



# Caltha Equity Fund

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## Quarterly Report

September 2025



# Executive Summary



## 12.30%

per annum. since inception.



Daniel Sutherland  
*Portfolio Manager*

0428 631 063  
Daniel@caltha.com.au

During the September quarter, our portfolio increased 23.33%, while the ASX200 Accumulation Index increased by 4.71%.

This outcome highlights the strength of our conviction-based strategy and our willingness to take advantage of short-term market irrationality for long-term outperformance. Over recent months of volatility we remained loyal to our research-driven approach, adding to positions where fundamentals remained robust and valuations had disconnected from intrinsic value.



Craig Sutherland  
*Portfolio Manager*

0427 631 018  
Craig@caltha.com.au

Looking ahead, we expect continued volatility as markets adjust to lower but more sustainable growth. We believe this environment provides fertile ground for disciplined, research-driven investing, positioning the Fund well to continue compounding strong long-term returns.

Across the portfolio, the September quarter reaffirmed the importance of disciplined capital allocation and patience through volatility. Each holding has shown operational progress and strategic clarity, validating the underlying research that drives our conviction.

As markets transition from a period of policy uncertainty to stabilisation and renewed demand, we believe the Fund is well positioned to continue compounding attractive long-term returns.

# Performance



The Fund significantly outperformed during the September quarter, a true testament to our strategy and the importance of taking advantage of irrational markets. We continued to back our research-driven convictions and add to our highest-quality positions over the past six months, reinforcing our belief that patience and discipline are the primary drivers of long-term performance.

IDP Education was the standout performer, rising more than 63% for the quarter and contributing materially to portfolio returns. The position had been increased earlier in the year based on our assessment that the market had significantly oversold the company on temporary policy concerns. Our research indicated the long-term structural demand for international education remains intact, and the market's recovery during the quarter validated that thesis.

Liontown Resources also delivered a strong performance, gaining approximately 50% across the quarter as sentiment in the lithium sector began to shift. The market appears to have passed through its cyclical trough, with increasing evidence that supply adjustments and stabilising demand from downstream manufacturers are restoring balance. While profitability across the sector remains finely poised, the medium-term outlook for lithium remains highly constructive, supported by the energy transition and accelerating battery demand.

Looking ahead, we remain confident that disciplined allocation to businesses with strong balance sheets and resilient earnings profiles will continue to outperform as the broader market digests changing monetary policy dynamics.

Track Record	3 Months	3 Year per annum	5 Year per annum	Since Inception per annum
Caltha Capital	23.33%	7.05%	12.55%	<b>12.30%</b>
ASX200	4.71%	15.17%	12.98%	<b>9.16%</b>
Out-performance	18.62%	(8.12%)	(0.43%)	<b>3.14%</b>

Returns are net of fees.

# Holdings



TOP 3 HOLDINGS

Magellan Financial Group	38%
Woodside Energy	30%
Liontown Resources	15%

## Capturing macro trends and strategic bottom-up investments.

The September quarter earnings season reinforced the strength of our portfolio, with company updates broadly validating our investment thesis and the fundamentals underpinning our conviction positions. Across our holdings, management commentary and operational delivery remained consistent with our expectations, reaffirming our confidence in both near-term execution and long-term value creation.

Woodside Energy continues to demonstrate disciplined project delivery and operational execution. The Scarborough project remains on time and budget, with first LNG expected in 2026. Global energy dynamics are shifting favourably. China has commenced construction of eleven new strategic oil reserves, an implicit signal of continued long-term demand for oil. Meanwhile, OPEC+ production adjustments and the faster-than-expected decline in Permian Basin output point to a tightening supply environment. As spare capacity diminishes, we see credible potential for oil and gas prices to rise over the next 18 months, as Woodside brings online new projects and capacity supporting their cash-flow outlook.

In the lithium market, the environment has become increasingly constructive. Electric-vehicle demand continues to expand as production lines ramp globally, with China’s ability to mass-produce competitively priced EVs marking a structural inflection point for adoption. The sharp price correction earlier this year has materially altered the supply landscape, many marginal projects and exploration programs have been deferred or cancelled, effectively capping new supply in the medium term. This contraction is setting up a meaningful supply-demand imbalance expected to emerge through 2026, a thesis already visible in the forward pricing curves. These dynamics continue to validate our positioning in Liontown Resources, where strong operational delivery and balance-sheet discipline provide attractive leverage to a recovering market.

Overall, our holdings remain anchored in companies with resilient balance sheets, tangible assets, and clear strategic execution pathways. We continue to monitor policy, commodity, and demand developments closely but remain optimistic about the portfolio’s ability to compound through the next cycle.

# Fund Snapshot



## Portfolio Structure

The equity fund is well positioned, with a focused portfolio that balances sector and strategy diversification. By combining targeted value investments to leverage inefficiencies in specific companies with macroeconomic growth plays, we have effectively hedged against potential risks and optimised returns in a wide range of scenarios. Though concentrated, each position plays a distinct role, creating a robust and diverse portfolio.

In managing a concentrated portfolio, it's essential to be highly selective about the companies included, as position weights mean individual holdings can significantly influence short term returns. However, each company that enters our portfolio is chosen based on thorough fundamental research, with a focus on long term investment horizons. Whilst short term market fluctuations are inevitable, we believe that true business fundamentals will ultimately prevail over time and are happy to sit through short term pain for long term outperformance.



Unit Price  
\$0.911

Management Fee  
0.00%



Cash Holding  
(11.20%)

Performance Fee  
15.00%



Investments  
5

Minimum Investment  
\$500,000



# Strategy



Our fundamental objective as fund managers is to generate alpha returns.

## High Conviction

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A curated portfolio of 5 investments within the ASX200 each with a specific and strategic diversification target.

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Positioned the portfolio to generate outsized returns, as top ideas receive more capital allocation.

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A more focused, in-depth analysis and monitoring, leading to a better understanding of each investment and uncovering unique opportunities.

## Style Agnostic

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A strategic mixture of bottom-up individually driven investments and top-down macroeconomic driven thesis.

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Allowing us to create a portfolio concentrated enough to outperform and sector diverse enough to be safe.

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Ability to structure the portfolio investments to hedge risk against each other and macroeconomic influence.

## Long-Term Outlook

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Decisions based on company fundamentals, intrinsic value and growth potential, rather than short-term trends.

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Maximising benefits from companies management teams, growth and turn around strategies.

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Minimising short term market pricing risks, volatility and irrational geopolitical interference.

## Research Driven

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Each investment has been deeply researched, backed by facts, data and sound reasoning, supporting consistent portfolio performance.

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Utilise our concentrated focus and time to research investments and uncover insights that are overlooked by the broader market.

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Thorough research enables us to identify potential risks early and implement strategies to mitigate them effectively.

# Areas of Focus



Domestic Economic  
Data

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RBA Rate Outlook

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Global Student  
Immigration Policies

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Physical Oil & Gas  
Markets

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Global Geopolitical  
Tensions

## Thank you.

For taking the time to read this report. If you have any questions or would like to discuss our findings further, please don't hesitate to reach out to us.

### September 2025

 Level 12, 197 St Georges Terrace, Perth WA 6000

 0428 631 063

 [Daniel@caltha.com.au](mailto:Daniel@caltha.com.au)

 [www.caltha.com.au](http://www.caltha.com.au)

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