Effective Date: 27 August 2026

APPENDIX 4E - PRELIMINARY FINAL REPORT

Kapstream Investment Trust (ARSN: 691 029 124) (the "Trust")

DETAILS OF REPORTING PERIOD

Current reporting period:	For the period 24 September 2025 to 30 June 2026
Previous corresponding period*:	NA

* This is the first period of operations of the Trust and hence there are no prior period comparatives.

The directors of Equity Trustees Limited (ABN 46 004 031 298, AFSL 240975), the Responsible Entity of the Trust, announce the results of the Trust for the period 24 September 2025 to 30 June 2026 as follows:

RESULTS FOR ANNOUNCEMENT TO THE MARKET

PERFORMANCE	FOR THE PERIOD 24 SEPTEMBER 2025 to 30 JUNE 2026 $'000
Total investment income (Revenue from ordinary activities)	**3,836**
Operating profit for the period	**3,031**
Total comprehensive income for the period	**3,031**

REVIEW AND RESULTS OF OPERATIONS

During the period, the Trust invested its funds in accordance with the Product Disclosure Statement and the provisions of the Trust's Constitution.

The Trust's performance was 1.48% (net of fees) for the period. The Trust's benchmark, the RBA Cash Rate + 3.5% p.a. (net of fees and costs, but pre-tax), returned 2.17% for the same period.

STATEMENT OF COMPREHENSIVE INCOME

Refer to the Annual Report for the period 24 September 2025 to 30 June 2026 attached to this Appendix 4E for further information.

STATEMENT OF FINANCIAL POSITION

Refer to the Annual Report for the period ended 30 June 2026 attached to this Appendix 4E for further information.

STATEMENT OF CHANGES IN EQUITY

Refer to the Annual Report for the period 24 September 2025 to 30 June 2026 attached to this Appendix 4E for further information.

STATEMENT OF CASH FLOWS

Refer to the Annual Report for the period 24 September 2025 to 30 June 2026 attached to this Appendix 4E for further information.

DETAILS OF DISTRIBUTIONS

The distributions for the period 24 September 2025 to 30 June 2026 are as follows:

DISTRIBUTIONS (1),(2),(3)	RECORD DATE	PAYMENT DATE	AMOUNT PER UNIT(CPU)
Distribution – April 2026	4 May 2026	22 May 2026	1.0282
Distribution – May 2026	2 June 2026	23 June 2026	0.4314
Distribution – June 2026 (payable)	2 July 2026	29 July 2026	0.5426
Total			**2.0022**

(1) On 28 April 2026, the Trust announced the actual details of the distribution for the month of April. The distribution amount is 1.0282 cents per unit and payment date is 22 May 2026. The DRP election date was 5 May 2026.

(2) On 28 May 2026, the Trust announced the actual details of the distribution for the month of May. The distribution amount is 0.4314 cents per unit and payment date is 23 June 2026. The DRP election date was 3 June 2026.

(3) On 26 June 2026, the Trust announced the actual details of the distribution for the month of June. The distribution amount is 0.5426 cents per unit and payment date is 29 July 2026. The DRP election date was 3 July 2026.

DETAILS OF DISTRIBUTIONS REINVESTMENT PLAN

The Responsible Entity established a distribution reinvestment plan (DRP) in February 2026 which became available to unit holders of the Trust on commencement of trading on the ASX on 30 March 2026. An eligible unit holder may elect into the DRP by completing an election notice and sending it to the registry. An eligible unit holder may elect to partially or fully participate in the DRP, and is recorded on the register once the Responsible Entity has accepted the election.

Units are allocated under the DRP at the Allocation Price, which is the NAV per Unit, less the Discount (if any) determined by the Responsible Entity from time to time, rounded in the manner determined by the Responsible Entity. The determination by the Responsible Entity of the Allocation Price is binding on all Participants. A Discount (if any) may be different from one Distribution to the next, and either may be determined or varied by announcement on the Trust's website and to ASX at any time.

Details on the DRP may be found at https://www.mantisfunds.com/wp-content/uploads/KIT-Distribution-Reinvestment-Plan-DRP-Rules.pdf

ON-MARKET BUY-BACKS

On 20 May 2026, the Responsible Entity in consultation with the Investment Manager, announced an equal access buy-back offer for up to 5% of the total units of the Trust on the buy-back record date (28 May 2026) at the buy-back price on the buy-back pricing date of 2 July 2026. The offer was made within the 10/12 limit ie. buy-backs will not exceed 10% the smallest number of units on issue in the Trust during the 12 months prior to any buy-back, unless otherwise approved by ordinary resolution of unit holders.

On 26 June 2026 an announcement of the total buy-back acceptances of 5,125,013 units was made. Further it was announced on 8 July 2026 and 10 July 2026 that the buy-back acceptance units were cancelled for a total consideration of $10,299,226 at a buy-back price of $2.0096 per unit.

The equal access buy-back was undertaken in accordance with the Constitution, ASX Listing Rules and all applicable laws.

NET TANGIBLE ASSETS

	AS AT 30 JUNE 2026
Total Net Tangible Assets attributable to unit holders ($'000)	**205,980**
Units on issue ('000)	**102,500**
Net Tangible Assets attributable to unit holders per unit ($)	**2.01**

CONTROL GAINED OR LOST OVER ENTITIES DURING THE PERIOD

There was no control gained or lost over entities by the Trust during the period.

DETAILS OF ASSOCIATES AND JOINT VENTURES ENTITIES

The Trust did not have any interest in associates and joint venture entities during the period.

SIGNIFICANT INFORMATION

Refer to the attached Annual Report for a detailed discussion on the performance and financial position of the Trust for the period 24 September 2025 to 30 June 2026.

COMMENTARY ON RESULTS FOR THE PERIOD

Refer to the Annual Report for the period 24 September 2025 to 30 June 2026 attached to this Appendix 4E for further information.

INDEPENDENT AUDIT REPORT

This report is based on the Annual Report which has been audited by the Trust’s auditor. All the documents comprise the information required by ASX Listing Rule 4.3A.

COMMENTARY

Andrew P Godfrey, Director, Equity Trustees Limited, the Responsible Entity of Kapstream Investment Trust, has authorised that this document be given to the ASX.

Kapstream Investment Trust

ARSN 691 029 124

Annual report
For the period 24 September 2025 to 30 June 2026

Kapstream Investment Trust

ARSN 691 029 124

Annual report
For the period 24 September 2025 to 30 June 2026

Contents

This annual report covers Kapstream Investment Trust as an individual entity.

The Responsible Entity of Kapstream Investment Trust is Equity Trustees Limited (ABN 46 004 031 298) (AFSL 240975).

The Responsible Entity's registered office is:

Level 22, 530 Collins Street
Melbourne, VIC 3000.

Directors' report

The directors of Equity Trustees Limited, the Responsible Entity of Kapstream Investment Trust (the "Trust"), present their report together with the financial statements of the Trust for the period from 24 September 2025 to 30 June 2026.

Principal activities

The Trust was constituted on 12 September 2025, registered with the Australian Securities and Investments Commission on 24 September 2025 and commenced operations on 17 March 2026. The Trust was listed on the Australian Securities Exchange (ASX) on 30 March 2026 and is quoted under ticker code: KIT.

The Investment Strategy of the Trust is to invest predominantly in a diversified portfolio of Investment Grade Australian and global fixed income securities (Fixed Income Securities) as well as Asset Backed Securities typically in the form of warehouse financing (Warehouse Financing). The proceeds of the Offer were used by the Trust to invest in the Investment Manager's funds, reflecting the Investment Strategy, consisting of the Kapstream Absolute Return Income Fund (ARSN 124 152 790), the Kapstream Absolute Return Income Plus Fund (ARSN 627 095 676) and the Kapstream Private Investment Fund (ABN 88 494 425 225) (the "Underlying Funds"). The Underlying Funds, in turn, invest predominantly in Fixed Income Securities and securitised Warehouse Financing, consistent with the Investment Strategy of the Trust.

The Trust did not have any employees during the period.

There were no significant changes in the nature of the Trust's activities during the period.

The various service providers for the Trust are detailed below:

Service	**Provider**
Responsible Entity	Equity Trustees Limited
Operations Manager	Mantis Funds Pty Ltd
Investment Manager	Kapstream Capital Pty Limited
Custodian	EQT Australia Pty Ltd
Administrator	Apex Fund Services Pty Ltd (an Apex Group Company)
Statutory Auditor	Ernst & Young

Directors

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

Michael J O'Brien	Chairman
Russell W Beasley	
David B Warren	
Andrew P Godfrey	
Johanna E Platt	
Samantha Einhart	Company Secretary

Review and results of operations

During the period, the Trust invested its funds in accordance with the Product Disclosure Statement and the provisions of the Trust's Constitution.

The Trust's performance was 1.48% (net of fees) from the commencement of operations on 17 March 2026. The Trust's benchmark, the RBA Cash Rate + 3.5% p.a. (net of fees and costs, but pre-tax), returned 2.17% for the same period.

The Trust's performance is calculated based on the percentage change in the unit price in the Trust over the period (with any distributions paid during the period reinvested). Returns are disclosed after fees and expenses but before taxes.

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

	For the period 24 September 2025 to 30 June 2026
Profit/(loss) for the period ($'000)	**3,031**
Distributions paid and payable ($'000)	**2,052**
Distributions (cents per unit)	**2.0022**

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 Trust that occurred during the period.

Directors' report (continued)

Matters subsequent to the end of the period

On 8 July 2026 and 10 July 2026 it was announced that the Trust has purchased on-market and cancelled 5,125,013 units at a cost of $10,299,226.

No other 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 Trust in future financial years; or
ii. the results of those operations in future financial years; or
iii. the state of affairs of the Trust in future financial years.

Likely developments and expected results of operations

The Trust will continue to be managed in accordance with the investment objectives and guidelines as set out in the Product Disclosure Statement and the provisions of the Trust's Constitution.

The results of the Trust's operations will be affected by a number of factors, including the performance of investment markets in which the Trust 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.

As markets are subject to fluctuations, it is imprudent to provide a detailed outlook on statement of expected results of operations. The Trust provides monthly Trust updates and annual investor reports, which are disclosed on the ASX website. The Trust's updates include detailed discussions in relation to some underlying investments from time to time.

The Trust's investment activities will expose it to a variety of risks, which are disclosed in the Trust's Product Disclosure Statement and disclosed on the ASX website.

Indemnification and insurance of officers

No insurance premiums are paid out of the assets of the Trust 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 Trust's Constitution and the Law, the officers remain indemnified out of the assets of the Trust against losses incurred while acting on behalf of the Trust.

Indemnification of auditor

The Responsible Entity has not, during or since the end of the financial period, except to the extent permitted by law, indemnified or agreed to indemnify the auditor of the Trust against a liability incurred as auditor.

Fees paid to and interests held in the Trust by the Responsible Entity and its associates

Fees paid to the Responsible Entity and its associates out of Trust property during the period are disclosed in Note 16 to the financial statements.

No fees were paid out of Trust property to the directors of the Responsible Entity during the period.

The number of interests in the Trust held by the Responsible Entity or its associates as at the end of the financial period are disclosed in Note 16 to the financial statements.

Interests in the Trust

The movement in units on issue in the Trust during the period is disclosed in Note 7 to the financial statements.

The value of the Trust'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 Trust 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 Directors' report have been rounded to the nearest thousand dollars in accordance with *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2026/183,* unless otherwise indicated.

Directors' report (continued)

Auditor's independence declaration

A copy of the Auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 6.

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
27 August 2026

Corporate governance statement

Equity Trustees Limited (ABN 46 004 031 298, AFSL 240975) in its capacity as a responsible entity ("Responsible Entity") of the Kapstream Investment Trust (the "Trust"), has established a corporate governance framework which sets out the rules, relationships, systems and processes within which the Responsible Entity operates to promote investor confidence and good corporate governance.

Refer to the URL below for the location of the Corporate Governance Statement on the Investment Manager's website:

https://wcsecure.weblink.com.au/pdf/KIT/03072551.pdf

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Auditor's independence declaration to the Directors of Equity Trustees Limited as the Responsible Entity of Kapstream Investment Trust

As lead auditor for the audit of the financial report of Kapstream Investment Trust for the financial period 24 September 2025 to 30 June 2026, I declare 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 audit;

b. No contraventions of any applicable code of professional conduct in relation to the audit; and

c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

Ernst & Young

Ernst & Young

Josh Hall

Josh Hall
Partner
27 August 2026

A member firm of Ernst & Young Global Limited
Liability limited by a scheme approved under Professional Standards Legislation

Statement of comprehensive income

	Notes	For the period 24 September 2025 to 30 June 2026 $'000
Income		
Interest income on financial instruments at amortised cost		**116**
Distribution income		**5,496**
Net gains/(losses) on financial instruments at fair value through profit or loss		**(2,346)**
Other income	15	**570**
Total income/(loss)		**3,836**
Expenses		
Management fees and costs	16(g)	**805**
Total expenses		**805**
Profit/(loss) for the period		**3,031**
Other comprehensive income		**-**
Total comprehensive income for the period		**3,031**
Basic earnings per unit (cents per unit)	8	**7.93**
Diluted earnings per unit (cents per unit)	8	**7.93**

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

Statement of financial position

	Notes	As at 30 June 2026 $'000
Assets		
Cash and cash equivalents	10	**1,682**
Receivables	12	**3,146**
Financial assets at fair value through profit or loss	5	**202,404**
Total assets		**207,232**
Liabilities		
Distributions payable	9	**556**
Payables	13	**696**
Total liabilities		**1,252**
Net assets attributable to unit holders – equity	7	**205,980**

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

Statement of changes in equity

	Notes	For the period 24 September 2025 to 30 June 2026 $'000
Total equity at the beginning of the period		**-**
Comprehensive income for the period		
Profit/(loss) for the period		**3,031**
Other comprehensive income		**-**
Total comprehensive income		**3,031**
Transactions with unit holders		
Applications	7	**205,000**
Reinvestment of distributions	7	**1**
Distributions paid and payable	7,9	**(2,052)**
Total transactions with unit holders		**202,949**
Total equity at the end of the period		**205,980**

The above statement of changes in equity should be read in conjunction with the accompanying notes with reference to Notes 2(d) and 7.

Statement of cash flows

	Notes	For the period 24 September 2025 to 30 June 2026 $'000
Cash flows from operating activities		
Payments for purchase of financial instruments at fair value through profit or loss		**(204,750)**
Interest income received from financial assets at amortised cost		**116**
Distribution income received		**2,920**
Management fees and costs paid		**(134)**
Net cash inflow/(outflow) from operating activities	11(a)	**(201,848)**
Cash flows from financing activities		
Proceeds from applications by unit holders		**205,000**
Distributions paid to unit holders		**(1,470)**
Net cash inflow/(outflow) from financing activities		**203,530**
Net increase/(decrease) in cash and cash equivalents		**1,682**
Cash and cash equivalents at the beginning of the period		**-**
Cash and cash equivalents at the end of the period	10	**1,682**
Non-cash operating and financing activities		
Issue of units under the distribution reinvestment plan	11(b)	**1**

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 Investment Trust (the “Trust”) as an individual entity. The Trust is an Australian registered managed investment scheme which was constituted on 12 September 2025, registered with the Australian Securities and Investments Commission (ASIC) on 24 September 2025 and commenced operations on 17 March 2026. The Trust will terminate in accordance with the provisions of the Trust’s Constitution or by Law.

The Trust was listed on the Australian Securities Exchange (ASX) on 30 March 2026 and is quoted under ticker code: KIT.

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

The investment activities of the Trust are managed by Kapstream Capital Pty Limited (the "Investment Manager"). The custody services of the Trust are delegated to EQT Australia Pty Ltd (the "Custodian") and administration services are delegated to Apex Fund Services Pty Ltd (the "Administrator").

The Investment Strategy of the Trust is to invest predominantly in a diversified portfolio of Investment Grade Australian and global fixed income securities (Fixed Income Securities) as well as Asset Backed Securities typically in the form of warehouse financing (Warehouse Financing). The proceeds of the Offer were used by the Trust to invest in the Investment Manager’s funds, reflecting the Investment Strategy, consisting of the Kapstream Absolute Return Income Fund (ARSN 124 152 790), the Kapstream Absolute Return Income Plus Fund (ARSN 627 095 676) and the Kapstream Private Investment Fund (ABN 88 494 425 225) (the "Underlying Funds"). The Underlying Funds, in turn, invest predominantly in Fixed Income Securities and securitised Warehouse Financing, consistent with the Investment Strategy of the Trust.

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

2. Summary of material accounting policy information

The material principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to the period 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) and the *Corporations Act 2001* in Australia. The Trust is a for-profit entity for the purpose of preparing the financial statements.

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 investments in financial assets and liabilities and net assets attributable to unit holders.

The Trust 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.

i. Compliance with International Financial Reporting Standards (IFRS)

The financial statements of the Trust also comply with IFRS as issued by the International Accounting Standards Board (IASB).

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 Trust 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.

2. Summary of material accounting policy information (continued)

a. Basis of preparation (continued)

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

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.

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 period and have not been early adopted by the Trust. These amendments are not expected to have a material impact on the Trust in the current or future reporting periods and on foreseeable future transactions.

b. Investment entity

The Trust meets the definition of 'investment entity' under the definition of AASB 10 *Consolidated Financial Statements* as the following criteria are met:

- The Trust obtains and manages funds for the purpose of providing investors of the Trust with investment management services;
- The Trust has committed to its investors that its business purpose is to invest funds solely for return from capital appreciation and investment income; and
- The Trust measures and evaluates the performance of its investments on a fair value basis.

As such, the Trust does not consolidate any entity as it accounts for investments at 'financial assets at fair value through profit or loss'.

c. Financial instruments

i. Classification

- Financial assets

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

- those to be measured at fair value through profit or loss; and
- those to be measured at amortised cost.

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

The Trust's portfolio of financial assets is managed and its performance is evaluated on a fair value basis in accordance with the Trust's documented investment strategy. The Trust'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.

Unit trusts are measured at fair value through profit or loss.

For cash and cash equivalents and receivables, 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

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, withholding tax payable and management fees and costs payable).

ii. Recognition and derecognition

The Trust recognises financial assets and financial liabilities on the date it becomes party to the contractual agreement (trade date) and recognises changes in the 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 Trust 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)

c. Financial instruments (continued)

iii. Measurement

- Financial instruments at fair value through profit or loss

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

Subsequent to initial recognition, all financial assets 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 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 value of financial instruments is determined please see Note 4 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, receivables and payables are carried at amortised cost.

iv. Impairment

At each reporting date, the Trust shall estimate a loss allowance on each of the financial assets carried at amortised cost (cash and cash equivalents 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 Trust 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 Trust 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 is reported in the statement of financial position when the Trust has a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise 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.

d. Net assets attributable to unit holders

The Trust'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 Trust'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 Trust, and is not a contract settled in the Trust'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.

The units can be traded on the ASX at any time for cash based on quoted prices. While the Trust is a listed investment trust and liquidity is generally expected to exist in the market, there are no guarantees that an active trading market with sufficient liquidity will be available. Units are not able to be redeemed while the Trust is listed on ASX. However, the Responsible Entity may undertake a buy-back of units which satisfies the requirements of the *Corporations Act* and the Listing Rules. Any units acquired by the Responsible Entity under a buy-back will be immediately cancelled, as required by the *Corporations Act.*

2. Summary of material accounting policy information (continued)

e. Cash and cash equivalents

For the purpose of presentation in 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 Trust's main income generating activity.

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.

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 throughout the expected life of the financial instrument, or a shorter period where appropriate, to the net carrying amount of the financial asset. When calculating the effective interest rate, the Trust estimates cash flows 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.

ii. Distributions

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(c) iii to the financial statements.

g. Expenses

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

Management fees and costs covers certain ordinary expenses such as Responsible Entity fees, investment management fees, custodian fees, and administration and audit fees and other operating expenses.

h. Income tax

Under current legislation, the Trust is not subject to income tax as all assessable income, exempt income and non assessable income will be attributed to unit holders under the Attribution Managed Investment Trust "AMIT" regime.

The Trust considered whether it has any uncertain tax positions. The Trust determined, based on its tax compliance, that it is probable that its tax treatments will be accepted by the taxation authorities.

i. Distributions

The Trust has elected into the AMIT regime. Under the Trust's Constitution, the Trust does not have an obligation to make distributions to unit holders by cash and/or reinvestment in accordance with AASB 132 *Financial Instruments: Presentation* (AASB 132). The units in the Trust have been classified as equity.

Distributions to unit holders are recognised directly in equity and presented in the statement of changes in equity. A distribution payable is recognised in the statement of financial position where the amount remains unpaid at reporting date.

j. Foreign currency translation

i. Functional and presentation currency

Balances included in the Trust'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 Trust competes for funds and is regulated. The Australian dollar is also the Trust's presentation currency.

2. Summary of material accounting policy information (continued)

k. Receivables

Receivables may include amounts for interest, fee rebate 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.

l. Payables

Payables include liabilities, accrued expenses owed by the Trust and any distributions declared which are unpaid as at the end of the reporting period.

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

m. Applications and redemptions

Applications received for units in the Trust are recorded net of any entry fees payable prior to the issue of units in the Trust. Units are not able to be redeemed while the Trust is listed on the ASX. However, the Responsible Entity may undertake a buy-back of units which satisfies the requirements of the *Corporations Act* and the Listing Rules.

n. Goods and services tax (GST)

The GST incurred on the costs of various services provided to the Trust by third parties such as management, administration and custodian services where applicable, have been passed on to the Trust. The Trust 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 receivables in the statement of financial position. Cash flows related 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.

o. Use of estimates and judgements

The Trust makes estimates, assumptions and judgements that affect the reported amounts of assets and liabilities within the current period 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.

The Trust's investments are fair valued using valuation techniques. The Trust's investment in the Kapstream Absolute Return Income Fund, Kapstream Absolute Return Income Plus Fund and Kapstream Private Investment Fund is recorded at the net asset value per unit as reported by Kapstream Capital Pty Limited, the manager of the Underlying Fund. 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 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 4 to the financial statements.

The Trust estimates that the resultant ECL derived from using the impairment model has not materially impacted the Trust. Please see Note 3 for more information on credit risk.

p. Comparative period

The Trust was constituted on 12 September 2025, registered with the Australian Securities and Investments Commission on 24 September 2025 and commenced operations on 17 March 2026. The reporting period covers the period 24 September 2025 to 30 June 2026, hence there is no comparative information.

q. Rounding of amounts

The Trust is an entity of a kind referred to in ASIC Corporations *(Rounding in Financial/Directors' Reports) Instrument 2026/183* relating to the "rounding off" of amounts in the financial statements. Amounts in the financial statements have been rounded to the nearest thousand dollars unless otherwise indicated.

3. Financial risk management

The Trust's activities expose it to a variety of financial risks including market risk (which incorporates price risk and cash flow and fair value interest rate risk), credit risk and liquidity risk.

The Trust's overall risk management programme focuses on ensuring compliance with the Trust's Product Disclosure Statement and the investment guidelines of the Trust. It also seeks to maximise the returns derived for the level of risk to which the Trust is exposed and seeks to minimise potential adverse effects on the Trust's financial performance.

All investments present a risk of loss of capital. The maximum loss of capital on unlisted unit trusts is limited to the fair value of those positions.

The investments of the Trust, and associated risks, are managed by a specialist Investment Manager, Kapstream Capital Pty Limited under an Investment Management Agreement (IMA) approved by the Responsible Entity, and containing the investment strategy and guidelines of the Trust, consistent with those stated in the Product Disclosure Statement.

The Trust uses different methods to measure different types of risk to which it is exposed. These methods are explained below.

a. Market risk

i. Price risk

The Trust is exposed to price risk on its investment in unlisted unit trusts. Price risk arises from investments held by the Trust for which prices in the future are uncertain.

The Trust has a significant concentration of risk arising from its exclusive investment in the Underlying Funds. As at 30 June 2026, the Trust's investment in the Underlying Funds represents 100% of the Trust's financial assets at fair value through profit or loss.

The price risk in the Underlying Funds is managed by Kapstream Capital Pty Limited, the manager of the Underlying Funds taking into account the asset allocation of each holding of the Underlying Funds in order to minimise the risk associated with particular sectors while continuing to follow their respective investment objective.

The table at Note 3(b) summarises the sensitivities of the Trust's assets and liabilities to price risk. The analysis is based on the reasonably possible shift that the investment portfolio in which the Trust invests moves by +/-10%.

ii. Cash flow and fair value interest rate risk

The Trust's interest bearing financial instruments expose them to risks associated with the effects of fluctuation in the prevailing market interest rate on its financial positions and cash flows. The impact of interest rate risk on the profit and net assets attributable to unit holders is considered immaterial to the Trust.

Interest rate risk management is undertaken by maintaining as close to a fully invested position as possible, thus limiting the exposure of the Trust to interest rate risk.

b. Summarised sensitivity analysis

The following table summarises the sensitivities of the Trust's profit/(loss) and net assets attributable to unit holders to price risk. The reasonably possible movements in the risk variables have been determined based on management's best estimate, having regard to a number of factors, including historical levels of changes in interest rates and the historical correlation of the Trust's investments with the relevant benchmark and market volatility. However, actual movements in the risk variables may be greater or less than anticipated due to a number of factors, including unusually large market movements resulting from changes in the performance of and/or correlation between the performances of the economies, markets and securities in which the Trust invests. As a result, historic variations in risk variables should not be used to predict future variances in the risk variables.

	Impact on profit/(loss) / net assets attributable to unit holders Price risk +10% $'000	 -10% $'000
As at 30 June 2026	**20,240**	**(20,240)**

c. Credit risk

The Trust is exposed to credit risk, which is the risk that a counterparty will be unable to pay its obligations in full when they fall due, causing a financial loss to the Trust.

The main concentration of credit risk, to which the Trust is exposed, arises from cash and cash equivalents. None of these assets are impaired nor past their due date.

The Trust is indirectly exposed to credit risk via its exposure to the debt securities of the underlying funds it invests in, the credit risk is managed by Kapstream Capital Pty Ltd, as Investment Manager of the underlying funds.

The credit quality of financial assets and derivatives held by the underlying funds are managed by taking into account any applicable external credit rating or internal credit assessment, prior to trading. The exposure in each grade is monitored on a regular basis. This review process allows the assessment of potential loss as a result of credit risk and take corrective action where required.

3. Financial risk management (continued)

c. Credit risk (continued)

i. Cash and cash equivalents

The exposure to credit risk for cash and cash equivalents is low as all counterparties have a rating of AA- (as determined by Standard & Poor's) or higher.

ii. Other

The Trust is not materially exposed to credit risk on other financial assets.

iii. Maximum exposure to credit risk

The maximum exposure to credit risk before any credit enhancements at the end of each reporting period is the carrying amount of the financial assets. None of these assets are impaired nor past due but not impaired.

d. Liquidity risk

Liquidity risk is the risk that the Trust may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Trust is exposed to indirect liquidity risk via its investment in the Underlying Fund. The Underlying Fund invests in unlisted unit trust some of which may not be readily saleable. The Trust manages liquidity risk by maintaining sufficient cash balances to meet its obligations.

i. Maturities of non-derivative financial liabilities

All non-derivative financial liabilities of the Trust in the current period have maturities of less than 1 month.

4. Fair value measurement

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

- Financial assets at fair value through profit or loss (see Note 5)

The Trust 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 (unobservable inputs) (level 3).

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

a. 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 Trust holds.

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

- Investments in unlisted unit trusts are valued at the net asset value per unit as reported by the underlying fund's investment manager.

The Trust's investment in unlisted unit trusts is recorded at the net asset value per unit as reported by Kapstream Capital Pty Limited, the Investment Manager, the manager of the Underlying Fund.

4. Fair value measurement (continued)

b. Recognised fair value measurements

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

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
As at 30 June 2026				
Financial assets				
Unlisted unit trusts	**-**	**202,404**	**-**	**202,404**
Total financial assets	**-**	**202,404**	**-**	**202,404**

c. 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.

d. Financial instruments not carried at fair value

The carrying values of cash and cash equivalents, receivables and payables approximate their fair values due to their short-term nature.

5. Financial assets at fair value through profit or loss

	As at 30 June 2026 $'000
Unlisted unit trusts	**202,404**
Total financial assets at fair value through profit or loss	**202,404**

An overview of the risk exposures and fair value measurements relating to financial assets at fair value through profit or loss is included in Note 3 and Note 4 to the financial statements.

6. 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 Trust considers all investments in managed investment schemes (the "Schemes") to be structured entities.

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

	Fair value of investment As at 30 June 2026 $'000
Kapstream Private Investment Fund	**101,448**
Kapstream Absolute Return Income Plus Fund	**90,872**
Kapstream Absolute Return Income Fund	**10,084**
Total Schemes	**202,404**

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

The Trust'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 Trust has disposed of its units in a Scheme it ceases to be exposed to any risk from that Scheme.

Total gains/(losses) incurred on investments in the Schemes were ($2,346,361) during the period. The Trust also earned $5,496,225 distribution income during the period 24 September 2025 to 30 June 2026 as a result of its interests in the Schemes.

Refer to Notes 16 and 17 for disclosures relating to the Fund's interests in the schemes.

7. Net assets attributable to unit holders - equity

Under AASB 132 *Financial Instruments: Presentation,* puttable financial instruments are classified as equity where certain strict criteria are met. The Trust shall classify a financial instrument as an equity instrument from the date when the instrument has all the features and meets the conditions. The Trust's units are classified as equity as they meet the definition of a financial instrument to be classified as equity.

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

	For the period 24 September 2025 to 30 June 2026 Units '000	24 September 2025 to 30 June 2026 $'000
Opening balance	-	-
Applications	102,500	205,000
Reinvestment of distributions	-*	1
Distributions paid and payable	-	(2,052)
Profit/(loss) for the period	-	3,031
Closing balance	**102,500**	**205,980**

* A total of 269 units were issued during the period under the distribution reinvestment plan.

As stipulated within the Trust's Constitution, each unit represents a right to an individual share in the Trust and does not extend to a right in the underlying assets of the Trust.

There are no separate classes of units and each unit has the same rights attaching to it as all other units of the Trust.

Capital risk management

The Trust considers its net assets attributable to unit holders as capital which is classified as equity. The amount of net assets attributable to unit holders can change significantly on a monthly basis as the Trust is subject to daily applications and redemptions at the discretion of unit holders.

While the Trust is a listed investment trust and liquidity is generally expected to exist in the market, there are no guarantees that an active trading market with sufficient liquidity will be available. Units are not able to be redeemed while the Trust is listed on ASX. However, the Responsible Entity may undertake a buy-back of units which satisfies the requirements of the *Corporations Act* and the Listing Rules. Any units acquired by the Responsible Entity under a buy-back will be immediately cancelled, as required by the *Corporations Act.*

8. Basic and diluted earnings per unit

	For the period 24 September 2025 to 30 June 2026
Profit/(loss) attributable to unit holders ($'000)	3,031
Weighted average number of units on issue ('000)	38,208
Basic earnings per unit (cents per unit)	**7.93**
Profit/(loss) attributable to unit holders ($'000)	3,031
Weighted average number of units on issue ('000)	38,208
Diluted earnings per unit (cents per unit)	**7.93**

9. Distributions to unit holders

The distributions declared during the period were as follows:

	For the period 24 September 2025 to 30 June 2026 $'000	24 September 2025 to 30 June 2026 CPU
April	1,054	1.0282
May	442	0.4314
June (payable)	556	0.5426
Total distributions	**2,052**	**2.0022**

10. Cash and cash equivalents

	As at 30 June 2026 $'000
Cash at bank	1,682
Total cash and cash equivalents	**1,682**

11. Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities

a. Reconciliation of profit/(loss) to net cash inflow/(outflow) from operating activities

	For the period 24 September 2025 to 30 June 2026 $'000
Profit/(loss) for the period	3,031
Payments for purchase of financial instruments at fair value through profit or loss	(204,750)
Net (gains)/losses on financial instruments at fair value through profit or loss	2,346
Net change in receivables	(3,146)
Net change in payables	671
Net cash inflow/(outflow) from operating activities	**(201,848)**

b. Non-cash operating and financing activities

The following distribution payments to unit holders were satisfied by the issue of units under the distribution reinvestment plan	1
Total non-cash operating and financing activities	**1**

12. Receivables

	As at 30 June 2026 $'000
Distribution receivable	2,576
Rebate receivable	570
Total receivables	**3,146**

13. Payables

	As at 30 June 2026 $'000
Management fees and costs payable	671
Withholding tax payable	25
Total payables	**696**

14. Remuneration of auditors

	For the period 24 September 2025 to 30 June 2026 $
Ernst & Young	
Audit and other assurance services	
Audit and review of financial statements	71,070
Total remuneration for audit and other assurance services	71,070
Taxation services	
Tax compliance services	15,104
Total remuneration for taxation services	15,104
Total remuneration of Ernst & Young	**86,174**

14. Remuneration of auditors (continued)

	For the period 24 September 2025 to 30 June 2026 $
PricewaterhouseCoopers	
Audit and other assurance services	
Audit of compliance plan	**2,448**
Total remuneration for audit and other assurance services	**2,448**
Total remuneration of PricewaterhouseCoopers	**2,448**

The auditors' remuneration is borne by the Trust. Fees are stated exclusive of GST.

15. Other income

	For the period 24 September 2025 to 30 June 2026 $'000
Rebate income	**570**
Total other income	**570**

Rebate income is generated from the Trust's investment in Kapstream Absolute Return Income Fund, Kapstream Absolute Return Income Plus Fund and Kapstream Private Investment Fund (“Underlying Funds”).

Kapstream Capital Pty Ltd acts as the Investment Manager for the Underlying Funds. Refer to Note 17 for disclosures relating to further details on the arrangement.

Equity Trustees Limited serves as the Responsible Entity of Kapstream Private Investment Fund. Refer to Note 16 for disclosures relating to further details on the arrangement.

16. Related party transactions

The Responsible Entity of Kapstream Investment Trust 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 Trust, as defined by AASB 124 *Related Party Disclosures,* are the Responsible Entity, schemes managed by the Responsible Entity and key management personnel of the Responsible Entity.

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 period and up to the date of this report.

Michael J O'Brien	Chairman
Russell W Beasley	
David B Warren	
Andrew P Godfrey	
Johanna E Platt	
Samantha Einhart	Company Secretary

ii. Responsible Entity

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

iii. Other key management personnel

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

b. Transactions with key management personnel

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

c. Key management personnel unit holdings

Key management personnel did not hold units in the Trust as at 30 June 2026.

16. Related party transactions (continued)

d. Key management personnel compensation

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

e. Key management personnel loans

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

f. Other transactions within the Trust

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

g. Responsible Entity fees and other transactions

The transactions during the period and amounts payable as at period end between the Trust, the Responsible Entity and its service providers as per Note 1 were as follows:

	For the period 24 September 2025 to 30 June 2026 $
Management fees and costs for the period	**805,117**
Management fees and costs payable at period end	**670,738**

Equity Trustees Limited earned a total of $60,944 during the period, comprising $20,944 in Responsible Entity fees provided to the Trust and paid from management fees and costs and $40,000 in Trust setup costs paid by the Investment Manager.

Under the terms of the Trust's Constitution and Product Disclosure Statement, management fees and costs include responsible entity fees paid to the Responsible Entity, management fees paid to the Investment Manager and other costs (such as custody fees, administration fees and audit fees) paid to other unrelated parties. Please refer to the Trust's Product Disclosure Statement for information on how management fees and costs are calculated.

h. Related party unit holdings

Parties related to the Trust (including Equity Trustees Limited, its related parties and other schemes managed by Equity Trustees Limited), held units in the Trust as follows:

	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 Trust $
Unit holder							
As at 30 June 2026							
Kapstream Private Investment Fund	**-**	**1,982,399**	**3,806,206**	**1.93**	**1,982,399**	**-**	**15,140**

i. Investments

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

	Fair value of investment $	Interest held %	Distributions earned $	Distributions receivable $	Units acquired during the period	Units disposed during the period
As at 30 June 2026						
Schemes						
Kapstream Private Investment Fund	**101,447,889**	**48.67**	**2,445,403**	**630,230**	**95,489,354**	**-**

Rebate income is generated from the Trust's investment in Kapstream Private Investment Fund. Under the rebate arrangement, the Trust receives a full rebate of the management fee of 1.49% p.a., payable quarterly. The rebate income during the period was $433,865. As at period end, the Trust had a rebate receivable balance of $433,865.

17. Transactions with the Investment Manager

Management fees are paid by the Responsible Entity to the Investment Manager and are included in management fees and costs as disclosed in Note 16(g).

The transactions during the period and amounts receivable at the period end between the Trust and the Investment Manager were as follows:

	For the period 24 September 2025 to 30 June 2026 $
Rebate income for the period	**136,621**
Rebate receivable at period end	**136,621**

Rebate income is generated from the Trust's investment in Kapstream Absolute Return Income Fund and Kapstream Absolute Return Income Plus Fund. Under the rebate arrangement, the Trust receives a full rebate of the management fee of 0.55% p.a. and 0.46% p.a. respectively, payable quarterly.

Of the total rebate, 0.42% p.a. and 0.26% p.a., respectively, are received through the issue of additional units in the respective Underlying Funds, with the remaining portion settled in cash.

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

	Fair value of investment $	Interest held %	Distributions earned $	Distributions receivable $	Units acquired during the period	Units disposed during the period
As at 30 June 2026						
Schemes						
Kapstream Absolute Return Income Fund	**10,083,354**	**0.37**	**314,329**	**214,135**	**8,634,487**	**-**
Kapstream Absolute Return Income Plus Fund	**90,872,395**	**8.97**	**2,736,493**	**1,731,290**	**88,421,355**	**-**

18. Events occurring after the reporting period

On 8 July 2026 and 10 July 2026 it was announced that the Trust has purchased on-market and cancelled 5,125,013 units at a cost of $10,299,226.

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

19. Contingent assets and liabilities and commitments

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

Directors' declaration

In the opinion of the directors of the Responsible Entity:

a. The financial statements and notes set out on pages 7 to 24 are in accordance with the *Corporations Act 2001,* including:

   i. complying with Australian Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and

   ii. giving a true and fair view of the Trust's financial position as at 30 June 2026 and of its performance for the period ended on that date.

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

c. Note 2(a) confirms that the financial statements also comply with the International Financial Reporting Standards as issued by the International Accounting Standards Board.

This declaration is made in accordance with a resolution of the directors of Equity Trustees Limited.

Andrew P Godfrey
Director

Melbourne
27 August 2026

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

Report on the audit of the financial report

Opinion

We have audited the financial report of Kapstream Investment Trust (the Trust), 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 period 24 September 2025 to 30 June 2026, notes to the financial statements, including material accounting policy information, and the directors' declaration.

In our opinion, the accompanying financial report of the Trust is in accordance with the *Corporations Act 2001*, including:

a. Giving a true and fair view of the Trust's financial position as at 30 June 2026 and of its financial performance for the period 24 September 2025 to 30 June 2026; and

b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

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 Trust 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 audits of the financial report of public interest entities 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.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

A member firm of Ernst & Young Global Limited
Liability limited by a scheme approved under Professional Standards Legislation

1. Investment existence and valuation

Why significant	How our audit addressed the key audit matter

The Trust has an investment portfolio consisting primarily of investments in unlisted unit trusts. As at 30 June 2026, the financial assets made up approximately 98% of the total assets of the Trust.
 	
As described in the Trust's accounting policy, disclosed in Note 2 of the financial report, these financial assets are measured at fair value through profit or loss in accordance with the requirements of Australian Accounting Standards.
 	
Pricing, exchange rates and other market drivers can have a significant impact on the value of these financial assets and financial liabilities.
 	
Accordingly, existence and valuation of the investment portfolio was considered a key audit matter.
	Our audit procedures included the following:
	► Obtained and reviewed the assurance report on the controls of the Fund's administrator for the period 1 July 2025 to 30 June 2026, and assessed the external auditor's credentials, objectivity, and findings.
	► Agreed all investment holdings, including cash accounts, to third party confirmations at 30 June 2026.
	► Assessed the fair value of all investments in the portfolio held at 30 June 2026. We performed risk assessment procedures over the unlisted unit trusts which included the following:
	   ► Evaluated the accounting framework adopted by the unlisted unit trusts and reviewed the significant accounting policies based on the latest audited financial statements.
	   ► Assessed the governance arrangements of the unlisted unit trusts, including the segregation of duties between the Investment Manager, the administrator and the custodian. We obtained and reviewed the assurance report on the controls of the unlisted unit trusts' administrator and assessed the external auditor's credentials, objectivity, and findings.
	   ► Obtained an understanding of the nature and composition of the unlisted unit trusts' underlying assets, the valuation methodologies applied and the extent of an estimation in the valuation process.
	► Where the audited financial statements of the unlisted unit trusts were available at reporting date, we assessed the qualifications, competence and objectivity of the auditing firms and considered the content of their audit opinions. We agreed the net asset value to the audited financial statements.
	► Where the audited financial statements were not available at reporting date, we obtained the latest available audited financial statements and the corresponding NAV statement and compared the balances to determine whether any audit adjustments were made to the NAV. We also assessed the NAV per unit against evidence of the price of units transacted at the unlisted unit trust level and considered whether the transaction price was reflective of fair value. Where, based on our risk assessment procedures, we determined that the risk of material misstatement was low and there were no material adjustments in the latest audited financial statements. We relied on the unaudited NAV as at the reporting date.
	► Assessed the adequacy and appropriateness of the disclosures included in Note 2 of the financial report.

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 comprises the information included in the Trust's 2026 Annual Report other than the financial report and our auditor's report thereon.

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 of the 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 financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Trust'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 Trust 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 Trust'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 of the Responsible Entity's 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 Trust'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 Trust 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 of the Responsible Entity 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.

We also provide the directors of the Responsible Entity with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors of the Responsible Entity, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Ernst & Young

Ernst & Young

Jonathan Hall
Partner
Sydney
27 August 2026

Equity Trustees

Effective Date: 27 August 2026

ASX ADDITIONAL INFORMATION

Kapstream Investment Trust (ARSN: 691 029 124) (the "Trust")

Additional information required by the Australian Stock Exchange Limited ("ASX") Listing Rules and not disclosed elsewhere in this report is as follows. The information is current as at 31 July 2026 unless otherwise indicated.

A. CORPORATE GOVERNANCE STATEMENT

Refer to the Annual Report, page 5.

B. SUBSTANTIAL UNIT HOLDERS

The following unit holders have substantial holdings.

NO. UNIT HOLDER NAME	NO. OF UNITS	PERCENTAGE
1. CITCORP NOMINEES PTY LIMITED	9,891,738	10.16
2. HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	8,833,911	9.07
3. BNP PARIBAS NOMINEES PTY LTD	8,465,522	8.69

C. CLASSES OF UNITS

Refer to the Annual Report, Note 7, page 20.

D. VOTING RIGHTS

Voting at a general meeting is by a show of hands unless a poll is validly demanded. On a show of hands each unit holder (and each proxy, attorney or representative) has one vote, and on a poll, each unit holder (and each proxy, attorney or representative) has one vote for each dollar value of units held. For voting purposes, the value of a unit in the Trust is the last sale price on the ASX on the trading day immediately before the day on which the poll is taken.

E. DISTRIBUTION OF UNITS

Analysis of numbers of unit holders by size of holding as at 31 July 2026:

SIZE OF HOLDING	NO. OF HOLDERS	TOTAL UNITS	PERCENTAGE
1-1,000	24	7,981	0.01
1,001-5,000	84	310,306	0.32
5,001-10,000	120	931,946	0.96
10,001 – 100,000	806	29,302,468	30.09
100,001 - 999,999,999	124	66,822,832	68.62
Total	**1,158**	**97,375,533**	**100.00**

There are 11 unit holders each with an unmarketable parcel of shares being a holding of 263 or less, for a combined total of 1,225 units. This is based on the closing ASX price of $1.90 per unit as at 31 July 2026.

F. LARGEST UNIT HOLDERS

The names of the twenty largest holders of quoted units as at 31 July 2026 are listed below.

No.	UNIT HOLDER NAME	NO. OF UNITS	%
1	CITICORP NOMINEES PTY LIMITED	9,891,738	10.16
2	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	8,833,911	9.07
3	BNP PARIBAS NOMINEES PTY LTD	8,465,522	8.69
4	NETWEALTH INVESTMENTS LIMITED	3,654,856	3.75
5	GOODRIDGE NOMINEES PTY LTD	2,349,997	2.41
6	ABN AMRO CLEARING AUSTRALIA NOMINEES PTY LTD	1,750,765	1.80
7	J P MORGAN NOMINEES AUSTRALIA	1,654,851	1.70
8	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - GSCO ECA	1,596,197	1.64
9	HSBC CUSTODY NOMINEES - A/C 2	1,080,017	1.11
10	WILDLIFE CONSERVATION INTERNATIONAL LTD	912,378	0.94
11	IRAL PTY LTD	912,378	0.94
12	A G E DEVELOPMENTS PTY LTD	799,888	0.82
13	JRB SUPERANNUATION FUND PTY LTD	791,140	0.81
14	MR BRETT HUTCHINSON & MRS GLENDA CHERYL HUTCHINSON	765,000	0.79
15	MR KUMAR PALGHAT & MRS KATHY PALGHAT	750,000	0.77

F. LARGEST UNIT HOLDERS (CONTINUED)

No.	UNIT HOLDER NAME	NO. OF UNITS	%
16	P&C ZENAG PTY LTD	675,000	0.69
17	MORGAN STANLEY AUSTRALIA SECURITIES (NOMINEE) PTY LIMITED	646,612	0.66
18	ACN 678 448 194	543,783	0.56
19	GBBM PTY LIMITED	510,019	0.52
20	CERTANE CT PTY LTD	500,000	0.51
20	COUNTRY WOMENS ASSOCIATION OF NSW	500,000	0.51

G. UNQUOTED EQUITY SECURITIES

There were no unquoted equity securities on issue for the period ended 30 June 2026.

H. REVIEW OF OPERATIONS AND ACTIVITIES FOR THE REPORTING PERIOD

Refer to the Directors' report at page 2 of the Annual Report.

I. ON-MARKET BUY-BACKS

Refer to the Directors' report at page 3 of the Annual Report for on-market buy-backs for the period ended 30 June 2026.

J. LIST OF ALL INVESTMENTS HELD BY THE FUND AT THE BALANCE DATE

INVESTMENT PORTFOLIO LONG POSITIONS AS AT 30 JUNE 2026
Kapstream Private Investment Fund
Kapstream Absolute Return Income Plus Fund
Kapstream Absolute Return Income Fund

TOTAL INVESTMENT PORTFOLIO LONG POSITIONS AS AT 30 JUNE 2026	$'000
Total long portfolio – unlisted unit trusts	**202,404**
Total	**202,404**

K. INVESTMENT TRANSACTIONS

The total number of transactions during the period ended 30 June 2026 was 3 comprising 3 of purchases and nil of sales. The total transaction expense was $nil for the period ended 30 June 2026, with $nil transaction expense payable at the end of the period.

L. TOTAL MANAGEMENT FEES PAID OR ACCRUED DURING THE REPORTING PERIOD

Refer to the Financial Statements, Note 16(g), page 23.

M. SECURITIES APPROVED

There have been no issues of securities approved which have not yet been completed.

N. STOCK EXCHANGE LISTING

The Trust's units are listed on the ASX and are traded under the code KIT.

O. UNQUOTED UNITS

There are no unquoted units on issue.

P. VOLUNTARY ESCROW

There are no restricted units in the Trust or units subject to voluntary escrow.

Q. REGISTERED OFFICE OF RESPONSIBLE ENTITY

Equity Trustees Limited
Level 22, 530 Collins Street
Melbourne, VIC 3000
Telephone: +61 03 8623 5000

R. UNIT REGISTRY

Boardroom Pty Limited
Level 8, 210 George Street
Sydney, NSW 2000
Telephone: +61 2 9290 9600

S. COMPANY SECRETARY OF THE RESPONSIBLE ENTITY

Ms Samantha Einhart