Equity Trustees

June 2026
Quarterly Report

EQT EIGHT BAYS GLOBAL FUND – CLASS B

FUND OBJECTIVE

The EQT Eight Bays Global Fund - Class B (The Fund) investment objective is to deliver gross performance (less fees) above the benchmark over rolling 3-year periods.

The Fund is designed to give investors exposure to global growth industries and world leading companies, through a portfolio of US Exchange Traded Funds (ETFs) and selected individual securities.

FUND PERFORMANCE

Over the June quarter the Fund performed well producing a total net return of 14.00% outperforming the benchmark by 0.23%.

Over FY26 the Fund generated a very strong total net return of 17.54% outperforming the benchmark by 0.36% generated an income yield of 1.21% as well as very strong capital growth.

Over the last 3 years the Fund has delivered an equally strong total net return of 18.65% per annum outperforming the benchmark by 0.41% (per annum). Since inception (1/7/21) the Fund has delivered a robust total net return of 11.24% per annum.

PERFORMANCE[1]	3 MONTHS	6 MONTHS	1 YEAR	3 YEARS (P.A.)	SINCE INCEPTION (P.A.)[2]
Income return[1]	0.72%	0.69%	1.21%	0.81%	0.46%
Capital return	13.28%	8.48%	16.32%	17.84%	10.78%
Total net return	14.00%	9.17%	17.54%	18.65%	11.24%
Benchmark return[3]	13.77%	7.12%	17.17%	18.24%	12.71%
Active return	0.23%	2.05%	0.36%	0.41%	-1.47%

Table 1

[1] Performance: Income and total net returns are fund returns after the deduction of ongoing fees and expenses and assumes the reinvestment of all distributions. Results greater than one year are annualised.

[2] Inception date is 1 July 2021.

[3] Benchmark return is the MSCI ACWI ex Australia net return Index (AUD).

Past performance is not an indicator of future performance.

PERFORMANCE COMMENTARY

The second quarter of 2026 may be remembered for the SpaceX IPO and for the stunning rise in value of the Semiconductor memory stocks. Even so market performance broadened beyond technology stocks, with strong earnings and a resilient US economy pushing the S&P 500 up 15% and the Nasdaq up 21% for the quarter.

The Fund's Semiconductor ETF SOXQ rose 87%, supported by a rise of 37% in the Information Technology ETF VGT which is strongly (40%) allocated to Semiconductors. The Smart Grid Electrification ETF GRID rose 17%.

Underperforming ETF positions were Communication Services XLC (– 3%), Midstream Gas MLPX (flat) and Global Pharmaceuticals PPH +5%.

The Fund's individual stock exposures performed strongly, with Alphabet rising 23%, Broadcom 22%, with Amazon and Nvidia both up 14%. Underperformers were Uber and Microsoft which were slightly positive.

FUND ACTIVITY

In the June 2026 quarter, there were minor rebalances including adding to **Microsoft** after a period of underperformance for software stocks and adding to the single stock position in **Nvidia**. The "Magnificent Seven" reported strong quarterly earnings and some valuations are more attractive, with Microsoft's P/E multiple now 20, compared to its 5-year average of 29.

At the same time the allocation to the SOXQ Semiconductor ETF was trimmed from 6% to 4% as the performance of its memory and storage constituents trended parabolic. The Fund has been strongly invested in Semiconductor's since inception as their importance has grown across multiple end markets and technologies.

The allocation to the US Financials ETF XLF was increased, as US Financials are trading at a discount to the broader market though their fundamental metrics are improving including capital markets activity and stronger balance sheets.

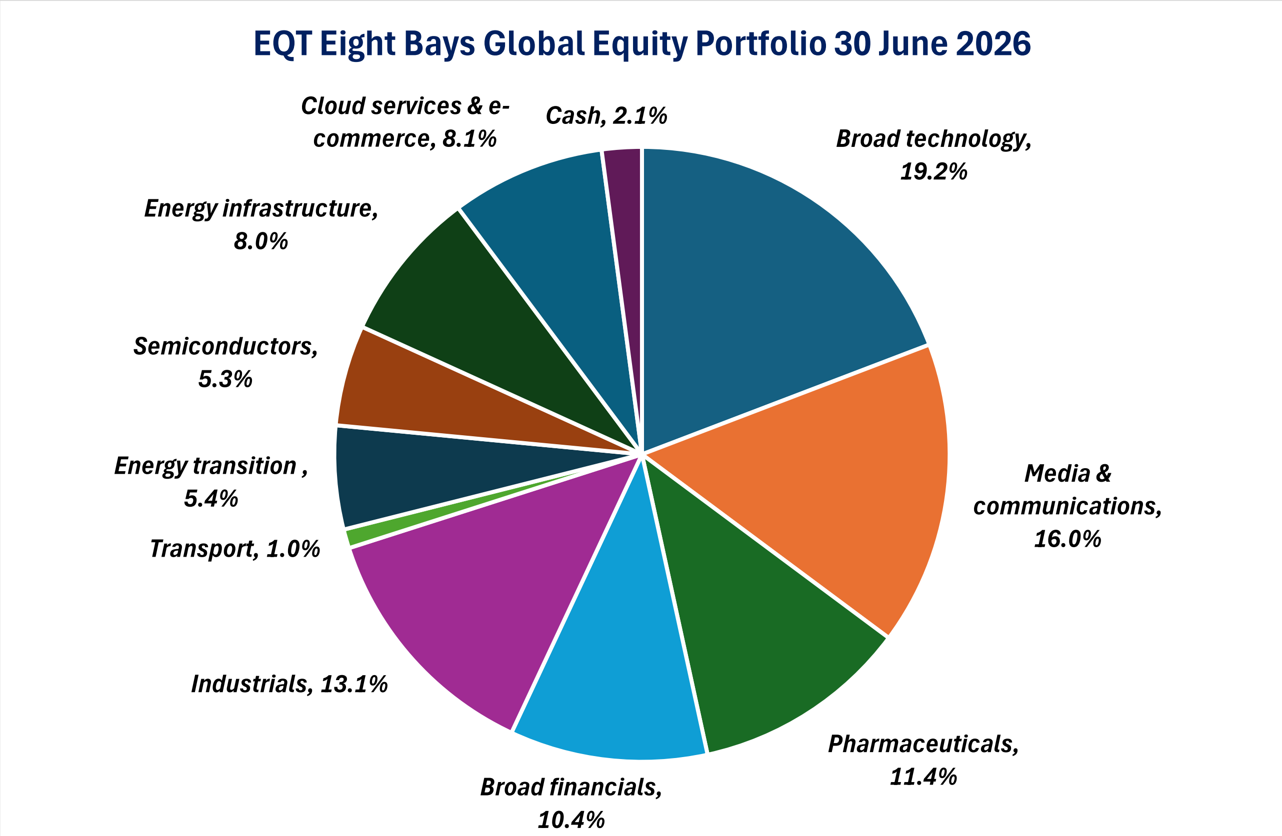
As we look forward to the 2027 financial year, several new industry exposures and associated individual stocks are under investigation for investment as opportunities present in the second half of 2026.

We highlight significant companies in each selected industry sector as follows:

INDUSTRY EXPOSURE	MAJOR COMPANY EXPOSURE
MIDSTREAM ENERGY INFRASTRUCTURE	ONEOK, Kinder Morgan, Cheniere, Williams
SMART GRID / ENERGY TRANSITION	ABB, Schneider Electric, Johnson Controls, Eaton PLC
SEMICONDUCTORS	Broadcom, Taiwan Semiconductor, NVIDIA, AMD, Micron, Marvel
INFORMATION TECHNOLOGY	Apple, Microsoft, NVIDIA, Oracle, Palantir, Amazon*
GLOBAL PHARMACEUTICALS	Eli Lilly, Novo Nordisk, J&J, Novartis, Zoetis, Takeda, Sanofi
COMMUNICATIONS	Alphabet, Meta Platforms, Netflix, Electronic Arts, Disney, T-Mobile
FINANCIALS	Berkshire Hathaway, JP Morgan, Visa, Mastercard, Goldman Sachs, Blackrock
INDUSTRIALS	Caterpillar, GE Aerospace, Honeywell, GE Vernova, UBER Technologies, Boeing, Deere

** Amazon holds the AWS Cloud computing platform that is allocated to the Information Technology sector, while the Amazon Online retail and logistics business is allocated to the Consumer Discretionary sector.*

SECTOR EXPOSURE



Source: Eight Bays 30 June 2026

EQT EIGHT BAYS INDIVIDUAL LOOK THROUGH STOCK EXPOSURE

Stocks	Portfolio weight
NVIDIA Corporation	5.1%
Microsoft Corporation	4.0%
Amazon.com, Inc.	3.6%
Alphabet Inc. Class C	3.5%
Apple Inc.	2.9%
Meta Platforms Inc Class A	2.7%
Eli Lilly and Company	2.4%
Broadcom Inc.	2.1%
Alphabet Inc. Class A	1.7%
Novartis AG Sponsored ADR	1.2%
Uber Technologies, Inc.	1.2%
Berkshire Hathaway Inc. Class B	1.2%
JPMorgan Chase & Co.	1.2%
Merck & Co., Inc.	1.1%
Micron Technology, Inc.	1.1%
Caterpillar Inc.	1.0%
GE Aerospace	0.9%
Eaton Corp. Plc	0.8%
Visa Inc. Class A	0.8%
GE Vernova Inc.	0.8%

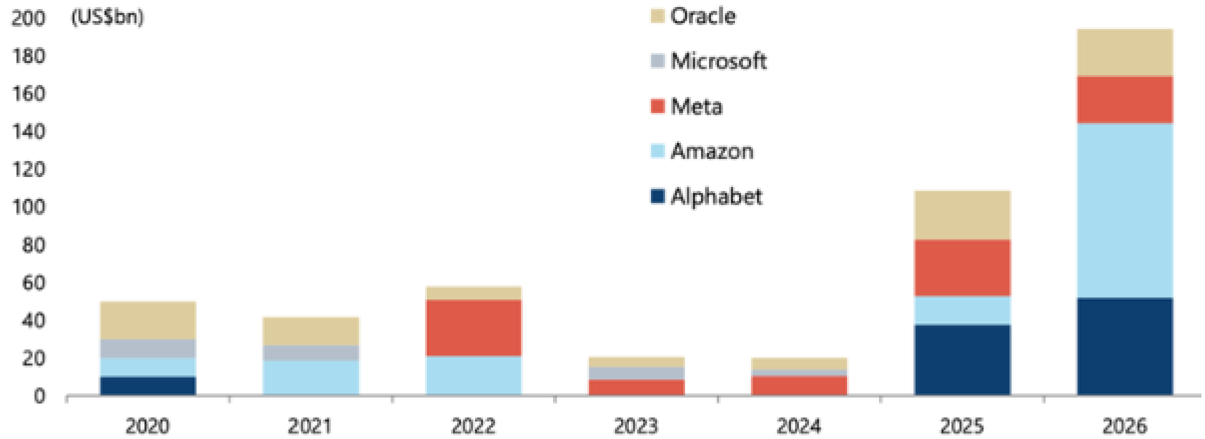
Source: Eight Bays 30 June 2026

PORTFOLIO COMMENTARY

While semiconductor stocks surged as beneficiaries of the massive AI capex by the "hyperscalers", mainly **Amazon, Alphabet, Microsoft, Meta** and **Oracle**, the sustainability of the AI capex remains an open question. It is now increasingly financed by debt, and these companies are now competing against each other in a way that is different to the past industry structure.

So, while the Cloud was thought to be the domain of Amazon, Microsoft, Alphabet and Oracle, on 1 July 2026 Meta announced it would develop Meta Compute, a new Cloud business that would utilise data centre capacity from Meta's US$ 100 billion investment.

US major hyperscalers' bond issuance



Note: Data up to 9 July 2026. Source: Bloomberg, Jefferies

While investment returns may depend on the amount of excess capacity generated across the Cloud, the potential for much cheaper Chinese led open-sourced large language models looms as a disruptive force. Geopolitical and security factors complicate any assessment of the likely level of penetration of the Chinese models, particularly for governments and business. However, they may become commoditised at the consumer level with a resulting downdraft in the price of AI tokens. Another complicating factor is the growing public opposition to the data centre build out, with US Electricity Price increases and concerns about water usage. It is likely that many planned US data centres will not materialise in the projected timeframes due to power and permitting constraints as well as the extended backlogs of many key contractors and suppliers such as **Quanta Services** and **GE Vernova**.

The EQT Eight Bays Fund has maintained its investments in these advantaged stocks through the Smart Grid Electrification ETF and US Industrials ETF, which are beneficiaries of the data centre capex and buildout and a durable thematic around power demand, power upgrading and power integration with renewables and other emerging forms of energy.

A timely headline at the time of writing from the London Telegraph illustrates that the data centre power issue is not confined to the USA:

The Nscale data centre will be built in Loughton, Essex

James Titcomb
Technology Editor

A £2bn data centre championed by Sir Keir Starmer has been caught up in Britain's electricity grid bottleneck.

The site, being built in Essex by British company Nscale, is backed by Nvidia and has Microsoft as its anchor tenant.

Despite securing billions in funding, Nscale has been forced to explore alternative energy sources, including gas-powered fuel cells, to get the site running by next year.

The delay exposes a growing challenge for Britain's AI ambitions: as tech giants race to build data centres, there may not be enough electricity to power them.

Source: The Telegraph 13 July 2026

There are also severe labour shortages across the data centre and related power projects that are unlikely to improve for several years and is now a greater problem than material and equipment sourcing.

Data centre supply chain

Source: Rabobank 14 May 2026

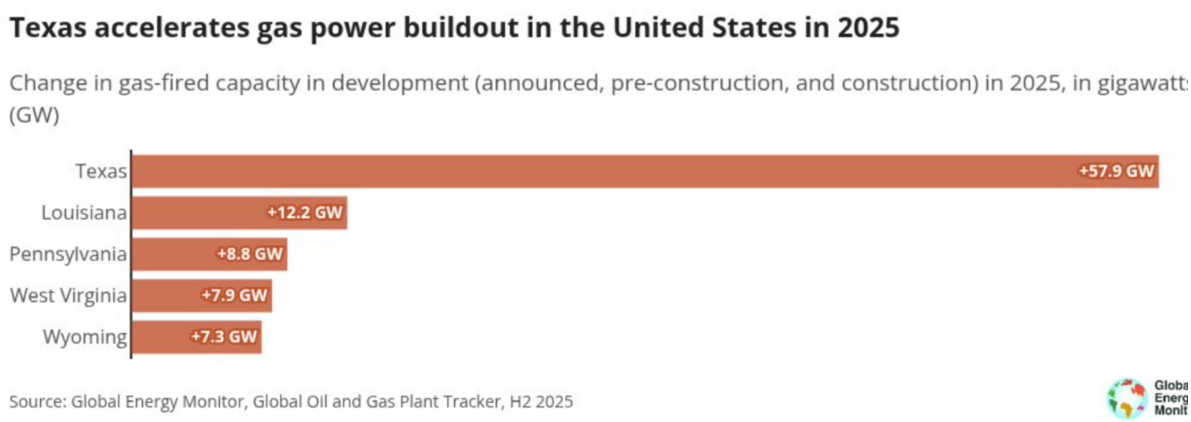
Skilled labour shortages from electricians, line worker and substation crews, HVAC and cooling specialists, plumbers and construction managers are all projected to be severe through 2030.

While the penetration of intermittent renewable energy sources is increasing, it is not well understood that data centres have fluctuating demand swings of 40-50% depending on workload intensity which cascades into fluctuating cooling power use.

The EQT Eight Bays Fund has an 8% allocation to the Midstream Gas ETF MLPX, the investment case for which has been reaffirmed by the increasing choice of natural gas for "behind the meter" (off grid) power to major data centres projects.

These projects include

- **The Stargate AI Project** (Texas) Open AI, Softbank, Oracle
- **Google Goodnight Campus** (Texas) Alphabet, Crusoe Energy
- **Microsoft and Chevron** (Texas) and **Meta Hyperscale Facility** (Louisiana)



In addition, Amazon's partnership with NiSource (Northern Indiana Public Service Company) to provide 3 gigawatts of dedicated power capacity to Amazon's AI data centre projects features 2.6 GW gas turbine plants alongside a 400MW battery storage system reaffirmed the primacy of gas in delivering reliability and flexibility in power supply to data centre projects.

The main constraint on gas power build out is turbine supply, with dominant gas to electricity turbine manufacturers GE Vernova, Siemens Energy, Mitsubishi Power and Caterpillar all having backlogs beyond 2030.

In summary, while Semiconductors are the first recipient of data centre capex, the EQT Eight Bays Fund also retains strong exposure to the beneficiaries of data centre buildout, including midstream gas, electrification and related suppliers and contractors, through ETF holdings in Midstream Gas MLPX, Electrification GRID and Industrials XLI.

GRID (Electrification) ETF

GRID
121 Holdings

Holding	Weighting
Eaton Corp. Plc (ETN)	8.49%
Schneider Electric SE (SU:PAR)	8.16%
Johnson Controls International plc (JCI)	8.14%
ABB Ltd. (ABBN:SWX)	8.07%
Quanta Services, Inc. (PWR)	7.73%
National Grid plc (NG:LON)	4.26%
E.ON SE (EOAN:ETR)	4.26%
Prysmian S.p.A. (PRY:MIL)	3.73%
nVent Electric plc (NVT)	2.83%
Hubbell Incorporated (HUBB)	2.55%
NVIDIA Corporation (NVDA)	2.09%
Tesla, Inc. (TSLA)	1.95%

XLI (US Industrials) ETF

XLI
83 Holdings

Holding	Weighting
Caterpillar Inc. (CAT)	7.68%
GE Aerospace (GE)	6.66%
GE Vernova Inc. (GEV)	5.14%
RTX Corporation (RTX)	4.67%
Boeing Company (BA)	3.13%
Union Pacific Corporation (UNP)	3.01%
Eaton Corp. Plc (ETN)	2.80%
Uber Technologies, Inc. (UBER)	2.69%
Deere & Company (DE)	2.65%
Vertiv Holdings Co. Class A (VRT)	2.21%
Parker-Hannifin Corporation (PH)	2.13%
Howmet Aerospace Inc. (HWM)	1.95%
Lockheed Martin Corporation (LMT)	1.87%

Source: ETFDB 14 July 2026