

Monthly Market Commentary

May was another good month for global equities albeit with a notable deterioration in breadth. Indices were supported by the perception of easing geopolitical tensions, good economic updates and an exceptional earnings season. Robust AI spending contributed to strength in technology related areas of the market. It was these that dominated performance.

On reporting, as at month end, 97% of companies in the S&P500 had reported with Q1 earnings growing by an average of 28.6%, the fastest pace since Q4 21 and more than double the 13.1% expected at the end of March. Technology related sectors delivered even more impressive growth thanks to both strong sales and margin expansion, with Q1 earnings across Information Technology and Communications growing by an average of over 50%.

In terms of regional performance, Japan's Nikkei225 was again the standout, rising 11.9%, driven by strength in AI-proxy SoftBank Group, up 43%, and strong performance from local semiconductor stocks. Semiconductor strength also helped US markets with the US-semiconductor index, the SOX, recording its best 2-month performance since 1996, up 69% from the end of March. The NASDAQ finished up 8.4%, while the S&P500 also delivered good absolute performance, up 5.15%, ahead of both its equal-weighted equivalent, +2.51%, and the S&P600 Small Cap Index, +0.9%. European bourses lagged in local currency terms with Germany's DAX rising 3.3%, followed by the French CAC40 and UK FTSE, both up less than 1%. China's Shanghai Composite Index closed lower by 1.1%.

Narrow breadth was most obvious at a sector level with Information Technology up 15.9%, miles ahead of the next best performers, Consumer Discretionary and Materials, both up around 3%. Noticeable laggards included Energy, which fell 6.2% as energy prices retreated, along with defensive sectors Utilities and Staples, down 5.4% and 2.3% respectively.

The AUD fell 0.2% against the USD as the US dollar basket, DXY, rose 0.9%. Commodities were weaker with the Bloomberg Commodity Index falling 3.8%, thanks partly to lower oil prices as WTI fell 17%. VIX also fell 1.57 points to close at 15.32 while yields on 10-year US Treasuries rose 6bps to 4.44% by month end.

Against this backdrop the Fund returned 0.22% for the month.

The Fund's holding in Japan-based security firm, Secom was a meaningful contributor in May. Its shares surged on a solid FY26 result in which management flagged high-single digit price rises in coming months, alongside a new ~¥100bn buyback (approx. 3% of market-cap) and a 20% step-up in the dividend. Given signs the company is actively beginning to lean on its significant cash reserves to support shareholder returns (net cash approx.18% of market-cap), we think there is scope for more upside to shareholder returns.

In terms of new positions, the Fund gained exposure to US private hospital operator, Tenet Healthcare. With balance sheet issues now largely resolved, we think Tenet can continue recycling capital into its higher returning day-surgery business (one-third of EBITDA) while also funding more capital management in the form of buybacks. Given shares continue to trade on a low double-digit free cash flow yield, we think there is good upside for shareholders.

We believe the most compelling way to compound clients' wealth is by utilising multiple return sources to deliver superior risk-adjusted investment outcomes.

- Long-term compounding of investor wealth
- Multiple sources of return
- Quarterly distributions
- Risk focused investment mindset



The investment process behind the Talaria Global Equity Fund Complex ETF takes a high conviction, value biased approach to construct a portfolio of high quality, large cap companies from around the globe. Our unique investment methodology harnesses the benefits of consistent income generation and capital appreciation to grow investors' real wealth.

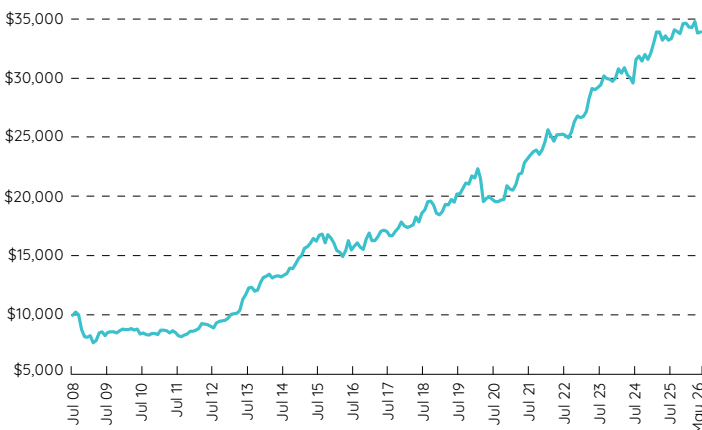
Performance as at 31 May 2026¹

	1 Month	3 Months	6 Months	1 Year	3 Years (pa)	5 Years (pa)	7 Years (pa)	10 Years (pa)	Since Inception (pa) ²
Total Return	0.22%	-1.15%	-2.07%	0.92%	5.28%	8.21%	8.19%	7.59%	7.10%
Avg. Market Exposure⁴	56%	55%	55%	57%	60%	58%	57%	59%	61%

¹ Fund Returns are calculated after fees and expenses and assume the reinvestment of distributions.
² Inception date for performance calculation is 18 August 2008.
³ Past performance is not a reliable indicator of future performance.

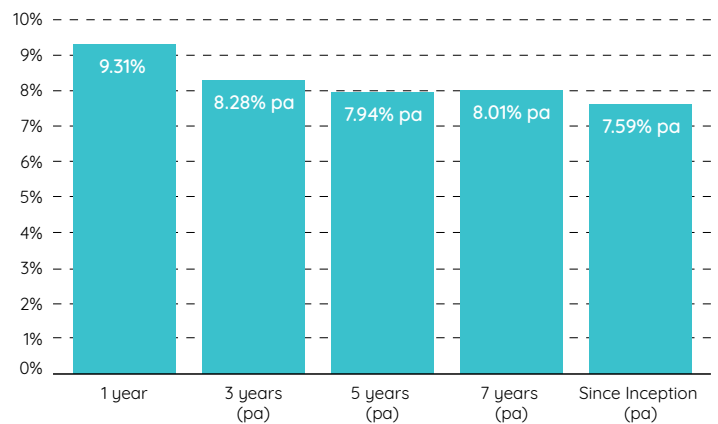
⁴ Average Market Exposure calculated on delta-adjusted exposure of underlying portfolio. Since inception market exposure is calculated from September 2008.

Growth of \$10,000 Since Inception⁵



⁵ Calculations are based on exit price, net of management fees and expenses and assumes reinvestment of distributions Past performance is not a reliable indicator of future performance.

Annual Distributions⁶



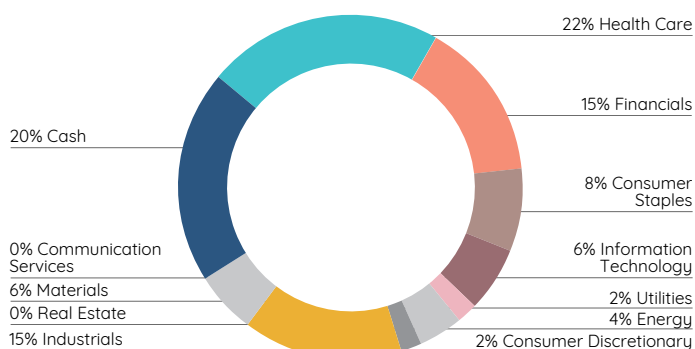
⁶ Illustrates Distribution Returns for the Talaria Global Equity Fund Complex ETF Units for the financial year ending 30 June 2025. Inception date is 18 August 2008.

Top 10 Holdings⁷

Company Name	Holding	Country	Sector	Description
Newmont	5.7%	USA	Materials	One of the top 3 gold producers in the world
Bayer	5.0%	Germany	Health Care	Multinational pharmaceutical and life sciences company
Bunzl	4.7%	United Kingdom	Industrials	Multinational distribution and outsourcing business
Henkel	4.7%	Germany	Consumer Staples	A multinational household products and adhesives company
Exor	4.5%	Netherlands	Financials	A diversified holding company
Everest Group	4.5%	USA	Financials	Leading global provider of reinsurance and insurance services
A.O Smith	4.4%	USA	Industrials	A leading manufacturer of water heaters in North America
Roche	4.3%	Switzerland	Health Care	A global leader in cancer treatments
GSK	4.0%	United Kingdom	Health Care	One of the world's largest pharmaceutical companies.
Pfizer	4.0%	USA	Health Care	A research led global pharmaceutical company

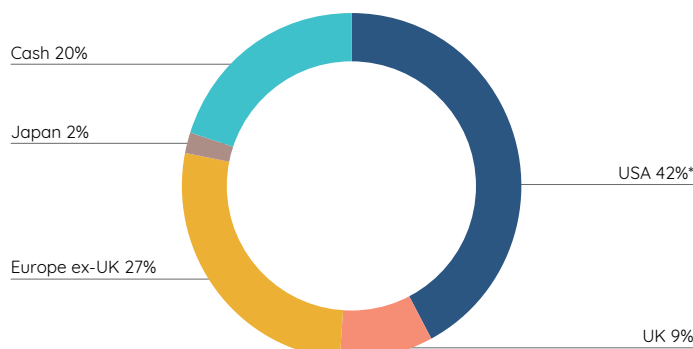
⁷ Weightings include option positions held and cash backing put options. It assumes that put options will be exercised. Should the put option not be exercised the cash will revert to the unencumbered cash portfolio or may be used to cover further put options.

Sector Allocation⁸



^{8,9} Weightings include option positions held and cash backing put options. It assumes that put options will be exercised. Should the put option not be exercised the cash will revert to the unencumbered cash portfolio or may be used to cover further put options.

Regional Allocation⁹



* USA includes American Depositary Receipts (ADRs) listings.

Fund Snapshot

APIR Code	AUS0035AU	Inception Date	18 August 2008
Management Fee	1.16% p.a. of the net asset value of the Fund plus Recoverable Expenses	Liquidity	Daily
Recoverable Expenses	Estimated to be 0.12% of net asset value of the Fund each Financial Year	Exit Price	\$4.70750 (31 May 2026)
		Buy / Sell Spread	0.20% / 0.20%
Major Platform Availability	Ausmaq, BT Panorama, CFS Edge, CFS FirstChoice, Dash, Expand, Hub24, IconIQ, IOOF Pursuit, Linear, Macquarie, Mason Stevens, Netwealth, North, Powerwrap, Praemium	Distributions	Quarterly
		Minimum Investment	\$5,000

Important Information

Equity Trustees Limited ("Equity Trustees") (ABN 46 004 031 298, AFSL 240975, is the Responsible Entity for the Talaria Global Equity Fund Complex ETF ("the Fund"). Equity Trustees is a subsidiary of EQT Holdings Limited (ABN 22 607 797 615), a publicly listed company on the Australian Securities Exchange (ASX: EQT). This report has been prepared by Talaria Asset Management ("Talaria") to provide you with general information only. In preparing this information, we did not take into account the investment objectives, financial situation or particular needs of any particular person. It is not intended to take the place of professional advice and you should not take action on specific issues in reliance on this information. Neither Talaria, Equity Trustees nor any of its related parties, their employees or directors, provide any warranty of accuracy or reliability in relation to such information or accepts any liability to any person who relies on it. Past performance should not be taken as an indicator of future performance. You should obtain a copy of the Product Disclosure Statement before making a decision about whether to invest in this product. Talaria Global Equity Fund Complex ETF's Target Market Determination is available here. A Target Market Determination is a document which is required to be made available from 5 October 2021. It describes who this financial product is likely to be appropriate for (i.e. the target market), and any conditions around how the product can be distributed to investors. It also describes the events or circumstances where the Target Market Determination for this financial product may need to be reviewed. The Zenith Investment Partners (ABN 27 103 132 672, AFS Licence 226872) ("Zenith") rating (assigned November 2025 for fund AUS0035AU) referred to in this piece is limited to "General Advice" (s766B Corporations Act 2001) for Wholesale clients only. This advice has been prepared without taking into account the objectives, financial situation or needs of any individual, including target markets of financial products, where applicable, and is subject to change at any time without notice. It is not a specific recommendation to purchase, sell or hold the relevant product(s). Investors should seek independent financial advice before making an investment decision and should consider the appropriateness of this advice in light of their own objectives, financial situation and needs. Investors should obtain a copy of, and consider the PDS or offer document before making any decision and refer to the full Zenith Product Assessment available on the Zenith website. Past performance is not an indication of future performance. Zenith usually charges the product issuer, fund manager or related party to conduct Product Assessments. Full details regarding Zenith's methodology, ratings definitions and regulatory compliance are available on our Product Assessments and at Fund Research Regulatory Guidelines. The rating issued 04/2025 is published by Lonsac Research Pty Ltd ABN 11 151 658 561 AFSL 421 445 (Lonsac). Ratings are general advice only, and have been prepared without taking account of your objectives, financial situation or needs. Consider your personal circumstances, read the product disclosure statement and seek independent financial advice before investing. The rating is not a recommendation to purchase, sell or hold any product. Past performance information is not indicative of future performance. Ratings are subject to change without notice and Lonsac assumes no obligation to update. Lonsac uses objective criteria and receives a fee from the Fund Manager. Visit lonsac.com.au for ratings information and to access the full report. © 2025 Lonsac. All rights reserved. The Genium rating (assigned May 2025) presented in this document is issued by Genium Investment Partners Pty Ltd ABN 13 165 099 795, which is a Corporate Authorised Representative of Genium Advisory Services Pty Ltd ABN 94 304 403 592, AFSL 246580. The Rating is limited to "General Advice" (s766B Corporations Act 2001 (Cth)) and has been prepared without taking into account the objectives, financial situation or needs of any individual, including target markets of financial products, where applicable, and is subject to change at any time without notice. Past performance information is for illustrative purposes only and is not indicative of future performance. It is not a recommendation to purchase, sell or hold the relevant product(s). Investors should seek independent financial advice before making an investment decision in relation to this financial product(s). Genium receives a fee from the Fund Manager for researching and rating the product(s). Visit genium.com.au for information regarding Genium's Ratings methodology. The Global Industry Classification Standard ("GICS") was developed by and is the exclusive property and a service mark of MSCI Inc. ("MSCI") and Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P") and is licensed for use by Talaria Asset Management. Neither MSCI, S&P nor any third party involved in making or compiling the GICS or any GICS classifications makes any express or implied warranties or representations with respect to such standard or classification (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability and fitness for a particular purpose with respect to any of such standard or classification. Without limiting any of the foregoing, in no event shall MSCI, S&P, any of their affiliates or any third party involved in making or compiling the GICS or any GICS classifications have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

