ASX announcement

22 September 2026

SECURITIES IN AN UNLISTED ENTITY

Pursuant to Rule 4.8 of the ASX Listing Rules, please find attached the audited accounts of Kapstream Private Investment Fund (KPIF) for the period 1 July 2025 to 30 June 2026.

KPIF forms approximately 49% of the assets of Kapstream Investment Trust as of 30 June 2026. KPIF invests predominantly in warehouse financing and certain liquid fixed income securities.

Yours sincerely
Andrew Godfrey
Director Equity Trustees Limited (ACN 004 031 298, AFSL 240975) as responsible entity for Kapstream Investment Trust

About the Kapstream Investment Trust
The Kapstream Investment Trust (ASX: KIT) provides exposure to a diversified portfolio of Australian and global investment grade fixed income securities as well as asset backed securities including warehouse financing (Warehouse Financing). The Trust may also hold Cash on a temporary or limited basis.

For further information
If you have any queries, please contact Kapstream Investment Trust on 1300 737 760 (within Australia) +61 2 9290 9600 (outside Australia) or https://www.kapstream.com/KIT

Kapstream Private Investment Fund

ABN 88 494 425 225

Annual Report
For the year ended 30 June 2026

Kapstream Private Investment Fund

ABN 88 494 425 225

Annual Report
For the year ended 30 June 2026

Contents

This annual report covers Kapstream Private Investment Fund as an individual entity.

The Trustee of Kapstream Private Investment Fund is Equity Trustees Limited (ABN 46 004 031 298) (AFSL 240975).

The Trustee’s registered office is:

Level 22, 530 Collins Street

Melbourne, VIC 3000.

Trustee's report

The directors of Equity Trustees Limited, the Trustee of Kapstream Private Investment Fund (the "Fund"), present their report together with the financial statements of the Fund for the year ended 30 June 2026.

Principal activities

The Fund offers investors access to high yielding investments predominantly in Australian securitised 'warehouse' finance originators. Warehouse financing is a form of private debt securitisation providing capital to lenders to 'on-lend', and is a critical part of most lending businesses, commonly among non-banks. Underlying borrowers are diversified across mortgage, auto, personal, professional and other loan types, in accordance with the Information Memorandum and the provisions of the Fund's Constitution.

The Fund did not have any employees during the year.

There were no significant changes in the nature of the Fund's activities during the year.

The various service providers for the Fund are detailed below:

Service	Provider
Trustee	Equity Trustees Limited
Investment Manager	Kapstream Capital Pty Limited
Custodian and Administrator	Artega Investment Administration Pty Limited*
Sub Custodian and Administrator	State Street Australia Limited*
Statutory Auditor	Ernst & Young

* On 7 April 2025, Artega Investment Administration Pty Limited appointed State Street Australia Limited as Sub-Custodian to the Fund, replacing Citigroup Pty Limited, and on 10 November 2025, appointed State Street Australia Limited as the Fund's Sub-Administrator.

Directors

The following persons held office as directors of Equity Trustees Limited during or since the end of the year and up to the date of this report:

Michael J O'Brien	Chairman
Russell W Beasley	(appointed 1 July 2025)
Mary A O'Connor	(resigned 1 July 2025)
David B Warren	
Andrew P Godfrey	
Johanna E Platt	

Review and results of operations

During the year, the Fund continued to invest its funds in accordance with the Information Memorandum and the provisions of the Fund's Constitution.

The Fund's performance was 10.59% (net of fees) for the year ended 30 June 2026. The Fund's benchmark, RBA Official Cash Rate + 6%, returned 3.84% for the same period.

The Fund's performance is calculated based on the percentage change in the Fund's mid-price over the period (with any distributions paid during the period reinvested). Returns are disclosed after fees and expenses.

Trustee's report (continued)

Review and results of operations (continued)

The performance of the Fund, as represented by the results of its operations, was as follows:

	Year ended 30 June 2026	For the period from 31 January 2024 to 30 June 2025
Profit/(loss) before finance costs attributable to unit holders for the year/period ($'000)	**11,643**	5,606
Class F		
Distributions paid and payable ($'000)	**5,985**	1,208
Distributions (cents per unit)	**9.99**	11.27
Class I		
Distributions paid and payable ($'000)	**2,794**	29
Distributions (cents per unit)	**8.87**	11.11
Class S		
Distributions paid and payable ($'000)	**3,588**	4,401
Distributions (cents per unit)	**10.21**	14.05

Significant changes in the state of affairs

In the opinion of the directors, there were no significant changes in the state of affairs of the Fund that occurred during the financial year.

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may have a significant effect on:

(i) the operations of the Fund in future financial years; or
(ii) the results of those operations in future financial years; or
(iii) the state of affairs of the Fund in future financial years.

Likely developments and expected results of operations

The Fund will continue to be managed in accordance with the investment objectives and guidelines as set out in the Information Memorandum and the provisions of the Fund's Constitution.

The results of the Fund's operations will be affected by a number of factors, including the performance of investment markets in which the Fund invests. Investment performance is not guaranteed and future returns may differ from past returns. As investment conditions change over time, past returns should not be used to predict future returns.

Indemnification and insurance of officers

No insurance premiums are paid out of the assets of the Fund in regard to insurance cover provided to the officers of Equity Trustees Limited. So long as the officers of Equity Trustees Limited act in accordance with the Fund's Constitution and the Law, the officers remain indemnified out of the assets of the Fund against losses incurred while acting on behalf of the Fund.

Trustee's report (continued)

Indemnification of auditor

The Trustee has not, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify the auditor of the Fund against a liability incurred as auditor.

Fees paid to and interests held in the Fund by the Trustee or its associates

Fees paid to the Trustee and its associates out of the Fund property during the year are disclosed in Note 14 to the financial statements.

No fees were paid out of Fund property to the directors of the Trustee during the year.

The number of interests in the Fund held by the Trustee or its associates as at the end of the financial year are disclosed in Note 14 to the financial statements.

Interests in the Fund

The movement in units on issue in the Fund during the year is disclosed in Note 8 to the financial statements.

The value of the Fund's assets and liabilities is disclosed in the statement of financial position and derived using the basis set out in Note 2 to the financial statements.

Environmental regulation

The operations of the Fund are not subject to any particular or significant environmental regulations under Commonwealth, State or Territory law.

Rounding of amounts to the nearest thousand dollars

Amounts in the Trustee's report have been rounded to the nearest thousand dollars unless otherwise indicated.

This report is made in accordance with a resolution of the directors of Equity Trustees Limited through a delegated authority given by Equity Trustees Limited's Board.

Andrew P Godfrey
Director

Melbourne

17 September 2026

Statement of comprehensive income

	Note	**Year ended 30 June 2026** **$'000**	For the period from 31 January 2024 to 30 June 2025 $'000
Income			
Interest income from financial assets at fair value through profit or loss		**10,969**	5,236
Interest income from financial assets at amortised cost		**269**	118
Dividend and distribution income		**343**	216
Net foreign exchange gain/(loss)		**(218)**	27
Net gains/(losses) on financial instruments at fair value through profit or loss		**1,075**	198
Fee rebate income		**20**	4
Other income		**201**	107
Total income/(loss)		**12,659**	5,906
Expenses			
Interest expense		**1**	50
Management fees	14	**900**	165
Withholding taxes		**12**	-
Transaction costs		**35**	26
Other expenses		**68**	59
Total expenses		**1,016**	300
Profit/(loss) before finance costs attributable to unit holders for the year/period		**11,643**	5,606
Finance costs attributable to unit holders			
Distributions to unit holders	9	**(12,367)**	(5,638)
(Increase)/decrease in net assets attributable to unit holders	8	**724**	32
Profit/(loss) for the year/period		**-**	-
Other comprehensive income		**-**	-
Total comprehensive income for the year/period		**-**	-

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

Statement of financial position

	Note	As at 30 June 2026 $'000	30 June 2025 $'000
Assets			
Cash and cash equivalents	10	**15,367**	2,215
Margin accounts		**170**	133
Due from brokers - receivable for securities sold		**47**	2,300
Receivables	11	**1,529**	589
Financial assets at fair value through profit or loss	4	**193,086**	89,134
Total assets		**210,199**	94,371
Liabilities			
Margin accounts		**460**	93
Distributions payable	9	**1,796**	915
Due to brokers - payable for securities purchased		**19**	-
Payables	12	**760**	47
Financial liabilities at fair value through profit or loss	5	**15**	7
Total liabilities (excluding net assets attributable to unit holders)		**3,050**	1,062
Net assets attributable to unit holders - liability	8	**207,149**	93,309

The above statement of financial position should be read in conjunction with the accompanying notes.

Statement of changes in equity

	Year ended 30 June 2026 $'000	For the period from 31 January 2024 to 30 June 2025 $'000
Total equity at the beginning of the financial year/period*	-	-
Comprehensive income for the financial year/period		
Profit/(loss) for the year/period	-	-
Other comprehensive income	-	-
Total comprehensive income	-	-
Transactions with unit holders in their capacity as owners	-	-
Total equity at the end of the financial year/period*	-	-

* Under Australian Accounting Standards, net assets attributable to unit holders are classified as a liability rather than equity. As a result, there was no equity at the beginning or end of the financial year.

The above statement of changes in equity should be read in conjunction with the accompanying notes with reference to Notes 2(c) and 8.

Statement of cash flows

	Note	**Year ended 30 June 2026 $'000**	For the period from 31 January 2024 to 30 June 2025 $'000
Cash flows from operating activities			
Proceeds from sale of financial instruments at fair value through profit or loss		**164,412**	62,823
Payments for purchase of financial instruments at fair value through profit or loss		**(264,869)**	(154,064)
Interest income received from financial assets at fair value through profit or loss		**10,714**	4,946
Dividends and distributions income received		**489**	58
Other income received		**201**	108
Interest expense paid		**(1)**	(50)
Management fees paid		**(187)**	(21)
Transaction costs paid		**(35)**	(26)
Other expenses paid		**(68)**	(167)
Net cash inflows/(outflows) from operating activities		**(89,344)**	(86,393)
Cash flows from financing activities			
Proceeds from applications by unit holders		**114,809**	93,070
Payments for redemptions by unit holders		**(860)**	-
Distributions paid to unit holders		**(11,453)**	(4,462)
Net cash inflows/(outflows) from financing activities		**102,496**	88,608
Net increase/(decrease) in cash and cash equivalents		**13,152**	2,215
Cash and cash equivalents at the beginning of the year/period		**2,215**	-
Effect of foreign currency exchange rate changes on cash and cash equivalents		**-**	-
Cash and cash equivalents at the end of the year/period	10	**15,367**	2,215
Non-cash operating and financing activities		**33**	261

The above statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the financial statements

Contents

1 General information

These financial statements cover Kapstream Private Investment Fund (the “Fund”) as an individual entity. The Fund is an Australian unregistered managed investment scheme which was constituted on the 27 November 2023 and will terminate in accordance with the provisions of the Fund’s Constitution or by Law.

The Trustee of the Fund is Equity Trustees Limited (ABN 46 004 031 298) (AFSL 240975) (the “Trustee”). The Trustee’s registered office is Level 22, 530 Collins Street, Melbourne, VIC 3000. The financial statements are presented in the Australian currency unless otherwise noted.

The investment activities of the Fund are managed by Kapstream Capital Pty Limited (the “Investment Manager”). The custody and administration services of the Fund are delegated to Artega Investment Administration Pty Limited (the “Custodian and Administrator”). On 7 April 2025, Artega Investment Administration Pty Limited appointed State Street Australia Limited as Sub-Custodian to the Fund, replacing Citigroup Pty Limited, and on 10 November 2025, appointed State Street Australia Limited as the Fund’s Sub-Administrator.

The Fund offers investors access to high yielding investments, predominantly in Australian securitised ‘warehouse’ finance originators. Warehouse financing is a form of private debt securitisation providing capital to lenders to ‘on-lend’, and is a critical part of most lending businesses, commonly among non-banks. Underlying borrowers are diversified across mortgage, auto, personal, professional and other loan types, in accordance with the Information Memorandum and the provisions of the Fund’s Constitution.

The financial statements were authorised for issue by the directors on the date the Trustee’s declaration was signed. The directors of the Trustee have the power to amend and reissue the financial statements.

2 Summary of material accounting policy information

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated in the following text.

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB).

The financial statements comprise the Fund’s financial statements as an individual entity. For the purposes of preparing the financial statements the entity is considered a for-profit entity.

The functional and presentational currency used in these financial statements is in Australian dollars ($). Amounts in these financial statements are stated in Australian dollars unless otherwise stated.

Statement of compliance

The Fund does not have ‘public accountability’ as defined in AASB 1053 *Application of Tiers of Australian Accounting Standards* (“AASB 1053”) and is therefore eligible to apply the ‘Tier 2’ reporting framework under Australian Accounting Standards.

The financial statements comply with the recognition and measurement requirements of Australian Accounting Standards, the presentation requirements in Australian Accounting Standards as modified by AASB 1060 *General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* (“AASB 1060”) and the disclosure requirements in AASB 1060. Accordingly, the financial statements comply with Australian Accounting Standards - Simplified Disclosures.

Compliance with Australian Accounting Standards - Simplified Disclosures also ensures that the financial statements have been prepared in accordance with the recognition and measurement requirements, but not the presentation and disclosure requirements, of International Financial Reporting Standards (“IFRS”).

2 Summary of material accounting policy information (continued)

(a) Basis of preparation (continued)

These are general purpose financial statements that have been prepared for the sole purpose of complying with the Fund's Constitution requirements to prepare and distribute the financial statements to the unit holders and are not intended to be used for any other purpose. The directors have determined that the accounting policies adopted are appropriate to meet the needs of the unit holders.

The financial statements are prepared on the basis of fair value measurement of assets and liabilities, except where otherwise stated.

The statement of financial position is presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and do not distinguish between current and non-current. All balances are expected to be recovered or settled within 12 months, except for financial assets and liabilities and net assets attributable to unit holders.

The Fund manages financial assets at fair value through profit or loss based on the economic circumstances at any given point in time, as well as to meet any liquidity requirements. As such, it is expected that a portion of the portfolio will be realised within 12 months, however, an estimate of that amount cannot be determined as at reporting date.

In the case of net assets attributable to unit holders, the units are redeemable on demand at the unit holders' option. However, holders of these instruments typically retain them for the medium to long term. As such, the amount expected to be settled within 12 months cannot be reliably determined.

(i) New and amended standards adopted by the Fund

There are no standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 July 2025 that have a material impact in the amounts recognised in prior periods or will affect the current or future periods.

(ii) New standards and interpretations not yet adopted

AASB 18 *Presentation and Disclosure in Financial Statements*

AASB 18 was issued in June 2024 and replaces AASB 101 *Presentation of Financial Statements*. The new standard introduces new requirements for the statement of comprehensive income, including:

- new categories for the classification of income and expenses into operating, investing and financing categories, and
- presentation of subtotals for "operating profit" and "profit before financing and income taxes"

Additional disclosure requirements are introduced for management-defined performance measures and new principles for aggregation and disaggregation of information in the notes and the primary financial statements and the presentation of interest and dividends in the statement of cash flows. The new standard is effective for annual periods beginning on or after 1 January 2027 and will be applied retrospectively by the Fund for the financial year ending 30 June 2028.

This new standard is not expected to have an impact on the recognition and measurement of assets, liabilities, income and expenses, however there will likely be changes in how the statement of comprehensive income and statement of financial position line items are presented as well as some additional disclosures in the notes to the financial statements. Management is in the process of assessing the impact of the new standard.

AASB 2024-2 *Amendments to Australian Accounting Standards – Classification and Measurement of Financial Instruments* [AASB 7 & AASB 9] (effective for annual periods beginning on or after 1 January 2026)

In July 2024, the AASB issued amendments to AASB 7 *Financial Instruments*: *Disclosures* and AASB 9 *Financial Instruments*. This amendment amends requirements related to settling financial liabilities using an electronic payment system and assessing contractual cash flow characteristics of financial assets with environmental, social and corporate governance and similar features. It also amends disclosure requirements relating to investments in equity instruments designated at fair value through other comprehensive income and adds disclosure requirements for financial instruments with contingent features that do not relate directly to basic lending risks and costs. The amendments will be effective for annual reporting periods beginning on or after 1 January 2026.

2 Summary of material accounting policy information (continued)

(a) Basis of preparation (continued)

(ii) New standards and interpretations not yet adopted (continued)

Management is currently working to identify all the impact of the new standards and amendments on the primary financial statements and the related notes.

Certain amendments to accounting standards have been published that are not mandatory for the 30 June 2026 reporting year and have not been early adopted by the Fund. These amendments are not expected to have a material impact on the Fund in the current or future reporting periods and on foreseeable future transactions.

(b) Financial Instruments

(i) Classification

- Financial assets

The Fund classifies its financial assets in the following measurement categories:

- those to be measured at the fair value through profit or loss; and

- those to be measured at amortised cost.

The Fund classifies its financial assets based on its business model for managing those financial assets and the contractual cash flow characteristics for the financial assets.

The Fund’s portfolio of financial assets is managed and its performance is evaluated on a fair value basis in accordance with the Fund’s documented investment strategy. The Fund’s policy is for the Investment Manager to evaluate the information about these financial assets on a fair value basis together with other related financial information.

Equity securities and derivatives are measured at fair value through profit or loss.

For debt securities, the contractual cash flows are solely payments of principal and interest, however they are neither held for collecting contractual cash flows nor for collecting contractual cash flows and sale. The collection of contractual cash flows is only incidental to achieving the Fund’s business model’s objective. Consequently, the debt securities are measured at fair value through profit or loss.

For cash and cash equivalents, due from brokers, receivables and margin accounts, these assets are held in order to collect the contractual cash flows. The contractual terms of these assets give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding. Consequently, these are measured at amortised cost.

- Financial liabilities

Derivative contracts that have a negative fair value are presented as financial liabilities at fair value through profit or loss.

For financial liabilities that are not classified and measured at fair value through profit or loss, these are classified as financial liabilities at amortised cost (distributions payable and management fees and costs payable).

(ii) Recognition and derecognition

The Fund recognises financial assets and financial liabilities on the date it becomes party to the contractual agreement (trade date) and recognises changes in fair value of the financial assets or financial liabilities from this date.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or the Fund has transferred substantially all the risks and rewards of ownership. Financial liabilities are derecognised when the obligation under the liability is discharged, cancelled or expires.

2 Summary of material accounting policy information (continued)

(b) Financial Instruments (continued)

(iii) Measurement

- Financial instruments at fair value through profit or loss

At initial recognition, the Fund measures a financial asset and a financial liability at fair value. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in the statement of comprehensive income.

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of ‘financial assets or liabilities at fair value through profit or loss’ category are presented in the statement of comprehensive income within ‘net gains/(losses) on financial instruments at fair value through profit or loss’ in the period in which they arise.

For further details on how the fair values of financial instruments are determined please see Note 3 to the financial statements.

- Financial instruments at amortised cost

For financial assets and financial liabilities at amortised cost, they are initially measured at fair value including directly attributable costs and are subsequently measured using the effective interest rate method less any allowance for expected credit losses (“ECL”).

Cash and cash equivalents, due from brokers, receivables and margin accounts are carried at amortised cost.

(iv) Impairment

At each reporting date, the Fund shall estimate a loss allowance on each of the financial assets carried at amortised cost (cash and cash equivalents, due from brokers and receivables) at an amount equal to the lifetime ECL if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Fund shall measure the loss allowance at an amount equal to 12-month ECL. Significant financial difficulties of the counter party, probability that the counter party will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that the asset is credit impaired. If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the net carrying amount adjusted for the loss allowance. A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due. Any contractual payment which is more than 90 days past due is considered credit impaired.

The ECL approach is based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Fund expects to receive. The shortfall is then discounted at an approximation to the asset’s original effective interest rate.

The amount of the impairment loss is recognised in the statement of comprehensive income within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the statement of comprehensive income.

(v) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when the Fund has a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or release the asset and settle the liability simultaneously.

As at the end of the reporting period, there are no financial assets or liabilities offset or with the right to offset in the statement of financial position.

2 Summary of material accounting policy information (continued)

(c) Net assets attributable to unit holders

Units are redeemable at the unit holder's option; however, applications and redemptions may be suspended by the Trustee if it is in the best interests of the unit holders.

The Fund's units are classified as equity when they satisfy the following criteria under AASB 132 *Financial Instruments: Presentation:*

- the puttable financial instrument entitles the holder to a pro-rata share of net assets in the event of the Fund's liquidation;
- the puttable financial instrument is in the class of instruments that is subordinate to all other classes of instruments and class features are identical;
- the puttable financial instrument does not include any contractual obligations to deliver cash or another financial asset, or to exchange financial instruments with another entity under potentially unfavourable conditions to the Fund, and is not a contract settled in the Fund's own equity instruments; and the total expected cash flows attributable to the puttable financial instrument over the life are based substantially on the profit or loss.

As this is a multi-class Fund, units are classified as financial liabilities as they do not meet the requirements of equity in accordance with AASB 132 *Financial Instruments: Presentation*.

The units can be put back to the Fund at any time for cash based on the redemption price which is equal to a proportionate share of the Fund's net asset value attributable to the unit holders.

The units are carried at the redemption amount that is payable at the reporting date if the holder exercised the right to put the units back to the Fund.

(d) Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions and other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Payments and receipts relating to the purchase and sale of investment securities are classified as cash flows from operating activities, as trading of these securities represents the Fund's main income generating activity.

(e) Margin accounts

Margin accounts comprise cash held as collateral for derivative transactions and short sales. The cash is held by the broker and is only available to meet margin calls. It is not included as a component of cash and cash equivalents.

(f) Income

(i) Interest income

Interest income from financial assets at amortised cost is recognised using the effective interest method and includes interest from cash and cash equivalents. Interest from financial assets at fair value through profit or loss in determined based on the contractual coupon interest rate and includes interest from debt securities measured at fair value through profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instruments, or a shorter period where appropriate, to the net carrying amount of the financial asset. When calculating the effective interest rate, the Fund estimates cash flows

2 Summary of material accounting policy information (continued)

(f) Income (continued)

(i) Interest income (continued)

considering all contractual terms of the financial instruments (for example, prepayment options) but does not consider future credit losses. The calculation includes all fees paid or received between the parties to the contract that are an integral part of the effective interest rate, including transaction costs and all other premiums or discounts.

Interest income on financial assets at fair value through profit or loss is also recognised in the statement of comprehensive income. Changes in fair value of financial instruments at fair value through profit or loss are recorded in accordance with the policies described in Note 2(b) to the financial statements.

(ii) Dividends and distributions

Dividend income is recognised on the ex-dividend date with any related foreign withholding tax recorded as an expense. The Fund currently incurs withholding tax imposed by certain countries on investment income. Such income is recorded gross of withholding tax in the statement of comprehensive income.

Distributions are recognised on an entitlement basis.

(iii) Net gains/(losses) on financial instruments

Net gains/(losses) on financial instruments arising on a change in fair value are calculated as the difference between the fair value at the end of the reporting period and the fair value at the previous valuation point. Net gains/(losses) do not include interest or dividend/distribution income. Realised and unrealised gains/(losses) are shown in the notes to the financial statements. Changes in fair value of financial instruments held at fair value through profit or loss are recorded in accordance with the policies described in Note 2(b) iii to the financial statements.

(g) Expenses

All expenses are recognised in the statement of comprehensive income on an accruals basis.

Management fees cover certain ordinary expenses such as trustees fees, investment management fees, administrator fees and bank fees.

Interest expense from financial liabilities at amortised cost is recognised using the effective interest method and includes interest expenses from the credit facility.

(h) Income tax

Under current legislation, the Fund is not subject to income tax provided it attributes the entirety of its taxable income to its unitholders on present entitlement basis.

The Fund currently incurs withholding taxes imposed by certain countries on investment income and capital gains. Such income or gains are recorded gross of withholding taxes in the statement of comprehensive income. Withholding taxes are included in the statement of comprehensive income as an expense.

(i) Distributions

The Fund may distribute its distributable income, in accordance with the Fund’s Constitution, to unit holders by cash or reinvestment. The distributions are recognised in the statement of comprehensive income as finance costs attributable to unit holders.

(j) Increase/decrease in net asset attribute unit holders

Income not distributed is included in net assets attributable to unit holder. Where the Fund’s units are classified as financial liabilities, movements in net assets attributable to unit holders are recognised in the statements of comprehensive income as finance costs.

2 Summary of material accounting policy information (continued)

(k) Foreign currency translation

(i) Functional and presentation currency

Balances included in the Fund's financial statements are measured using the currency of the primary economic environment in which it operates (the "functional currency"). This is the Australian dollar which reflects the currency of the economy in which the Fund competes for funds and is regulated. The Australian dollar is also the Fund's presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when fair value was determined.

The Fund does not isolate that portion of unrealised gains or losses on financial instruments at fair value through profit or loss which is due to changes in foreign exchange rates. Such fluctuations are included in the net gains/(losses) on financial instruments at fair value through profit or loss.

(l) Due from/to Brokers

Amounts due from/to brokers represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet delivered by the end of the year. The due from brokers balance is held for collection and is recognised initially at fair value and subsequently measured at amortised cost.

(m) Receivables

Receivables may include amounts for interest and distributions. Distributions are accrued when the right to receive payment is established. Where applicable, interest is accrued on a daily basis. Amounts are generally received within 30 days of being recorded as receivables.

(n) Payables

Payables include liabilities and accrued expenses owed by the Fund which are unpaid as at the end of the reporting period.

A separate distribution payable is recognised in the statement of financial position.

Distributions declared effective 30 June in relation to unit holders who have previously elected to reinvest distributions are recognised as reinvested effective 1 July of the following financial year.

(o) Applications and redemptions

Applications received for units in the Fund are recorded net of any entry fees payable prior to the issue of units in the Fund. Redemptions from the Fund are recorded gross of any exit fees payable after the cancellation of units redeemed.

(p) Goods and Services Tax (GST)

The GST incurred on the costs of various services provided to the Fund by third parties such as management, administration and custodian services where applicable, have been passed on to the Fund. The Fund qualifies for Reduced Input Tax Credits (RITC) at a rate of at least 55%. Hence, fees for these services and any other expenses have been recognised in the statement of comprehensive income net of the amount of GST recoverable from the Australian Taxation Office (ATO). Amounts payable are inclusive of GST. The net amount of GST recoverable from the ATO is included in

2 Summary of material accounting policy information (continued)

(p) Goods and Services Tax (GST) (continued)

receivables in the statement of financial position. Cash flows relating to GST are included in the statement of cash flows on a gross basis, and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority is classified as an operating cash flow.

(q) Use of estimates and judgements

The Fund makes estimates, assumptions and judgements that affect the reported amounts of assets and liabilities within the current and next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

For the majority of the Fund's financial instruments, quoted market prices are readily available. However, certain financial instruments, for example over-the-counter derivatives or unquoted securities, are fair valued using valuation techniques. Where valuation techniques (for example, pricing models) are used to determine fair values, they are validated and periodically reviewed by experienced personnel of the Investment Manager.

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations, require the management to make estimates and judgements. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

For more information on how fair value is calculated refer to Note 3 to the financial statements.

The Fund estimates that the resultant ECL derived from using the impairment model has not materially impacted the Fund.

(r) Rounding of amounts

Amounts in the financial statements have been rounded to the nearest thousand dollars, unless otherwise indicated.

(s) Comparative revisions

Comparative information has been revised where appropriate to enhance comparability. Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

3 Fair value measurement

The Fund measures and recognises financial assets and liabilities at fair value through profit or loss on a recurring basis.

- Financial assets/liabilities at fair value through profit or loss (see Note 4 and Note 5)
- Derivative financial instruments (see Note 6)

The Fund has no assets or liabilities measured at fair value on a non-recurring basis in the current reporting period.

AASB 13 *Fair Value Measurement* requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2); and
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The Fund values its investments in accordance with the accounting policies set out in Note 2 to the financial statements.

3 Fair value measurement (continued)

(a) Quoted prices in active markets (Level 1)

The fair value of financial instruments traded in active markets (such as publicly traded derivatives) are based on quoted market prices at the close of trading at the end of the reporting period without any deduction for estimated future selling costs.

The quoted market price used for financial assets held by the Fund is the last traded price. The quoted market price incorporates the market's assumptions with respect to changes in economic climate such as rising interest rates and inflation, as well as changes due to risk. When the Fund holds derivatives with offsetting market risks, it uses mid-market prices as a basis for establishing fair values for the offsetting risk positions and applies this bid or asking price to the net open position, as appropriate.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

(b) Significant observable inputs (Level 2)

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques that maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all material inputs required to fair value an instrument are observable, the instrument is included in level 2.

Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions. The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the Fund holds.

Specific valuation techniques using observable inputs used to value financial instruments include:

- Debt instruments are valued using quoted market prices or dealer quotes for similar instruments.
- Foreign currency forwards are valued at the present value of future cash flows based on the forward exchange rates at the balance sheet date.
- Investments in daily-priced unlisted unit trusts are valued at the Net asset value per unit as established by the underlying unlisted unit trust's responsible entity or investment manager, based on observable inputs from underlying investments.

(c) Significant unobservable inputs (Level 3)

The fair value of financial instruments that are determined using valuation techniques that rely on material inputs that are not observable are included in level 3 and are therefore estimated based on assumptions. The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the Fund holds.

3 Fair value measurement (continued)

(c) Significant unobservable inputs (Level 3) (continued)

Specific valuation techniques used to value financial instruments include:

- Private market securities are valued using valuation techniques such as reference to the current fair value or recent transaction prices of substantially similar instruments, market multiples techniques using the applicable price/earnings ratios for similar listed companies adjusted to reflect the specific circumstances of the issuer or discounted cash flow techniques. Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate used is a market rate at the end of the reporting period applicable for an instrument with similar terms and conditions.

  The valuation incorporates observable benchmark interest rates together with an issuer-specific credit spread that reflects market participant assumptions regarding the credit and liquidity risks associated with private market securities. Future contractual cash flows are discounted using a market yield considered appropriate for an instrument with similar terms and risk characteristics. The issuer-specific credit spread is considered a significant unobservable input because the debt securities were issued in a single issuance and there is limited observable market evidence for identical instruments. Accordingly, the fair value measurement is categorised within Level 3 of the fair value hierarchy.

(d) Recognised fair value measurement

The table below presents the Fund's financial assets and liabilities measured and recognised at fair value as at 30 June 2026 and 30 June 2025.

As at 30 June 2026	**Level 1 $'000**	**Level 2 $'000**	**Level 3 $'000**	**Total $'000**
Financial assets				
Futures	**6**	**-**	**-**	**6**
Equity securities	**4,112**	**-**	**-**	**4,112**
Listed unit trusts	**3,806**	**-**	**-**	**3,806**
Unlisted unit trusts	**-**	**40**	**-**	**40**
Debt securities	**-**	**169,175**	**15,947**	**185,122**
Total financial assets	**7,924**	**169,215**	**15,947**	**193,086**
Financial liabilities				
Forward currency contracts	**-**	**5**	**-**	**5**
Futures	**10**	**-**	**-**	**10**
Total financial liabilities	**10**	**5**	**-**	**15**

As at 30 June 2025	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Financial assets				
Forward currency contracts	-	86	-	86
Listed unit trusts	4,390	-	-	4,390
Unlisted unit trusts	-	9,212	-	9,212
Debt securities	-	72,795	2,651	75,446
Total financial assets	4,390	82,093	2,651	89,134
Financial liabilities				
Forward currency contracts	-	7	-	7
Total financial liabilities	-	7	-	7

3 Fair value measurement (continued)

(e) Transfer between levels

Management's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

There were no transfers between levels in the fair value hierarchy at the end of the reporting period (30 June 2025: nil).

(f) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the movement in level 3 instruments for the year ended 30 June 2026 and 30 June 2025 by class of financial instrument.

	Debt securities $'000
Opening balance - 31 January 2024	-
Purchases	2,600
Gains/(losses) recognised in the statement of comprehensive income	51
Closing balance - 30 June 2025*	2,651
Purchases	**13,302**
Gains/(losses) recognised in the statement of comprehensive income	**(6)**
Closing balance - 30 June 2026*	**15,947**

*Includes unrealised gains/(losses) recognised in profit or loss attributable to balances held at the end of the reporting period.

(i) Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in the level 3 fair value measurements for the year ended 30 June 2026 and 30 June 2025. See Note 3(c) above for the valuation techniques adopted.

Description	Valuation Method	Fair value $'000	Unobservable inputs	Range of inputs (probability-weighted average)	Relationship of unobservable inputs to fair value
As at 30 June 2026					
Debt securites	**Discounted cash flow**	**15,947**	**Issuer-specific credit spread**	**606 bps to 1,655 bps**	**An increase in the credit spread decreases fair value; a decrease in the credit spread increases fair value**
As at 30 June 2025					
Debt securites	Recent transaction price	2,651	Recent transaction price	N/A	Direct

The valuation incorporated an implied yield of 10.37% to 20.86% at 30 June 2026. The benchmark interest rate component is observable. The issuer-specific credit spread is the significant unobservable input used in the valuation.

3 Fair value measurement (continued)

(f) Fair value measurements using significant unobservable inputs (level 3) (continued)

(i) Valuation inputs and relationships to fair value (continued)

The following table presents the effect of a reasonably possible change in the credit spread, with all other assumptions held constant.

Change in issuer-specific credit spread	Effect on fair value/profit/(loss)
Increase of 100 basis points	Decrease of $222,090
Decrease of 100 basis points	Increase of $222,090

The quantitative effects above are determined by reperforming the valuation using the same discounted cash flow methodology applied at the reporting date. The sensitivity is not necessarily symmetrical because the timing and amount of contractual cash flows, benchmark rates and the remaining term of the Notes affect the valuation response to changes in the credit spread.

(ii) Valuation processes

Portfolio reviews are undertaken regularly by management to identify securities that potentially may not be actively traded or have stale security pricing.

The Investment Manager is responsible for determining the fair value of the Notes at each reporting date. The valuation process includes reviewing pricing information obtained from independent sources, Intercontinental Exchange (ICE), assessing observable benchmark interest rates, evaluating the issuer-specific credit spread and considering market developments that may affect the credit and liquidity risks associated with the debt securities.

Valuation inputs and assumptions are reviewed periodically to assess whether the resulting fair value measurement reflects market participant assumptions at the reporting date. Changes in the valuation technique or significant inputs, and transfers into or out of Level 3, are reviewed at the end of each reporting period.

(g) Financial instruments not carried at fair value

The financial instruments not measured at fair value through the profit or loss include:

(i) Cash and cash equivalents, balances from/to brokers and receivables/payables under sale and repurchase agreements. These are short-term financial assets and financial liabilities whose carrying values approximate fair value, because of their short-term nature and the high credit quality of counterparties; and

(ii) Net assets attributable to unit holders, as the Fund routinely redeems and issues units at an amount equal to the proportionate share of the Fund's net assets at the time of redemption, calculated on a basis consistent with that used in these financial statements. Accordingly, the carrying value of net assets attributable to unit holders approximates their fair value.

4 Financial assets at fair value through profit or loss

	As at	
	30 June 2026	30 June 2025
	$'000	$'000
Forward currency contracts	**-**	86
Futures	**6**	-
Equity securities	**4,112**	-
Listed unit trusts	**3,806**	4,390
Unlisted unit trusts	**40**	9,212
Debt securities	**185,122**	75,446
Total financial assets at fair value through profit or loss	**193,086**	89,134

An overview of the fair value measurements relating to financial assets at fair value through profit or loss is included in Notes 3 to the financial statements.

5 Financial liabilities at fair value through profit or loss

	As at	
	30 June 2026	30 June 2025
	$'000	$'000
Forward currency contracts	**5**	7
Futures	**10**	-
Total financial liabilities at fair value through profit or loss	**15**	7

An overview of the fair value measurements relating to financial liabilities at fair value through profit or loss is included in Notes 3 to the financial statements.

6 Derivative financial instruments

In the normal course of business, the Fund enters into transactions in various derivative financial instruments which have certain risks. A derivative is a financial instrument or other contract which is settled at a future date and whose value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index or other variable.

Derivative financial instruments require no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.

Derivative transactions include many different instruments such as forwards, futures and options. Derivatives are considered to be part of the investment process and the use of derivatives is an essential part of the Fund's portfolio management. Derivatives are not managed in isolation. Consequently, the use of derivatives is multifaceted and includes:

- hedging to protect an asset or liability of the Fund against a fluctuation in market values or to reduce volatility;
- a substitution for trading of physical securities; and
- adjusting asset exposures within the parameters set in the investment strategy, and adjusting the duration of fixed interest portfolios or the weighted average maturity of cash portfolios.

Certain transactions may give rise to a form of leverage. Such transactions may include, among others, repurchase agreements, loans of portfolio securities, and the use of when-issued, delayed-delivery or forward commitment transactions. Leverage may be incurred when it is believed that is advantageous to increase the investment capacity of a Fund or to facilitate the clearance of transactions. Leverage creates opportunity for greater total returns for a Fund, but it also may magnify losses. The use of derivatives may also create leverage risk.

6 Derivative financial instruments (continued)

The Fund holds the following derivatives:

(a) Futures

Futures are contractual obligations to buy or sell financial instruments on a future date at a specified price established in an organised market. The futures contracts are collateralised by cash or marketable securities. Changes in futures contracts' values are usually settled net daily with the exchange. Interest rate futures are contractual obligations to receive or pay a net amount based on changes in interest rates at a future date at a specified price, established in an organised financial market.

(b) Forward currency contracts

Forward currency contract is primarily used by the Fund to economically hedge against foreign currency exchange rate risks on its non-Australian dollar denominated trading securities. The Fund agrees to receive or deliver a fixed quantity of foreign currency for an agreed upon price on an agreed future date. Forward currency contracts are valued at the prevailing market price at the end of each reporting period. The Fund recognises a gain or loss equal to the change in fair value at the end of each reporting period.

The Fund's derivative financial instruments measured at fair value at year end are detailed below:

	Contractual/ notional $'000	**Assets $'000**	**Contractual/ notional $'000**	**Liabilities $'000**
As at 30 June 2026				
Forward currency contracts	**-**	**-**	**306**	**5**
Futures	**1,000**	**6**	**600**	**10**
Total derivatives	**1,000**	**6**	**906**	**15**
As at 30 June 2025				
Forward currency contracts	8,242	86	1,632	7
Total derivatives	8,242	86	1,632	7

7 Structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, and the relevant activities are directed by means of contractual arrangement.

The Fund considers all investments in unlisted unit trusts (the "Schemes") to be structured entities.

7 Structured entities (continued)

The exposure to investments in Schemes at fair value is disclosed in the following table:

	Fair value of investment	
	30 June 2026	30 June 2025
	$'000	$'000
Kapstream Absolute Return Income Plus Fund	**40**	9,212
Total Schemes	**40**	9,212

The fair value of the Schemes is included in financial assets at fair value through profit or loss in the statement of financial position.

The Fund's maximum exposure to loss from its interest in the Schemes is equal to the fair value of its investments in the Schemes as there are no off-balance sheet exposures relating to any of the Schemes. Once the Fund has disposed of its units in a Scheme it ceases to be exposed to any risk from that Scheme.

During the year ended 30 June 2026, total gains/(losses) incurred on investments in the Schemes were $123,242 gains (2025: 48,485 losses). The Fund also earned distribution income of $130,374 (2025:216,329) as a result of its interests in the Schemes.

8 Net assets attributable to unit holders - liability

The Fund's units are classified as a liability as they do not meet the definition of a financial instrument to be classified as equity.

Movements in number of units and net assets attributable to unit holders during the year/period were as follows:

	Year ended 30 June 2026		For the period from 31 January 2024 to 30 June 2025	
	Units '000	**$'000**	Units '000	$'000
Class F Units				
Opening balance	**53,312**	**56,302**	-	-
Applications	**10,392**	**11,126**	53,079	56,254
Redemptions	**(571)**	**(610)**	-	-
Reinvestment of distributions	**-**	**-**	233	247
Increase/(decrease) in net assets attributable to unit holders	**-**	**97**	-	(199)
Closing balance	**63,133**	**66,915**	53,312	56,302
Class I Units				
Opening balance	**795**	**838**	-	-
Applications	**97,371**	**104,265**	781	826
Redemptions	**(234)**	**(250)**	-	-
Reinvestment of distributions	**31**	**33**	14	14
Increase/(decrease) in net assets attributable to unit holders	**-**	**(891)**	-	(2)
Closing balance	**97,963**	**103,995**	795	838

8 Net assets attributable to unit holders - liability (continued)

	Year ended 30 June 2026		For the period from 31 January 2024 to 30 June 2025	
	Units '000	**$'000**	Units '000	$'000
Class S Units				
Opening balance	**35,099**	**36,169**	-	-
Applications	**-**	**-**	35,099	36,000
Increase/(decrease) in net assets attributable to unit holders	**-**	**70**	-	169
Closing balance	**35,099**	**36,239**	35,099	36,169
Closing balance		**207,149**		93,309

As stipulated within the Fund's Constitution, each unit represents a right to an individual share in the Fund and does not extend to a right in the underlying assets of the Fund. There are three separate classes of units (2025: three). Each unit within the same class has the same rights as all other units within that class. Each unit class has a different management fee rate.

Units are redeemed on demand at the unit holders' option. However, holders of these instruments typically retain them for the medium to long term. As such, the amount expected to be settled within twelve months after the end of the reporting period cannot be reliably determined.

Capital risk management

The Fund considers its net assets attributable to unit holders as capital, notwithstanding that net assets attributable to unit holders are classified as a liability. The amount of net assets attributable to unit holders can change significantly on a monthly basis as the Fund is subject to monthly applications and redemptions at the discretion of unit holders.

Monthly applications and redemptions are reviewed relative to the liquidity of the Fund's underlying assets by the Trustee. Under the terms of the Fund's Constitution, the Trustee has the discretion to reject an application for units and to defer or adjust a redemption of units if the exercise of such discretion is in the best interests of unit holders.

9 Distributions to unit holders

The distributions declared during the year/period were as follows:

	Year ended 30 June 2026		For the period from 31 January 2024 to 30 June 2025	
	$'000	**CPU**	$'000	CPU
Distributions Class F*				
Distributions paid - February 2024	**-**	**-**	-	0.01
Distributions paid - March 2024	**-**	**-**	-	0.04
Distributions paid - April 2024	**-**	**-**	1	0.16
Distributions paid - May 2024	**-**	**-**	5	0.71
Distributions paid - June 2024	**-**	**-**	8	0.63
Distributions paid - July	**462**	**0.87**	10	0.38
Distributions paid - August	**460**	**0.84**	22	0.74
Distributions paid - September	**702**	**1.20**	37	1.08
Distributions paid - October	**447**	**0.76**	36	0.94
Distributions paid - November	**489**	**0.83**	46	1.16
Distributions paid - December	**656**	**1.07**	50	0.95
Distributions paid - January	**414**	**0.67**	42	0.75
Distributions paid - February	**442**	**0.71**	52	0.89
Distributions paid - March	**309**	**0.49**	68	1.17
Distributions paid - April	**519**	**0.83**	53	0.20
Distributions paid - May	**481**	**0.76**	232	0.44
Distributions payable - June	**604**	**0.96**	546	1.02
Total distributions	**5,985**	**9.99**	1,208	11.27
Distributions Class I**				
Distributions paid - February 2024	**-**	**-**	-	0.01
Distributions paid - March 2024	**-**	**-**	-	0.04
Distributions paid - April 2024	**-**	**-**	-	0.51
Distributions paid - May 2024	**-**	**-**	-	0.68
Distributions paid - June 2024	**-**	**-**	-	0.97
Distributions paid - July	**7**	**0.66**	-	0.03
Distributions paid - August	**9**	**0.84**	1	0.71
Distributions paid - September	**13**	**0.88**	1	0.92
Distributions paid - October	**11**	**0.74**	1	1.00
Distributions paid - November	**11**	**0.76**	1	1.13
Distributions paid - December	**12**	**0.96**	1	0.58
Distributions paid - January	**8**	**0.60**	1	0.56
Distributions paid - February	**10**	**0.65**	2	0.65
Distributions paid - March	**535**	**0.55**	4	1.12
Distributions paid - April	**645**	**0.66**	3	0.34
Distributions paid - May	**675**	**0.69**	6	0.85
Distributions payable - June	**858**	**0.88**	8	1.01
Total distributions	**2,794**	**8.87**	29	11.11

9 Distributions to unit holders (continued)

	Year ended 30 June 2026		For the period from 31 January 2024 to 30 June 2025	
	$'000	**CPU**	$'000	CPU
Distributions Class S* **				
Distributions paid - February 2024	**-**	**-**	-	0.01
Distributions paid - March 2024	**-**	**-**	1	0.01
Distributions paid - April 2024	**-**	**-**	139	0.57
Distributions paid - May 2024	**-**	**-**	181	0.62
Distributions paid - June 2024	**-**	**-**	297	1.01
Distributions paid - July	**305**	**0.87**	231	0.79
Distributions paid - August	**303**	**0.86**	239	0.81
Distributions paid - September	**449**	**1.28**	366	1.25
Distributions paid - October	**271**	**0.77**	307	1.05
Distributions paid - November	**322**	**0.92**	342	1.17
Distributions paid - December	**372**	**1.06**	366	1.25
Distributions paid - January	**240**	**0.68**	260	0.74
Distributions paid - February	**252**	**0.72**	312	0.89
Distributions paid - March	**177**	**0.50**	415	1.18
Distributions paid - April	**293**	**0.83**	290	0.83
Distributions paid - May	**270**	**0.77**	294	0.84
Distributions payable - June	**334**	**0.95**	361	1.03
Total distributions	**3,588**	**10.21**	4,401	14.05
Total distributions	**12,367**		5,638	

* Class F distributed $19 in February 2024 and $78 in March 2024 (rounded to $Nil) above.

** Class I distributed $0.01 in February 2024, $0.04 in March 2024, $1 in April 2024, $1 in May 2024, $1 in June 2024 and $20 in July 2024 (rounded to $Nil) above.

*** Class S distributed $0.01 in February 2024 (rounded to $Nil) above.

10 Cash and cash equivalents

	As at	
	30 June 2026	30 June 2025
	$'000	$'000
Cash at bank	**15,367**	2,215
Total cash and cash equivalents	**15,367**	2,215

11 Receivables

	As at	
	30 June 2026	30 June 2025
	$'000	$'000
Application receivable	**592**	10
Fee rebate receivables	**24**	4
Dividends and distributions receivable	**-**	158
GST receivable	**9**	9
Interest receivable	**904**	408
Total receivables	**1,529**	589

12 Payables

	As at	
	30 June 2026	30 June 2025
	$'000	$'000
Management fees payable	**760**	47
Total payables	**760**	47

13 Remuneration of auditors

During the year/period the following fees were paid or payable for services provided by the auditor of the Fund:

	Year ended 30 June 2026	For the period from 31 January 2024 to 30 June 2025
	$	$
Ernst & Young		
Audit and other assurance services		
Audit of financial statements	**10,609**	10,000
Total auditor remuneration and other assurance services	**10,609**	10,000
Taxation services		
Tax compliance services	**15,104**	10,249
Total remuneration for taxation services	**15,104**	10,249
Total remuneration of Ernst & Young	**25,713**	20,249

The auditor's remuneration is borne by the Investment Manager, Kapstream Capital Pty Limited. Fees are stated exclusive of GST.

14 Related party transactions

The Trustee of Kapstream Private Investment Fund is Equity Trustees Limited (ABN 46 004 031 298) (AFSL 240975). Accordingly, transactions with entities related to Equity Trustees Limited are disclosed below.

The only related parties to the Fund, as defined by AASB 124 *Related Party Disclosures*, are the Fund, schemes managed by the Trustee and key management personnel of the Trustee.

14 Related party transactions (continued)

(a) Key management personnel

(i) Directors

Key management personnel include persons who were directors of Equity Trustees Limited at any time during or since the end of the financial year and up to the date of this report.

Michael J O'Brien	Chairman
Russell W Beasley	(appointed 1 July 2025)
Mary A O'Connor	(resigned 1 July 2025)
David B Warren	
Andrew P Godfrey	
Johanna E Platt	

(ii) Trustee

Other than fees paid to the Trustee, there were no other transactions.

(iii) Other key management personnel

There were no other key management personnel with responsibility for planning, directing and controlling the activities of the Fund, directly or indirectly during the year.

(b) Transactions with key management personnel

There were no transactions with key management personnel during the reporting year.

(c) Key management personnel unit holdings

Key management personnel did not hold units in the Fund as at 30 June 2026 (30 June 2025: nil).

(d) Key management personnel compensation

Key management personnel are paid by EQT Services Pty Ltd. Payments made from the Fund to Equity Trustees Limited do not include any amounts directly attributable to the compensation of key management personnel.

(e) Key management personnel loans

The Fund has not made, guaranteed or secured, directly or indirectly, any loans to key management personnel or their personally related entities at any time during the reporting period.

(f) Other transactions within the Fund

Apart from those details disclosed in this note, no key management personnel have entered into a material contract with the Fund during the financial year and there were no material contracts involving management personnel's interests existing at year end.

14 Related party transactions (continued)

(g) Trustee's fees and other transactions

The transactions during the year and amounts payable as at year end between the Fund, the Trustee and its service providers as per Note 1.

	Year ended 30 June 2026	For the period from 31 January 2024 to 30 June 2025
	$	$
Management fees for the year/period	**900,052**	165,184
Management fees payable at the end of the year/period	**759,698**	46,704

Equity Trustees Limited earned $51,049 (2025: $41,374) for Trustee services provided to the Fund paid from management fees and costs.

Under the terms of the Fund's Constitution and Information Memorandum, management fees include trustee fees paid to the Trustee, management fees paid to the Investment Manager and other costs (such as administration fees) paid to other unrelated parties. Please refer to the Fund's Information Memorandum for information on how management fees and costs are calculated.

(h) Investments

The Fund held investments in the following entities which are also managed by Equity Trustees Limited or its related parties:

As at 30 June 2026	**Fair value of investment**	**Interest held**	**Distributions received**	**Distributions receivable**	**Units acquired during the year**	**Units disposed during the year**
	$	**%**	**$**	**$**		
Kapstream Investment Trust	**3,806,206**	**1.93**	**15,139**	**-**	**1,982,399**	**-**
Revolution Private Credit Income Trust	**-**	**-**	**3,150**	**-**	**250,000**	**250,000**

The Fund did not hold any investments in Equity Trustees Limited or its related parties during the year ended 30 June 2025.

15 Transactions with the Investment Manager

Management fees are paid by the Trustee to the Investment Manager directly and are included in management fees and costs as disclosed in Note 14(g).

15 Transactions with the Investment Manager (continued)

The Fund held investments in other Schemes managed by the Fund's Investment Manager during the year as follows:

Investment	Number of units held opening	Number of units held closing	Fair value of investment $	Interest held %	Number of units acquired	Number of units disposed	Distributions paid/payable by the Fund $
As at 30 June 2026							
Kapstream Absolute Return Income Plus Fund	**9,026,115**	**37,922**	**39,067**	**0.004**	**280,549**	**9,268,742**	**130,374**
As at 30 June 2025							
Kapstream Absolute Return Income Plus Fund	-	9,026,115	9,212,053	1.743	17,441,466	8,415,351	216,329

16 Events occurring after the reporting period

No significant events have occurred since the end of the year which would impact on the financial position of the Fund as disclosed in the statement of financial position as at 30 June 2026 or on the results and cash flows of the Fund for the year ended on that date.

17 Contingent assets and liabilities and commitments

There were no outstanding contingent assets, liabilities or commitments as at 30 June 2026 and 30 June 2025.

Trustee's declaration

In the opinion of the directors of the Trustee:

(a) The financial statements and notes set out on pages 5 to 31 are in accordance with the Australian Accounting Standards (including interpretations), including:

   (i) complying with Australian Accounting Standards and other mandatory professional reporting requirements, to the extent outlined in Note 2 to the financial statements; and

   (ii) giving a true and fair view of the Fund's financial position as at 30 June 2026 and of its performance for the financial year ended on that date;

(b) There are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors of Equity Trustees Limited through a delegated authority given by Equity Trustees Limited's Board.

Andrew P Godfrey
Director

Melbourne
17 September 2026

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Independent auditor's report to the unit holders of Kapstream Private Investment Fund

Opinion

We have audited the financial report of Kapstream Private Investment Fund (the Fund), which comprises the statement of financial position as at 30 June 2026, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, and the directors' declaration.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Fund as at 30 June 2026, and its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards - Simplified Disclosures.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Fund in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the financial report and auditor's report thereon

The directors of Equity Trustees Limited (the Responsible Entity) are responsible for the other information. The other information is the directors' report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Responsible Entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and for such internal control as the directors determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Ernst & Young

Ernst & Young
Sydney
17 September 2026