

HIGH INCOME VALUE MICROCAP FUND



MONTHLY PERFORMANCE AS AT 31/08/2025

latest unit price \$1.8147 (Cum-distribution)	return since inception (March 2012) 280.60%	return 1 month 7.11%
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FUND OUTLINE

The High Income Value Microcap Fund is a wholesale fund investing in high dividend paying, undervalued, ASX microcap companies.

\$1.3226 Total Cash and Franking Credits RETURNED SINCE INCEPTION

Cash Distribution History as at FY24 (cents per unit)

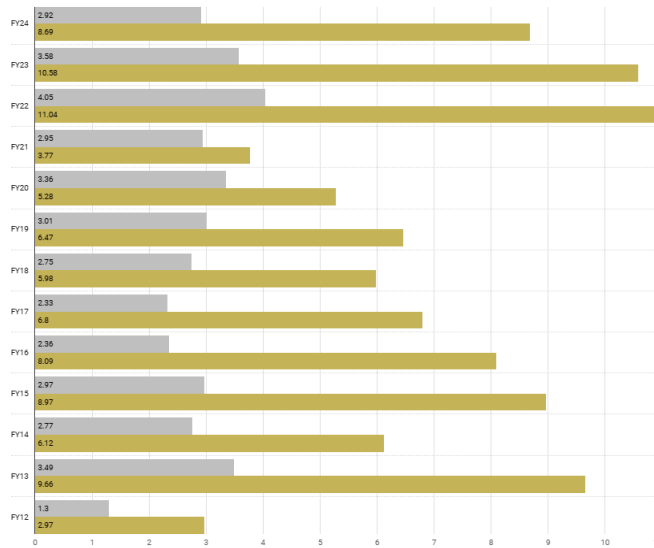


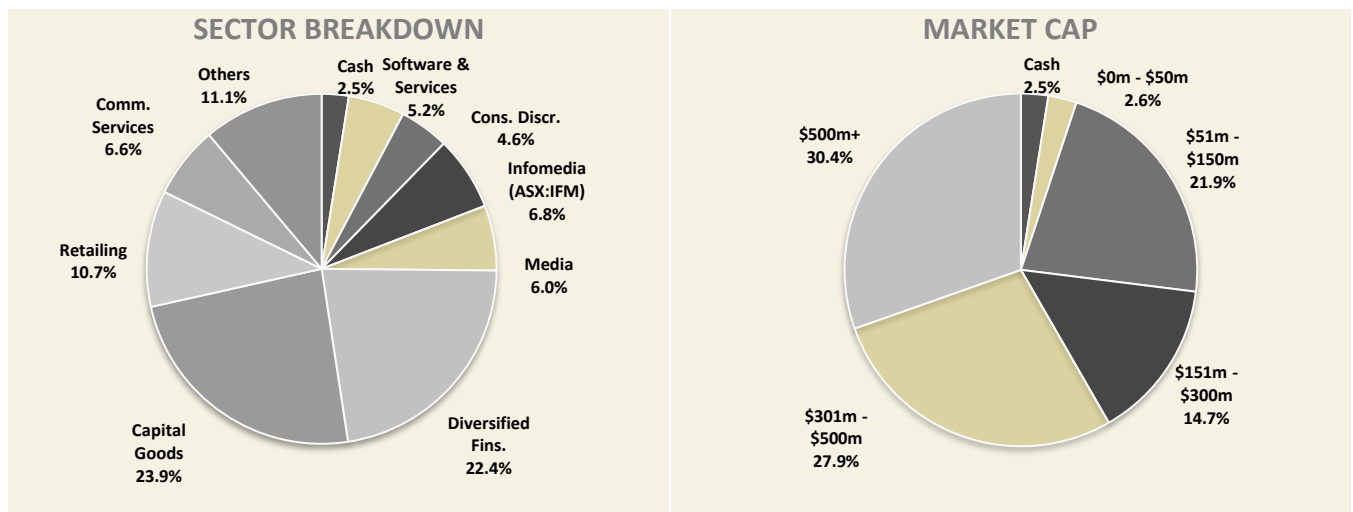
Chart: High Income Value Microcap Fund - Get the data - Created with Datawrapper

**Current Forecast
Grossed Up
Dividend Yield**

+5.43%**

**Represents the annual dividend yield of the companies in the portfolio grossed up for franking credits. It is based on internal forecasts and actual results may vary. It is not a forecast distribution as distributions will depend on actual dividend income received, expenses of the fund and actual number of units on issue at the time a distribution is made.

	Total since inception	Compound p.a. since inception	12 Year Annual Compound	10 Year Annual Compound	5 Year Annual Compound	3 Year Annual Compound	1 Year	1 Month
HIMF	280.60%	10.41%	8.88%	9.05%	10.38%	6.13%	6.84%	7.11%



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VALUE MICROCAP FUND



MARKET UPDATE AND COMMENTARY

Australia's July CPI print was markedly higher than June's, with the headline number rising to +2.8% (vs June's +1.9%). Core inflation, which removes volatile items such as energy, also increased to +3.2% from +2.5% a month earlier. A key contributor to the jump in inflation was the removal of the Commonwealth Energy Bill Relief Fund, which saw energy prices surge +13% in July. Another pressure point was rents, which rose +3.9% over the twelve months to July. The stronger inflation numbers effectively rule out an RBA rate cut at next month's meeting. The prospect of a possible cut in November will hinge on the trajectory of labour market conditions and CPI data in the coming months. Internationally, the US economy roared back to growth during the second quarter, with GDP rising at an annualised rate of +3.3%, significantly driven by business investment which grew at annual pace of +5.7%. The strong GDP number follows 1Q25 contraction in the US economy of 0.2% and lend argument to the US goldilocks scenario with broad economic expansion, a strong labour market and declining inflation.

Microequities High Income Value Microcap Fund returned 7.11% in August; this brings the total return net of fees to 280.60% for the Fund since inception in March 2012.

Automotive software company **Infomedia Ltd (ASX:IFM)** agreed to a takeover by private equity group **TPG Capital** at a **+30% premium to the undisturbed last share price** and a **+41% premium to the three-month VWAP**. Infomedia currently represents 6.8% of the total assets of the High Income Value Microcap Fund. The FY25 reporting season provided mixed results for the High Income Value Microcap Fund, with some companies in the Fund undergoing an inflection earnings year with significantly better outlook. The aggregate EPS growth of +4.6% was below our expectations, however, the investment management team sees an improved outlook for FY26 with a material step up in the forecast EPS growth as some of the constituent companies invert their FY25 financial performance.

Projected EPS Growth	
1 Year Forward (on a weighted basis)	+11.1%
Projected EPS Growth	
2 Years Forward (on a weighted basis)	+11.0%

Number of companies	41
Top 5 Holdings % of NAV	39.1%
Top 10 Holdings % of NAV	58.0%
Top 20 Holdings % of NAV	81.6%
Cash Position % of NAV	2.5%

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.

	FY25 EPS Growth (weighted average)
36 companies of the total 41 companies reported FY25 financials in the period March to August 2025. (The 36 companies represent 92.7% of the non-cash assets of the High Income Value Microcap Fund)	+4.6%