

Sunbird AE Core Portfolio Performance Report

As of 31/12/2025



Description

A diversified portfolio of around 20 quality stocks, selected from the S&P/ASX 200, with a focus on a balance of income and capital growth.

Portfolio Objective

To add 1-2% p.a. in value over the S&P/ASX 200, with a lower risk profile than the benchmark.

Investment Philosophy

- Quality, Value, High Conviction, Defensive

Risk Limits

Min/Max stock weight: 2.5%/10.0%

Maximum sector weight: 30.0%

Maximum cash weight: 10.0%

Minimum ASX 100 exposure: 80.0%

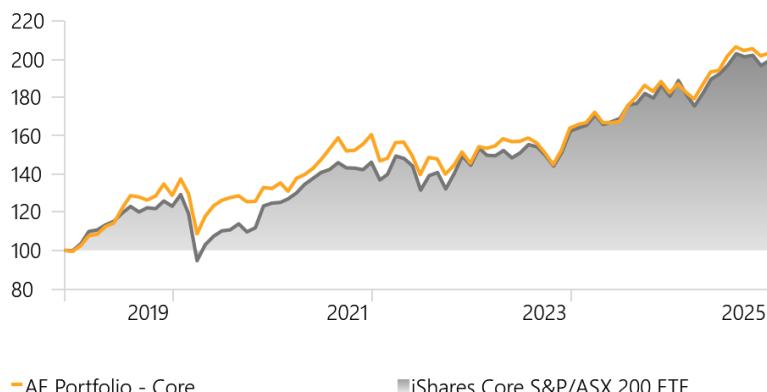
Minimum market cap: \$1bn

Performance

	1M	3M	1Y	3Y	5Y	7Y	Inception
AE Portfolio - Core*	0.6	-0.7	11.2	11.7	8.9	10.7	10.5
iShares ASX 200 ETF	1.4	-1.0	10.4	11.3	9.8	10.4	10.2

Investment Growth

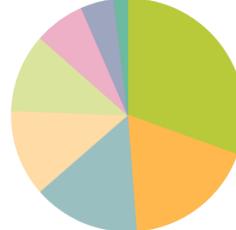
Time Period: Since Common Inception (1/12/2018) to 31/12/2025



Snapshot

Inception Date	30/11/2018
Benchmark	iShares Core S&P/ASX 200 ETF
Dividend Yield	3.3%
# of Holdings	22
Average Market Cap (\$m)	37,347

Sector Allocation



	%
Financials	30.5
Materials	18.3
Industrials	14.8
Healthcare	12.0
Real Estate	10.9
Communication Services	7.0
Consumer Discretionary	4.6
Technology	1.9

Portfolio Metrics

Total Return (p.a.)	10.5%
Excess Return	0.3%
Portfolio Volatility (p.a.)	13.6%
Beta	0.85
Correlation	84.7%
Sharpe Ratio	0.61
Tracking Error	5.8%
Up Capture Ratio	92%
Down Capture Ratio	85%
Bear Beta	0.82

Top 10 Holdings

	Weight
BHP Group Ltd	10.8%
ANZ Group Holdings Ltd	7.9%
National Storage REIT	6.1%
Rio Tinto Ltd	5.8%
Challenger Ltd	5.5%
Sonic Healthcare Ltd	5.4%
Westpac Banking Corp	5.3%
Transurban Group	5.1%
Commonwealth Bank of Australia	4.9%
Cleanaway Waste Management Ltd	4.9%

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Portfolio Commentary

The Sunbird Core portfolio gained 11.2% in 2025, outperforming the benchmark by 0.8%. The portfolio also demonstrated excellent defensive qualities during a year which included the Trump Tariff' correction in March/April 2025 (standard deviation 8.2%, beta 0.75, tracking error 3.9%). The portfolio continues to outperform the benchmark over seven years and since inception, adding 0.3% p.a. in alpha over these respective time frames. The best performing sectors during the year were Materials (+36.2%), Utilities (+13.2%), Financials (+12.1%) and Communication Services (+10.6%), while Healthcare (-23.7%) and Technology (-20.8%) underperformed. The portfolio was still able to outperform the benchmark despite being overweight Healthcare, due to active positioning in ANZ, LYC, BHP, RIO, NSR and BXB.

The top contributors for the year were LYC, ANZ and RIO. As mentioned above, Materials stocks were the top performing sector in 2025. RIO benefitted from this sector trend, with rising commodity prices (ex-energy) leading the sector higher. LYC was the standout however, with a new global focus on rare earth supply outside of China. We were diligent in taking profits in LYC throughout the year given the volatility of commodity stocks. Of the big four banks, ANZ was the top performer in 2025, largely due to its new CEO, Nuno Matos, launching a turnaround strategy.

The primary detractors were CSL, ASX and SHL. We reduced our exposure to CSL following its disappointing and messy FY25 result. We may exit the position entirely in the near future. ASX continues to be held back by regulatory pressures, and we reduced our exposure to the stock in favour of other Financials stocks. However, we remain more positive on SHL, which we believe does not have structural growth issues and should recover as earnings recover moving forward.

Top Contributors

Time Period: 1/01/2025 to 31/12/2025

	Total Return	Active Weight	Contribution to Portfolio Return	Contribution to Excess Return	Active Return
Lynas Rare Earths Ltd	93.5%	2.1%	2.6%	2.4%	1.61
ANZ Group Holdings Ltd	34.0%	5.9%	3.4%	2.2%	1.30
Rio Tinto Ltd	31.6%	3.2%	1.7%	1.2%	-0.16
Telstra Group Ltd	26.7%	0.5%	0.7%	0.1%	-0.23
Brambles Ltd	22.6%	4.2%	1.2%	0.9%	0.24
National Storage REIT	22.1%	4.8%	1.3%	1.2%	0.75
BHP Group Ltd	19.9%	1.8%	2.2%	0.6%	-0.43
Challenger Ltd	18.6%	1.7%	0.7%	0.6%	0.71
Wesfarmers Ltd	18.4%	-1.0%	0.5%	-0.1%	0.03
Transurban Group	11.3%	3.3%	0.6%	0.4%	-0.02

Top Detractors

Time Period: 1/01/2025 to 31/12/2025

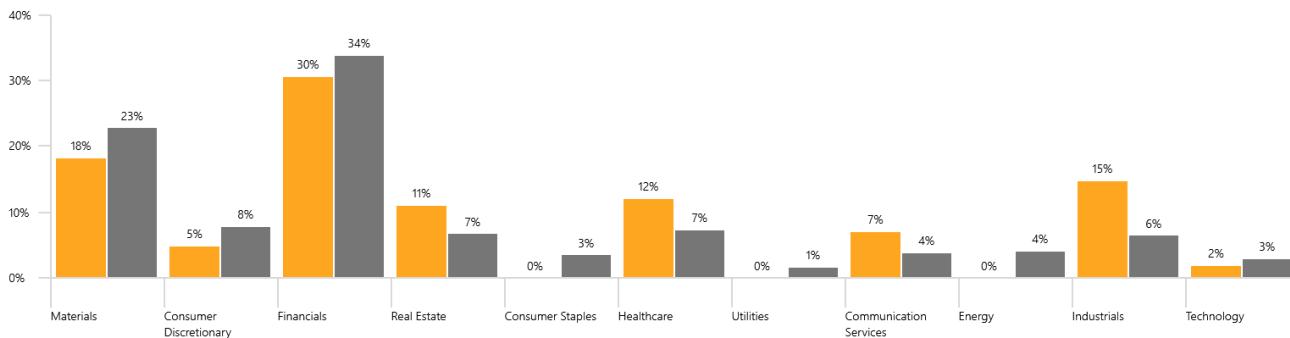
	Total Return	Active Weight	Contribution to Portfolio Return	Contribution to Excess Return	Active Return
CSL Ltd	-37.5%	-0.4%	-1.7%	0.4%	0.65
ASX Ltd	-18.2%	3.9%	-0.7%	-0.6%	-1.27
Sonic Healthcare Ltd	-12.6%	4.4%	-0.6%	-0.5%	0.77
Goodman Group	-12.3%	2.3%	-0.4%	-0.1%	-0.19
Technology One Ltd	-9.7%	2.4%	-0.1%	-0.1%	0.51
Steadfast Group Ltd	-5.9%	3.3%	-0.5%	-0.5%	-0.76
Endeavour Group Ltd Ordinary Shares	-5.8%	0.2%	-0.1%	-0.1%	-0.10
Woolworths Group Ltd	-1.8%	-0.9%	0.0%	0.0%	-0.01
ResMed Inc Chess Depository Interest	-1.4%	4.4%	-0.1%	-0.1%	1.08
Cleanaway Waste Management Ltd	0.0%	4.6%	0.0%	0.0%	-0.68

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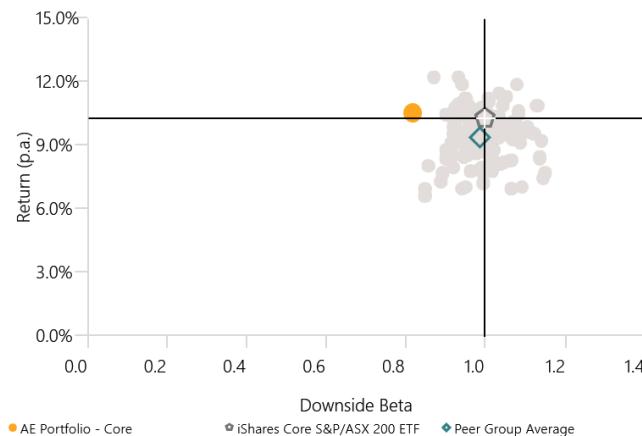
Sector Exposure



■ AE Portfolio - Core

■ iShares Core S&P/ASX 200 ETF

Risk vs Reward

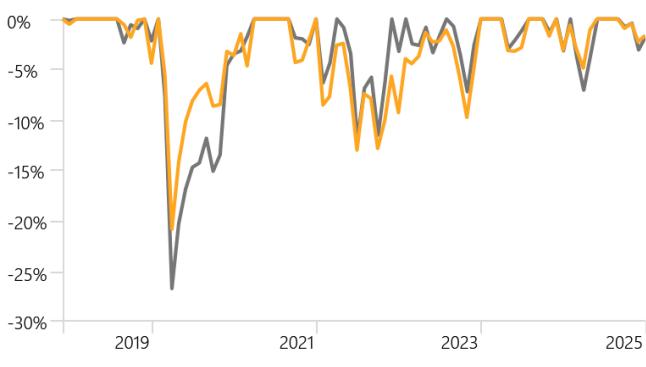


● AE Portfolio - Core

◊ iShares Core S&P/ASX 200 ETF

◆ Peer Group Average

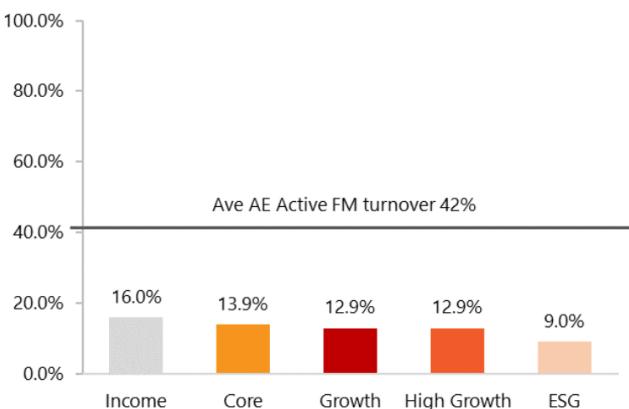
Drawdown



— AE Portfolio - Core

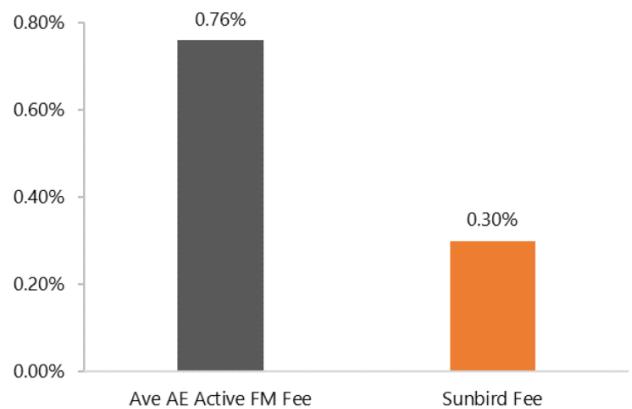
— iShares Core S&P/ASX 200 ETF

Turnover



Ave AE Active FM turnover 42%

Fees



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*Gross performance before fees and franking credits. Inception date 30/11/2018. Past performance is not a reliable indicator of future performance. Sunbird only provides general financial product advice, not personal advice. Director holdings on website.

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