MUNRO

Quarterly report

Munro Global Growth Fund

MAET.ASX

September 2026

Munro Global Growth Fund & MAET.ASX

September 2026 · Quarterly report

Munro Global Growth Fund

-12.6%

Quarter return (net)

MAET.ASX

-13.8%

Quarter return (net)

QUARTERLY HIGHLIGHTS

- The Munro Global Growth Fund returned -12.6% net for the quarter (MAET.ASX -13.8% net).
- In what was a difficult quarter, the Fund's long holdings were the largest detractors of performance. Short holdings, hedging and currency also marginally detracted from performance.
- Key contributors to performance for the quarter included Nvidia, Mastercard and Lam Research; the largest detractors were CATL, Applied Materials and Nokia.
- Global equity markets were mixed over the third quarter of 2026: stocks leveraged to the AI data centre buildout pulled back in July and August before a small bounce in September.

CONTENTS

Fund commentary	03
Market outlook	04
Stock story: Nvidia	07
Stock story: CATL	08
Attribution: what drove the quarter	09
Exposure	10
Net performance	11
Important information	12

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Fund commentary

The Munro Global Growth Fund returned -12.6% net for the quarter (MAET.ASX -13.8% net).

In what was a difficult quarter, the Fund's long holdings were the largest detractors of performance. Short holdings, hedging and currency also marginally detracted from performance.

Global equity markets were mixed over the third quarter of 2026. After a very strong second quarter, stocks leveraged to the AI data centre buildout pulled back in July and August. This was largely driven by weakening political sentiment ahead of the US mid-term elections and broader fears of AI regulation, prompting investors to take profits and look for equity opportunities elsewhere in the market. Given this rotation effect, headline indices were relatively muted for the quarter. The US S&P500 gained 2.3%, while the Nasdaq gained only 0.2%. European equities posted small losses, with the European Stoxx 600 down 0.6%. Given their increased exposure to the AI supply chain, Asian indices fared the worst, with the Japanese Nikkei down 7.6% and the Korean KOSPI down 19.3%.

After a correction in stocks leveraged to the AI supply chain in July and August, September saw a relatively small bounce back, catalysed by a strong result from Nvidia, positive updates from companies during a busy period of US conferences, and an exciting launch of Agentic Commerce with Meta's Muse product. From a macro perspective, bond yields rose during the quarter, with the US 10-year yield passing through 5%. However, somewhat uncharacteristically the reaction among US equity indices was relatively muted.

At the stock level, Nvidia (High Performance Computing) was the largest contributor to performance for the quarter. At the second quarter result, the company again demonstrated strong earnings growth, however management also guided to at least 70% revenue growth for the next fiscal year. This shows the robust pipeline of demand for AI and the visibility that Nvidia has. Mastercard (Digital Payments) also contributed positively, recovering from a pullback earlier in the year that was unrelated to fundamentals. Lam Research (High Performance Computing) was the third largest contributor to performance. The stock bounced upwards after parts of the AI supply chain recovered in September.

CATL (Climate) was the largest detractor from performance over the quarter. After performing strongly over the first year since listing on the Hong Kong exchange, CATL pulled back during the quarter. We retain conviction that the fundamental opportunity for CATL to grow its earnings has not changed and remain invested in the business. Applied Materials (High Performance Computing) and Nokia (Connectivity) also detracted from performance as both stocks fell during the AI supply chain selloff in July. In our view both companies, Applied Materials in semiconductor capital equipment and Nokia in networking, still have strong fundamental growth ahead.

Finally, the Australian Dollar appreciated by 0.8% against the US-dollar during the quarter, detracting from fund performance. At the end of the quarter the Fund remains approximately 55% hedged back to AUD.

Market outlook

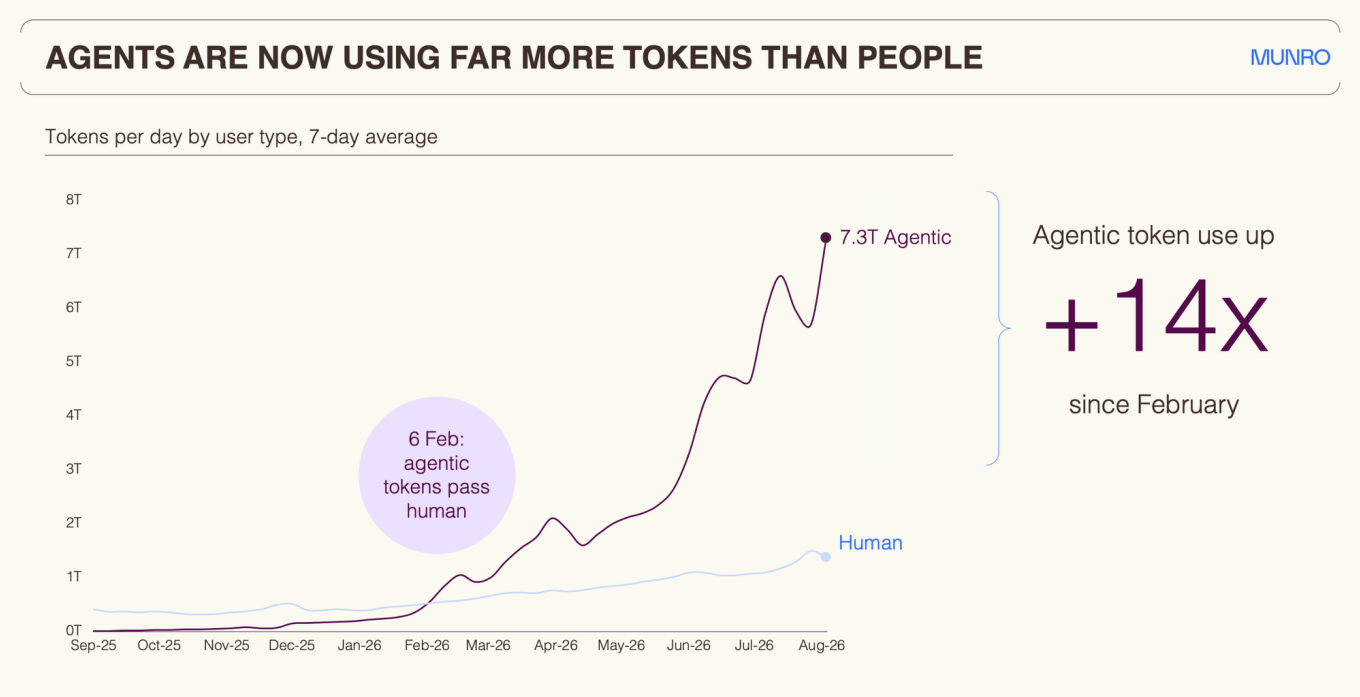
During the third quarter, particularly July, AI supply chain stocks experienced a selloff as investors repositioned portfolios. The selloff came after a period of strong performance in the second quarter of 2026. The selloff was driven in part by pockets of the AI supply chain that saw valuations increase to levels where stocks were pricing in a lot of the anticipated strong fundamentals to come. Additionally, stocks corrected on sentiment related fears, particularly in the US, where there are ongoing issues around consumers not wanting data centres to be constructed near homes for fear of pushing energy and water prices higher. This issue has been a focal point for politicians to try and boost their prospects ahead of the US mid-term elections in November.

Despite this, as we have engaged with the management teams of our AI-related investments through the quarter, it has become clear that there has been no fundamental change in the AI buildout. What has become evident is that there is a disconnect between what is happening on the ground in the industry, (i.e., physical construction of data centers, demand for power, demand for compute), and what is happening in the investment community (political sentiment, fears over durability of spend, fear of regulation). During the quarter we have seen several important developments in the AI buildout that suggest demand for compute, i.e., semiconductors, remains very strong. At their quarterly result, Nvidia again surpassed consensus expectations for revenue and earnings. What was more impressive was that management guided revenues for the next fiscal year (starting in February 2027) to grow by at least 70%, which compared to consensus expectations of approximately 45% growth. This demonstrates the visibility the company has into the demand profile they have over the next 18 months. Additionally, late in the quarter the company authorised an additional USD150bn buyback of their own stock, giving a resounding signal to investors that management are confident about the forward outlook for AI. Similarly, Broadcom also suggested AI revenues would quadruple over the next 2 years as demand from companies like OpenAI and Anthropic continues to grow.

During the quarter, we also saw several developments coming from the model builders at the frontier labs, and positive developments from open-source architecture. OpenAI gained momentum back from close peer Anthropic with the release of several models, most notably Astra. The company hosted their developer day which gave an insight into their agentic capabilities. Anthropic, xAI, Meta and Google all released new models, demonstrating that demand for compute remains strong, and models are continuing to scale. We expect more applications to emerge as scaling continues and models are therefore able to undertake more complex tasks.

Possibly the biggest change during the quarter as it relates to AI was Meta's release of Muse, one of the first scaled personal AI agents. Muse effectively allows consumers to carry a personal assistant wherever they go that can undertake a wide variety of tasks. Consumers can make a simple request for Muse to carry out a task, and the agent will complete that task autonomously. One of the biggest verticals for Muse is agentic commerce, where a consumer can effectively instruct the AI agent to make a purchase on their behalf. OpenAI at their developer day also released a similar product called Dots. As shown in the chart below, agentic workflows have the ability to consume tokens at a rate significantly faster than humans could. Looking forward, we expect AI agents to become commonplace for consumers and businesses, which bode well for our holdings in High Performance Computing and Connectivity Areas of Interest.

Market outlook (continued)



Source: OpenRouter, Munro Partners. 7-day average token usage on OpenRouter, by type. Chart updated September 2026. Human: tokens OpenRouter classifies as human-initiated.

Semiconductors are a unique enabler of AI, because the total addressable opportunity under an agentic lens is, we believe, bigger than people think. Historically, semiconductor demand was governed by things like how many smartphones would be sold, or how many PCs would be sold. In an agentic world, where AI agents are talking to other AI agents completing tasks for people and businesses, the total addressable opportunity for semiconductor compute is significantly bigger.

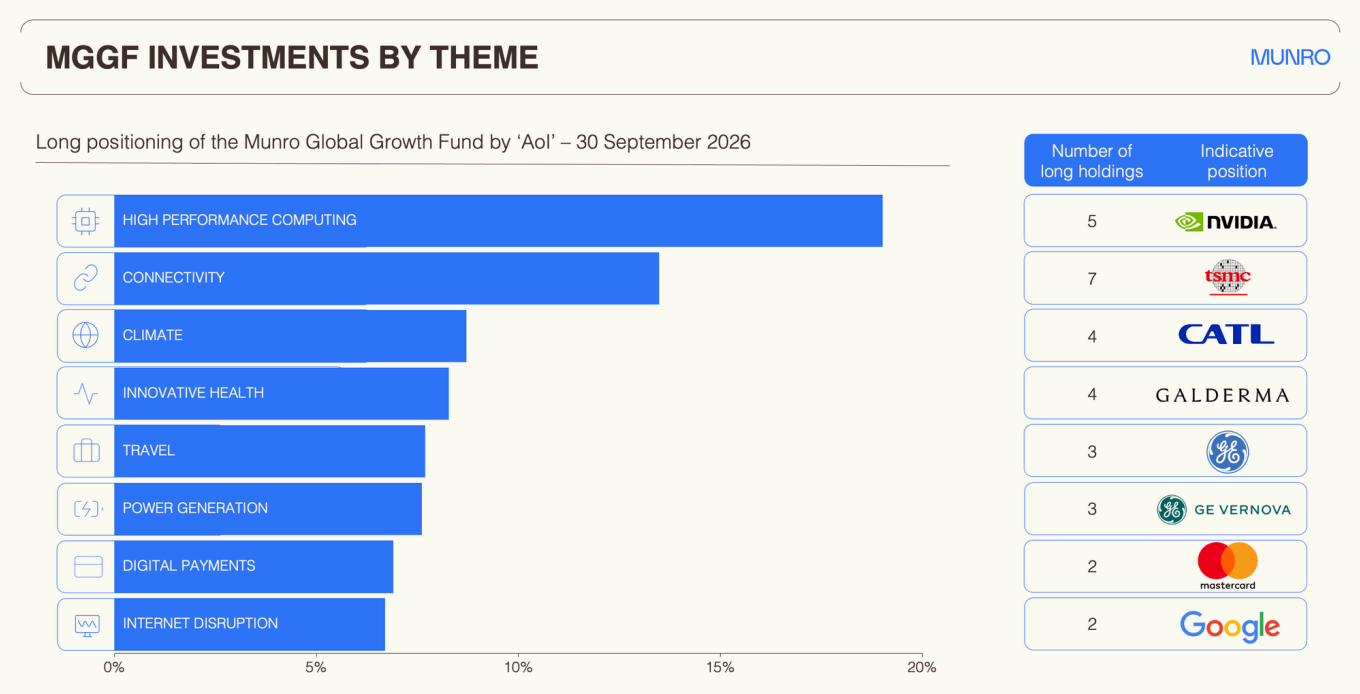
Outside of High Performance Computing and Connectivity, the team remains focused on finding further opportunities where AI compute can be deployed for advancements in science and engineering, such as drug discovery in our Innovative Health Area of Interest.

Several of the Fund's holdings in Travel, specifically companies in the commercial aerospace industry, pulled back during the quarter. Again, we believe this is an opportunity with little fundamental change to the earnings prospects of these businesses. Continued geopolitical tension in the Middle East and subsequently higher oil prices do impact the industry, however we remain confident on the medium-term earnings trajectory of our Travel Area of Interest.

Market outlook (continued)

In September, the new Fed Governor Warsh hiked rates for the first time since 2023, demonstrating the Fed's willingness to react to concerns about inflation. In our view, we don't believe we are on the cusp of a hyper-inflationary environment. Whilst we are dealing with component and labour shortages in the AI buildout right now, over the medium term we expect AI to have a deflationary effect on the economy, as is typical with technological advancements. We anticipate that a resolution to the geopolitical conflict in the Middle East will ease the upward pressure on oil prices and therefore in turn bond yields.

Whilst this has been a volatile period for our portfolio companies and our funds, under the surface we remain confident there has been no change in the fundamentals driving the AI opportunity. Rather, through the third quarter, usage of AI has continued to increase, which means demand for the companies enabling the structural change has also increased. In our view, this is a short-term correction like previous corrections such as Deepseek in January of 2025 and the OpenAI funding issues late in 2025. We continue to believe this is a multi-year investment cycle that should form a meaningful part of our portfolios. Political risks, sentiment issues and fears over the longevity of AI capex spending have now been factored into the valuations of stocks, which makes for a constructive setup going forward.



Source: Munro Partners, 30 September 2026. Refer to the website for the full list of AoIs.

STOCK STORY: NVIDIA

AREA OF INTEREST	MARKET CAP	SEPTEMBER QUARTER CONTRIBUTION
High Performance Computing	US$5.5tn	+81 bps

Nvidia is the leading designer of accelerated computing systems, underpinning the vast majority of AI training and inference workloads globally. Despite their rise to become the largest company in the world by market cap, Nvidia's revenue and earnings growth continues to accelerate, defying the “law of large numbers” phenomenon. At their August earnings call, they reported quarterly revenue of USD96.2bn, up 106% versus the prior year. While the market has become accustomed to Nvidia beating and raising expectations, they caught the market by surprise by guiding for revenue growth in the following fiscal year to grow by about 70%, well above consensus expectations for 45% growth. If they were unconstrained by supply, management indicated revenue growth would have been closer to 100%.

The market has priced Nvidia as a net share loser, which is natural given their 80-90% market share. So now one of two things is true, either Nvidia's addressable market is growing faster than 70% next year (and they are indeed losing share), or Nvidia is gaining further share. We think both conclusions are positive for the stock. Nvidia have also provided new reporting disclosures that show a customer-base that extends well beyond the hyperscalers into AI clouds, industrial companies and enterprises.

While Nvidia stock continues to perform well, it is materially lagging the rate of earnings growth. The stock now trades below 15x next fiscal-year earnings. We believe in the durability of the AI investment cycle, and expect Nvidia to more closely follow its earnings over the coming years. They are in the very early stages of a new product cycle, with initial shipment volumes of their Rubin platform commencing in the July quarter and ramping aggressively. Nvidia's revenue content per gigawatt of data centre deployments expands with every platform, and we expect this favourable dynamic to serve as a strong tailwind for further positive earnings revisions. These launches continue to extend Nvidia's performance gap relative to their competitors. Next-generation platforms such as Rubin Ultra and Feynman are not far away, and we'd expect that gap to continue to widen.

Finally, the company has committed to returning 50% of their free cash flow to shareholders, which should begin to counteract the de-rating. We still see Nvidia as one of the most compelling risk-reward opportunities in the market today.

STOCK STORY: CATL

CATL

AREA OF INTEREST	MARKET CAP	SEPTEMBER QUARTER CONTRIBUTION
Climate	US$205bn	-166 bps

CATL is a Chinese battery maker, designing and manufacturing batteries primarily for electric vehicles (EV) and grid energy storage solutions (ESS). It is in our Climate Area of Interest. CATL is a market leader with over a third of market share in EV batteries. Its strong product quality and safety have led to stable unit profitability and market share growth over time, allowing CATL to deploy more into R&D than peers to develop the next generation of batteries.

We think there are three reasons for CATL's underperformance.

First, the ESS industry in China has been growing around 100% year to date, driven by policy changes that have essentially increased the returns available for ESS project developers. As has been the case in other markets for many years, developers can now charge the batteries using cheap daytime solar energy and sell the power when prices are higher. The strong growth in 2026 has led to questions about whether these high levels of growth are sustainable in 2027.

Second, there have been questions around CATL's ability to maintain profit per unit (GWh) amid poor Chinese EV demand and higher lithium prices, the key raw material for CATL's batteries. This has been exacerbated by CATL's own Jianxiawo mine remaining idle given licensing and environmental permitting issues. The ongoing closure essentially reduces CATL's ability to weather input price changes and puts upward pressure on lithium prices.

Finally, there were several reports of EV makers like Li Auto building their own batteries to try to diversify away from CATL and lower costs.

These factors drove the stock down more than 20% in the quarter, triggering a review under Munro's investment process. Following that review, we reduced the position as part of our risk management process.

Nonetheless, we remain positive on the stock. On ESS growth, while they clearly can't sustain 100% growth forever, the ratio of ESS storage relative to solar and wind capacity is still low in China compared to other countries and commentary from both CATL and its peers is constructive. On profitability, we note CATL's track record versus peers and over time, as well as contractual raw material pass-throughs. Finally, customers building their own batteries remains a risk, but to date automakers have largely not succeeded in unseating their battery suppliers due to technical and scale challenges. We therefore don't expect this to erode CATL's market share quickly, if at all.

We expect the company to address these points at its third quarter result in October.

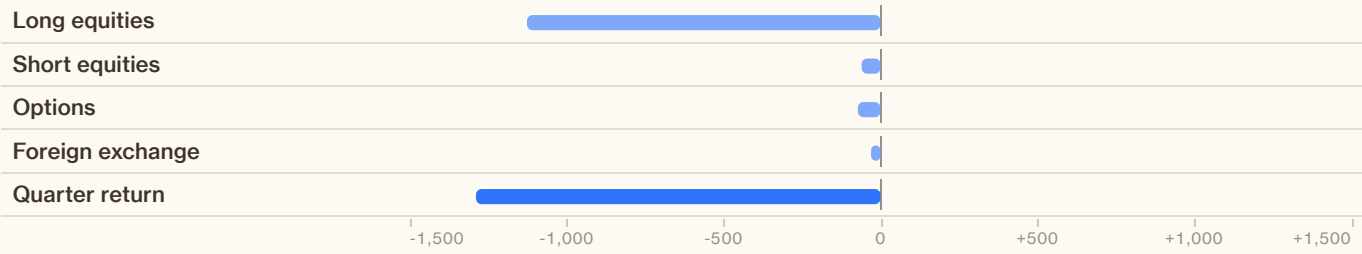
Longer term, we remain optimistic on CATL's R&D continuing to drive leading product innovation. This includes cheaper sodium ion batteries and high-performance solid-state batteries, which could increase adoption in cars, trucks and ESS, as well as newer applications like humanoid robots, aviation, data centres and even shipping. High and volatile oil prices should also continue to support electric alternatives.

CATL's stock is now trading below 20 times P/E, which we think is attractive relative to its growth.

QUARTERLY FUND ATTRIBUTION – MGGF, SEPTEMBER 2026 QUARTER

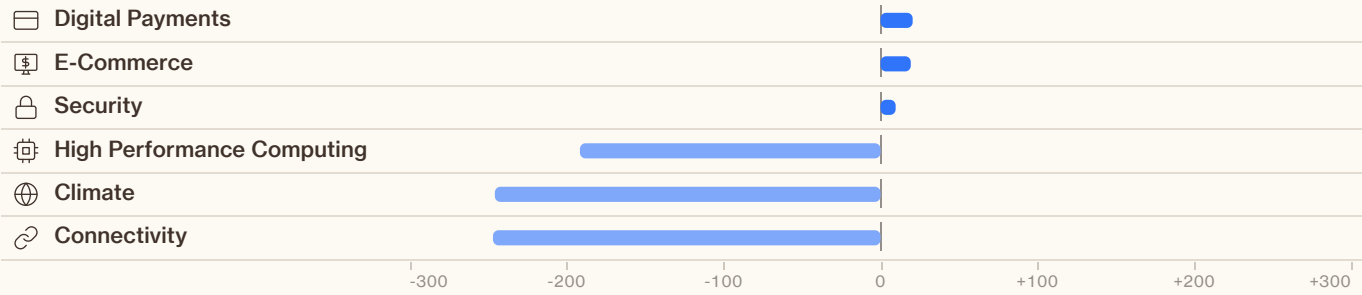
What drove the quarter

Contribution to the -12.6% net return, in basis points, by security type.



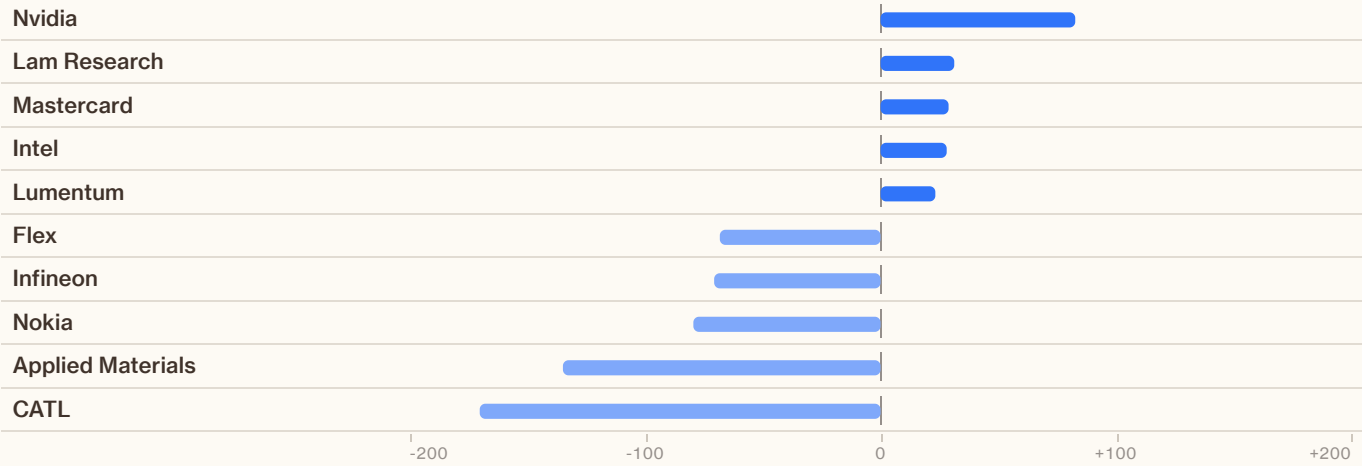
BY AREA OF INTEREST (EQUITIES ONLY)

Contribution in basis points for the Fund's three largest contributing and three largest detracting Areas of Interest.



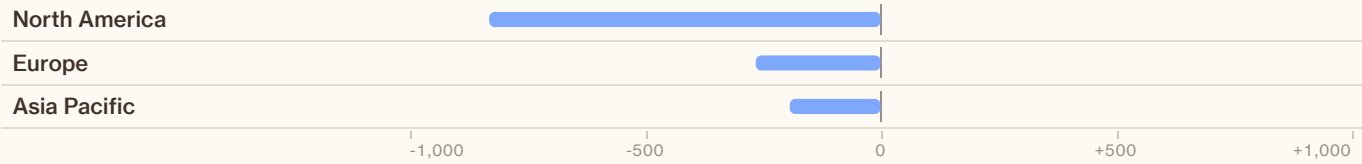
LARGEST MOVERS (EQUITIES ONLY)

Contribution in basis points for the five biggest contributors and detractors across the whole portfolio.



BY REGION (EQUITIES ONLY)

Equity contribution over the quarter, in basis points.



Exposure

THE FUND AT A GLANCE

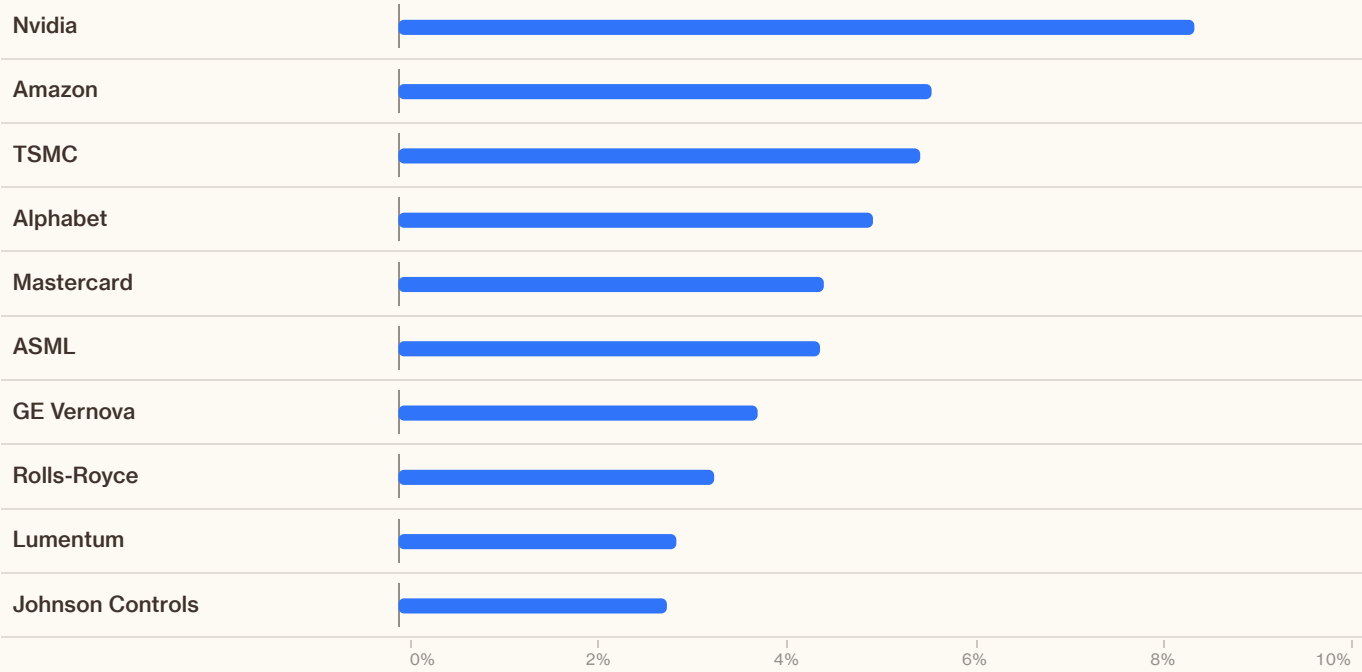
% of NAV and number of positions, at 30 September 2026.

103.4%	98.5%	4.9%	93.5%	93.9%
GROSS	LONG	SHORT	NET	DELTA ADJUSTED NET

55%	47	39	8
CURRENCY HEDGE (AUD)	TOTAL POSITIONS	LONG POSITIONS	SHORT POSITIONS

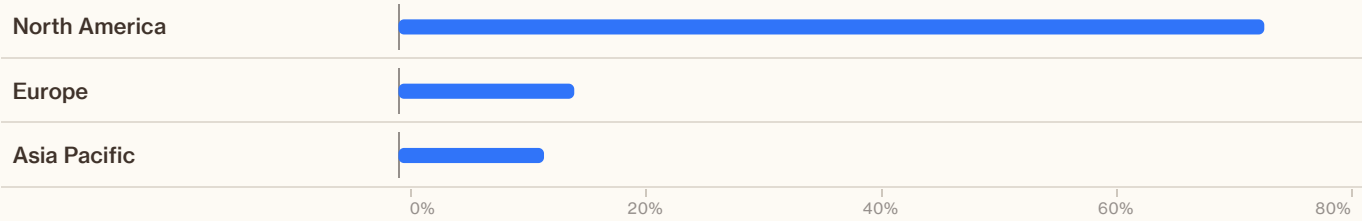
TOP 10 HOLDINGS

Net exposure, % of NAV, at 30 September 2026.



EXPOSURE BY REGION

Net equity exposure, % of NAV.



NET PERFORMANCE

Munro Global Growth Fund

	3 MTHS	6 MTHS	1 YR	3 YRS P.A.	5 YRS P.A.	7 YRS P.A.	10 YRS P.A.	INCEPT. P.A.	INCEPT. CUM.
Munro Global Growth Fund (AUD)	**-12.6%**	**7.9%**	**0.5%**	**19.4%**	**8.4%**	**13.3%**	**12.6%**	**12.6%**	**234.4%**

INCEPTION: 1 AUGUST 2016

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
2017FY		1.2%	1.1%	-3.3%	2.2%	0.9%	1.9%	0.0%	2.1%	3.5%	4.2%	-1.3%	12.9%
2018FY	1.9%	3.2%	1.7%	6.7%	1.1%	-2.5%	6.0%	0.1%	-2.5%	0.0%	2.8%	1.1%	21.0%
2019FY	-0.4%	5.1%	0.9%	-5.4%	-3.1%	-1.4%	2.1%	3.1%	1.2%	3.3%	-4.1%	2.4%	3.1%
2020FY	0.9%	-0.6%	-1.4%	-0.3%	4.6%	0.7%	5.6%	0.6%	1.3%	4.1%	3.9%	2.1%	23.6%
2021FY	6.1%	4.7%	-0.8%	2.2%	2.7%	2.2%	1.5%	0.9%	-1.4%	2.7%	-3.5%	4.9%	24.2%
2022FY	3.9%	3.8%	-4.2%	2.0%	2.7%	-1.7%	-8.3%	-3.2%	-1.1%	-4.7%	-2.1%	-1.2%	-13.9%
2023FY	3.3%	-1.9%	1.3%	0.9%	1.1%	-5.1%	-0.3%	-2.1%	4.6%	0.8%	4.6%	1.6%	8.7%
2024FY	0.6%	1.4%	-4.9%	0.2%	6.8%	2.2%	6.1%	11.0%	2.1%	-4.0%	5.8%	3.5%	34.0%
2025FY	-2.5%	-0.7%	1.5%	3.1%	6.7%	0.4%	4.7%	-4.1%	-7.6%	2.5%	7.4%	5.5%	16.9%
2026FY	3.2%	-1.8%	3.5%	4.4%	-5.0%	0.1%	-1.1%	-0.5%	-4.7%	10.0%	7.6%	4.3%	20.6%
2027FY	-11.1%	-2.4%	0.8%										-12.6%

MAET.ASX

	3 MTHS	6 MTHS	1 YR	3 YRS P.A.	5 YRS P.A.	7 YRS P.A.	10 YRS P.A.	INCEPT. P.A.	INCEPT. CUM.
MAET.ASX (AUD)	**-13.8%**	**6.4%**	**-0.9%**	**18.9%**	**8.1%**	**-**	**-**	**9.4%**	**70.1%**

INCEPTION: 2 NOVEMBER 2020

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTAL
2021FY					3.4%	2.2%	1.6%	1.0%	-1.5%	2.8%	-3.6%	5.1%	11.1%
2022FY	4.1%	3.8%	-4.1%	2.0%	2.7%	-1.7%	-8.3%	-3.2%	-1.1%	-4.7%	-2.1%	-1.2%	-13.7%
2023FY	3.3%	-1.9%	1.3%	0.9%	1.1%	-5.1%	-0.3%	-2.2%	4.6%	0.8%	4.6%	1.6%	8.6%
2024FY	0.6%	1.4%	-4.9%	0.2%	6.7%	2.2%	6.1%	11.0%	2.1%	-4.0%	5.7%	3.5%	34.0%
2025FY	-2.4%	-0.6%	1.4%	3.1%	6.7%	0.4%	4.6%	-4.1%	-7.6%	2.5%	7.4%	5.5%	16.9%
2026FY	3.4%	-1.8%	3.5%	4.4%	-5.0%	0.1%	-1.1%	-0.5%	-4.7%	10.0%	7.6%	4.3%	20.8%
2027FY	-12.4%	-2.4%	0.8%										-13.8%

Differences in performance between the Munro Global Growth Fund and MAET.ASX (ASX quoted fund) may be due to cashflow movements, the buy/sell spread of the iNAV for MAET.ASX, the timing difference between the issuing of units during the day on the ASX for MAET.ASX and the purchase of units in the Munro Global Growth Fund at the end of the day. This may result in variances in performance.

IMPORTANT INFORMATION

Past performance is provided for illustrative purposes only and is not a guide to future performance. Data is as at 30 September 2026 unless otherwise specified. The inception date of the Munro Global Growth Fund (MGGF) is 1 August 2016. MAET.ASX invests in MGGF and cash, the inception date of MAET.ASX is 2 November 2020. Returns of the Funds are net of management costs and assumes distributions have been reinvested. References marked * relate to the MGGF. Numbers may not sum due to rounding or compounding returns. BPS refers to Basis Points. AoI refers to Area of Interest - refer to website for full list. EM refers to Emerging Markets (including China). GSFM Responsible Entity Services Limited ABN 48 129 256 104 AFSL 321517 (GRES) is the responsible entity of the Munro Global Growth Fund ARSN 612 854 547 APIR MUA0002AU and the Munro Global Growth Fund Complex ETF (MAET.ASX), collectively the Funds. GRES is the issuer of this information. This information has been prepared without taking account of the objectives, financial situation or needs of individuals. Before making an investment decision in relation to the Funds, investors should consider the appropriateness of this information, having regard to their own objectives, financial situation and needs and read and consider the Target Market Determination (TMD) and the Product Disclosure Statement (PDS) for the relevant Fund which may be obtained from www.gsfm.com.au, www.munropartners.com or by calling 1300 133 451. GSFM Responsible Entity Services has produced a TMD in relation to the Munro Global Growth Fund and MAET.ASX Fund. The TMD sets out the class of persons who comprise the target market for the Funds and is available at www.gsfm.com.au. None of GRES, Munro Partners, their related bodies or associates nor any other person guarantees the repayment of capital or the performance of the Funds or any particular returns from the Funds. No representation or warranty is made concerning the accuracy of any data contained in this document.