Iron Pot Equities Global Technology Fund
Annual Newsletter June 2026

PERFORMANCE	Net return
Unit Price	$ 1.60
June Quarter 2026	+25.9%
1 Year	+8.0%
3 Year p.a.	**+17.0%**
Since Inception – Total (July 2023)	**+60.0%**
Since Inception – p.a.	**+17.0%**

Year in Review

The past year has been one of extremely polarised sector performance. AI, semiconductor, and memory-related plays had some extraordinary gains while software-related companies felt the brunt of completely indiscriminate bear-market panic.

The portfolio was exposed to both sides. Investor demand was extreme for names in the AI and the semiconductor value chain. The year's returns were dominated in an extraordinary manner by memory and bandwidth names such as Micron Technology (+838%), SK hynix (+838%) and Samsung Electronics (+461%); manufacturing and foundry companies such as Taiwan Semiconductor Manufacturing (+130%); semiconductor IP and architecture players such as Weebit Nano (+414%) and Arm (+119%); and not to forget Nvidia's smaller rival Advanced Micro Devices (+309%) in the chip design space. Even companies that are viewed as AI application/hyper-scalers, such as Alphabet (+103%), were standout performers. It is truly rare to see such massive performance by any industry's subsector.

The portfolio commenced the year with 25% exposure to the above names. Through performance and incremental buying, year-end exposure was 48%.

Technology is far broader and the portfolio holds not just positions in many of these companies but also in other sectors, including software-related entities. And this space was mercilessly decimated owing to the belief that none would survive the advent of AI. There was little discrimination between those that effectively offer a platform service, which we seek, and single product offerings, inherently more difficult to sustain a competitive edge. The portfolio commenced the year with 17% exposure to this subsector, reducing to 10% by year-end.

In all, AI and related investments added to performance threefold that lost from exposure to software investments.

To the extent possible with a technology fund, geographic exposure remains diverse. While some 62% at year-end was North American, the Fund has ongoing exposure throughout the Asian and broader European markets. Even so, North America was a disproportionately large contributor to returns (85% of total net return), with favourable contributions also from Taiwan (27%), the United Kingdom (21%) and South Korea (10%). Sweden (-25%), Australia (-9%) and China (-9%) were the sinners.

The portfolio continues to have substantial exposure beyond the big names with over 70% at year-end outside the mega-caps, having averaged near 60% for the year.

It would be seriously remiss to not comment on the SpaceX IPO. With such new and exciting offerings, the hype surrounding the IPO was understandable. However, we elected to stand back, let the dust settle, and only now begin building a position. Next on the list? Anthropic.

Performance

The portfolio's one-year return was +8.0%. The Fund is now tracking with an annualised return since inception of +17.0% This follows an exceptionally strong previous year in which we felt the return profile of the Fund was brought forward.

That said, this year's return was carried by remarkable performance from stocks in the semiconductor value chain. Advanced Micro Devices (AMD) delivered the highest single stock contribution since the Fund's inception and was accompanied by exceptional returns from others in the space, including Weebit Nano, Taiwan Semiconductor and Arm Holdings. Notably, each of these names is from a different region.

On the flipside, software-related companies cost the Fund substantially despite their absolute weight in the portfolio. While we do not subscribe to the market's view that all are doomed, we cannot fight short-term focus. As a result, we still hold several names that are seeing upward revisions in the next one-, two-, and three-year estimates in both revenues and net earnings. Last year's routing of this sector tested our approach and commitment to holding investments long-term where we see strong business prospects.

Top Contributors & Detractors 2025/26

Contributors	%	Detractors	%
Advanced Micro Devices	14.0	monday.com	-3.6
Weebit Nano	5.1	Atlassian	-2.8
Alphabet	3.9	Tuas	-2.4
Taiwan Semiconductor	3.6	ServiceNow	-2.4
Arm Holdings	3.3	Spotify	-2.1
Currency	-3.6		

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IRON POT EQUITIES

Portfolio Movements FY 2025/26

In: Robinhood Markets Inc., DoorDash Inc., Arm Hold. Plc., Broadcom Inc., Space Exploration Tech. Corp.

Out: Netflix Inc., BYD Co Ltd., Palo Alto Networks Inc., monday.com Ltd., REA Group Ltd.

The number of changes is consistent with the Fund's five-year investment horizon in a 25-position fund.

With a three-year history now established, we can measure the effectiveness of our decisions with an increasing degree of relevance. Positions sold more than two years ago (five in total) have, post-sale, annualised +8.6% p.a. compared to the Fund's +19.4% p.a. over the same time-period.

Outlook

Inevitably, the leading performers in one year are rarely the leaders in the next, and we don't expect this pattern to change. AI, semiconductors and memory plays will likely settle for significantly more modest returns this year. While there are many valid questions surrounding valuation, we look not to the current year but to estimated valuations three to five years from today's prices. This allows us to embed growth expectations into our decisions. As such, despite the run in this space in the preceding 12 months, we maintain our holdings where we still see reasonable prospects of achieving our return objective on each position.

Focus now is on the projected vast scale of AI-related capex. Estimates vary widely, but industry-wide total capex will soon exceed USD1tn. Who wins, and who generates an acceptable return on this level of investment? Who fails? That's now the game.

Portfolio Metrics

As is generally the case, the portfolio has the maximum number of positions: 25. This includes a spread of market capitalisation bands: 10% under USD1bn; 15% between USD1 to 100bn; 34% between USD100bn and 1tn; and 39% greater than USD1tn.

The portfolio on a weighted average basis is forecast to see 32% revenue growth over each of the next three years, translating to greater than 15% earnings growth. The forward price-earnings multiple is 22x based on target price returns and consensus earnings estimates. Given the strength of balance sheets across the portfolio's holdings, combined with the strength in cashflow from operations, the underlying soundness of investments remains.

Portfolio Breakdown

Quarter End 30 June 2026

Asset Class	% Allocation
Listed Equities	98.4
Cash net of Accruals	1.6
Total	**100.0**

Regional Exposure	% Allocation
North America	62.1
Australia	12.2
United Kingdom	7.3
Taiwan	5.5
Sweden	5.1
South Korea	3.7
China	2.5
Cash net of Accruals	1.6
Total	**100.0**

Industry Sub-Group	% Allocation
Auto-Cars/Light Trucks	4.0
Cellular Telecom	1.2
Commercial Serv-Finance	5.6
Data & Systems Security	5.1
E-Commerce/Products & Services	6.9
Entertainment Software	3.1
Internet Media & Services	8.4
Medical Products	2.1
Semiconductors	43.4
Software - Applications	5.3
Software - Infrastructure	7.6
Space/Connectivity/AI	0.7
Web Portals/ISP	5.0
Cash net of Accruals	1.6
Total	**100.0**

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IRON POT EQUITIES

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- (i) deposit and payment products limited to:
  - (A) basic deposit products;
  - (B) deposit products other than basic deposit products;
- (ii) interests in managed investment schemes excluding investor directed portfolio services; and
- (iii) securities; and

(b) deal in a financial product by:
- (i) applying for, acquiring, varying or disposing of a financial product on behalf of another person in respect of the following classes of products:
  - (A) deposit and payment products limited to:
    - (1) basic deposit products;
    - (2) deposit products other than basic deposit products;
  - (B) interests in managed investment schemes excluding investor directed portfolio services; and
  - (C) securities;

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