

Kardinia Long Short Fund

Performance Report 30 June 2025

Net client returns (after fees and expenses)

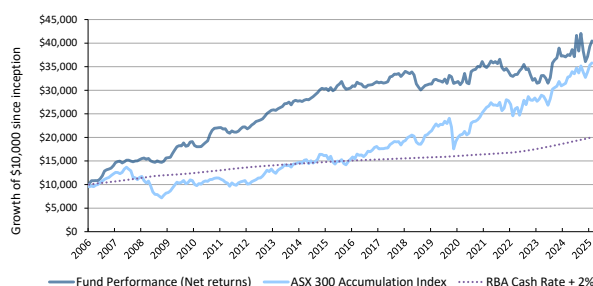
	1 mth	6 mth	1 year	3 years p.a.	5 years p.a.	Since inception ³ p.a.
Fund ¹	2.98%	5.59%	9.18%	7.08%	5.34%	7.56%
Benchmark ²	0.50%	3.10%	6.43%	5.97%	4.44%	3.68%

1. Performance results are net of all transaction costs, investment management and performance fees and all other costs incurred by the Fund. Performance is the total return of the fund (assuming re-investment of distributions) and is quoted based on hard-close unit prices, without including the impact of buy/sell spreads. Past performance is not indicative of future performance. Returns greater than one year are annualised.
2. The benchmark is the RBA cash rate plus 2%. Prior to 2 December 2019 it was the RBA cash rate. Returns greater than one year are annualised.
3. Inception date of Fund is 1 May 2006. The Fund was launched by another trustee and the performance data also relates to this strategy. Bennelong Funds Management Ltd assumed responsibility on 16 Aug 2011 and ceased responsibility on 8 May 2023. Equity Trustees Ltd assumed responsibility on 8 May 2023.

The Fund at a glance

Fund facts	
Strategy	Long-short Australian equity
Process	Fundamental stock selection based on analysis of the macroeconomic environment, company and operating environment, quality of management and valuation
Investment objective	To achieve consistent positive returns through an investment cycle, with an overarching philosophy of capital protection
Inception date ³	1 May 2006
Unit price: daily series	1.0611 cum distribution
Unit price: monthly series	1.2461 cum distribution
Fund managers	Kristiaan Rehder, CFA® Stuart Larke, CFA®
Investment specialist	Mark Burgess, CFA®
Annualised return	7.56%
Total return since inception	304.56%
Annualised standard deviation	9.42%
Sharpe Ratio (RFR=RBA cash)	0.41
Percentage of positive months since inception	65.22%

Historical performance²



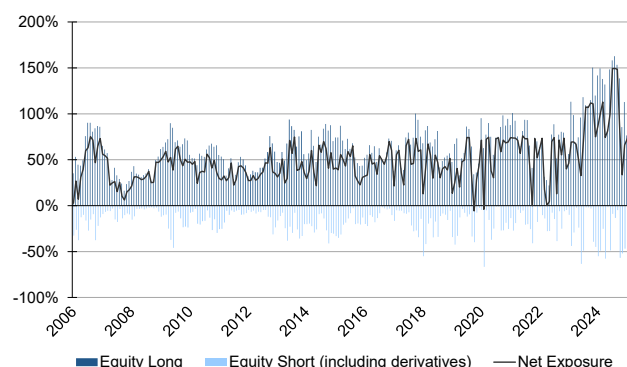
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Largest holdings

Holdings	Sector	Weight
Commonwealth Bank	Financials	9.1%
NAB	Financials	6.8%
Westpac	Financials	6.8%
BHP	Materials	6.6%
Macquarie Group	Financials	6.4%
Wisetech	Info Tech	6.0%
ANZ	Financials	5.8%
Zip Co	Financials	4.4%
REA Group	Comm. Services	4.2%
Block	Financials	4.1%

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Portfolio exposure analysis



Market and fund commentary

The Kardinia Long Short Fund returned +2.98% in June, while the S&P/ASX300 Accumulation Index rose 1.42%.

During the month, the US deployed bunker busting bombs against major Iranian nuclear facilities as part of Operation Midnight Hammer. The mainstream media was filled with warnings of the U.S. being dragged into another "forever war" and speculation about the onset of World War III. However, markets took a different view, with volatility dropping to 17 and global markets rallying strongly (S&P 500 up 5.1%, MSCI Asia ex Japan up 6.8%, FTSE 100 flat).

Key contributors and detractors for the month:

Positive contributors	Basis Points	Negative contributors	Basis Points
Zip Co	+162	Northern Star	-39
Short Book	+66	BHP	-28
DroneShield	+65	Fortescue	-17
CBA	+40	Mineral Res	-16
James Hardie	+35	Sigma	-15

Zip Co rose 55% for the month after upgrading its cash EBITDA guidance for FY25 to at least \$160m

(compared to prior guidance of at least \$153m). US TTV growth was above 40% during May 2025.

The Short Book performed strongly, with gains coming from shorts in Share Price Index Futures and select technology, consumer discretionary and healthcare stocks.

DroneShield rose 73% for the month after announcing several new contracts including a \$61.6m European military contract (the biggest in DRO's history) and a \$9.7m Latin America contract.

BHP, Fortescue and Mineral Resources fell after a 5% drop in the iron ore price.

Northern Star was down 12% despite a relatively flat gold price.

Outlook & Positioning

We increased our net exposure modestly by month end to 80.1% (long 137.5%, short 57.4%).

July is often a seasonally strong month for the Australian market and we expect this to be the case again this year, supported by an interest rate cut by the RBA.

Beyond then, we wouldn't be surprised to see the market enter a period of consolidation or sideways movement given the strong 'V-shaped' recovery in the market from its lows on April 7.

However, successive interest rates cuts, the conclusion of tariff deals and Chinese stimulus could see the market then enter a new bull phase extending well into next year.

Key portfolio exposures remain focused on the technology, banking and resources sectors.

For further insights, feel free to follow us on the Kardinia Capital LinkedIn page.



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Fund performance⁴

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2025	9.78%	-8.89%	-5.91%	3.11%	5.67%	2.98%							5.59%
2024	1.80%	1.18%	5.72%	-4.36%	0.07%	-0.62%	1.35%	-0.52%	3.41%	-3.91%	12.13%	-7.96%	7.07%
2023	0.66%	-3.91%	-3.41%	1.19%	-3.11%	0.52%	4.57%	0.11%	-1.81%	-3.17%	3.68%	9.54%	4.09%
2022	-4.80%	-1.72%	1.17%	-1.93%	-2.43%	-0.55%	1.15%	0.05%	2.30%	1.47%	2.50%	-3.10%	-6.01%
2021	0.32%	1.86%	-0.36%	3.26%	-2.64%	-0.90%	1.60%	2.35%	-1.08%	0.79%	-1.20%	2.58%	6.58%
2020	5.40%	-0.86%	-4.32%	0.63%	0.73%	-2.15%	1.90%	5.63%	-5.88%	-0.70%	8.21%	1.07%	9.13%
2019	1.66%	1.55%	0.46%	0.55%	-0.03%	2.82%	0.42%	-0.83%	-0.35%	-0.73%	2.04%	-2.84%	4.68%
2018	-0.16%	0.56%	-1.90%	1.56%	1.78%	-0.77%	-0.68%	1.08%	-1.93%	-5.71%	-2.18%	-2.02%	-10.12%
2017	0.12%	0.25%	1.04%	0.89%	-0.75%	0.48%	-0.65%	0.34%	0.66%	3.18%	0.35%	1.43%	7.53%
2016	-3.42%	-1.78%	0.30%	0.52%	1.60%	-0.47%	2.95%	-1.02%	-0.22%	-1.85%	-0.37%	1.45%	-2.44%
2015	1.44%	1.90%	1.24%	-0.59%	0.41%	-1.49%	2.20%	-2.27%	1.14%	2.45%	1.16%	1.74%	9.60%
2014	-2.12%	2.69%	0.87%	-0.63%	0.36%	-0.66%	1.07%	0.56%	-0.31%	1.22%	1.13%	1.53%	5.77%
2013	2.21%	2.36%	1.42%	1.34%	0.40%	-0.46%	1.31%	0.96%	0.93%	2.17%	0.15%	1.11%	14.76%
2012	1.08%	2.30%	1.82%	0.04%	-1.79%	1.38%	2.30%	1.38%	1.85%	0.68%	0.71%	1.07%	13.52%
2011	4.25%	2.13%	0.23%	0.37%	0.11%	-1.41%	0.31%	-3.23%	-1.19%	2.31%	-1.16%	-0.13%	2.42%
2010	-3.82%	0.66%	4.36%	0.36%	-4.38%	-1.33%	0.03%	0.09%	2.49%	2.19%	2.02%	6.84%	9.33%
2009	-1.46%	-0.68%	1.79%	4.56%	0.34%	0.54%	5.31%	4.41%	3.86%	1.21%	-0.28%	3.59%	25.47%
2008	-1.00%	1.12%	0.17%	1.93%	1.33%	0.87%	-1.72%	1.02%	-3.20%	-1.29%	-0.81%	2.04%	0.30%
2007	2.04%	1.28%	1.45%	3.74%	4.95%	1.21%	0.65%	-2.62%	1.76%	2.36%	-0.02%	-1.34%	16.36%
2006					1.53%	6.54%	-0.06%	0.32%	-0.22%	3.65%	5.50%	8.72%	28.67%

4. Performance data is historical data based on the main series using a monthly unit pricing methodology. If you are invested in the daily series, please contact Client Services on +61 2 7201 9015 or via email SSG.AUS@apexfs.com to request your performance history. Past performance is not indicative of future performance.

How to invest

The Fund is open to investors directly via the PDS (available on our website), or the following platforms.

BT Asgard (Master Trust, Employee Super, Infinity eWrap)	Powerwrap (Super, Pension, Smartwrap)	Mason Stevens	Wealthtrac	BT (Panorama)	Macquarie Wrap (IDPS)
Netwealth (Super Service, Wrap Service, IDPS)	Hub 24 (Super, IDPS)	CFS (FirstChoice, FirstWrap, IX (PIS))	Wealth O2	Oasis (Wealthtrac)	
Centric					

Get in touch

For more information, visit kardinia.com.au

or email enquiries@kardinia.com.au or call Client Services on 02 7201 9015.

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Disclaimer

Equity Trustees Limited ("Equity Trustees") (ABN 46 004 031 298), AFSL 240975, is the Responsible Entity for the Kardinia Long Short Fund ("the Fund"). Equity Trustees is a subsidiary of EQT Holdings Limited (ABN 22 607 797 615), a publicly listed company on the Australian Securities Exchange (ASX: EQT). Equity Trustees assumed responsibility on 8 May 2023 following a change in responsible entity from Bennelong Funds Management Ltd, who ceased responsibility on 8 May 2023. The Investment Manager for the Fund is Kardinia Capital Pty Ltd ("Kardinia Capital", "we" or "us") (ABN 20 152 003 186), AFSL 546441.

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