

MICROEQUITIES VALUE INCOME FUND

ARSN 629 674 175



MONTHLY PERFORMANCE AS AT 30/09/2026

latest unit price (exit price)	return since inception (Feb 2019)	return 1 month
\$1.6733	133.54%	0.13%

FUND OUTLINE

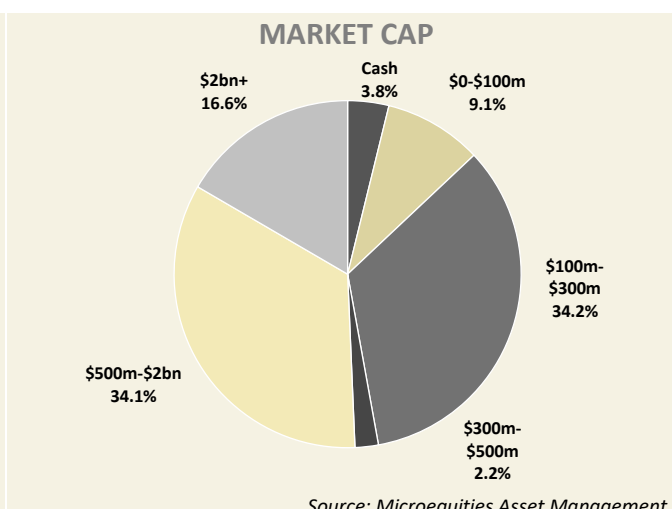
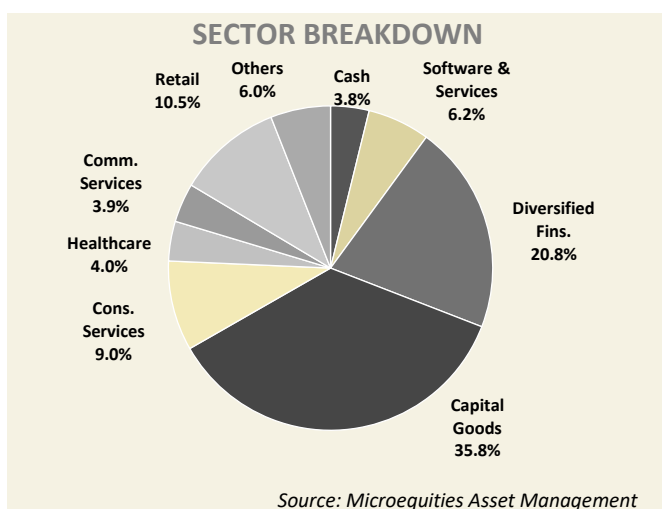
The Microequities Value Income Fund ("VIF") (ARSN 629 674 175) is a retail fund investing in high dividend paying, undervalued, ASX smaller companies. This fund is appropriate for investors with "High" risk and return profiles. A suitable investor for this fund is prepared to accept high risk in the pursuit of capital growth with a medium to long investment timeframe. Investors should refer to the [TMD](#) for further information.

VALUE OF \$100,000 INVESTED AT INCEPTION > \$233,536



Past performance is not a reliable indicator of future performance. Total return shown for "VIF" has been calculated using exit prices after taking into account all ongoing fees and assuming reinvestment of distributions. No allowance has been made for entry fees or taxation

Returns are shown net of fees	Compound p.a. since inception	Total since inception	7 Year Annual Compound	5 Year Annual Compound	3 Year Compound Annual	1 Year	1 Month
Microequities Value Income Fund (VIF)	11.70%	133.54%	9.56%	8.34%	10.94%	8.09%	0.13%



MICROEQUITIES VALUE INCOME FUND

ARSN 629 674 175



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 Value Income Fund returned 0.13% net of fees in September; this brings the total return net of fees to 133.54% for the Fund since inception in February 2019.

After a strong FY26 reporting season last month, we saw a mixed share price performance across the portfolio. Our top 5 positions saw share price moves of +15%, +5%, -4%, -11%, +11% respectively. Some of these share price moves are 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.

There were no material announcements by any of our portfolio companies. The investment management team spent the month continuing to meet with both existing portfolio companies and potential new entrants to test our investment thesis, review FY26 results and discuss business outlook. To recap, the top 5 Fund holdings represent companies in the electrical wholesale distribution sector, asset maintenance sector, specialty retail, funds management and payments infrastructure.

Number of companies	37
Top 5 Holdings % of NAV	37.2%
Top 10 Holdings % of NAV	56.7%
Top 20 Holdings % of NAV	80.4%
Cash Position % of NAV	3.8%

Disclaimer: This communication has been prepared and issued by Microequities Asset Management Pty Ltd ABN 96 134 984 768 AFS Licence No 287 526, as investment manager of the Microequities Value Income Fund ARSN 629 674 175. The Trust Company (RE Services) Limited (ACN 003 278 831) (AFSL 235150) is the responsible entity.

This communication contains general information only and does not take into account investment objectives, financial situation or needs of any particular individual or entity. It does not constitute financial, tax or legal advice, nor is it an offer, invitation or recommendation to subscribe or purchase a unit in the Fund or any other financial product. Before acting on any information contained in this communication, you should consider whether it's appropriate to you, in light of your objectives, financial situation or needs.

While every effort has been made to ensure the information in this communication is accurate; its accuracy, reliability or completeness is not guaranteed and none of The Trust Company (RE Services) Limited (ACN 003 278 831), Microequities Asset Management Pty Ltd or any of their related entities or their respective directors or officers are liable to you in respect of this communication. A Product Disclosure Statement (PDS) issued in June 2024 is available for the Fund on the following website:

<http://microequities.com.au/valueincomefund>

You should obtain the PDS for the Fund and consider the risks and disclosures for your circumstances before deciding whether to acquire, or continue to hold, an interest in the Fund. Initial Applications for units in the Fund can only be made pursuant to the application form attached to the PDS. Past performance is not a reliable indicator of future performance.

The PDS and target market determination can be obtained by calling 02 9009 2900 or visiting our website <https://microequities.com.au/our-funds/value-income-fund/>