



Australian Eagle

Asset Management

November 2025 Monthly Report - Australian Eagle Long-Only Equity

Portfolio performance

| | 1 Month | 3 Month | 6 Month | 1 Year | 3 Year | 5 Year | 7 Year | 10 Year | Inception p.a. |
|-------------------------|---------|---------|---------|--------|--------|--------|--------|---------|----------------|
| Portfolio* | -3.26% | -0.68% | 4.43% | 5.59% | 9.36% | 10.45% | 13.48% | 14.05% | 11.66% |
| Benchmark** | -2.79% | -3.70% | 2.62% | 4.23% | 9.41% | 10.14% | 10.48% | 9.56% | 8.17% |
| Out/(under) performance | -0.47% | 3.01% | 1.81% | 1.36% | -0.05% | 0.32% | 2.99% | 4.49% | 3.49% |

Top 3 and Bottom 3 Performing Stocks

Top 3: Pilbara Minerals Ltd (PLS), Evolution Mining Ltd (EVN), Web Travel Group Ltd (WEB)

Bottom 3: Life360 Inc (360), TechnologyOne Ltd (TNE), Xero Ltd (XRO)

Market Commentary

Global equity markets experienced another volatile month, ending mostly either flat or down as geopolitical tensions and fears of overvalued AI stocks drove sentiment. The US Federal government shutdown finally ended after 43 days, creating uncertainty over the accuracy and collection of economic data. US Federal Reserve board members shifted perceptions of future policy from no rate cut to a high chance of a rate cut at the upcoming December meeting. China's prolonged slowdown showed no signs of abating with housing prices locked in a 28-month decline and factory activity contracting for the eighth consecutive month. Japan's new PM unveiled a JPY25 trillion stimulus package to revive domestic growth, risking its already precarious fiscal position. The spodumene price continued its rebound, up 20% to US\$1150/t on increased demand for battery energy storage systems. The iron ore price fell 4% to US\$102/t despite China reportedly weighing up new housing stimulus including mortgage subsidies and lower transaction costs.

Australian equities underperformed global markets, driven by the big banks, technology and property trusts. The RBA held rates steady at 3.60% with no rate cuts expected till May 2026. October's CPI reading was 3.8%, the highest in 16 months while unemployment fell to 4.3%, adding a near term headwind to rate cut expectations.

National Australia Bank reported a flat profit despite rising loan impairments associated with business banking loans. Macquarie Group disappointed investors after the writedown of offshore wind assets and a weaker commodities division result. Life360 upgraded revenue and profit guidance despite slowing monthly active user growth. Aristocrat Leisure announced continued double digit growth as the digital business gained significant market share. Xero's profitability and cashflow continued to improve as price increases, business momentum and cost control all contributed to exceeding the Rule of 40. CSL plans to invest \$2.3bn in US manufacturing plants over the next 5 years to bypass tariffs. Web Travel Group reiterated its FY30 \$10bn TTV goal while remaining on track for 6.5% revenue margins for FY26. BHP renewed its takeover bid for Anglo American but quickly abandoned talks after the target did not wish to continue discussions. Woodside Energy agreed with the Timor-Leste government to progress studies on a potential Sunrise LNG project in the early to mid 2030s. QBE announced a \$450m buyback and revealed mid single digit premium growth while its catastrophe claims have been much lower than expected.

Major relative portfolio exposures were to medical devices and technology stocks with less portfolio weight in major banks and telecoms.

Portfolio changes

Stocks joined or increased:

Web Travel Group Ltd (+0.50%): A wholesale hotel inventory platform provider. The company remains on track to achieve long term goals as organic growth has been maintained at over 20% p.a.

PLS Ltd (+0.50%): A vertically integrated lithium miner. Management has continued to grow production and reduce unit costs, positioning the company well for the upturn as demand returns for future facing minerals.

Stocks removed or reduced:

Fortescue Ltd (-0.50%, Exit): An iron ore miner and green energy company. The share price has reached our valuation target.

Iluka Resources Ltd (-0.50%): A diversified mineral sands and rare earths miner. Weak Chinese housing data and the shutdown of a customer's titanium dioxide manufacturing plant has created uncertainty for the near term future.

Australian Eagle Portfolio: Top Ten Holdings

| Stock | 30/11/2025 |
|-------------------------|------------|
| Commonwealth Bank Ltd | 6.25% |
| Cochlear Ltd | 6.00% |
| Rio Tinto Ltd | 6.00% |
| QBE Insurance Group Ltd | 6.00% |
| Woodside Energy Ltd | 5.00% |
| Macquarie Group Ltd | 4.00% |
| ASX Ltd | 4.00% |
| Aristocrat Leisure Ltd | 4.00% |
| Brambles Ltd | 4.00% |
| Life360 Inc | 3.75% |

Portfolio Commentary

Positives:

PLS - The share price followed the spodumene price higher.

EVN - The share price stabilised with the gold price.

WEB - The share price rose after reporting continued strong growth and reiteration of long term targets.

Negatives:

360 - The share price fell after reporting slowing user growth.

TNE - The share price fell due to a slight slowing of annualised recurring revenue growth.

XRO - The share price fell after falling short of market expectations.

**Benchmark is S&P/ASX100 Accumulation Index

*Performance figures exclude Australian Eagle's fees. Australian Eagle portfolio inception date is 7th February 2005.

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