

System Capital Long Short Strategy



Monthly Report

August 2025

THE INVESTMENT TEAM IS VERY PLEASED TO PRESENT OUR AUGUST 2025 NEWSLETTER.
COMMENTS AND SUGGESTIONS ARE HIGHLY WELCOME.

STRATEGY PERFORMANCE OVERVIEW

The strategy returned 1.4%, bringing 1-year performance to 18.4%. The portfolio benefited from solid earnings results, with ongoing turbulence in the macro environment.

Position Type	Aug 25
Short Positions	19
Long Positions	39
Total Positions	58
Of which Index Positions	4

Region	Gross Long (%)	Gross Short (%)	Net Long (%)
Europe	65	-28	38
North America	45	-18	27
Asia	3	0	3
Australia/NZ	18	-5	13
Total	131	-51	81

	Month (%)	3M (%)	FYTD (%)	1 Year (%)	2 Year p.a.	Cumulative Since Inception	Since Inception p.a.
System Capital L/S	1.4	3.1	2.2	18.4	22.3	76.9	22.2
MSCI World AUD Hedged	2.0	8.0	4.1	14.7	18.6	64.0	19.0
Stoxx 600	0.9	0.7	1.9	7.6	12.5	45.9	14.2
ASX 200	3.1	7.0	5.5	14.7	14.9	46.6	14.4

Performance is in AUD (Hedged) and is before fees. Cumulative Returns and Annualised Returns from 26th Oct 2022 to 31st Aug 2025.
Returns in AUD. Gross returns before management and performance fees. MSCI World 100% Hedged to AUD Index. ASX200 Accumulation Index Stoxx 600 Net Total Return.

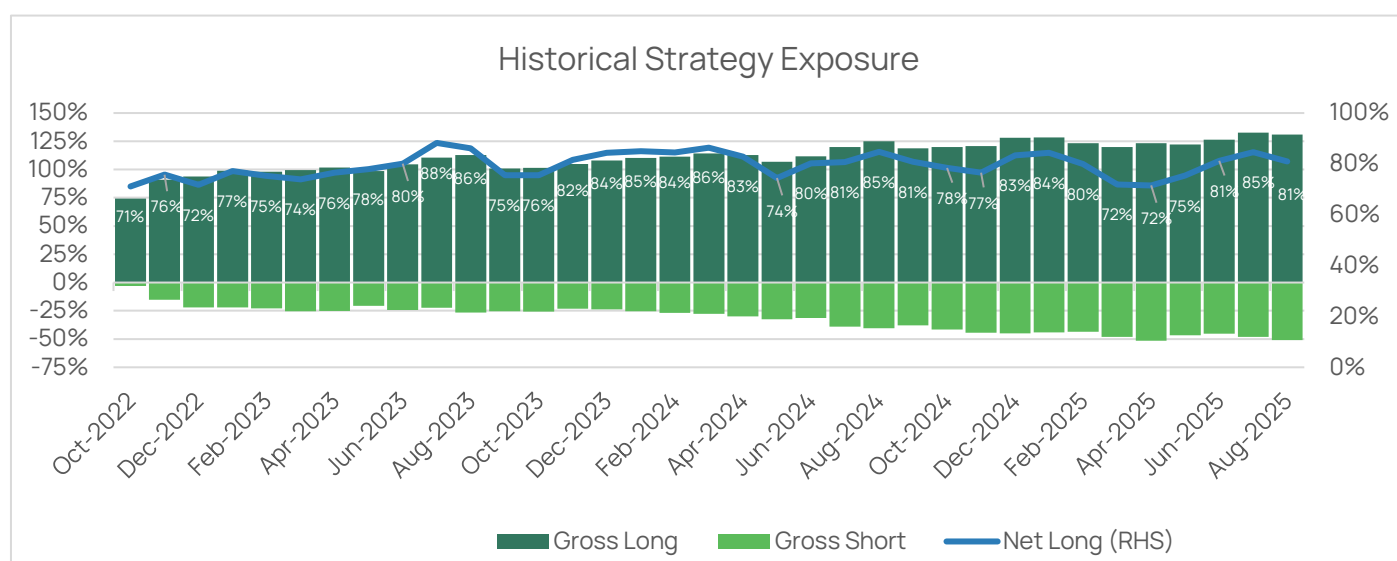
SIGNIFICANT CONTRIBUTORS FOR THE MONTH INCLUDED:

- **Lottery Corp (Gaming):** Increased 10% during the month with a solid set of full year results - the business demonstrated good cost control with operating costs down slightly year over year. Looking into FY26, revenue is expected to increase from a more normal jackpot run (it was unfavorable in FY25), a 17% price increase in the flagship Powerball game in Nov 2025 and a refreshed Saturday Lotto game (from May 2025). Lottery Corp is also expected to benefit from continued increases in online penetration of lottery sales which come at higher margin for the company.
- **Chorus (Infrastructure):** Increased 11% during the month following a reasonable set of results. Chorus has transitioned to a stable core infrastructure stock with an attractive combination of yield and free cash flow growth, high levels of revenue visibility and upside from small bolt on growth projects.

DETRACTORS FOR THE MONTH INCLUDED:

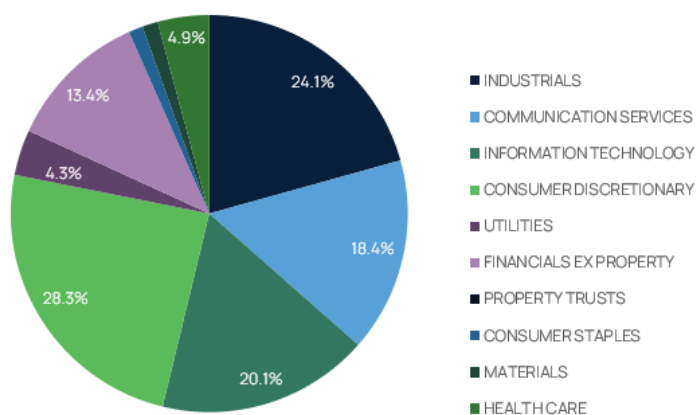
- **Hemnet (Classifieds):** Hemnet decreased 13% during the month. After a solid set of 2Q results in July where average revenue per listing came in slightly above expectations, Sweden's weak housing market has started to impact Hemnet's operational performance. Listing volumes declined 20% year-over-year in August compared to a 17% decline in July 2025, and an 11% decline in June. Part of this listing decline is due to Swedish government plans to ease mortgage rules reducing the upfront deposit requirement from 15% to 10% and requirements for heavy borrowers to pay back 3% of their loan each year have been reduced to 2% pa. While these changes are expected to be positive for housing transactions / listings they will only come into effect at the start of 2026 – causing a delay in some housing transactions. In the short-term listing volumes can be impacted by the housing market but over a longer time horizon volumes have been relatively stable and are expected to rebound in future years.

STRATEGY EXPOSURE

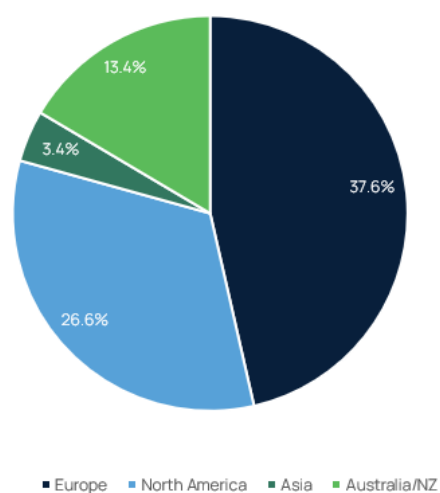


SECTOR AND GEOGRAPHIC EXPOSURE

Net Sector Exposure



Net Geographic Exposure



PORTFOLIO TOP 10 ACTIVE STOCKS (ALPHABETICAL)

Issuer	Issuer Name
ADYEN NL	Adyen NV
CLNX ES	Cellnex Telecom SA
EFX US	Equifax Inc
FER ES	Ferro vial SE
FLTR GB	Flutter Entertainment PLC
LSEG GB	London Stock Exchange Group PLC
MA US	Mastercard Inc
MSCI US	MSCI Inc
SCHA NO	Schibsted ASA
TLC	The Lottery Corp Ltd

Important Information

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