



Mutual Limited

Mutual Limited

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Mutual High Yield Fund
ARSN 629 799 122

Condensed Interim Financial Report
For the half-year ended 31 December 2025

DIRECTOR'S REPORT

The directors of Mutual Limited (ACN 010 338 324), the Responsible Entity of Mutual High Yield Fund ("the Fund") present their Directors' Report together with the financial statements of the Fund for the half-year ended 31 December 2025 and accompanying independent auditor's report.

DIRECTORS OF THE RESPONSIBLE ENTITY

The names and particulars of the directors of the Responsible Entity in office during the period and up to the date of this report (unless otherwise stated) are:

Wayne Buckingham
Brian Buckley
Denning Chong

PRINCIPAL ACTIVITIES

The principal activity of the Fund is to invest funds in accordance with its investment objectives and guidelines as set out in the current Product Disclosure Statement (PDS) and in accordance with the provisions of the Constitution.

There has been no significant change in the nature of this activity during the period.

FUND INFORMATION

The Responsible Entity is incorporated and domiciled in Australia.

The registered office of the Responsible Entity is located at Level 17, 447 Collins Street Melbourne, Victoria, 3000.

RESULTS

The net profit attributable to unitholders for the half-year ended 31 December 2025 was \$17,808,501 (31 December 2024: \$7,311,048).

DISTRIBUTIONS

Distributions paid and/or payable by the Fund during the period total \$12,898,926 (31 December 2024: \$5,804,678).

FUND ASSETS

At 31 December 2025 the Fund held gross assets of \$485,105,364 (30 June 2025: \$322,328,131).

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the state of affairs of the Fund during the period, other than those changes identified in the financial statements for the half-year ended 31 December 2025.

SIGNIFICANT EVENTS AFTER BALANCE DATE

There has been no matter or circumstance that has arisen since the half-year ended 31 December 2025 that has significantly affected, or may significantly affect, the Fund's operations during the half-year, the results of those operations or the Fund's status of affairs in future financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The investment strategy of the Fund will be maintained in accordance with Fund's investment objectives as outlined in the PDS and Trust Deed.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The operations of the Fund are not subject to any particular or significant environmental regulation under a law of the Commonwealth or of a State or Territory. There have been no known significant breaches of any other environmental requirements applicable to the Fund.

DIRECTOR'S REPORT (continued)

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

Neither the Fund nor the Responsible Entity has given or agreed to give any indemnity to an officer or auditor of the Responsible Entity or Fund and have not paid any premium for insurance against those officers' or auditors' liability for legal costs.

AUDITOR INDEPENDENCE

The Directors received the following declaration from the auditor of the Fund as attached on page 3.

Signed in accordance with a resolution of the directors.



Wayne Buckingham
Managing Director

Melbourne, 17 February 2026

Grant Thornton Audit Pty Ltd

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Auditor's Independence Declaration

To the Directors of Mutual High Yield Fund

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the review of Mutual High Yield Fund for the half-year ended 31 December 2025. I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b no contraventions of any applicable code of professional conduct in relation to the review.



Grant Thornton Audit Pty Ltd
Chartered Accountants



D G Ng
Partner – Audit & Assurance

Melbourne, 17 February 2026

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Statement of Condensed Interim Financial Position

As at 31 December 2025

	Notes	December 2025 \$	June 2025 \$
Assets			
Cash and cash equivalents		24,344,612	1,247,540
Other receivables		2,296,158	2,619,835
Financial assets at fair value through profit or loss	3	458,464,594	318,460,756
Total assets		485,105,364	322,328,131
Liabilities			
Payables		(1,286,859)	(909,292)
Distributions payable		(6,955,178)	(4,370,420)
Total liabilities		(8,242,037)	(5,279,712)
Net assets attributable to unitholders		476,863,327	317,048,419
Represented by:			
Net assets attributable to unitholders (calculated in accordance with redemption requirements)		476,863,327	317,048,419
Net assets attributable to unitholders		476,863,327	317,048,419

The above Statement of Condensed Interim Financial Position is to be read in conjunction with the notes to the financial statements.

Statement of Condensed Interim Profit or Loss and Other Comprehensive Income

For the period ended 31 December 2025

	Notes	December 2025 \$	December 2024 \$
Income			
Interest income		15,174,536	6,067,776
Changes in fair value of financial assets at fair value through profit and loss		4,776,219	1,927,271
Total income		<u>19,950,755</u>	<u>7,995,047</u>
Expenses			
Management fee		(2,052,484)	(662,301)
Other expenses		(89,770)	(21,698)
Total expenses		<u>(2,142,254)</u>	<u>(683,999)</u>
Net profit/(loss) before finance costs		<u>17,808,501</u>	<u>7,311,048</u>
Finance costs			
Distributions to unitholders	6	(12,898,926)	(5,804,678)
Net profit/(loss) for the period		<u>4,909,575</u>	<u>1,506,370</u>
Other comprehensive income		-	-
Change in net assets attributable to unitholders		<u>4,909,575</u>	<u>1,506,370</u>

The above Statement of Condensed Interim Profit or Loss and Other Comprehensive Income is to be read in conjunction with the notes to the financial statements.

Statement of Condensed Interim Changes in Equity

For the period ended 31 December 2025

The Fund's net assets attributable to unitholders are classified as a liability under AASB 132 *Financial Instruments: Presentation*. As such the Fund has no equity, and no items of changes in equity have been presented for the current period.

The above Statement of Condensed Interim Changes in Equity is to be read in conjunction with the notes to the financial statements.

Statement of Condensed Interim Cash Flows

For the period ended 31 December 2025

	December 2025 \$	December 2024 \$
Cash flows from operating activities		
Interest received	14,643,460	5,777,006
Investment expenses paid	(1,596,281)	(654,185)
GST refund paid/received	(70,753)	44,009
Other expenses paid	(5,498)	(4,478)
Net cash provided by operating activities	<u>12,970,928</u>	<u>5,162,352</u>
Cash flows from investing activities		
Purchase of investments	(266,902,205)	(115,290,980)
Proceeds from sale of investments	131,674,586	82,236,074
Net cash flows used in investing activities	<u>(135,227,619)</u>	<u>(33,054,906)</u>
Cash flows from financing activities		
Proceeds from issue of redeemable units	222,722,886	59,429,247
Payment for redemption of units	(67,054,955)	(22,048,530)
Distributions paid to unitholders	(10,314,168)	(3,957,855)
Net cash flows provided by financing activities	<u>145,353,763</u>	<u>33,422,862</u>
Net increase in cash and cash equivalents	23,097,072	5,530,308
Cash and cash equivalents at the beginning of the period	<u>1,247,540</u>	<u>1,084,130</u>
Cash and cash equivalents at the end of the period	<u>24,344,612</u>	<u>6,614,438</u>

The above Statement of Condensed Interim Cash Flows is to be read in conjunction with the notes to the financial statements.

Notes to the Condensed interim Financial Statements

For the period ended 31 December 2025

	Page
1 Corporate Information	8
2 Summary of significant accounting policies	8
3 Financial assets at fair value through profit or loss	9
4 Fair value of financial instruments	9
5 Net assets attributable to unit holders	10
6 Distribution to unitholders	10
7 Commitments and contingencies	10
8 Related party disclosures	10
9 Significant events after balance date	11

Notes to the Condensed interim Financial Statements

For the period ended 31 December 2025

1. Corporate information

The interim financial report of Mutual High Yield Fund (“the Fund”) for the half-year ended 31 December 2025 was authorised for issue in accordance with a resolution of the directors of Mutual Limited, the Responsible Entity, on 18 February 2026.

The Fund is an Australian Registered Managed Investment Scheme, constituted on 24 December 2018. The Responsible Entity is incorporated and domiciled in Australia. The registered office of the Responsible Entity is located at Level 17, 447 Collins Street Melbourne, Victoria, 3000.

The Fund is a for profit fund. The principal activity of the Fund is to invest funds in accordance with its investment objectives and guidelines as set out in the current Product Disclosure Statement and in accordance with the provisions of the Constitution.

2. Summary of Material Accounting Policies

(a) Basis of preparation

This interim financial report is a general purpose financial report which has been prepared in accordance with AASB 134: Interim Financial Reporting and the *Corporations Act 2001*. The interim financial report has also been prepared on a historical cost basis, except for financial assets held at fair value through profit or loss, that have been measured at fair value. The Statement of Financial Position is presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and are not distinguished between current and non-current. All balances are expected to be recovered or settled within twelve months. The amount expected to be recovered or settled within twelve months in relation to these balances can be reliably determined.

The interim financial report is presented in Australian Dollars.

Statement of compliance

The interim financial report has been prepared in accordance with Australian Accounting Standards applicable to interim reporting as issued by the Australian Accounting Standards Board (AASB) and International Financial Reporting Standards (IFRS) applicable to interim reporting as issued by the International Accounting Standards Board.

The interim financial report does not include all the information and disclosures required in the annual financial report and should be read in conjunction with the most recent annual financial report of the Fund.

New accounting standards and interpretations

There are no standards, interpretation or amendments to existing standards that are effective for the first time for the financial year beginning 1 July 2025 that have an impact on the amounts recognised in the prior or current periods.

(b) Material accounting judgments and estimates

The preparation of this interim financial report requires management to make judgments, estimates and assumptions that affect the amounts recognised in the financial statements. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

In preparing this interim financial report, the significant judgements made by management in applying the Fund’s accounting policies, the key estimates and assumptions were the same as those that applied to the annual report for the financial year ended 30 June 2025.

(c) Fair value of financial instruments

Investments are initially recognised at fair value, being the fair value of the consideration paid excluding transaction costs. After initial recognition, the financial assets mandatorily as at fair value through profit or loss are revalued to fair value at each reporting date. The carrying value of cash and cash equivalents approximates fair value.

The fair values of financial assets that are traded in active markets that the Fund can access at the measurement date are obtained directly from an exchange and/or quoted prices (unadjusted) on which the instruments are traded. For all other financial instruments, the Fund determines fair value using other valuation techniques. Level 2 fair value measurements are those instruments valued based on inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Investments of the Fund which are designated as fair value through profit and loss include interest bearing securities, for which there is no definitive intention to hold to maturity.

(d) Income tax

Under current legislation, the Fund is not subject to income tax provided that the unitholders are presently entitled to the income of the Fund and the Fund fully distributes its taxable income.

2. Summary of Material Accounting Policies (continued)

(e) Distribution to unitholders

In accordance with the Fund's Constitution, the Fund fully distributes its distributable income to unitholders.

Distributions are payable quarterly, at the end of each calendar quarter. Such distributions are determined by reference to the net taxable income of the Fund.

Distributable income includes capital gains arising from the disposal of investments. Unrealised gains and losses are transferred to net assets attributable to unitholders and are not assessable and distributable until realised. Capital losses are not distributed to unitholders but are retained to be offset against any future realised capital gains. Distributions to unitholders are recognised in the Statement of Profit or Loss and Other Comprehensive Income as finance costs.

3. Financial assets at fair value through profit or loss

	December 2025 \$	June 2025 \$
Interest bearing securities designated upon initial recognition		
- Unlisted floating rate notes	163,592,281	170,560,107
- Unlisted commercial loans	4,388,103	4,363,159
- Unlisted mortgage-backed securities	290,484,210	143,537,490
	<u>458,464,594</u>	<u>318,460,756</u>

4. Fair value of financial instruments

The table below analyses financial instruments carried at fair value, by valuation method. The different levels of fair value measurement have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within level 1 that are observables either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are not considered active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data. These investments are predominantly made up of listed and unlisted floating rate notes and bonds. These securities are valued based on the impact of interest rate fluctuations in the market.
- Level 3: inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments but for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

December 2025	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial assets				
- Unlisted floating rate notes	108,125,250	55,467,031	-	163,592,281
- Unlisted commercial loans	-	4,388,103	-	4,388,103
- Unlisted mortgage-backed securities	17,755,335	244,208,376	28,520,499	290,484,210
	<u>125,880,585</u>	<u>304,063,510</u>	<u>28,520,499</u>	<u>458,464,594</u>
June 2025	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial assets				
- Unlisted floating rate notes	109,005,101	61,555,006	-	170,560,107
- Unlisted commercial loans	-	4,363,159	-	4,363,159
- Unlisted mortgage-backed securities	20,429,609	100,865,381	22,242,500	143,537,490
	<u>129,434,710</u>	<u>166,783,546</u>	<u>22,242,500</u>	<u>318,460,756</u>

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

5. Net assets attributable to unitholders

Each unit issued confers upon the unitholder an equal interest in the Fund, and is of equal value. A unit does not confer any interest in any particular asset or investment of the Fund. Unitholders have various rights under the Fund's constitution, including the right to:

- have their units redeemed at a proportionate share based on the Fund's net asset value per unit on the redemption date;
- receive income distributions;
- attend and vote at meetings of unitholders; and
- participate in the termination and winding up of the Fund.

The rights, obligations and restrictions attached to each unit are identical in all respects. For the purpose of calculating the net assets attributable to unitholders in accordance with the Fund's Constitution, the Fund's assets and liabilities are valued on the basis of last sale-market prices. This valuation of net asset value is different from Australian Accounting Standards and International Financial Reporting Standards valuation requirements. A reconciliation between the Fund's Net Asset Value (NAV) under Australian Accounting Standards, IFRS and the NAV calculated per the Fund's Constitution is provided in the Statement of Changes in Net Assets Attributable to Unitholders and the Statement of Financial Position.

	December 2025 \$	June 2025 \$
NAV/unit calculated in accordance with IFRS	1.103366	1.084109
NAV/unit calculated in accordance with the Fund's Constitution	1.103366	1.084109

6. Distribution to unitholders

	December 2025 \$	December 2025 CPU	December 2024 \$	December 2024 CPU
30 September	5,943,748	1.7274	2,658,387	2.2402
31 December	6,955,178	1.6093	3,146,291	2.2137
Total distribution to unitholders	<u>12,898,926</u>	<u>3.3367</u>	<u>5,804,678</u>	<u>4.4539</u>

7. Commitments and contingencies

The Fund has no undisclosed commitments or contingencies as at 31 December 2025.

8. Related party disclosures

(a) Responsible Entity

The Responsible Entity is owned as follows:

	December 2025 \$	December 2024 \$
B & K Investments Australia Pty Ltd ATF Brian Buckley Family Trust	36.2320%	36.00021%
WEB Corporation Pty Ltd ATF Wayne Buckingham Family Trust	36.2320%	36.00021%
JLI Enterprises Pty Ltd ATF The Mutual Unit Trust	9.0579%	8.99993%
Happy AJ Company 2 Pty Ltd ATF Happy AJ 2 Trust	9.0579%	8.99993%
Scott Murray Rundell ATF Rundell Family Trust	6.9045%	7.49994%
Antonietta Sestito & Simon Clark ATF Sestito Clark Family Trust	2.5159%	2.49977%

(e) Investments

Related party investments of the Fund

The Fund does not hold investments in the Responsible Entity or other Funds managed by the Responsible Entity.

Related party investments in the Fund

From time to time directors and other key management personnel of Mutual High Yield Fund, or their related entities, may invest in or withdraw from the fund.

9. Significant events after reporting/balance sheet date

Since 31 December 2025, there have been no other matters or circumstances not otherwise dealt with in the interim financial report that have significantly affected or may significantly affect the Fund.

Directors' Declaration

In the opinion of the directors of the Responsible Entity:

- a. The financial statements and notes of Mutual High Yield Fund set out on pages 2 to 10 are in accordance with the *Corporations Act 2001*, including:
 - i. giving a true and fair view of Mutual High Yield Fund's financial position as at 31 December 2025 and of its performance for the half-year ended on that date; and
 - ii. complying with Accounting Standards (including the Australian Accounting Interpretations), the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
- b. there are reasonable grounds to believe that Mutual High Yield Fund will be able to pay its debts as and when they become due and payable.
- c. the financial statements are in accordance with the provisions of Mutual High Yield Fund's constitution.
- d. the financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 2.

On behalf of the Board
Mutual Limited



Wayne Buckingham
Managing Director

Melbourne, 17 February 2026

Independent Auditor's Review Report

To the Members of Mutual High Yield Fund

Report on the half-year financial report

Conclusion

We have reviewed the accompanying half-year financial report of Mutual High Yield Fund (the Scheme) which comprises the statement of condensed interim financial position as at 31 December 2025, and the statement of condensed interim profit or loss and other comprehensive income, statement of condensed interim changes in equity and statement of condensed interim cash flows for the half year ended on that date, including material accounting policy information, other selected explanatory notes, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Mutual High Yield Fund does not comply with the *Corporations Act 2001* including:

- a giving a true and fair view of the Scheme's financial position as at 31 December 2025 and of its performance for the half year ended on that date; and
- b complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and 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 annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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Directors' responsibility for the half-year financial report

The Directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the Directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

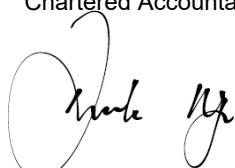
Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2025 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Grant Thornton Audit Pty Ltd
Chartered Accountants



D G Ng
Partner – Audit & Assurance
Melbourne, 17 February 2026