Kardinia Long Short Fund

Performance Report 31 October 2025

Net client returns (after fees and expenses)

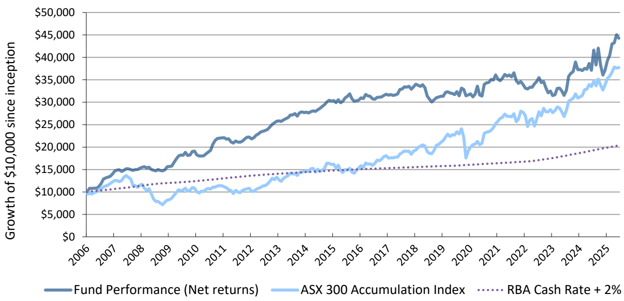
	1 mth	6 mth	1 year	3 years p.a.	5 years p.a.	Since inception[3] p.a.
Fund[1]	(1.70%)	19.07%	19.23%	8.54%	7.13%	7.93%
Benchmark[2]	0.48%	2.94%	6.17%	6.17%	4.68%	3.72%

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
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	1.0534
Unit price: monthly series	1.2348
Fund managers	Kristiaan Rehder, CFA® Stuart Larke, CFA®
Investment specialist	Mark Burgess, CFA®
Annualised return	7.93%
Total return since inception	342.66%
Annualised standard deviation	9.48%
Sharpe Ratio (RFR=RBA cash)	0.44
Percentage of positive months since inception	65.38%

Historical performance[2]



Past performance is not indicative of future performance.

Largest holdings

Holdings	Sector
Life 360	Information Technology
BHP Group	Materials
ANZ Group	Financials
National Australia Bank	Financials
Westpac Banking Corp	Financials

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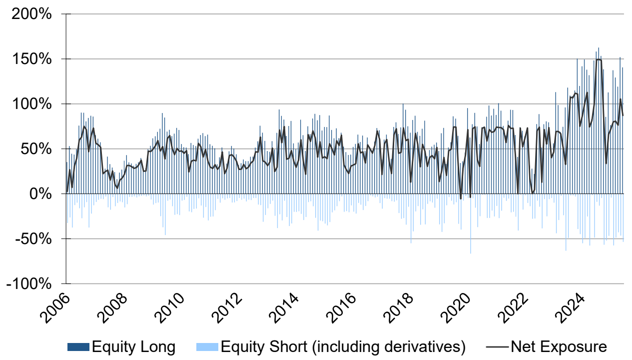
Portfolio exposure analysis



Market and fund commentary

The Kardinia Long Short Fund returned -1.70% in October, while the S&P/ASX300 Accumulation Index rose 0.42%. For the calendar year to date, the Kardinia Long Short Fund has returned +15.53%, outperforming the S&P/ASX300 Accumulation Index's return of +12.13%.

A solid month for small resources stocks was offset by a reversal in the fortunes of last month's winners (defence and gold stocks).

Key contributors and detractors for the month:

Positive contributors	Negative contributors
FireFly Metals	Electro Optic Systems
Pilbara Minerals	Zip Co
Mineral Resources	Black Cat Syndicate

FireFly Metals (FFM) rose 42% after announcing strong drill results at its Green Bay copper and gold project. An updated mineral resource estimate is due later this year. The company is well funded with ~$130m in cash and liquid investments. The company was added to the S&P/ASX 300 Index.

Pilbara Minerals (PLS) rose 31% for the month on the back of higher lithium prices (spodumene price up more than 13%). The company has $852m cash and an undrawn credit facility of $625m. Short interest remains high at ~15.8% (although below the recent peak of 18.5%).

Mineral Resources (MIN) rose 18% after announcing that it was on track to meet FY26 volume and cost guidance across all divisions. Also assisting performance were higher lithium prices and the completion of the Onslow Iron private haul road.

In a partial reversal of last month's strong performance, Electro Optic Systems (EOS) and DroneShield (DRO) fell 39% and 18% respectively despite new contract wins and new product launches. EOS and DRO remain up 398% and 405% for the year, driven by significant tailwinds from the rapid emergence of drone warfare.

Zip Co fell 12% despite delivering a strong 1Q26 result (record cash EBITDA which was up 98%, transaction volumes +39%, active customers +5.3%). The company also doubled the on-market buyback to $100m. The key negative was an increase in bad debts to 1.52% (from 1.14% in 4Q25).

Outlook & Positioning

We reduced our net exposure during the month to 87% (long 140.6%, short 53.6%), adding some downside protection via Share Price Index Futures. However, we have retained a significant exposure to small caps and resources as we believe the current rotation into these sectors is set to continue.

The recent upside surprise in Australian quarterly inflation data (trimmed mean +3.0% year on year) suggests rate cuts are unlikely for the immediate future, however we believe reasonable reporting seasons in both Australia and the US could see the strength in equities markets continue through to the end of the year.

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

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

Kardinia Long Short Fund

Fund performance[4]

	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%	-1.70%			15.53%
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.

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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