Artefact Opportunities Fund

ARTEFACT CAPITAL

September 2026

The Artefact Opportunities Fund (the Fund) fell 1.1% in September, outperforming the ASX Small Ordinaries Accumulation Index (the Benchmark), which fell 2.3%.

While the Nasdaq continues to set new highs in the US, "equal weight" indices have fallen for 7 straight weeks. Market concentration is now at extreme levels, and in both the US and Australia the "AI trade" remains the dominant driver of performance. Alongside this AI-driven capex cycle, and perhaps relatedly, the price of money is rising rapidly. US 10-year bond yields have risen from 4% to over 5% in less than a year and rose 50bps in the month of September alone. The risk-free rate is the hurdle against which all investment propositions are benchmarked, and this hurdle is now at multi-decade highs. While certain areas of the market appear so far immune to this, there are ample opportunities that have almost fully priced in this backdrop, and we believe offer compelling returns for the Fund. The Fund also has long positions across a number of AI winners where we have identified clear short-term catalysts. However, net exposure will be cautiously managed given high investor crowding in this thematic.

Contributors to Fund performance during the month included long positions in two highly defensive holdings, which performed as expected in a broadly softer equity market backdrop. **Ventia Services** (VNT) sold off following a strong earnings result in August and saw a 12% recovery in the share price during September. Also following a softer August, **Dalrymple Bay Infrastructure** (DBI) rose 8% over the month. The Fund profited strongly from its positioning across the ASX defence sector, with the long positions rallying an average of 27%, while the short positions fell an average of 11%. The Fund also benefitted from a high conviction short idea falling over 30% as the key catalyst for our thesis began to play out.

Detractors from Fund performance included a long position in **Zip Co** (ZIP), which fell 19% over the month. Rising bond yields and fears around "agentic AI" disintermediating payments companies weighed heavily on the broader sector. We took comfort from the company buying back shares on market, boding well for the upcoming quarterly update. As we do not anticipate any slowdown in the core business and believe the "agentic AI" fears to be overly simplistic and overdone, we took the opportunity to add to our position. A long position in **Superloop** (SLC) detracted from performance, falling 11% on very little news, with the stock now trading close to a multi-year low valuation. Positions in gold-exposed companies also weighed on performance, with the gold price falling 6% in September.

Fund Information

Name	Artefact Opportunities Fund
Structure	Australian Unit Trust
Inception	September 2026
Management Fee	1.25% p.a. excl. GST
Benchmark	ASX Small Ords Accumulation Index
Performance Fee	20% above Benchmark
High Water Mark	Yes
Fund Size	A$2.9m
Min. Investment	A$100,000
Subscriptions	Monthly
Redemptions	Monthly
Registry	Automic
Prime Broker	Barrenjoey
Unit Price	$0.989

Performance Data (net)

September Return	(1.13%)
September Alpha	+1.21%
Annualised Return since Inception	-
Annualised Alpha since Inception	-
Annualised Standard Deviation	-
Annualised Sharpe Ratio	-
Rise in NAV since Inception	(1.13%)
2026 Calendar Year Return	(1.13%)
One Year Rolling Return	-

Artefact Capital
info@artefactcapital.com

Performance % (net) [1]

Performance	1 mth	3 mth	6 mth	1 yr	Incep. pa
Artefact Opportunities Fund	**(1.13)**	-	-	-	-
ASX Small Ords Accumulation Index	(2.34)	-	-	-	-
Active Return	1.21	-	-	-	-

[1]Past performance is not an indicator of future performance. No guarantee of performance, the return of capital or a particular rate of return is given. All investments involve a degree of risk, including the risk of loss.

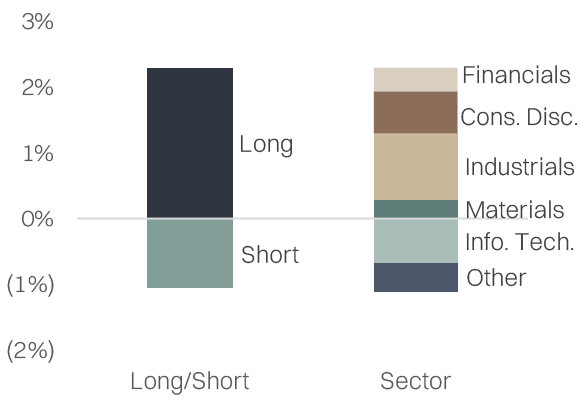
Balance Sheet Exposures (% NAV)

Sector	Long	Short	Net	Active
Communication Services	3	(2)	1	(4)
Consumer Discretionary	11	(9)	2	(7)
Consumer Staples	3	(1)	2	(2)
Energy	5	-	5	(1)
Financials	12	(3)	9	(3)
Health Care	5	(5)	(0)	(4)
Industrials	54	(1)	53	36
Information Technology	7	(2)	5	(1)
Materials	20	(1)	19	(8)
Real Estate	14	(2)	13	3
Utilities	-	-	-	-
Total	**133**	**(25)**	**108**	**9**

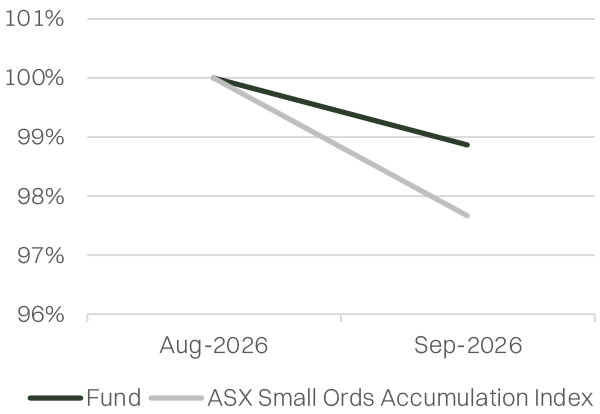
Strategy

The Artefact Opportunities Fund aims to outperform the S&P/ASX Small Ordinaries Accumulation Index net of fees over a rolling five-year period, utilising a long/short investment approach. The Investment Manager employs a fundamental investment process in constructing the Fund's portfolio of investments. For long positions, this process focuses on key drivers of fundamental value, including business quality, management skill, cash flow generation, balance sheet health, and the broader industry backdrop. For short positions, the Investment Manager has developed a rigorous risk identification and monitoring framework with particular emphasis on the risks specific to short positions. The Investment Manager can also apply a tactical approach in the Fund, seeking to take advantage of short-term mispricing in equity markets.

Attribution of Alpha for September 2026



Investment Performance (cumulative)



Fund Performance[1]

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2026									(1.13)				**(1.13)**

About Artefact Capital

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