

CONCENTRATED AUSTRALIAN SHARE FUND

QUARTERLY REPORT



31 MARCH 2025

The **Investors Mutual Concentrated Australian Share Fund** ('Fund') provides exposure to an actively managed concentrated portfolio of quality Australian shares listed on the ASX. The Fund aims to provide attractive investment opportunities for investors seeking medium-to-long-term capital growth with income.

- Investors Mutual Concentrated Australian Share Fund is the unquoted class of units
- Investors Mutual Concentrated Australian Share Fund (Active ETF) is the quoted class of units (ASX:IMLC)

TOTAL RETURN ¹	1 MTH	3 MTH	1 YR	3 YRS [^]	5 YRS [^]	10 YRS [^]	SINCE INCEPTION ^{^2}
Concentrated Australian Share Fund	-1.5%	+0.4%	-0.2%	+3.5%	+7.8%	+5.6%	+8.5%
Benchmark ³	-3.3%	-2.9%	+2.6%	+5.3%	+13.2%	+7.1%	+8.4%
Active ETF (IMLC)	-1.5%	+0.3%	-0.3%				+2.3%
Benchmark ³	-3.3%	-2.9%	+2.6%				+7.6%

¹% Performance per annum. ¹Fund returns are calculated net of management fees, and assuming all distributions are re-invested. Investors should be aware that past performance is not reliable indicator of future performance. Returns can be volatile, reflecting rises and falls in the value of underlying investments.

²Since inception returns from 1 September 2010 for unquoted units and from 1 August 2023 for quoted units
³The benchmark for this Fund is the S&P/ASX 300 Accumulation Index (ASX300)

Past performance is not a reliable indicator of future performance.

Concentrated Australian Share Fund performance is the performance of the unquoted class of units and may be a useful reference point for the newer quoted class of units in the Fund. However, you should be aware that the quoted class of units in the Fund has limited performance history. The past performance for the unquoted class of units in the Concentrated Australian Share Fund is NOT the past performance of the Active ETF. There is no guarantee that the investment objective will be realised or that the Fund will generate positive or excess return.

FUND PERFORMANCE

- The **Concentrated Australian Share Fund** was resilient over the quarter, rising +0.4% and +0.3% for the Active ETF, ahead of the benchmark's drop of -2.9%, as investors sold down growth-oriented stocks with high valuations and turned to companies with strong fundamentals and defensive earnings amid an increasingly uncertain environment.
- Markets continued their ascent in the New Year, but government spending cuts, the flagged imposition of tariffs and a more realistic assessment of the Artificial Intelligence theme saw most stockmarket indices fall in the quarter.
- The ASX 300 took a lead from the US, falling -2.9%, though February's interim reporting season had a bigger effect on individual company names. Technology was the worst performing sector, falling -18.2% as sentiment soured on high growth names priced to perfection and concerns of potential over-supply of data centres. Several defensive sectors delivered positive returns for the quarter including Industrials +2.5%, Communications Services, +1.9%, and Consumer Staples, +0.8%.
- Many of the Fund's holdings performed well after positive reporting season updates including Medibank, +19.3%, Telstra, +7.4%, Nine Entertainment, +24.5%, Charter Hall Retail REIT, +13.7%, Brambles, +5.7%, and Suncorp, +5.3%. Viva Energy was disappointing, falling -33.6% after profits missed expectations. Viva's convenience retail arm was impacted by consumer sentiment and the shift to illicit tobacco.
- Over the quarter we trimmed our positions in Suncorp, Medibank, Telstra and Sigma as they appreciated in value. We also took advantage of weak share prices to top up our holding in Amcor.

STOCKS IN FOCUS

- Medibank (MPL)**, Australia's largest private health provider, was a strong performer during the quarter, +19.3%, driven by a strong interim earnings result in February which came in above market expectations. The announcement of 3.99% premium increases for 2025/6 also gave further confidence in the earnings growth outlook. We continue to like the business given its industry leadership position, no net debt, operating in a relatively defensive sector, paying an attractive dividend yield of ~4%.
- Charter Hall Retail REIT (CQR)**, owner of convenience-based neighbourhood shopping centres, performed strongly over the quarter +13.7% following a solid 1H25 result. CQR announced strong operating metrics, with like-for-like property income growth of +3.0% vs last year. In addition, CQR has acquired Hotel Property Investments which owns a \$1.3B portfolio of strategically important pub and accommodation assets, with long leases and a strong growth outlook. CQR remains attractive with a distribution yield of 6.8% and a 21% discount to its net tangible assets (NTA).
- CSL (CSL)**, Australia's leading global biotech company, fell -10.8%, despite a good performance from its core plasma business, as earnings declined 17% in its Seqirus vaccine business. We remain confident in CSL's long-term prospects with double-digit earnings growth expected in coming years due to continuing strength in its core Behring plasma business.

OUTLOOK

- The global macro-economic landscape has changed dramatically over the quarter, mostly due to significant policy changes from the new Trump Presidency. Of these changes, the extensive new US tariff regime has the most immediate impact on the Australian market. While it will mostly be negative for the Australian economy, some positives are likely to emerge.
- These changes have caused extreme volatility which, while unpleasant for many investors, is also creating opportunities to buy high-quality businesses at discounted prices and we are positioned to take advantage of this. IML's portfolios have navigated the volatility well so far and our focus on quality businesses with more defensive, recurring earnings positions us well for any slowdown in the global and Australian economies.

FUND FACTS

		CONCENTRATED AUSTRALIAN SHARE FUND	
ARSN	145 759 879	APIR	IML0010AU
Benchmark	S&P/ASX 300 Accumulation Index	Inception	1 September 2010
Investment Horizon	4-5 years	Minimum Initial Investment	A\$50,000
FUM	\$ 145M	Minimum Additional Investment/ Redemption	A\$5,000
Distributions	Generally semi-annually	ACTIVE ETF	
Management Fee	0.993% p.a. of the net assets of the fund (includes net effect of GST)	APIR	IML1283AU
Performance Fee	10.25% (includes net effect of GST) of investment returns made in excess of 2% above the Benchmark.	ASX ticker	IMLC
Asset Classes and Allocation Range	Aust Equities (80-100%) Cash (0-20%)	Inception	1 August 2023

PORTFOLIO CHARACTERISTICS	FUND	BENCHMAR
No. of stocks	21	300
Portfolio turnover ¹	4%	NA
Portfolio Beta (since inception)	0.64	1.00

FRANKING LEVEL (%) ²				
FY24	FY23	FY22	FY21	FY20
69.7%	89.7%	84.9%	79.7%	54.5%

¹Annual portfolio turnover over the last 12 months is computed by taking the lesser of purchases or sales and dividing by the average monthly net assets.
²As per FSC standard.

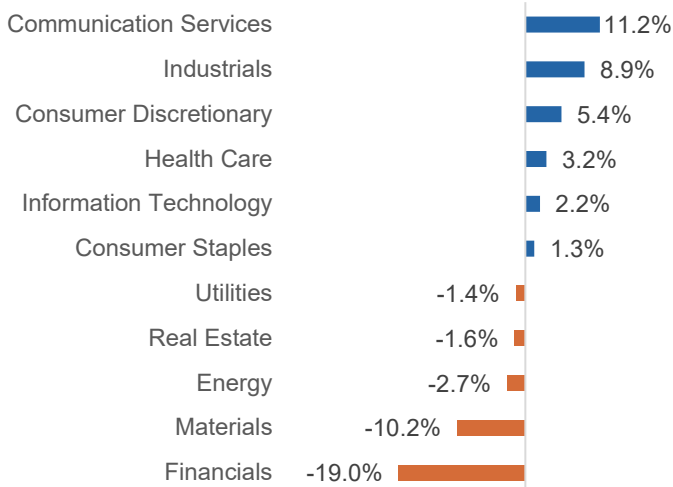
FUND RATINGS*

Morningstar	Bronze
Zenith	Recommended
Lonsec	Recommended Visit lonsec.com.au/logo-disclosure for important information about this rating

*Current Morningstar and Lonsec ratings apply to the managed fund only, not the active ETF

PORTFOLIO DATA

ACTIVE SECTOR WEIGHTS

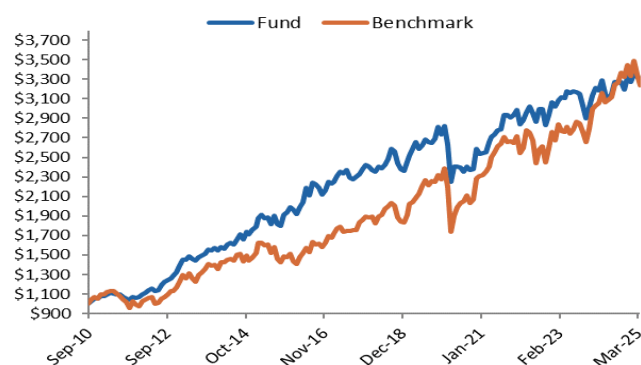


TOP 10 HOLDINGS

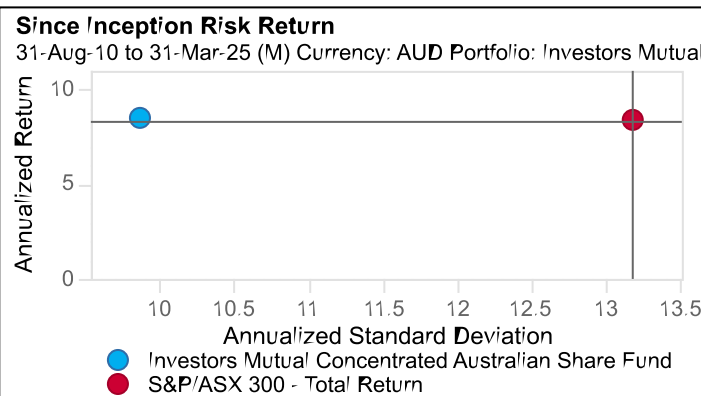
ASX CODE

CSL	CSL
Telstra	TLS
Aurizon	AZJ
Brambles	BXB
The Lottery Corporation	TLC
Orica	ORI
Steadfast	SDF
Medibank Private	MPL
Technology One	TNE
Metcash	MTS

GROWTH OF \$1,000 INVESTED AT INCEPTION



FUND RISK-RETURN VS BENCHMARK



Since inception: 1 September 2010; Cumulative performance of the Fund vs its benchmark; Benchmark = S&P/ASX 300 Accumulation Index, Source: IML,Factset

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