

# Kardinia Long Short Fund

Performance Report 30 September 2025

## Net client returns (after fees and expenses)

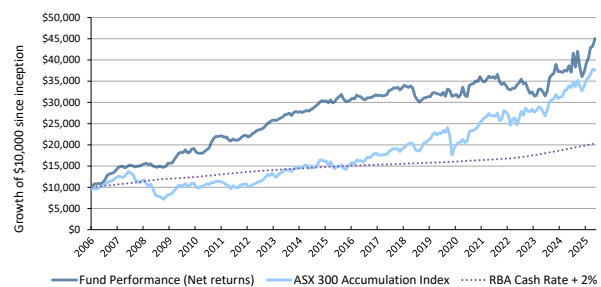
	1 mth	6 mth	1 year	3 years p.a.	5 years p.a.	Since inception <sup>3</sup> p.a.
Fund <sup>1</sup>	4.16%	24.89%	16.55%	9.70%	7.34%	8.06%
Benchmark <sup>2</sup>	0.46%	2.97%	6.24%	6.14%	4.62%	3.71%

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 <sup>3</sup>	1 May 2006
Unit price: daily series	1.0716
Unit price: monthly series	1.2562
Fund managers	Kristiaan Rehder, CFA® Stuart Larke, CFA®
Investment specialist	Mark Burgess, CFA®
Annualised return	8.06%
Total return since inception	350.31%
Annualised standard deviation	9.48%
Sharpe Ratio (RFR=RBA cash)	0.46
Percentage of positive months since inception	65.67%

## Historical performance<sup>2</sup>



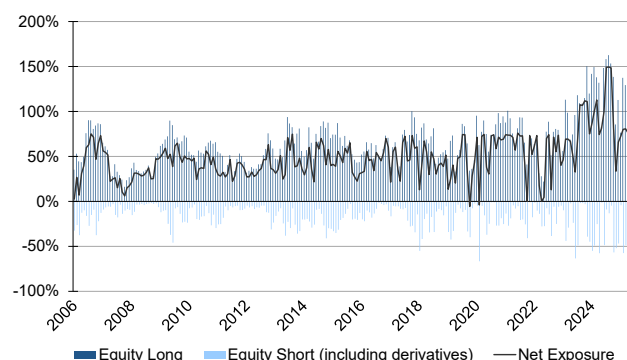
Past performance is not indicative of future performance.

## Largest holdings

Holdings	Sector	Weight
BHP	Materials	9.1%
Life 360	Info Tech	8.2%
DroneShield	Industrials	8.0%
Zip Co	Financials	6.3%
Electro Optic Sys.	Industrials	6.2%
NAB	Financials	6.1%
Westpac	Financials	6.0%
ANZ	Financials	5.9%
Wesfarmers	Cons. Discr.	5.3%
Mineral Resources	Materials	5.0%

# Kardinia Long Short Fund

## Portfolio exposure analysis



## Market and fund commentary

The Kardinia Long Short Fund returned +4.16% in September, outperforming the S&P/ASX300 Accumulation Index which fell 0.65%.

We have observed a change in market leadership from large caps to small caps together with a rotation into resources. The Fund was able to take advantage of this during the month.

Key contributors and detractors for the month:

Positive contributors	Basis Points	Negative contributors	Basis Points
DroneShield	+207	Santos	-47
Electro Optic	+146	Netwealth	-35
Black Cat	+104	REA Group	-33
Life 360	+66	Pinnacle	-30
Northern Star	+51	Car Group	-22

**DroneShield** (DRO) and **Electro Optic Systems** (EOS) rose 41% and 76% respectively driven by significant tailwinds from the rapid emergence of drone warfare. Both companies are seeing strong demand for their counter-drone solutions, with DRO announcing it had surpassed 4,000 systems sold and EOS winning a contract with the Australian Defence Force in late August. DRO was also added to the ASX200 index and EOS to the ASX300 index during September.

**Black Cat Syndicate** rose 57% on the back of a strong rise in the gold price (+12%) and strong drilling results. Black Cat is a relatively high-grade unhedged WA-based gold producer targeting 100koz gold by end 2025 with aspirations to grow production to 200k ounces. The company has a strong balance sheet with no debt.

**Life 360** rose 14% despite no significant newsflow. The stock continues to perform strongly after a “beat and raise” result in August. Life 360 remains the dominant player in family tracking with a long runway ahead (still low global penetration). The company has high subscriber retention, a large and growing total addressable market, a positive balance sheet, is capital light and has strong free cash flow growth.

**Santos** fell 16% after the withdrawal of the XRG Consortium’s US\$5.626 indicative takeover proposal.

**Netwealth** fell 15% due to investor concern regarding the company’s potential exposure to the collapse of the First Guardian investment funds on its platform. Macquarie Group has reached a \$321m compensation deal with ASIC however there is no clarity on Netwealth’s potential liability, if any.

## Outlook & Positioning

We lifted our net exposure during the month to 105% (long 152.0%, short 46.5%), with a significant increase in exposure to small caps and resources. We believe the current rotation into these sectors is set to continue and have positioned the Fund accordingly.

With the RBA recently delivering its third rate cut of the year, and a reasonable reporting season behind us, we believe the market’s strength can continue through to the end of the year.

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

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



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## Fund performance<sup>4</sup>

	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%	6.30%	0.52%	4.16%				16.87%
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](mailto: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](http://kardinia.com.au)

or email [enquiries@kardinia.com.au](mailto: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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