

Monthly Market Commentary

The second quarter of 2025 was a quarter of extremes. A market rout in early April was followed by a powerful rally. Risk appetite returned with renewed optimism in tech and a rotation back into growth stocks. Defensive sectors underperformed. Although Europe appeared to lag the US, adjusting for significant US dollar weakness showed both regions delivered similar returns in constant currency.

Liberation Day tariff announcements drove a pronounced sell-off in early April. Volatility, measured by the VIX index, spiked to above 50 only for the third time this century. A war between Israel and Iran pushed oil prices sharply higher. However, a subsequent postponement of tariffs and the announcement of a ceasefire helped spur investor risk appetite. As a result, investors shrugged off the apparent risks these events posed to global growth and drove global equity indices to new all-time highs. Momentum and growth were the best performing factors.

By region, headline indices delivered strong gains in the US (S&P500 & NASDAQ up 10.6% and 17.7%, respectively) and Japan (Nikkei up 13.7%), while Europe lagged (Stoxx600 up only 1.4%); however, these differences were largely obscured by the pronounced weakness in the US dollar. When viewed in constant currency terms, index returns were much more uniform with all regions delivering similar high single to low double digit returns.

Against this backdrop the Fund delivered a return of -2.08% for the quarter.

Distributions: The Fund paid a June 2025 quarterly distribution of 21.6 cents per unit taking its 12-month income return to +9.31%.

By sector, IT performed best, up 23%, powered by AI optimism and good results from mega-cap tech. Communication Services was also strong, up 18.7%, as digital infrastructure demand remained robust. Despite a war induced temporary spike in oil prices, energy was the weakest sector for the second quarter in a row, down -5.8% due to oversupply concerns. Healthcare was also weak, down -4.4% as managed care (United Health down -40%) and medical products providers reported a significant reversal in earnings momentum.

The VIX closed the quarter at 16.7, down significantly after spiking to 50 in early April during the Liberation Day turmoil. The USD was notably weak, with the DXY index down -7% as fears of unchecked fiscal spending in the US undermined confidence. The US 10-year yield remained virtually unchanged at 4.2%, despite volatility in risk assets and shifting inflation expectations. The oil price closed the quarter at \$65.1, down from \$71.5 in March.

The largest contributor to portfolio returns in the quarter was CF Industries on the back of robust fertilizer demand and pricing. Bayer, a German health and nutrition company, was another large contributor to fund returns as the market looked ahead of improved profitability. Newmont, a gold miner, was also very strong, benefitting from higher gold prices and operational improvements. We continue to hold all three companies as we see further upside to fair value.

The largest detractor to performance in the quarter was Bunzl, a UK distributor. A downgrade to the margin outlook given mis execution in its US business in H1 was the main driver. Another detractor to performance was Sanofi, a French pharmaceutical company. A disappointing pharma pipeline update and general weakness in global pharma drove the weakness. We continue to hold both companies on valuation grounds.

The fund initiated two new positions during the quarter. The new investments include Canadian Utilities, a Calgary-based provider of gas and electricity services, and Osaka Gas, a Japanese utility company. Both offer compelling valuations with stable earnings profiles.

The fund exited two positions during the quarter, Japanese security firm Secom and Japanese telco giant NTT, both on valuation grounds.

We believe the most compelling way to compound clients' wealth is by utilising multiple return sources to deliver superior risk-adjusted investment outcomes.

- Long-term compounding of investor wealth
- Multiple sources of return
- Quarterly distributions
- Risk focused investment mindset



The investment process behind the Talaria Global Equity Fund Complex ETF takes a high conviction, value biased approach to construct a portfolio of high quality, large cap companies from around the globe. Our unique investment methodology harnesses the benefits of consistent income generation and capital appreciation to grow investors' real wealth.

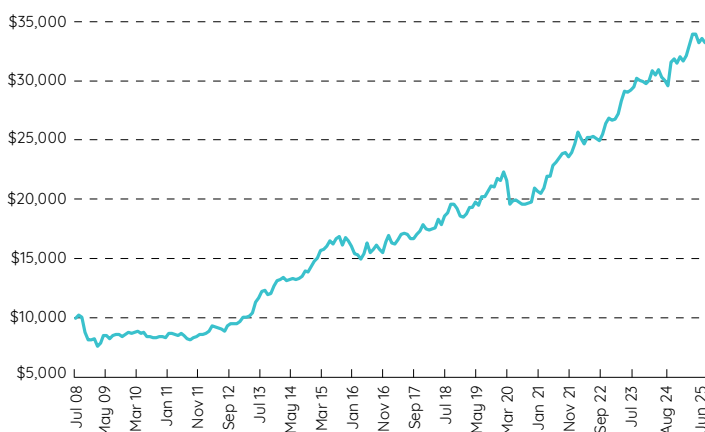
Performance as at 30 June 2025¹

	1 Month	3 Months	6 Months	1 Year	3 Years (pa)	5 Years (pa)	7 Years (pa)	10 Years (pa)	Since Inception (pa) ²
Total Return	-1.14%	-2.08%	3.35%	12.19%	9.51%	10.95%	8.63%	7.40%	7.37%
Avg. Market Exposure ⁴	58%	60%	64%	65%	59%	58%	58%	60%	61%

¹ Fund Returns are calculated after fees and expenses and assume the reinvestment of distributions
² Inception date for performance calculation is 18 August 2008
³ Past performance is not a reliable indicator of future performance

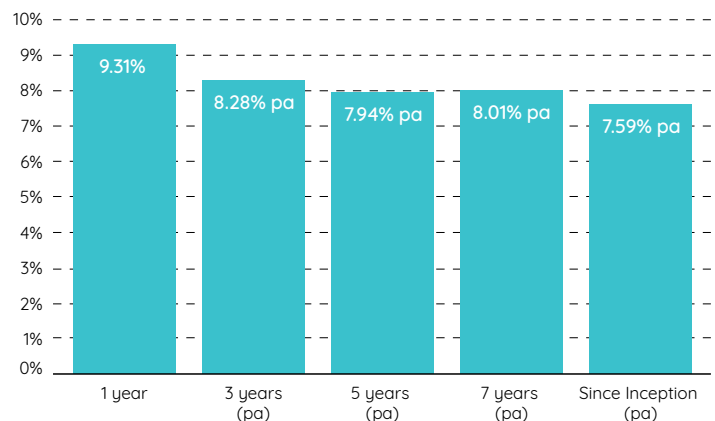
⁴ Average Market Exposure calculated on delta-adjusted exposure of underlying portfolio. Since inception market exposure is calculated from September 2008

Growth of \$10,000 Since Inception⁵



⁵ Calculations are based on exit price, net of management fees and expenses and assumes reinvestment of distributions Past performance is not a reliable indicator of future performance

Annual Distributions⁶



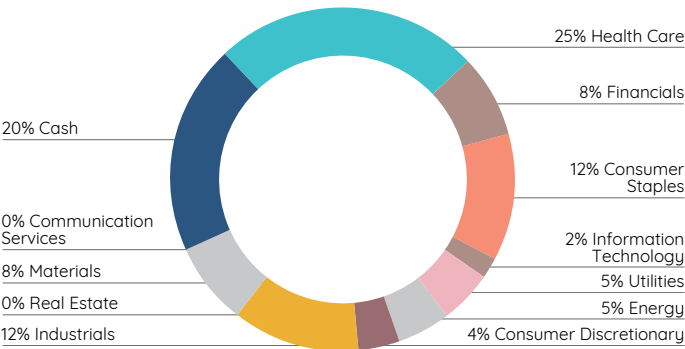
⁶ Illustrates Distribution Returns for the Talaria Global Equity Fund Complex ETF Units for the financial year ending 30 June 2024. Inception date is 18 August 2008.

Top 10 Holdings⁷

Company Name	Holding	Country	Sector	Description
Roche	5.6%	Switzerland	Health Care	A global leader in cancer treatments
Johnson & Johnson	5.2%	USA	Health Care	Pharmaceutical, medical devices and consumer health products company
Sanofi	5.2%	France	Health Care	Top 5 pharmaceutical firm with leading positions in diabetes and rare diseases
Newmont	4.7%	USA	Materials	One of the top 3 gold producers in the world
Everest Re	4.6%	USA	Financials	Leading global provider of reinsurance and insurance services
Henkel	4.5%	Germany	Consumer Staples	A multinational household products and adhesives company
Bunzl	3.6%	United Kingdom	Industrials	Multinational distribution and outsourcing business
Essity	3.4%	Sweden	Consumer Staples	A global health and hygiene company based in Sweden.
Bayer	3.2%	Germany	Health Care	Multinational pharmaceutical and life sciences company
CF Industries	3.2%	USA	Materials	North America's largest manufacturer of nitrogen-based fertiliser

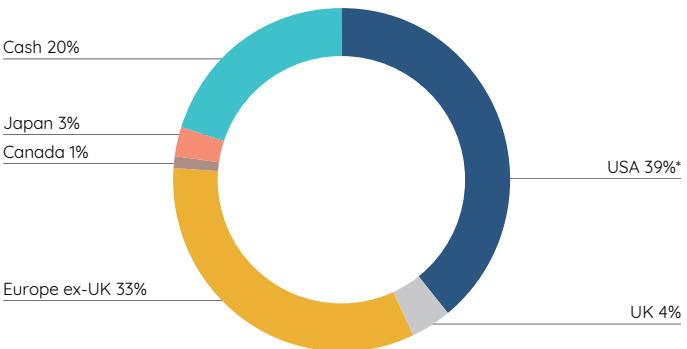
7 Weightings include option positions held and cash backing put options. It assumes that put options will be exercised. Should the put option not be exercised the cash will revert to the unencumbered cash portfolio or may be used to cover further put options.

Sector Allocation⁸



8,9 Weightings include option positions held and cash backing put options. It assumes that put options will be exercised. Should the put option not be exercised the cash will revert to the unencumbered cash portfolio or may be used to cover further put options.

Regional Allocation⁹



* USA includes American Depositary Receipts (ADRs) listings.

Fund Snapshot

APIR Code	AUS0035AU	Inception Date	18 August 2008
Management Fee	1.16% p.a. of the net asset value of the Fund plus Recoverable Expenses	Liquidity	Daily
Recoverable Expenses	Estimated to be 0.12% of net asset value of the Fund each Financial Year	Exit Price	\$5.03660 (30 Jun 2025)
Major Platform Availability	Asgard, Ausmaq, BT Panorama, BT Wrap, CFS Edge, CFS FirstChoice, Dash, Expand, Hub24, IconiQ, IOOF Pursuit, Linear, Macquarie, Mason Stevens, Netwealth, North, Powerwrap, Praemium	Buy / Sell Spread	0.20% / 0.20%
		Distributions	Quarterly
		Minimum Investment	\$5,000

Important Information

Equity Trustees Limited ("Equity Trustees") (ABN 46 004 031 298), AFSL 240975, is the Responsible Entity for the Talaria Global Equity Fund Complex ETF ("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). This report has been prepared by Talaria Asset Management (Talaria) to provide you with general information only. In preparing this information, we did not take into account the investment objectives, financial situation or particular needs of any particular person. It is not intended to take the place of professional advice and you should not take action on specific issues in reliance on this information. Neither Talaria, Equity Trustees nor any of its related parties, their employees or directors, provide any warranty of accuracy or reliability in relation to such information or accepts any liability to any person who relies on it. Past performance should not be taken as an indicator of future performance. You should obtain a copy of the Product Disclosure Statement before making a decision about whether to invest in this product. Talaria Global Equity Fund Complex ETF's Target Market Determination is available [here](#). A Target Market Determination is a document which is required to be made available from 5 October 2021. It describes who this financial product is likely to be appropriate for (i.e. the target market), and any conditions around how the product can be distributed to investors. It also describes the events or circumstances where the Target Market Determination for this financial product may need to be reviewed. The Zenith Investment Partners (ABN 27 103 132 672, AFS Licence 226872) ("Zenith") rating (assigned November 2024 for fund AUS0035AU) referred to in this piece is limited to "General Advice" (s766B Corporations Act 2001) for Wholesale clients only. This advice has been prepared without taking into account the objectives, financial situation or needs of any individual, including target markets of financial products, where applicable, and is subject to change at any time without prior notice. It is not a specific recommendation to purchase, sell or hold the relevant product(s). Investors should seek independent financial advice before making an investment decision and should consider the appropriateness of this advice in light of their own objectives, financial situation and needs. Investors should obtain a copy of, and consider the PDS or offer document before making any decision and refer to the full Zenith Product Assessment available on the Zenith website. Past performance is not an indication of future performance. Zenith usually charges the product issuer, fund manager or related party to conduct Product Assessments. Full details regarding Zenith's methodology, ratings definitions and regulatory compliance are available on our Product Assessments and at Fund Research Regulatory Guidelines. The rating issued 04/2025 is published by Lionsec Research Pty Ltd ABN 11 151 658 561 AFSL 421 445 (Lionsec). Ratings are general advice only, and have been prepared without taking account of your objectives, financial situation or needs. Consider your personal circumstances, read the product disclosure statement and seek independent financial advice before investing. The rating is not a recommendation to purchase, sell or hold any product. Past performance information is not indicative of future performance. Ratings are subject to change without notice and Lionsec assumes no obligation to update. Lionsec uses objective criteria and receives a fee from the Fund Manager. Visit [lionsec.com.au](#) for ratings information and to access the full report. © 2025 Lionsec. All rights reserved. The Genium rating (assigned May 2025) presented in this document is issued by Genium Investment Partners Pty Ltd ABN 15 165 099 785, which is a Corporate Authorised Representative of Genium Advisory Services Pty Ltd ABN 94 304 403 582, AFSL 246580. The Rating is limited to "General Advice" (s766B Corporations Act 2001 (Cth)) and has been prepared without taking into account the objectives, financial situation or needs of any individual, including target markets of financial products, where applicable, and is subject to change at any time without notice. Past performance information is for illustrative purposes only and is not indicative of future performance. It is not a recommendation to purchase, sell or hold the relevant product(s). Investors should seek independent financial advice before making an investment decision in relation to this financial product(s). Genium receives a fee from the Fund Manager for researching and rating the product(s). Visit [Geniumip.com.au](#) for information regarding Genium's Ratings methodology. The Global Industry Classification Standard ("GICS") was developed by and is the exclusive property and a service mark of MSCI Inc. ("MSCI") and Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P") and is licensed for use by Talaria Asset Management. Neither MSCI, S&P nor any third party involved in making or compiling the GICS or any GICS classifications makes any express or implied warranties or representations with respect to such standard or classification (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability and fitness for a particular purpose with respect to any of such standard or classification. Without limiting any of the foregoing, in no event shall MSCI, S&P, any of their affiliates or any third party involved in making or compiling the GICS or any GICS classifications have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

