLINE

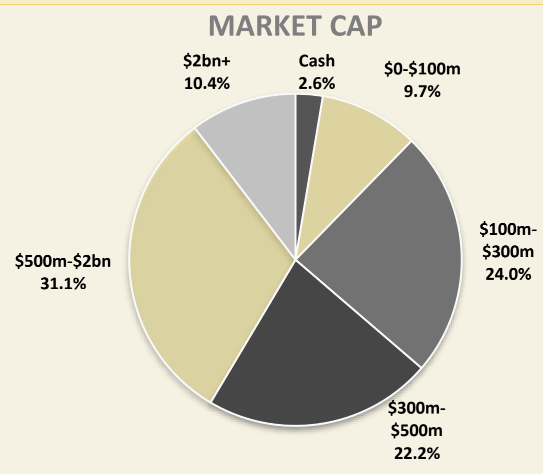
The Deep Value Fund is a wholesale fund investing in a concentrated portfolio of undervalued, profitable, and growing ASX listed microcap and smallcap companies.

VALUE OF $1,000,000 INVESTED AT INCEPTION > $7,555,627



	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	12.25%	655.56%	9.12%	1.44%	-4.61%	-5.18%	-27.71%	3.72%





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MARKET UPDATE AND COMMENTARY

As we noted last month, we believed there was upside risk to inflationary pressures in Australia. That risk materialised in the latest CPI data, with trimmed mean inflation remaining elevated at 3.6%, driven partly by housing costs, which have increased by 5.0% over the past 12 months. The trimmed mean, the RBA's preferred measure of underlying inflation, remains well above the midpoint of its 2 to 3% target range. This latest reading makes a further interest rate increase highly likely.

The US economy is also confronting persistent inflationary pressures, with headline inflation reaching 3.4% and the PCE price index rising to 3.7%. These readings have renewed pressure on the Federal Reserve to take more decisive action. Federal Reserve Chair Kevin Warsh acknowledged that inflation had exceeded the Fed's 2% target for 65 consecutive months and signalled that, without imminent progress, the Fed would need to raise interest rates.

Microequities Deep Value Fund returned 3.72% in August; this brings the total return net of fees to 655.56% for the Fund since inception in March 2009.

The FY26 reporting season provided the investment management team with an instructive datapoint on the underlying financial performance of the Deep Value Fund portfolio. In aggregate, the portfolio delivered weighted-average EPS growth of **26.9%**, with four of the Fund's top five investee companies reporting strong EPS growth, while one recorded negative EPS growth. Looking ahead to FY27, the portfolio is forecast to continue delivering strong double-digit EPS growth. Importantly, the Fund's top five investee companies are collectively expected to generate high double-digit EPS growth, providing a strong fundamental earnings backdrop for the portfolio.

	FY26 EPS Growth (weighted average)
31 companies of the total 37 companies reported FY26 financials in the period March to August 2025. (The 31 companies represent 89.7% of the non-cash assets of the Deep Value Fund)	**+26.9%**

Projected EPS Growth 1 Year Forward (on a weighted basis)	**+18.9%**
Projected EPS Growth 2 Years Forward (on a weighted basis)	**+20.1%**

Number of companies	**37**
Top 5 Holdings % of NAV	**47.5%**
Top 10 Holdings % of NAV	**65.9%**
Top 20 Holdings % of NAV	**87.1%**
Cash Position % of NAV	**2.6%**