vinva INVESTMENT MANAGEMENT

Distributed by Magellan Investment Partners

Vinva Australian Equity Fund

APIR: MGE2445AU | ARSN: 681 452 013

To Australian wholesale and retail investors

QUARTERLY REPORT 31 DECEMBER 2025

INVESTMENT STRATEGY

The Fund invests substantially all of its assets in the Vinva Australian Equites Fund, (the "**Underlying Fund**"), a registered managed investment scheme managed by Vinva Investment Management Limited. The Underlying Fund, invests substantially all of its assets in Australian listed securities (or derivatives that provide exposure to Australian listed securities or indices).

OBJECTIVE

The Fund aims to outperform the S&P/ASX 300 Accumulation Index, after the Responsible Entity's fees, over periods of three years or longer.

INVESTMENT APPROACH

Vinva uses an active systematic investment approach which harvests returns from Australian listed companies using a disciplined and repeatable process. The Underlying Fund's portfolio will typically comprise over 90 investments. The Underlying Fund is managed to be style neutral and therefore not expected to be materially correlated to a single company, or to industry specific or macroeconomic risks.

INVESTMENT RISKS

All investments carry risk, returns are not guaranteed and there is a risk that investors may lose money on any investment they make. The Fund's Product Disclosure Statement (**PDS**) sets out the significant risks relevant to the Fund. You can view the PDS at www.magellaninvestmentpartners.com

FUND FACTS

FUND SIZE	BUY/SELL SPREAD	DISTRIBUTION FREQUENCY	MANAGEMENT FEES[1]	INCEPTION DATE
AUD $13.4 million	0.15% / 0.15%	Annually	0.70%	22 October 2024

PERFORMANCE[2]

	1 MONTH (%)	3 MONTHS (%)	1 YEAR (%)	SINCE INCEPTION (% p.a.)
Vinva Australian Equity Fund	**1.4**	**-1.3**	**13.5**	**12.0**
S&P/ASX300 Accumulation Index	1.4	-0.9	10.7	8.8
Excess	0.0	-0.4	2.8	3.2

Past performance is not a reliable indicator of future performance.

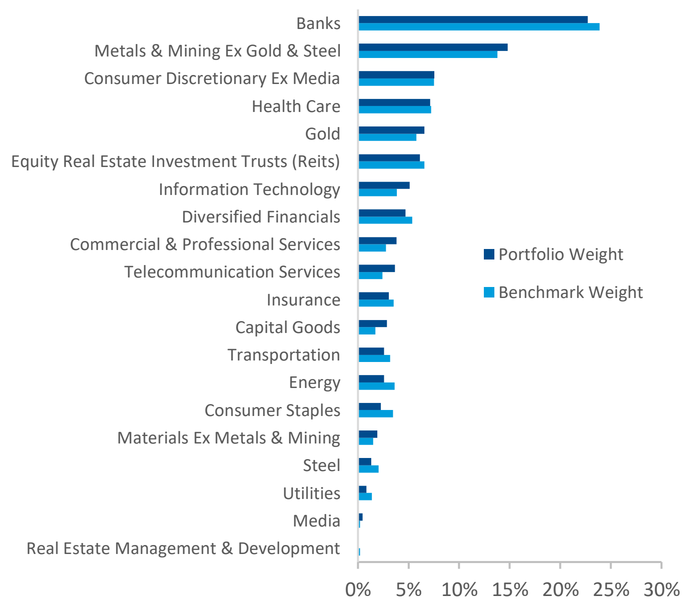
UNDERLYING FUND - TOP 10 HOLDINGS[3]

STOCK	%
Commonwealth Bank of Australia	9.2
BHP	9.1
ANZ	5.0
National Australia Bank	4.3
Westpac	3.9
CSL	3.3
Telstra	3.0
Aristocrat Leisure	2.4
Wesfarmers	2.3
Goodman	2.1
Ex-top 10	55.4
Total	100.0

PORTFOLIO STATISTICS[3]

Total number of positions (Long)	144
Expected Tracking Error	1.67%

UNDERLYING FUND - SECTOR WEIGHTS COMPARED TO BENCHMARK[4]



[1]Transaction costs may also apply – refer to the Product Disclosure Statement. All fees are inclusive of the net effect of GST.
[2]Calculations are based on exit price with distributions reinvested, after ongoing fees and expenses but excluding individual tax, member fees and entry fees (if applicable). Returns are calculated by Magellan and denoted in AUD.
[3]Source: Vinva Investment Management. Portfolio holdings and statistics are based on the Underlying Fund.
[4]Source: Vinva Investment Management. Based on Vinva defined sectors. Portfolio exposures are based on the Underlying Fund.

MARKET REVIEW

The S&P/ASX 300 Accumulation Index returned -0.9% in the December quarter. Global equities rose modestly over the final quarter (MSCI World Index +3.4% in local currency terms), taking their calendar year 2025 gain to +18%. A strong corporate earnings season in the US supported equity markets despite a record-long US government shutdown, mixed economic data and concerns over high valuations and the sustainability of AI-related profits. International equities in Europe and some Asian markets outperformed their US counterparts over the quarter and over the calendar year in local currency terms – a rare occurrence in recent years. Against a backdrop of mixed and incomplete US economic data, the Federal Reserve cut rates twice during the quarter, taking the federal funds target rate range to 3.50% – 3.75%. Outside of the US, there was increasingly divergent central bank policy, with the ECB signalling a pause to rate cuts while the Bank of Japan raised rates to multi-decade highs. Early in the quarter, Japanese equities rose following the Liberal Democratic Party's election of Japan's first female prime minister, Sanae Takaichi, whose economic priorities include large-scale fiscal spending, a bias towards loose monetary policy and strengthening the US–Japan alliance. Despite posting strong full-year returns, Chinese equities fell over the quarter, as economic indicators continued to suggest a slowdown and sluggish domestic demand, and further policy stimulus to boost household consumption appears unlikely, given GDP growth remains on track to meet Beijing's 5% target. Commodity markets diverged during the quarter; crude oil prices fell consecutively each month on oversupply concerns, whereas precious metals and industrial commodities such as iron ore and copper rallied.

Australian equities fell in the final quarter of the year. A rally in December was not enough to recover from a fall in November, although total calendar year 2025 returns were still above 10%, marking the third consecutive year of double-digit gains. The gains in 2025 included a larger contribution from EPS momentum than in previous years, although P/E expansion was still the dominant driver of returns. Sector divergence was evident, with Materials benefiting from robust commodity price performance and technology stocks suffering from global concerns over valuations and a decline in forward earnings expectations. Dominating the local economic narrative was the resilience of the domestic economy; stronger-than-expected inflation, a tight labour market and rising housing market indicators that forced the RBA to adopt a more hawkish stance than it had at the start of the quarter. At the December meeting, the central bank explicitly pivoted away from rate cuts, acknowledging that "the risks to inflation have tilted to the upside" and that "labour market conditions remain a little tight". Governor Bullock ruled out further rate cuts and, indeed, made it clear that the risks are skewed towards the next move being a hike, which is now priced by markets. Economic data continued to show strength, with higher unit labour costs, resilient household spending and an unemployment rate at 4.3%. National house price growth reached 8.5% for the year and building approvals trended higher. The NAB Business Survey showed an easing in business conditions, confidence and forward orders, although capacity utilisation and capex intentions have moved higher.

Materials (+12.9%) was the best-performing sector over the quarter, led by PLS Group (+67.4%) and IGO (+58.3%) while Information Technology (-23.7%), dragged down by Life360 (-36.9%) and Xero (-27.6%), underperformed the broader market. At a stock level, the best performers included PLS Group (+67.4%), IGO (+58.3%) and Mineral Resources. (+32.1%) while Life360 (-36.9%), Pro Medicus (-28.3%) and Xero (-27.6%) were amongst the biggest laggards.

FUND REVIEW

The Fund had a negative alpha quarter, underperforming the benchmark by 0.4%. As the Fund invests the bulk of its assets in the Vinva Australian Equities Fund (Underlying Fund), the commentary below is provided in relation to the investments held by the Underlying Fund.

Performance was driven by behavioural and valuation signals while global linkages and quality signals detracted. Stock-specific performance was negative during the quarter.

The biggest stock contributors to performance included an overweight position in Regis Resources (+27bps) and an overweight position in Sandfire Resources (+27bps). Regis Resources (RRL) outperformed in the quarter, rising alongside gold prices that reached record highs. RRL's unhedged position allows them to capture the full benefit of the gold price rally and generate strong free cash flow. RRL announced an updated mine plan extending the Duketon North Operations (DNO) production life by approximately six years to FY31, supported by increased ore reserves at Buckingham and Wellington totalling around 251 koz. The overweight position in RRL is driven by a combination of behavioural, quality and value signals. Sandfire Resources (SFR) outperformed in the quarter, benefiting from an increase in spot and forward copper prices. SFR reported an in-line September quarter with good cost control and copper and zinc production of 24.6 kt and 22.2 kt, down 16% and 11% quarter over quarter. SFR also released a well-received updated Pre-Feasibility Study (PFS) for its Black Butte copper project in Montana. The overweight position in SFR is driven by a combination of behavioural, quality, segmentation and value signals.

An overweight position in Xero (-33bps) detracted from performance during the quarter. Xero (XRO) underperformed over the quarter, with its share price falling consistently since the acquisition of Melio was announced in June, despite core business earnings performing ahead of consensus expectations. The sell-off can be partly attributed to concerns over hawkish central bank positioning in Australia and the US, with higher interest rates acting as a headwind for growth. Concerns over the competitive landscape and near-term risks from AI disruption have also dampened sentiment. The overweight position in XRO is driven by a combination of behavioural, quality and short horizon signals.

Stock contributors/detractors are based in local currency terms unless stated otherwise.

Magellan Investment Partners is the distribution partner for Vinva.

To find out more please contact:

E: vinvaenquiries@magellanfinancialgroup.com

P: +61 2 9235 4888

W: www.magellaninvestmentpartners.com

IMPORTANT INFORMATION