Selector High Conviction Equity Fund

Monthly report – September 2025

Market insights

Global economic trends are shifting, with China now experiencing deflation. Overcapacity and strategic moves by the United States to redirect production is having its desired impact. While American consumers face higher prices, their reduced demand is inflicting further pain on China, which is now exporting deflation. Since 2022, the country's export price index has fallen by 15%. The average inflation rate for Asia's ten largest economies (excluding Japan & Bangladesh) is circa 1.3% and well below target. Thailand is in the same boat as China with Singapore and India bordering on deflation. The G20 nations are not there yet, but disinflation, where prices increase at a slower pace, is evident.

The world is entering a difficult period. Deflationary concerns, slowing growth, rising unemployment and Central Banks focusing on point in time readouts are all adding to this.

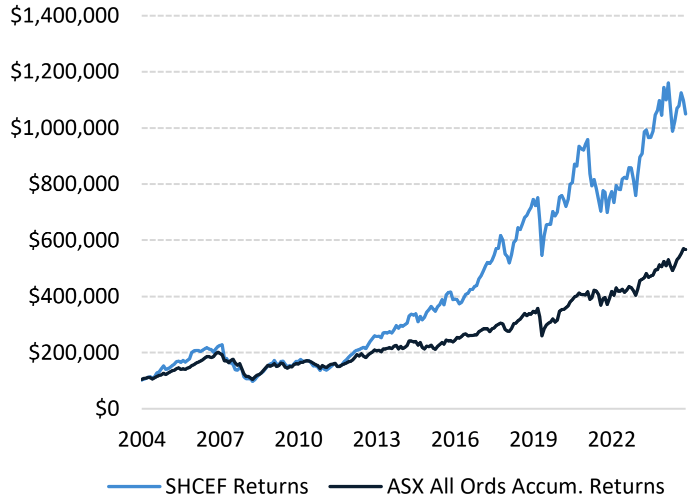
Governments are also acting unconventionally. In Japan, the Bank of Japan (BoJ) unveiled plans to start selling its US$250bn cache of exchange traded funds accumulated since 2010, an unwinding that Governor Kazuo Ueda said would take a century. The planned ETF sale was announced alongside the BoJ's decision to keep interest rates on hold, even as households adjust to higher sustained levels of inflation. Saudia Arabia's controlled financial markets could loosen with reports that foreigners may be able to hold majority stakes in listed companies.

In Argentina, President Javier Milei's free market overhaul, having run into opposition, is receiving the financial support of the U.S, with Treasury Secretary Scott Bessent calling the country a *"systemically important U.S. ally"*, as it works to prevent *"excessive volatility"* in exchange rates. In the U.S., Fed Chair Powell cutting rates for the first time in 2025 is shedding further light on the actual role of the Fed and their powers. President Trump is now calling for greater congressional oversight of the institution, an action that would carry considerable uncertainly.

We continue to seek businesses with:

1. Competent management teams
2. Business leadership qualities
3. Strong balance sheets
4. A focus on capital management

Gross value of $100,000 invested since inception



Inception Date: 30/10/2004. Benchmark: S&P/ASX All Ordinaries Accumulation Index. Fund returns are before fees, costs and tax, and assuming reinvestment of distributions. Past performance should not be taken as an indicator of future performance.

Top holdings

Company name	Code	Weight (%)
TechnologyOne	TNE	8.31
CAR Group	CAR	7.46
Resmed	RMD	7.46
Aristocrat Leisure	ALL	7.27
Pro Medicus	PME	6.92
Nanosonics	NAN	6.56
Cochlear	COH	6.00
FINEOS Corporation Holdings	FCL	4.95
WiseTech Global	WTC	4.77
ARB Corporation	ARB	4.36

Unit Prices as at 30 September 2025

Entry price	$3.2471
Mid price	$3.2390
Exit price	$3.2309

Performance as at 30 September 2025[1]

	1 Month	3 Month	6 Month	1 Year	3 Year[2]	5 Year[2]	10 Year[2]	15 Year[2]	20 Year[2]	Since Inception[2]
Fund (gross of fees)	(4.43)	(2.73)	6.17	(4.41)	14.48	8.84	12.43	13.37	10.14	11.89
Fund (net of fees)	(4.57)	(3.12)	5.39	(5.83)	12.77	7.25	10.53	11.40	8.22	9.89
All Ords Accum Index	(0.54)	5.25	15.25	10.50	15.14	12.90	10.29	8.93	7.80	8.64
Difference (gross of fees)	(3.89)	(7.98)	(9.08)	(14.91)	(0.66)	(4.06)	2.14	4.44	2.34	3.25

[1]Performance figures are historical percentages, calculated using end of month redemption prices, and do not allow for the effects of income tax or inflation. Returns assume the reinvestment of all distributions. Performance can be volatile, and future returns can vary from past returns. [2]Returns greater than 1 year are annualised.

Selector High Conviction Equity Fund

Monthly report – September 2025

Performance contributors

Top five	Contribution (%)
Pro Medicus	0.22
SEEK	0.14
OFX Group	0.06
Medical Developments International	0.05
Reece	0.03

Bottom five	Contribution (%)
CAR Group	(0.63)
WiseTech Global	(0.58)
Cochlear	(0.42)
James Hardie Industries	(0.39)
Breville Group	(0.38)

Portfolio Commentary

CSL (ASX:CSL)

In mid-September CSL announced it had entered into an agreement with VarmX BV, a privately held Dutch biotech company to develop a new treatment to restore blood coagulation (clotting) in patients taking a Factor Xa (FXa) inhibitor. Globally more than 20m patients take a FXa inhibitor as a chronic anti-clotting therapy with approximately 3% of these patients experiencing severe bleeding or require urgent surgery.

VarmX is developing a potential first in class asset (VMX-C001) that aims to restore blood clotting in patients experiencing severe bleeding or requiring urgent surgery. VarmX already has early stage clinical data and U.S. Food and Drug Administration (FDA) fast track designation, recognising its potential to address a critical unmet medical need.

Under the agreement, CSL will make an up-front payment of US$117m for an exclusive option to acquire the company, fund the global Phase 3 trial and support late stage product development, manufacturing and pre-launch commercial and medical affair activities.

Subject to the exercise of the option and certain milestones and regulatory clearances being reached, VarmX will receive payments of up to US$388m up to the launch of VMX-C001 (anticipated in 2029), plus further undisclosed commercial milestones thereafter.

Later in the month, CSL announced the appointment of Mr Ken Lim, the company's Chief Strategy Officer as Chief Financial Officer from 7 October 2025, with current CFO Ms Joy Linton retiring after five years in the role. Mr Lim joined CSL in 2013 with roles across strategy and finance.

CSL has a market capitalisation of $97b.

Pro Medicus (ASX:PME)

In September, Pro Medicus announced its U.S. subsidiary Visage Imaging has been granted an Authority to Operate (ATO) for the Veterans Affairs Enterprise Cloud (VAEC) by the U.S. Department of Veteran Affairs.

Commenting on the approval CEO, Sam Hupert said, *"We are honoured to work with VHA [Veteran's Health Administration] on their journey to the cloud. The ATO, has been years in the making and is the final sign-off to enable us to transition our current on-premise implementation of Visage 7 to the VAEC which we believe will be a first. Once completed, we aim to use this as a reference site for other VISN's (Veterans' Integrated Service Network) looking to migrate to the VAEC."*

Pro Medicus has a market capitalisation of $32b.

Telix Pharmaceuticals (ASX:TLX)

During September, Telix provided two updates to the market. Firstly, the company announced it had reached an agreement with the U.S. FDA for the resubmission pathway of its Glioma imaging agent.

The resubmission package will include additional confirmatory efficacy study analysis of existing data with Telix planning to resubmit the new drug application during the fourth quarter of calendar year 2025.

Dr. David Cade, Telix Group Chief Medical Officer, said, *"As previously advised, Telix had multiple options for delivering additional data requested by the FDA in the CRL [Complete Response Letter] response [Telix ASX disclosure 28 April 2025]. This flexibility has enabled us to work with relative speed to reach a mutually agreed path forward for resubmission of the NDA. We remain steadfastly focused on our goal of bringing this important imaging agent to patients in the U.S. to support improved diagnosis and management of glioma".*

Separately, the company announced that the U.S. Centre for Medicare & Medicaid Services (CMS) granted Transitional Pass-Through (TPT) payment status for Gozellix, its next-generation imaging agent for prostate cancer.

The status enables separate reimbursement for Gozellix under the US Hospital Outpatient payment system from 1 October 2025. Kevin Richardson, Telix Chief Executive Officer, Precision Medicine said, *"Granting TPT status for Gozellix is a strong endorsement of the clinical value of our next-generation imaging agent. Gozellix is already available nationally, and this reimbursement milestone will reduce the out-of-pocket burden for patients, enhance patient access to advanced prostate cancer imaging and simplify payment for providers. As the only provider with two FDA-approved and reimbursed products in this class, we are pleased to make PSMA-PET/CT imaging accessible to more patients and providers across the U.S."*

Telix has a market capitalisation of $5b.

Selector High Conviction Equity Fund

Monthly report – September 2025

About Selector

Selector Funds Management ("Selector") specialises in high conviction, index agnostic, concentrated portfolio management (AFSL 225316). The investment team have a high level of experience, are owners of the business and invest in the funds alongside clients. Selector has a long-term track record of performance.

Contact Us

Telephone: +61 2 8311 7736
Email: info@selectorfund.com.au
Address: Level 8, 10 Bridge Street
Sydney NSW 2000
www.selectorfund.com.au

Justin Brooks | Head of Distribution & Portfolio Specialist
justin@selectorfund.com.au
Telephone: +61 416 194 633