

MICROEQUITIES VALUE INCOME FUND

ARSN 629 674 175



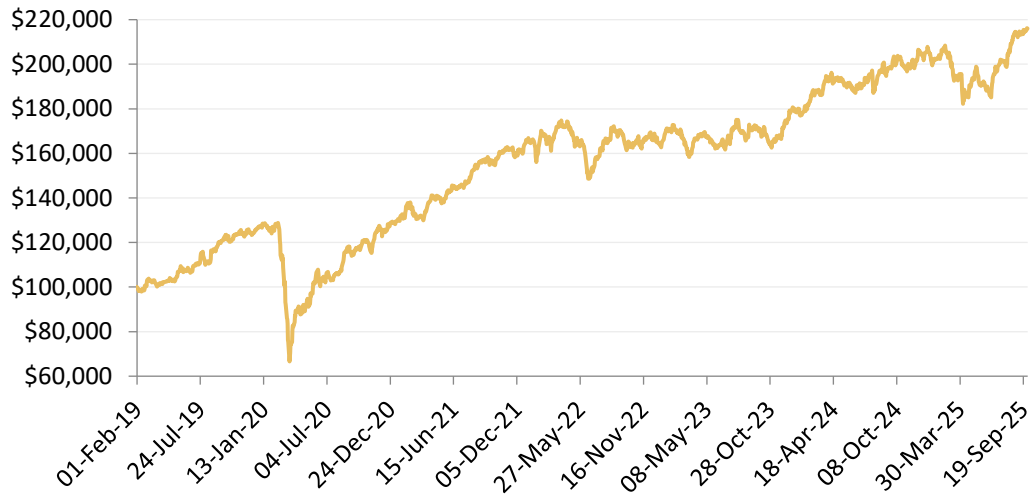
MONTHLY PERFORMANCE AS AT 30/09/2025

latest unit price (exit price) \$1.6019	return since inception (Feb 2019) 116.05%	return 1 month 0.81%
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FUND OUTLINE

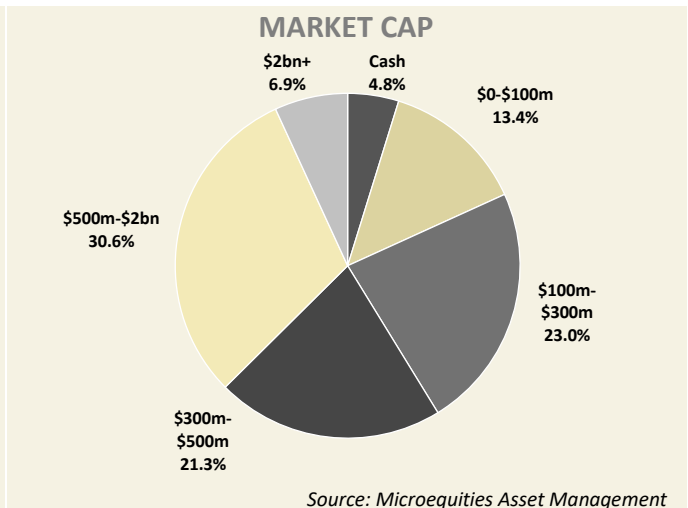
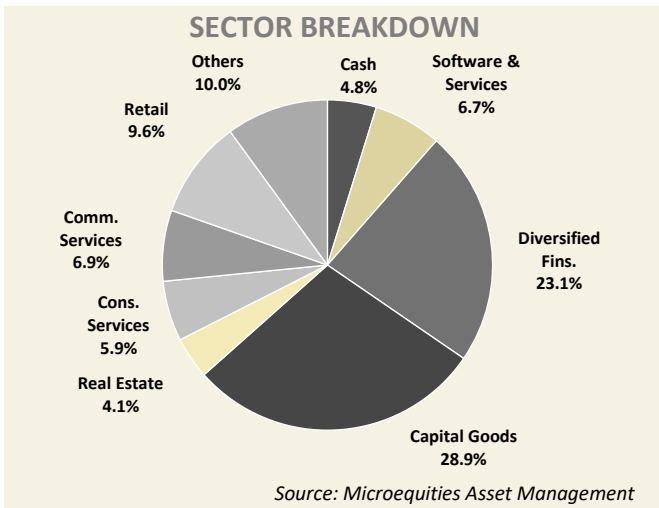
The Microequities Value Income Fund ("VIF") (ARSN 629 674 175) is a retail fund investing in high dividend paying, undervalued, ASX smaller companies. This fund is appropriate for investors with "High" risk and return profiles. A suitable investor for this fund is prepared to accept high risk in the 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 > \$216,049



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	5 Year Annual Compound	3 Year Annual Compound	2 Year Compound Annual	1 Year	1 Month
Microequities Value Income Fund (VIF)	12.25%	116.05%	13.01%	10.20%	12.39%	6.18%	0.81%



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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 Value Income Fund returned 0.81% net of fees in September; this brings the total return net of fees to 116.05% for the Fund since inception in February 2019.

The September month saw the investment management team meet with the constituent companies within the Fund, to discuss business outlook and longer-term strategic direction. We see significant earnings growth across the companies in the Fund with strong valuation support.

During the month, we added significantly to a financial services company which we estimate trades on 13.7x CY25 P/E and a grossed up dividend yield of 5.2%. This business has best-in-class management and is building out a more diversified and resilient business model that we think ultimately deserves a higher rating in the market. Organic growth is strong with a strong start to 2H25 and we expect its acquisitive growth agenda to be a feature going forward.

One of our companies in the commercial products segment reported FY25 results in the month of September. Revenue growth of 38% flowed through to more than a tripling in EBITDA and almost 4-fold increase in NPAT. Over the 10-year tenure of the current CEO, the business quality has improved significantly. Its has diversified away from its core market, which is now 45% of revenue, compared to 100% 10 years ago. It has reduced customer concentration where 10 years ago, 1 customer accounted for 80% of its annual revenue, now the company has 5-10 large clients. The company has more irons in the fire across multiple geographies and we are optimistic about the earnings trajectory of this business. Forecast P/E of 15.9x for FY26 with a grossed up dividend yield of 4%.

Number of companies	44
Top 5 Holdings % of NAV	31.3%
Top 10 Holdings % of NAV	46.6%
Top 20 Holdings % of NAV	69.5%
Cash Position % of NAV	4.8%

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.

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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/>