MONTGOMERY

Australian Eagle Asset Management

Australian Eagle Equities Fund

Monthly investment report

September 2026

Fund overview

The Australian Eagle Equities Fund portfolio will typically comprise 25-35 high-conviction stocks listed on the ASX. The Fund employs an active, bottom-up investment approach focused on fundamental analysis and high-quality companies.

Fund facts

Investment manager:	Montgomery Investment Management Pty Ltd
Sub-investment manager:	Australian Eagle Asset Management Pty Ltd.
Objective:	The Fund aims to outperform the index over a rolling 5-year period.
Benchmark:	The S&P/ASX 300 Accumulation Index
Portfolio managers:	Sean Sequeira, Alan Kwan
Investment timeframe:	5 years recommended
Inception:	17 February 2025

Initial investment:	$25,000 minimum
Fund size:	$37.19 million
Management fees and costs:	0.89% per annum*
Distributions:	Half-yearly
Unit prices:	fundhost.com.au/fund/australian-eagle-equities-fund

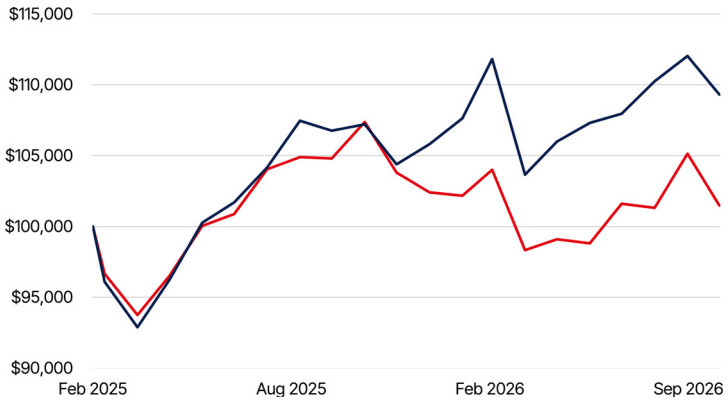
* Please read the Product Disclosure Statement for details. Includes the Responsible Entities fees, Montgomery's fees, custody fees, ordinary and abnormal expenses and any indirect costs. These costs are capped at 0.89% with the exception of abnormal costs which may vary.

Portfolio performance

As at 30 June 2025	1 month	3 months	6 months	1 year	3 years (p.a.)	5 years (p.a.)	Since Inception #	Compound annual return since inception (p.a.)
Australian Eagle Equities Fund	-3.48%	-0.12%	3.20%	-3.17%	-	-	1.48%	0.91%
S&P/ASX 300 Accumulative Index	-2.43%	1.26%	5.46%	2.39%	-	-	9.31%	5.67%
Out/under performance	-1.05%	-1.38%	-2.26%	-5.56%	-	-	-7.83%	-4.76%

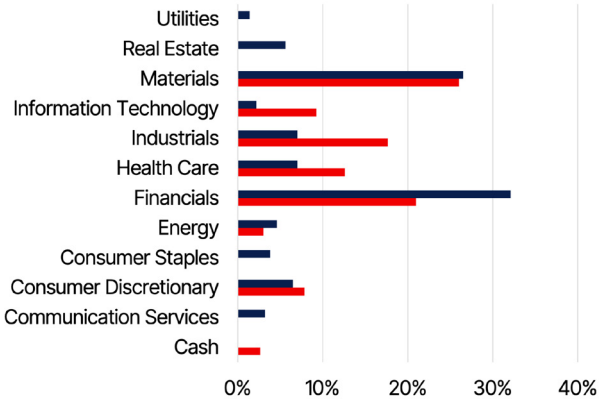
Inception: 17 February 2025, past performance is not indicative of future performance
Portfolio Performance is calculated after fees and costs, including the Investment management fee and Performance fee, but excludes the buy/sell spread. All returns are

Portfolio performance



Australian Eagle Equities Fund
S&P/ASX 300 Accumulation Index

Industry exposure



Australian Eagle Equities Fund
S&P/ASX 300 Accumulation Index

Fund commentary

Amid falling global markets in September, The Australian Eagle Equities Fund (The Fund) returned -3.48 per cent. The S&P/ASX 300 Accumulation Index declined by 2.43 per cent as higher bond yields and ongoing concerns about potential artificial intelligence (AI) disruption continued to weigh on sentiment. The resources sector also weighed on the market as commodity prices reversed some of its recent outperformance.

Portfolio changes

The Fund increased positions in BHP Group Ltd (ASX:BHP), Cochlear Ltd (ASX:COH), Evolution Mining Ltd (ASX:EVN), Megaport Ltd (ASX:MP1) and Wesfarmers Ltd (ASX:WES).

The Fund reduced exposure to Aristocrat Leisure Ltd (ASX:ALL), PLS Ltd (ASX:PLS) and Xero Ltd (ASX:XRO).

The Fund exited its small position in WebBeds Group Ltd (ASX:WEB) despite continued improvement in underlying earnings and margins. The share price has remained depressed for an extended period amid weak consumer sentiment, higher inflation and elevated oil prices. While operational change has progressed, the market's failure to acknowledged it has persisted, so we recycled capital into higher-quality consumer discretionary opportunities with strong balance sheets and economic resilience.

Contributors

Megaport Ltd (ASX:MP1) – Megaport outperformed after the company announced three new AI infrastructure contracts totalling $978 million. The wins reinforced Megaport's exposure to accelerating AI-related network demand and improved visibility over future revenue growth.

CSL Ltd (ASX:CSL) continued its recovery after the reporting season as investors reevaluated the outlook following a tough FY26 reset year. The results confirmed the core plasma industry remains healthy, supported by robust operating cash flow. Management persists in streamlining the business and positioning CSL for more sustainable growth.

ASX Ltd (ASX:ASX) – ASX rose after the new CEO announced a revamped leadership team and reshaped several senior roles. The changes were seen as an important step toward improving execution, technology delivery, and accountability after a period of operational and regulatory challenges.

Detractors

PLS Ltd (ASX:PLS) – PLS fell in sympathy with the lithium price and sector sentiment waned. It remains the top-quality lithium producer on the ASX, boasting its premier Pilgangoora asset, a low-cost structure, and a solid balance sheet. This financial strength has allowed management to continue investing throughout the cycle and ramp up production as market conditions improve.

Xero Ltd (ASX:XRO) – Xero underperformed alongside other technology stocks as higher bond yields weighed on the valuations of growth stocks. Xero's recurring revenue base, strong cash generation, and continued platform expansion through AI initiatives provide additional pathways for long-term growth.

Evolution Mining Ltd (ASX:EVN) – Evolution Mining followed the gold price lower. Evolution Mining's operational performance has continued to improve while its strong balance sheet and disciplined capital allocation have resulted in a more resilient earnings profile.

Top 10 holdings

Company Name	ASX Code	Weight (%)
BHP Group	BHP	6.97
Brambles	BXB	6.10
ASX	ASX	6.06
Cochlear	COH	5.04
Evolution Mining	EVN	5.00
Commonwealth Bank of Australia	CBA	4.99
Rio Tinto	RIO	4.79
Aristocrat Leisure	ALL	4.52
CSL	CSL	4.51
Worley	WOR	4.43
Cash		2.63
Total weighted average holding's market capitalisation		$73.51bn

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Ratings

Zenith RECOMMENDED

Contact details

Advisers, researchers and platforms

Scott Phillips
Head of Distribution
States – National
0417 529 890
sphillips@montinvest.com

Michael Gollagher
National Account Manager
States – QLD
0409 771 306
mgollagher@montinvest.com

Toby Roberts
National Account Manager
States – NSW & ACT
0402 093 561
troberts@montinvest.com

David Denby
National Account Manager
States – VIC, SA & TAS
0455 086 484
ddenby@montinvest.com

Dean Curnow
National Account Manager
States – NSW & WA
0405 033 849
dcurnow@montinvest.com

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Read our insights at
rogermontgomery.com

Montgomery Investment Management
Suite 5.01, 17 Castlereagh Street
Sydney NSW 2000

investor@montinvest.com
(02) 8046 5000
montinvest.com

Important information

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