

PURE MICROCAP

VALUE FUND



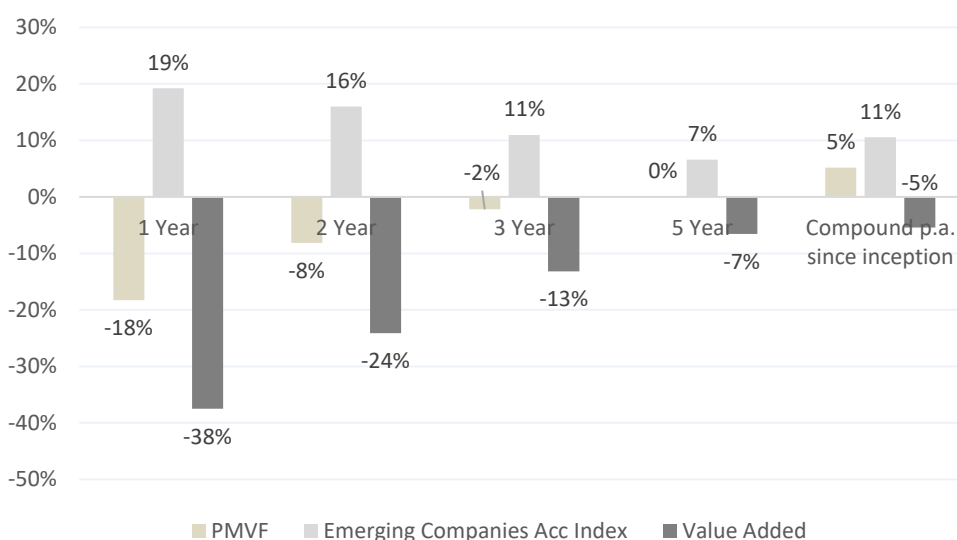
MONTHLY PERFORMANCE AS AT 30/09/2026

latest unit price \$1.0978	return since inception (Oct 2017) 51.56%	return 1 month -6.54%
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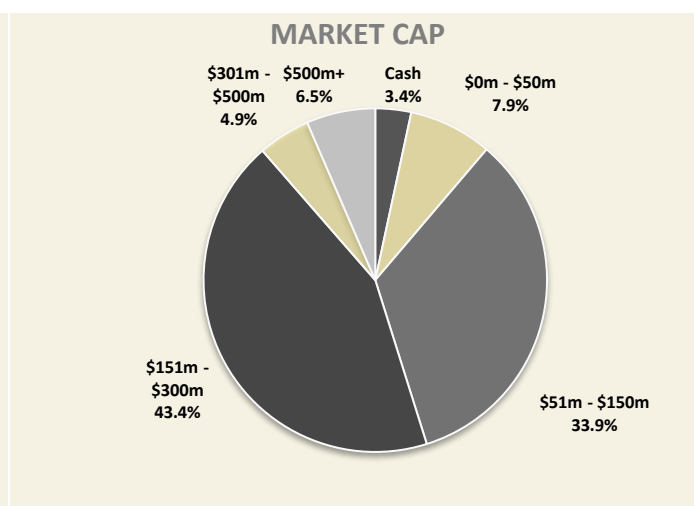
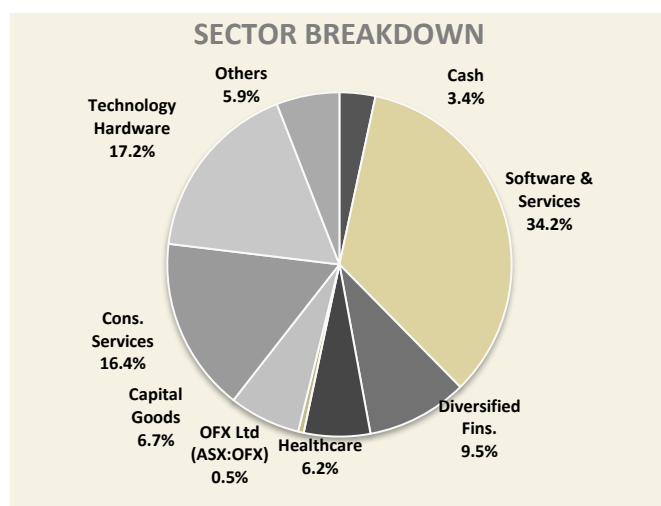
VALUE OF \$1,000,000 INVESTED AT INCEPTION > **\$1,515,634**

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	9 Year Annual Compound	7 Year Annual Compound	5 Year Annual Compound	3 Year Annual Compound	1 Year	1 Month
PMVF	4.73%	51.56%	4.73%	7.54%	-1.53%	-3.75%	-26.13%	-6.54%



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MARKET UPDATE AND COMMENTARY

World equity markets have become increasingly concerned about the rise in the US 10-year Treasury yield, widely regarded as a proxy for the risk-free rate and therefore an important input in the valuation of many financial securities. The US 10-year Treasury yield has increased by circa 1% to currently sit around 5.24%. The rise in yields also makes it more expensive for the US Government to issue and recycle federal debt. The rise in US bond yields is being driven by several facets, including increasing competition in private markets (think about the private debt funding the AI capex boom), inflationary concerns and mounting US debt.

In Australia, the RBA increased its official cash rate 25bps to 4.60% in a highly expected and telegraphed move. As we noted some time ago, we expected at least 2 rate rises before a potential change in the monetary policy cycle, and we maintain the thesis as still the most plausible framework. Whilst some commentators are predicting 3 rate rises in total (inclusive of the September rate rise), we think there is evident data that the slowdown in spending and likely loosening of labour markets has already started to take place, giving the RBA time to ingest the likely slowdown in the economy and the impact of higher rates.

Microequities Pure Microcap Value Fund returned -6.54% in September; this brings the total return net of fees to 51.56% for the Fund since inception in October 2017.

After a strong FY26 reporting season last month, we saw broad based pullback in the share price of our holdings. Our top 5 positions saw share price falls of -14%, -4%, -7%, 0%, -1% respectively. We think the share price action is not reflective of the business fundamentals of these individual companies but more reflective of broader market concerns about the Middle East conflict, higher oil prices, high inflation in Australia and overseas and the flow on impact to a higher interest rate outlook.

OFX Group (ASX:OFX), the international money transfer business announced an extension to its exclusivity period to allow acquirer Equals Group to finalise due diligence and debt financing. The extension has caused uncertainty on whether a binding deal will consummate. OFX share price fell approximately 26% during the month, and now trades at a 38.5% discount to the offer price. **Healthcare software business** announced a new contract with a UK healthcare client, worth \$7.5m over initial 3 year period. We are pleased with the trajectory this business has been on since our investment in the past 2 years, with FY26 revenue growth of 27% and EBITDA growing 34%. **Food ingredients business** reported FY26 results in September, with revenue growing 13%, ahead of previous guidance and NPAT growing 50%. The business enters FY27 with a number of positive tailwinds. **Affordable housing business** made a transformational acquisition that adds to its rental pool as well as growing its future pipeline of development sites.

Projected EPS Growth	
1 Year Forward (on a weighted basis)	+15.0%
Projected EPS Growth	
2 Years Forward (on a weighted basis)	+17.7%

Number of companies	43
Top 5 Holdings % of NAV	44.6%
Top 10 Holdings % of NAV	59.9%
Top 20 Holdings % of NAV	80.9%
Cash Position % of NAV	3.4%

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.