

HIGH INCOME VALUE MICROCAP FUND



MONTHLY PERFORMANCE AS AT 30/09/2025

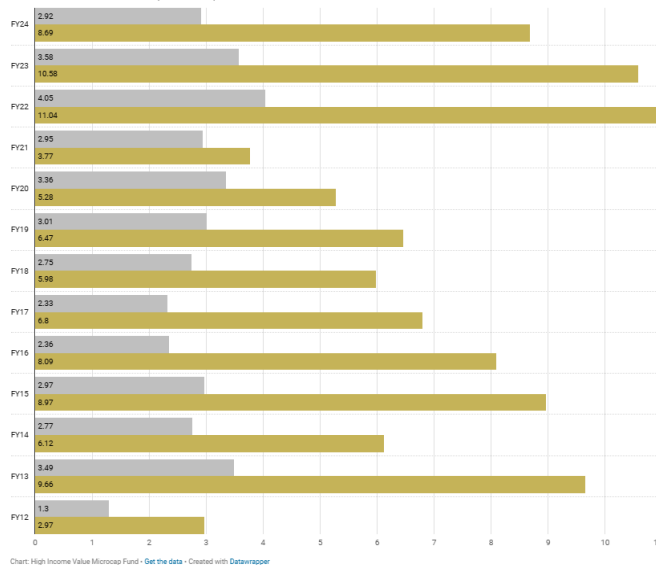
latest unit price \$1.8201 (Cum-distribution)	return since inception (March 2012) 282.79%	return 1 month 0.57%
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FUND OUTLINE

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)

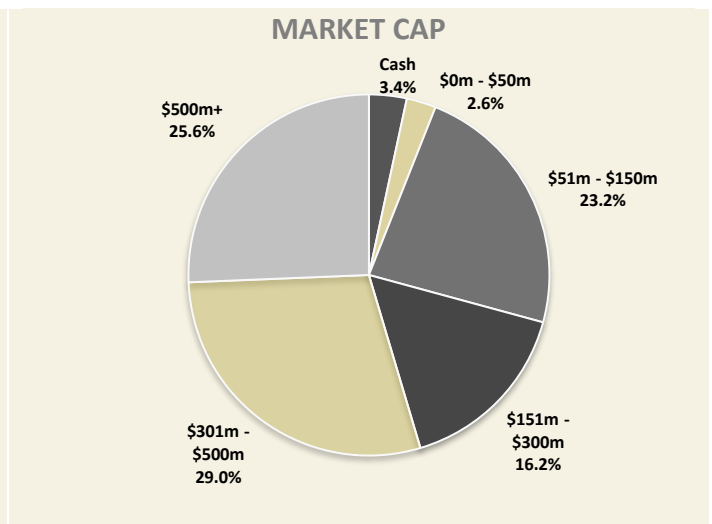
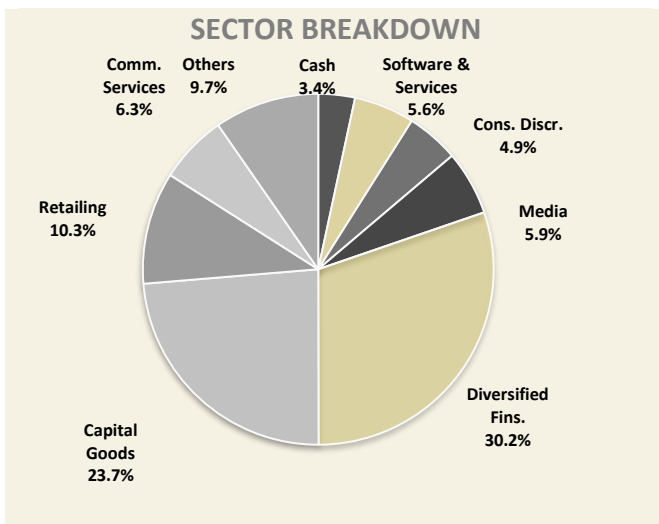


**Current Forecast
Grossed Up
Dividend Yield**

+5.56%**

**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	282.79%	10.39%	8.57%	9.10%	10.78%	8.48%	4.60%	0.57%



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VALUE MICROCAP FUND



MARKET UPDATE AND COMMENTARY

Australia's August CPI print once again surprised to the upside, with headline inflation rising to 3.0%. For context, Australia's CPI was 1.9% in June before accelerating to 2.8% in July. The August increase caught most economists off guard. While some observers may view these figures as effectively removing the prospect of further rate cuts in 2025, we see the picture as more nuanced. Core inflation, which excludes volatile components such as energy, eased back to 2.6%. A key driver of the recent lift in headline CPI was the expiry of the Commonwealth Energy Bill Relief Fund, which is not a structural driver but a result of temporary political policy initiatives. In our view, the RBA is likely to remain on hold in November while it awaits further data, with any decision deferred until its February 2026 meeting. However, the November pause is not a lay-down misère.

US economic growth for 2QFY25 bounced back to an annual pace of 3.8%, registering the fastest growth rate in 2 years. The economy was again driven by stoic consumer spending which rose 2.6% over the past 12 months.

Microequities High Income Value Microcap Fund returned 0.57% in September; this brings the total return net of fees to 282.79% for the Fund since inception in March 2012.

In last month's Fund report, we noted that automotive software company **Infomedia Ltd (ASX:IFM)** had agreed to a takeover offer by private equity group TPG Capital at a +30% premium to the last undisturbed share price and a +41% premium to the three-month VWAP. As of 31 August, Infomedia represented 6.8% of the High Income Value Microcap Fund's total assets. During September, the investment management team elected to fully exit its position in Infomedia ahead of the formal completion of the transaction, which offered limited further upside. The proceeds were primarily redeployed into a high-conviction opportunity already within the portfolio.

This company's weighting was increased substantially from 2.6% of NTA in August 2025 to 8.4% in September 2025. The investment management team believes this business offers significant capital growth potential, with the opportunity to generate returns of more than +100% over the next 36 months. This business now represents the second largest investee company in the High Income Value Microcap Fund, reflecting the conviction of the investment management team.

The investment management team also fully divested from two minor holdings, reducing the total number of investee companies from 41 to 38, bringing it back below our self-imposed maximum limit of 40 companies.

Projected EPS Growth	
1 Year Forward (on a weighted basis)	+12.9%
Projected EPS Growth	
2 Years Forward (on a weighted basis)	+11.0%

Number of companies	38
Top 5 Holdings % of NAV	39.6%
Top 10 Holdings % of NAV	59.6%
Top 20 Holdings % of NAV	81.3%
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.