

K2 Global High Alpha Fund

30 November 2025



The K2 Global High Alpha Fund is an Absolute Return equities fund. The fund is index-unaware, aiming to produce positive absolute returns over the long term with a capital preservation mindset. The Fund's mandate allows it to actively manage its net market exposure – utilising both cash and shorts to help protect clients' capital.

| | 1 Month | Unit Price | Inception (%pa) |
|---------------------------|---------|------------|-----------------|
| Performance (Net of Fees) | -2.95% | 131.40 | 8.91% |

Refer below detailed performance data matrix

| Top 5 Stock Holdings | Current | Monthly Move |
|------------------------------|---------|--------------|
| Summerset Group Holdings Ltd | 8.7% | +0.9% |
| Nvidia Corp | 6.2% | -0.7% |
| BHP Group Ltd | 5.6% | -0.1% |
| Bendigo And Adelaide Bank | 5.5% | +0.5% |
| Purpose Bitcoin Etf | 4.8% | -0.8% |

| Market Capitalisation Coverage | Current | Monthly Move |
|--------------------------------|---------|--------------|
| Large Caps>=AUD\$7.5b | 45.8% | +3.5% |
| Mid Caps>=AUD\$2b<AUD\$7.5b | 24.4% | +0.7% |
| Small Caps<AUD\$2b | 27.1% | -2.5% |

| Month End Exposures | Current | Monthly Move |
|---------------------------------|---------|--------------|
| Communication Services | 4.6% | +0.7% |
| Consumer | 8.7% | -2.8% |
| Financials/Real Estate | 27.7% | -1.3% |
| Health Care | 10.8% | +2.8% |
| Industrials | 9.4% | +1.8% |
| Information Technology | 15.2% | -1.7% |
| Materials | 20.8% | +2.2% |
| Number of Positions | 29 | -1 |
| Gross Equity Exposure | 97.3% | +0.9% |
| Cash Weighting | 2.7% | -0.9% |
| Net Equity Exposure | 97.3% | +0.9% |
| Currency Exposure Hedged of AUD | 81.0% | +0.4% |

| Fund Characteristics | |
|----------------------|---------------------------------------------------------------------------------------------------------------------------------------|
| Portfolio Managers | Campbell Neal, David Poppenbeek and Bill Laister |
| Strategy | International Equities |
| Objectives | To deliver consistent absolute returns over the investment cycle with a focus on capital protection during periods of market declines |
| Return Target | +10% pa over the long term |
| Number of Stocks | Up to 120 |
| Cash | Up to 100% of portfolio |
| Distributions | Annually |
| Management Fee | 2.05% |
| Buy/Sell | Monthly Application/Redemption |
| Performance Fee | 20.5% of the amount by which the NAV per unit exceeds the High Water Mark |

Commentary

K2 Global High Alpha Fund returned -2.95% for the month of November 2025.

The Reserve Bank of Australia (RBA) kept the cash rate unchanged at 3.60% in November, maintaining a restrictive stance amid persistent inflation pressures. Forward guidance remains data-dependent, with no immediate plans for rate cuts. Inflation forecasts were revised higher, with trimmed mean inflation expected to reach ~3.2% by end-2025, before easing toward the 2-3% target band over the next two years. GDP growth for 2025 is projected at 2.0%, and unemployment is expected to peak at 4.4%. Headline CPI for the September quarter (released in November) rose 1.3% QoQ, bringing annual inflation to 3.2%, above the RBA's target range. Underlying (trimmed mean) inflation also accelerated to 3.0% YoY, marking the first significant uptick since late 2022. Key drivers included electricity prices (+23.6% YoY), housing costs, and transport. Australian GDP grew 0.4% in Q3 2025, seasonally adjusted, and 2.1% through the year. Household saving ratio increased to 6.4%, while terms of trade rose slightly (+0.3%). Unemployment edged up to 4.5% in September, then eased to 4.3% in October, indicating a still relatively tight labour market. Wage growth held steady at 3.4% YoY, supporting real income gains.

During the month, New Zealand's economy showed signs of cautious recovery amid global uncertainty. The Reserve Bank of New Zealand cut the Official Cash Rate by 25 basis points to 2.25%, aiming to support growth as inflation moderated. Annual CPI inflation stood at 3% in the September quarter, the top of the RBNZ's target band, but is expected to ease toward 2% by mid-2026 as tradables inflation declines. Labour market conditions softened slightly, with unemployment rising to 5.3%, while part-time employment fell. Household living costs increased 2.4% year-on-year, below headline inflation, and mortgage rates eased to 5.36%, providing some relief to borrowers.

Summerset Group Holdings (SUM) continues to perform strongly driven by ongoing themes such as aging population, strong demand for retirement living options which continue to drive healthy development margins. The stock added 33 bps.

Performance detractors for the month included Bendigo Bank (BEN). The November decline was driven by compliance failures, and uncertainty over regulatory penalties. The stock detracted 99 bps. NVIDIA (NVDA) had its worst monthly performance in over three years, with shares falling about 14% despite reporting record-breaking Q3 earnings. Revenue surged 62% to \$57 billion and guidance was raised, but the stock sold off due to mounting concerns about an AI bubble and stretched valuations after hitting all-time highs earlier in the month. Profit-taking accelerated as analysts warned that AI-related stocks had rallied too far, too fast. Competitive threats also weighed on sentiment; The stock detracted 55 bps. We remain very supportive of the company despite the recent sell off as we see strong top-line and bottom-line growth over the next 3-5 years.

George Boubouras
Managing Director (MD)
Research, Investments & Advisory
research@k2am.com.au

Marcela Tirado
Head of Relationship Management
& Corporate Services
invest@k2am.com.au

K2 Global High Alpha Fund Net Monthly Returns in AUD

| Year | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Fin YTD | Fin YTD Index (1) | Average Cash | Average Short |
|---------|-------|-------|-------|-------|-------|-------|-------|-------|--------|-------|-------|--------|---------|-------------------|--------------|---------------|
| 2009/10 | | | | | | 0.81 | -1.26 | 3.46 | 4.61 | -0.28 | -5.44 | 1.83 | 3.45 | 1.48 | 33.67% | -0.28% |
| 2010/11 | 5.28 | 1.36 | 13.20 | 8.95 | 5.90 | 10.18 | 0.83 | 2.04 | 0.66 | 3.40 | -1.73 | -3.09 | 56.62 | 3.50 | 9.62% | -0.76% |
| 2011/12 | 0.97 | -3.09 | -8.55 | 8.86 | -3.30 | -3.53 | 6.22 | 7.90 | 0.04 | -2.47 | -7.31 | -2.32 | -8.00 | -2.59 | 28.98% | -0.74% |
| 2012/13 | 1.48 | 4.49 | 4.01 | 3.53 | -0.97 | 6.91 | 4.92 | 4.42 | 2.18 | 4.42 | 1.80 | -0.81 | 42.70 | 31.02 | 13.92% | -0.37% |
| 2013/14 | 4.92 | 2.22 | 4.73 | 4.27 | 3.23 | 1.63 | 0.34 | 2.41 | -0.56 | 0.05 | 0.19 | -1.73 | 23.68 | 19.62 | 8.04% | -0.01% |
| 2014/15 | 4.61 | 1.56 | 1.56 | 1.07 | 1.18 | 3.26 | 4.83 | 4.50 | 2.41 | 3.16 | 3.69 | -3.51 | 31.92 | 23.89 | 9.19% | -0.07% |
| 2015/16 | 4.50 | -2.39 | 0.65 | 3.12 | -1.87 | -1.03 | -4.72 | -4.73 | 1.62 | 0.78 | 2.15 | -4.13 | -6.41 | -0.60 | 18.10% | -0.49% |
| 2016/17 | 3.76 | 2.20 | -0.06 | -1.85 | 0.62 | 1.52 | 2.24 | -0.78 | 2.64 | 0.04 | 1.91 | -0.90 | 11.77 | 15.36 | 19.74% | -2.44% |
| 2017/18 | 0.12 | 3.67 | 1.39 | 3.63 | 1.83 | 1.24 | -0.35 | -0.17 | -1.33 | 0.18 | -0.69 | 0.59 | 10.45 | 15.13 | 16.40% | -2.98% |
| 2018/19 | 0.60 | 0.51 | -0.28 | -4.95 | -5.27 | 1.63 | -3.30 | 3.85 | -1.25 | 2.65 | -1.85 | 1.26 | -6.64 | 10.51 | 38.34% | -6.22% |
| 2019/20 | 1.96 | -3.55 | 2.80 | 0.91 | 3.40 | 2.16 | 1.13 | -7.77 | -23.23 | 8.13 | 6.33 | 1.38 | -10.05 | 3.22 | 14.87% | -2.83% |
| 2020/21 | 4.68 | 5.52 | -0.96 | -1.07 | 9.78 | 3.15 | -0.28 | 3.41 | 0.90 | 3.48 | -1.14 | 1.70 | 32.67 | 28.43 | 3.62% | -0.45% |
| 2021/22 | -0.31 | 3.48 | -2.98 | 2.20 | -1.12 | 0.75 | -5.87 | -1.51 | 2.21 | -2.54 | -4.35 | -13.70 | -22.32 | -8.80 | 0.81% | -0.25% |
| 2022/23 | 3.90 | -1.29 | -8.84 | 2.77 | 6.03 | -4.49 | 7.16 | -2.84 | -1.84 | 0.79 | -2.38 | -1.17 | -3.30 | 19.97 | 6.13% | -0.73% |
| 2023/24 | 3.63 | 0.75 | -0.16 | -2.19 | 3.07 | 6.70 | -0.44 | -1.52 | 1.93 | -3.87 | -1.37 | -0.52 | 5.71 | 18.21 | 2.68% | -0.33% |
| 2024/25 | 3.43 | -1.93 | 4.04 | 0.55 | 4.93 | -1.50 | 3.72 | -2.81 | -6.59 | 0.49 | 4.85 | 4.37 | 13.55 | 17.97 | 0.89% | -1.08% |
| 2025/26 | -1.71 | 2.74 | -0.32 | -0.35 | -2.95 | | | | | | | | -2.65 | 9.81 | -1.09% | -0.01% |
| Incept. | | | | | | | | | | | | | 292.10 | 543.71 | | |
| Incept. | | | | | | | | | | | | | 8.92%pa | 12.34%pa | 13.17% | -1.18% |

(1) Morningstar Global Markets NR AUD

DISCLAIMER: The K2 Global High Alpha Fund is issued by K2 Asset Management Limited (K2) ABN 95 085 445 094, AFS Licence No 244393, a wholly owned subsidiary of K2 Asset Management Holdings Limited. The information contained in this document is produced in good faith and does not constitute any representation or offer by K2. It is subject to change without notice and is intended as general information only and is not complete or definitive. The information provided in this document is current at the time of the preparation and K2 is not obliged to update the information. K2 does not accept any responsibility and disclaims any liability whatsoever for loss caused to any party by reliance on the information in this document. Please note that past performance is not a reliable indicator of future performance. Any advice and information contained in this document is general only and has been prepared without taking into account any particular circumstances and needs of any party. Before acting on any advice or information in this document you should assess and seek advice on whether it is appropriate for your needs, financial situation, and investment objectives. Investment decisions should not be made upon the basis of its past performance or distribution rate, or any rating given by a ratings agency, since each of these can vary. In addition, ratings need to be understood in the context of the full report issued by the ratings agency themselves. A product disclosure statement or information memorandum for the funds referred to in this document can be obtained at www.k2am.com or by contacting K2. You should consider the product disclosure statement before making a decision to acquire an interest in the fund.

©2025 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete, or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.