Affluence LIC Fund

Fund Report & Overview | September 2026

1300 233 583
affluencefunds.com.au
invest@affluencefunds.com.au
Level 10, 320 Adelaide Street,
Brisbane, QLD, 4000

Fund Features

- Has outperformed ASX200 Accum. Index*
- Quarterly Distributions*
- Unique Discount Capture Strategy

Performance Since Inception

(May 2016)*

10.3% Total returns per annum

7.5% Distributions per annum

Key Statistics

Investment Class	LIC's
Minimum Investment	$20,000
Suggested Timeframe	At least 5 years
Target Returns	ASX200 Accum. Index
Fund Size	$24.8m
Annual Distributions	8.00 cpu*
Distribution Yield	6.0% p.a.*
Distribution Frequency	Quarterly*
Applications	Monthly
Withdrawals	Monthly
Management Fees	Nil*
Performance Fee	12.5% of positive performance*
Entry/Exit Price	$1.3290 / $1.3264
Buy/Sell Spread	0.10% / 0.10%

Investment Objective

The Fund aims to outperform the ASX 200 Accumulation Index over rolling 3 year periods and to deliver these returns with less volatility than the Index.

Investment Strategy

The Fund aims to invest in 20-35 LICs that meet one or more of the following criteria; Alpha Generators – LICs that can outperform the market, Discount Capture – LICs trading at attractive discounts to NTA, or Event Driven – special situations such as IPOs, capital raisings and other corporate activities.

Why Use The Fund?

Portfolio Use

The Fund is designed to be used as part of an investment portfolio for those investors seeking **Capital Growth** and **Income Distributions** with a longer investment timeframe, at least a **Medium** risk / return profile and needing access to capital **Monthly** or less often.

Access to Differentiated Strategies

The Fund provides access to a unique investment strategy that may complement investors portfolios.

Key Risks

As with all investments, the Fund is subject to risks. Key risks include concentration and volatility risk, economic and market risk, legal and regulatory risk, manager and key person risk and currency risk. We aim, where possible, to actively manage risks. However, some risks are outside our control.

Platform Availability

Mason Stevens

HUB24 Netwealth

Superior SQM RESEARCH

Want to know more about Listed Investment Companies (LICs)? **DOWNLOAD OUR GUIDE**

* See notes on the last page for additional information. Distributions are not guaranteed. Past performance is not indicative of future performance.

Fund Performance*

To 30 September 2026	3 Months	1 Year	3 Years	5 Years	10 Years	Inception
Distributions	1.5%	5.8%	6.4%	7.2%	7.7%	7.5%
Change in Unit Price (Capital Growth)	0.7%	-6.8%	2.0%	-1.1%	2.1%	2.8%
Affluence LIC Fund Total Return	**2.2%**	**-1.0%**	**8.4%**	**6.1%**	**9.8%**	**10.3%**
ASX200 Accumulation Index (AI)	1.3%	2.7%	11.4%	7.7%	9.0%	9.2%
Performance compared to ASX200AI	**0.9%**	**-3.7%**	**-3.0%**	**-1.6%**	**0.8%**	**1.1%**

Fund Monthly Return History*

	J	F	M	A	M	J	J	A	S	O	N	D	Year
2016					1.0%	0.1%	4.9%	1.1%	1.4%	0.5%	1.6%	1.5%	12.6%
2017	0.1%	0.5%	0.1%	0.5%	0.3%	1.3%	1.4%	-0.6%	0.7%	3.2%	2.2%	1.6%	11.8%
2018	-0.4%	-0.1%	-1.3%	2.1%	1.2%	1.1%	2.1%	1.0%	0.6%	-4.0%	-0.5%	-1.2%	0.3%
2019	2.1%	1.4%	-0.5%	0.5%	-0.1%	-0.8%	5.1%	-1.9%	3.4%	0.8%	3.2%	1.7%	15.8%
2020	-2.0%	-5.0%	-8.3%	7.9%	6.6%	-2.7%	3.2%	4.8%	1.7%	2.7%	9.7%	1.7%	20.2%
2021	0.4%	1.7%	1.3%	2.3%	2.4%	5.1%	0.0%	0.3%	2.4%	1.5%	-0.9%	1.7%	19.6%
2022	-1.6%	-1.4%	1.4%	0.0%	-2.3%	-3.8%	4.3%	1.1%	-2.4%	1.5%	3.5%	-0.4%	-0.4%
2023	1.3%	-0.1%	0.0%	0.7%	-0.9%	-0.5%	2.1%	0.0%	1.2%	-1.9%	1.5%	3.5%	6.9%
2024	1.1%	-0.7%	2.9%	0.7%	0.9%	-0.7%	2.5%	-0.3%	4.0%	1.1%	-2.4%	0.2%	9.5%
2025	2.2%	0.4%	-1.9%	-0.3%	2.0%	0.2%	4.5%	3.3%	3.0%	0.3%	-0.1%	1.3%	15.9%
2026	4.1%	-2.6%	-6.9%	2.4%	0.2%	-1.5%	2.7%	1.0%	-1.4%				

Strongest Month | Positive Month | Stable Month | Negative Month | Weakest Month

Fund Commentary*

The Affluence LIC Fund decreased 1.4% in September, outperforming the ASX200 Index which decreased 2.4%. The Fund has returned 10.3% per annum since inception over 10 years ago.

The main story in September was interest rates, as a renewed rise in inflation concerns prompted a further repricing of interest rate expectations. In Australia the RBA increased the cash rate by 0.25% to 4.60% with the RBA highlighting that upside risks to inflation had begun to materialise. In the United States the Federal Reserve increased the Fed Funds rate by 0.25% to 3.75%–4.00%, its first increase in three years. It was not just the short end of the curve that moved upwards. During the month the Australian 10 year bond rate increased from 5.0% to 5.3%, which is the highest level since 2011. The impact of higher risk free rates is lower asset prices, as expected returns from financial assets need to rise in tandem.

The top contributors in September were Infragreen Group (IFN), CD Private Equity Series 1 (CD1) and Healthco and Wellness REIT (HCW). The largest detractors were Bailador Technology Investments (BTI) and Lendlease Group (LLC).

At the end of September the Fund held 39 LICs and other securities representing 93% of the Fund and 7% in cash. The average NTA discount for the LIC portfolio at the end of the month was approximately 29%, compared to the 29.7% discount at the end of August.

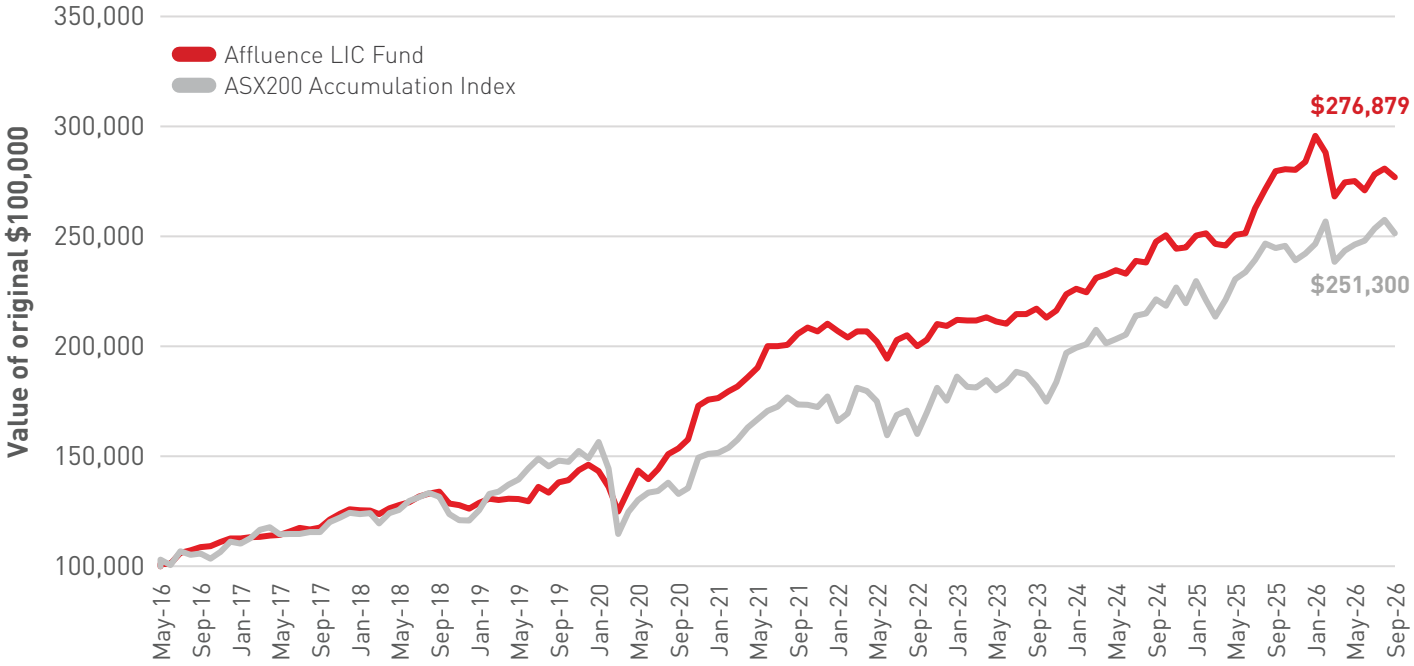
The Affluence LIC Fund is open to new and existing investors.

Applications are accepted monthly. The minimum initial investment amount is $20,000.

The cut-off for applications is the last business day of the month, with units issued effective the first day of the following month. Click the "Invest Now" button on our website to apply online or download application forms.

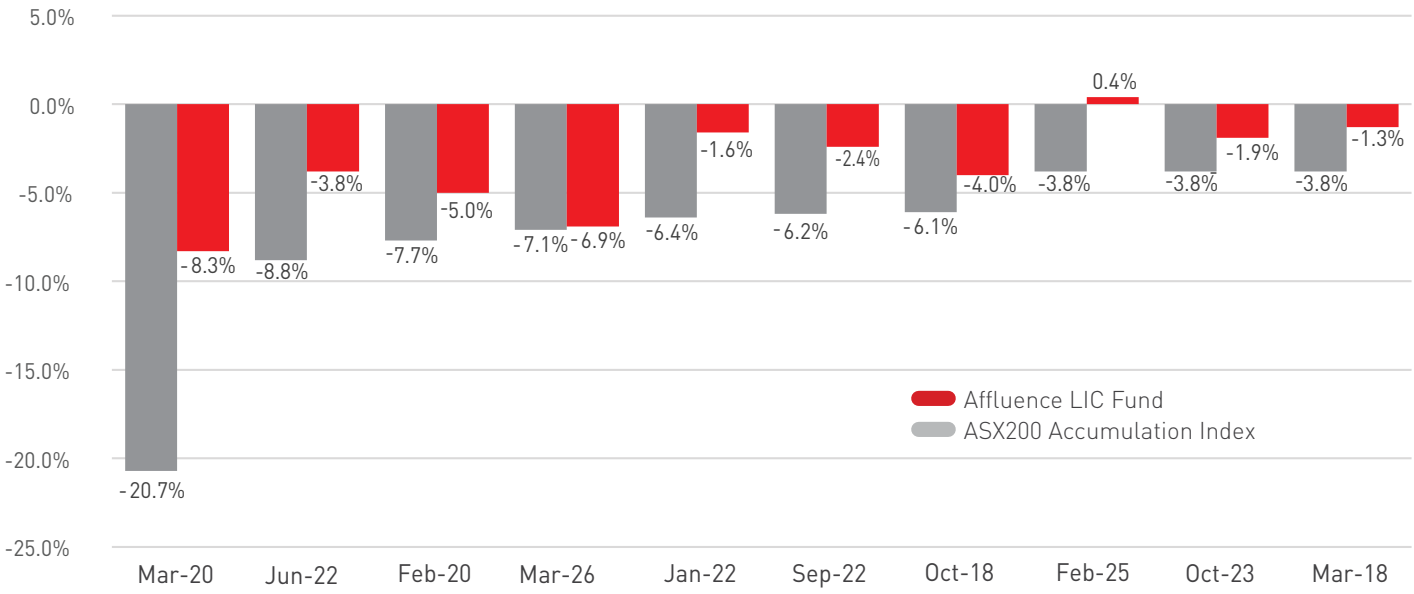
* See notes on the last page for additional information. Distributions are not guaranteed. Past performance is not indicative of future performance.

Return on $100,000 Investment*



Fund Performance in Falling Markets*

The graph below shows the 10 largest monthly falls in the ASX200 Accumulation Index since the Fund commenced, and the performance of the Fund for that same month. The Fund has outperformed the Index in all 10 of the worst months.



Five Largest Investments

01 Salter Brothers Emg Co (SB2)

02 Digico Infrastructure REIT (DGT)

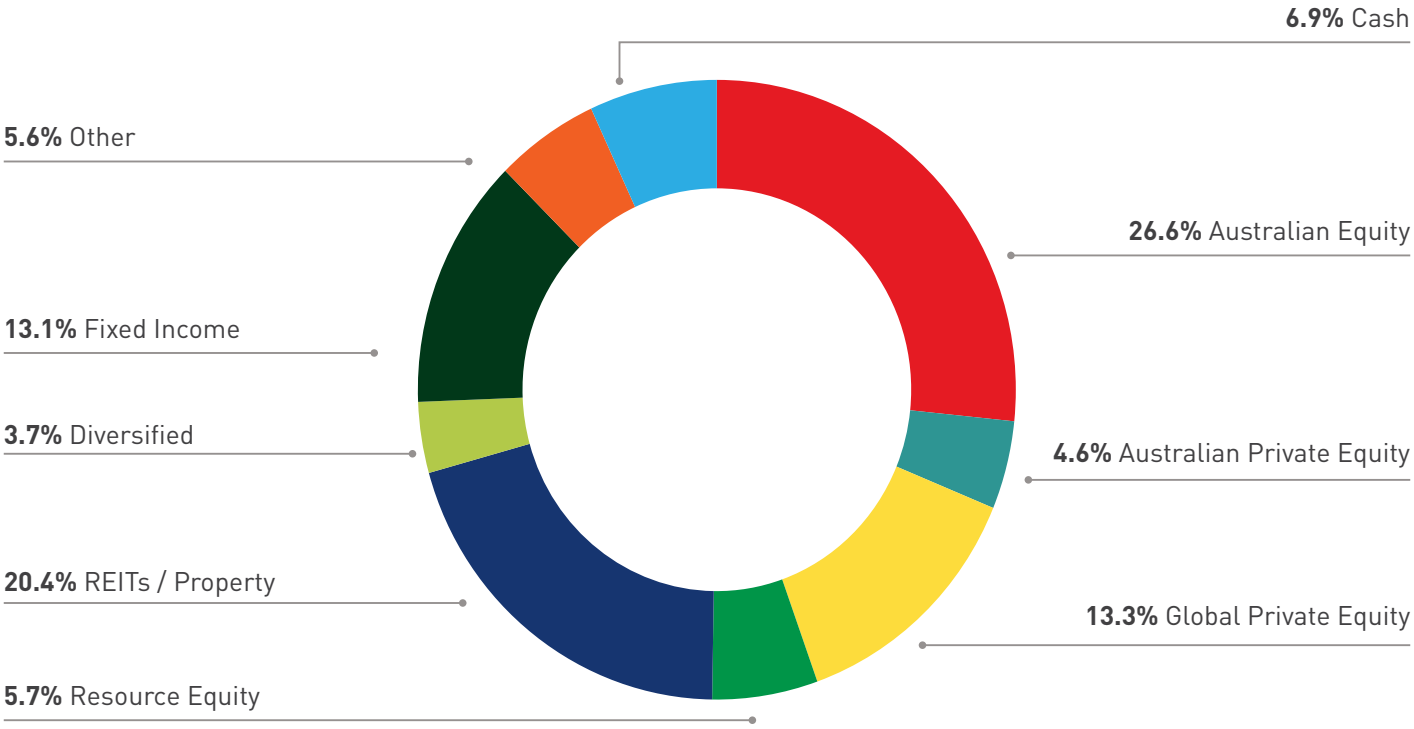
03 NGE Capital (NGE)

04 Metrics Master Income Trust (MXT)

05 Bailador Technology Investments (BTI)

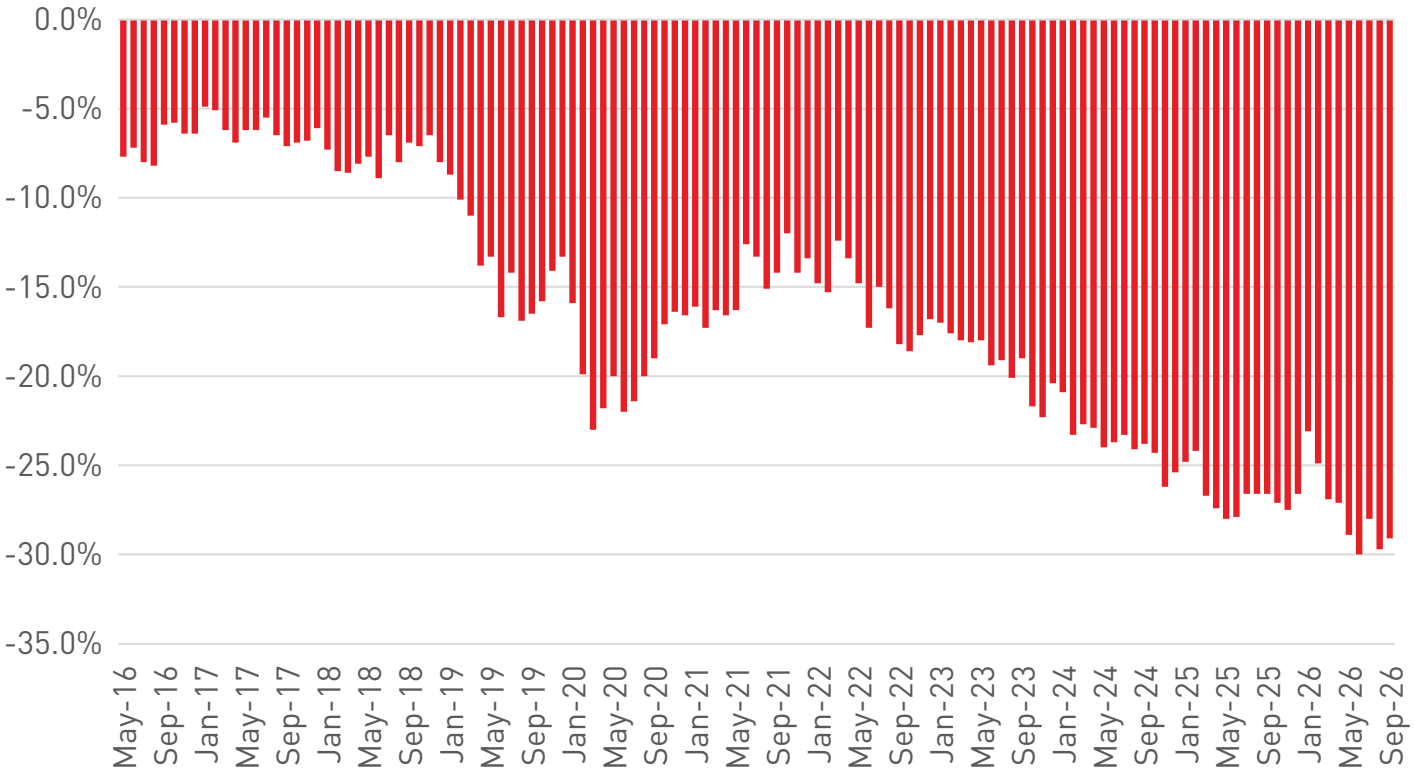
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Portfolio Summary



Investments are categorised based on their dominant underlying asset class/strategy (e.g. some Australian equity funds may include some global holdings). Australian Equities and Global Equities comprise both long only and long/short strategies.

Affluence LIC Fund Portfolio - Discount to NTA History*



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Is the Fund right for you?

The Affluence LIC Fund is one of the only funds in Australia that focuses on investing in LICs. Despite the large size of the LIC sector, there is relatively limited attention from institutional researchers and professional investment managers. This can provide more opportunities for mispricing than in other areas of the stock market. In addition, some quality investment managers can only be accessed through LICs.

Through LICs, the Fund provides access to Australian and global equities as well as some exposure to other asset classes. These LICs use a broad range of investment styles and investment strategies.

Does it suit your portfolio?

The Fund is designed to be used as part of an investment portfolio for those investors seeking Capital Growth and Income Distributions with a longer investment timeframe, at least a Medium risk/return profile and needing access to capital Monthly or less often.

The Fund has outperformed its benchmark (ASX200 Index) with lower volatility since inception, and has historically outperformed when markets fall significantly.

As with all investments, the Fund is subject to risks. The value of an investment will go up and down over time, the Fund's returns will vary, future returns may differ from past returns, and returns are not guaranteed. This means that there is always the chance that you could lose money on an investment in the Fund.

Why invest with Affluence?

We pride ourselves on the quality of our products and alignment with investors.

We were the first investors in each of our funds. A significant proportion of our own and extended families wealth is invested in Affluence funds.

We charge no fixed management fee for any of our funds. Instead, we charge a performance fee of 12.5% of positive returns4. This encourages us to focus on generating strong returns, while managing risk and limiting losses. If our investors do well, we will do well.

We believe managing less money than average provides us with significant advantages. So we don't aim to be the biggest manager. We do aim to be one of the best. We are proud of our performance record to date.

Invest Now

Investment Team



Daryl Wilson
CEO/Portfolio Manager

Email: daryl.wilson@affluencefunds.com.au
Phone: +61 402 046 883
Office: 1300 233 583



Greg Lander
Portfolio Manager

Email: greg.lander@affluencefunds.com.au
Phone: +61 409 645 893
Office: 1300 233 583

The Affluence LIC Fund is available to all Australian and New Zealand resident investors. If you have any questions about Affluence, the Fund or our investment team, please get in touch.

Click here for more information

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2. Performance data for the Fund is expressed net of fees and costs (excluding the buy-sell spread). Performance calculations assume the reinvestment of distributions. Returns for periods of more than 1 year are annualised. Past performance is not indicative of future performance. The inception date of the Fund is 1 May 2016.
3. The Fund aims to pay distributions of at least 5% pa paid quarterly. Distributions are not guaranteed and may be paid above or below this amount. Distribution yield is calculated using the most recent distribution annualised and divided by the current unit price.
4. Affluence do not charge any fixed fee for managing the Fund. Affluence charge a performance fee equal to 12.5% of positive returns. Fees are also payable to the managers of underlying investments and there are expenses associated with the Fund and its underlying investments. Fees and costs related to underlying investments are not paid by the Fund directly, but are reflected in the performance of those investments.
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