Concentrated

QUEST Invest with Experience

Portfolio Features

Inception	9 February 2005
Benchmark Index	S&P/ASX300 Accumulation Index
No of holdings	29 (Maximum 35)
Quest AUM	$1,089m
Strategy AUM	$133m
Investment horizon	3 - 5 years
Investment Strategy	Fundamental with a focus on business quality and free cash flow
Derivatives/Shorting	Nil
AFSL	279207
Lonsec Rating	Reviewed and Rated By Lonsec

Stock Performance September 2025

POSITIVE	
Northern Star	+27%
Vault Minerals	+24%
Immutep	+13%
Catapult Sports	+10%
Qoria	+8%

NEGATIVE	
Wisetech	-11%
CAR	-8%
Block	-6%

Concentrated Portfolio September 2025

The Australian market (**XKOAI**) fell in September, returning -0.65%. History shows that September can be a weaker month for equities and this is the first down month since March. The fall here contrasted with the continued rise of global equity markets. The **S&P500** in the US was up +3.5% whilst the tech-biased **NASDAQ** jumped +5.6%; **China** (MSCI) was again strong, returning an impressive +9.6% and **Japan** rose +5.2%. Europe was more restrained.

The Federal Reserve cut US interest rates (0.25%) for the first time since last December and indicated a further 0.5% might be forthcoming by year end. This aided market sentiment. By contrast, the RBA held rates steady and pared back cut expectations, reflecting residual concerns about inflation. Interestingly, Government 10-yr bond yields in both markets barely moved. The Australian dollar again rose modestly, +1.2%.

The top 5 performers in the ASX100 were **gold** miners, all with returns of greater than 20%. **Resources** in general were strong with **Metals & Mining** up +7.7%. **Capital Goods** +5.5% was another positive group to note, driven in large part by small cap defence stocks, along with ALQ which benefits from the strength in gold miners. **Energy** -9.1% was the worst sector, party due to lower oil prices but also reflecting the hefty fall in STO (-14%) as the consortium merger was pulled. Amongst commodities, oil was down -2% (WTIS) along with JKM LNG -2% and thermal coal -5%.

The Quest portfolio outperformed for the month and the quarter with a positive return for the month. Our five largest overweight positions, as a group, outperformed with good returns from ALQ +7%, IFT +5% and CGF +4%, offsetting VNT -6% and ALL -4%. Attribution in the Banks as a group was slightly positive given CBA (-2%, not owned) continued to lag the market and NAB (+3%, owned) did well.

Small and mid-caps also contributed significant value: QOR +9%, IMM +13%, SEK +4%, JDO +3% and CAT +10%. Not owning WDS -13%, STO -14%, GMG -5%, TCL -5% and WOW -6% also aided relative returns.

US investors are demonstrating strong optimism, with major flows into leveraged ETF's and margin debt hitting a record US$1.13 trillion in September, up US$67 billion for the month. The US SEC currently limits leverage to tow times but a proposal for five-times leveraged ETFs is before the SEC. It is worth being reminded of Warren Buffett's advice: *be fearful when others are greedy*.

Performance*

To 30 September 2025	1 month	3 months	1 year	3yrs (pa)	5yrs (pa)	10 yrs (pa)	15yrs (pa)	Since inception (pa)
Quest Aust Equities Concentrated	**0.1%**	**5.7%**	**1.9%**	**9.7%**	**12.0%**	**11.9%**	**11.3%**	**11.4%**
ASX300 Accumulation index	-0.6%	5.0%	10.8%	15.0%	12.9%	10.1%	8.8%	8.1%
Value added	0.7%	0.7%	-8.9%	-5.3%	-0.9%	1.8%	2.5%	3.3%

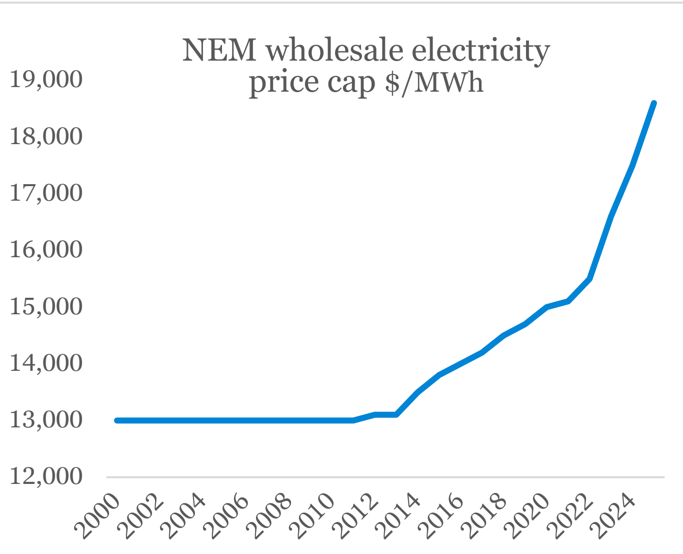
*Returns before fees and tax based on the JBWere platform model portfolio. **Past performance is no guarantee of future performance**. Individual returns will differ for investors, depending on when the initial investment was established and the timing of any additional investments or redemptions. Inception date is February 2005

Portfolio Activity

We initiated a position in quick service Mexican food chain **Guzman Y Gomez (GYG)** following a trading update that saw a sharp sell off. We are attracted to its positioning as a "clean and fresh" option that resonates with younger consumers. The company has delivered close to double-digit comparable sales growth for the last 5+ years driven by menu innovation, expanding operating hours, astute marketing and embracing delivery. The model is underpinned by strong store level economics (second only to McDonalds). We expect the current 225 stores in Australia could realistically expand to 500-600 stores over the next 10 years. GYG also has international expansion plans (with the US being the focus) but we do not need to assume any offshore success to justify the current valuation.

AGL rejoins **Origin** in the portfolio, with AGL down more than 20% since Quest's exit in 2024. In contrast Origin has risen 15% over the same period. The drop in AGL has provided an opportunity, however they are now forecasting that the earnings expected from their NSW battery plant will more than offset the headwind from an expiring very low-cost coal supply contract at their remaining NSW coal powered generator. Adding renewable energy is increasing the volatility of electricity prices. The Australian Energy Market Commission (AEMC) has set the maximum allowed wholesale electricity price for the 2025-26 financial year at $18,600 per megawatt-hour. This price cap was held stable from 2000 to 2013, before a gradual escalation that has become more dramatic recently as seen in the following chart.

Chart of the Month



Key Portfolio Holdings

LARGE CAP	
Aristocrat Leisure	ANZ
BHP	National Australia Bank
CSL	Origin Energy
MID CAP	
Xero	Resmed
ALS	Block
Mirvac	Challenger
SMALL CAP	
Judo Capital	Maas Group
Catapult	Ventia Services

Investment Profile

The Quest Australian Equities Concentrated Portfolio is a Separately Managed Account (SMA), actively managed by Quest Asset Partners Pty Limited. Our objective is to outperform the S&P/ASX300 Accumulation Index. The SMA structure allows the investor to retain beneficial ownership of the portfolio while maximising transactional and tax visibility.

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