

31 MARCH 2025

The **Investors Mutual Future Leaders Fund** provides exposure to an actively managed portfolio of quality ASX listed Australian shares outside the Top 50. The Fund aims to provide attractive investment opportunities for investors seeking medium to long-term capital growth with income.

	1 MONTH	3 MONTHS	1 YEAR	3 YEARS [^]	5 YEARS [^]	10 YEARS [^]	SINCE INCEPTION [^]
Total return*	-2.9%	-1.5%	+3.5%	+3.8%	+12.8%	+5.8%	+9.3%
Benchmark**	-3.7%	-3.1%	+0.3%	+1.9%	+13.6%	+8.1%	+8.4%

[^]% Performance per annum. Inception date: 1 May 2002 *Fund returns are calculated net of management fees, and assuming all distributions are re-invested. Investors should be aware that past performance is not a reliable indicator of future performance. Returns can be volatile, reflecting rises and falls in the value of underlying investments.

**The benchmark for this Fund is the S&P/ASX 300 Accumulation Index (excluding S&P/ASX50, excluding Property Trusts).

FUND PERFORMANCE

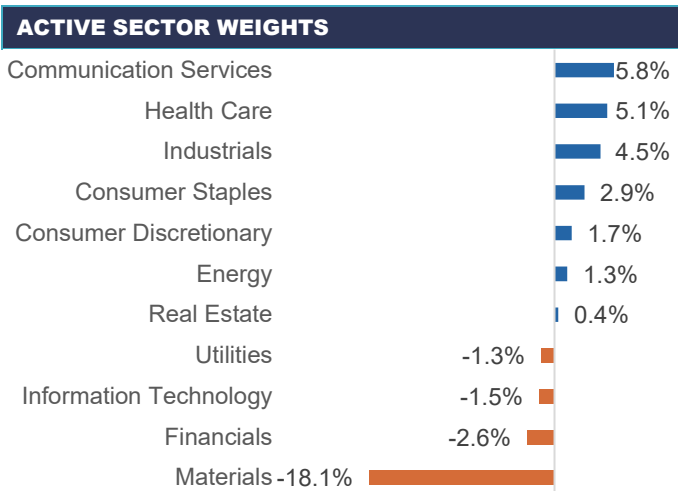
- The **Future Leaders Fund** was down -1.5% for the quarter, ahead of its benchmark which dropped -3.1%, after a very volatile three months where the global macro-economic environment changed significantly.
- Markets initially rose at the start of the year as Donald Trump emphatically won the US Presidential Election. This narrative changed in February due to growing geopolitical uncertainty, particularly regarding tariffs. There are now concerns around the risk of economic contraction in the US. Most global indices fell over the quarter except in Europe where the FTSE 100 climbed +6.1% and the Stoxx 50 soared +7.7% off the back of Europe's reaction to US policies.
- The ASX 300 and ASX Small Ordinaries took a lead from the US, falling -2.9% and -2.0% respectively, though February's interim reporting season had a larger impact on individual stocks. Technology was the weakest sector for the benchmark, dropping -16.0% as investors grew concerned about the high valuations of some tech stocks. All other sectors also fell over the quarter except Consumer Staples, which was up +5.2% and Communication Services, which rose +1.0%.
- Many of the Fund's holdings performed well after positive reporting season updates including oOh!media, +28.9%, Clearview Wealth, +21.8%, and Cuscal, +15.0%. Generation Development Group, +40.5%, Austal, +35.2%, and Mayne Pharma, +45.5%, all soared higher, boosted by both corporate activity and positive updates. Trajan was disappointing, falling -24.3% on low trading volumes despite reporting a positive result. Kelsian fell -24.7% despite maintaining full year guidance due to a larger than expected second half skew to earnings. We remain comfortable in our Kelsian position, underpinned by the infrastructure-like nature of the company's core Australian bus business. The company has since announced plans to sell its non-core tourism assets. A successful disposal could drive a re-rating of the business from its current multiple of just 7x FY25 PE.
- We opened a position in restaurant operator Collins Food in the quarter and sold out of SRG Global after it reached our valuation target. We trimmed our positions in Austal, Bega, GDG, Imdex, Select Harvests, Sigma Healthcare and Mayne Pharma as their share prices appreciated, locking in gains and topped up our holdings in Amotiv, Environmental Group, Australian Clinical Labs, Reliance Worldwide and Integral Diagnostics, taking advantage of share price weakness.

STOCKS IN FOCUS

- **Integral Diagnostics (IDX)**, the second largest radiology company in the country, fell -20.5% over the quarter on the back of the company's 1H25 interim result, where a resilient revenue performance was overshadowed by softer than expected margins due to higher costs. We note that margins are typically stronger in the second half and the company should be able to extract material synergies from its recent merger with rival Capitol Health and so we added to what we view as a core defensive holding on weakness.
- Military shipbuilder **Austal (ASB)** rose +35% over the quarter following a first half result which confirmed the company's growing order book and highlighted Austal's importance to the defence industrial bases of both Australia and the United States. Our recent visit to Austal USA in Alabama confirmed the scale of the opportunity. Austal's shipyard is the most modern and efficient in the US defence industrial base and has room for further expansion.
- **oOh!media (OML)**, the outdoor advertising and media company, rallied +29% during the quarter on the back of a strong trading update at the February full year result that demonstrated accelerating top line growth and a reversal of market share declines that had hampered performance over the past two years. Margin guidance for 2025 also came in above market expectations for the coming year. Out-of-home as a category continues to take share from other legacy media formats such as television and as industry leader we expect OML to show continued structural growth.

OUTLOOK

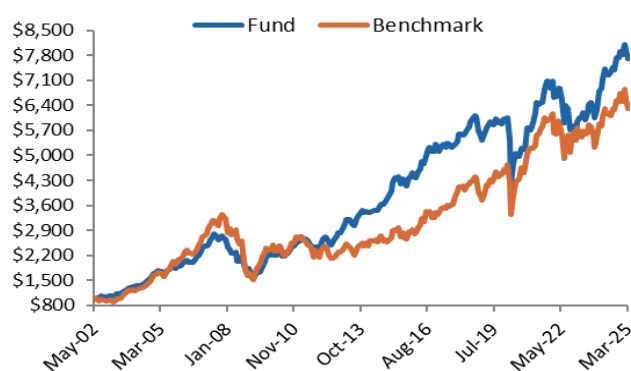
- Locally, economic data continues to show a relatively low growth economy. The recent February reporting season showed that higher costs also continue to pressure company margins.
- Globally, the macroeconomic landscape has changed dramatically over the quarter, mostly due to significant policy changes from the new Trump administration in the United States. These changes are causing extreme volatility which we expect to result in opportunities to buy quality companies at discounted prices. Our focus on quality businesses with defensive, recurring earnings positions us well long term, however we expect markets to remain highly volatile in the near future which can hurt many small cap companies' share prices.



TOP 10 HOLDINGS

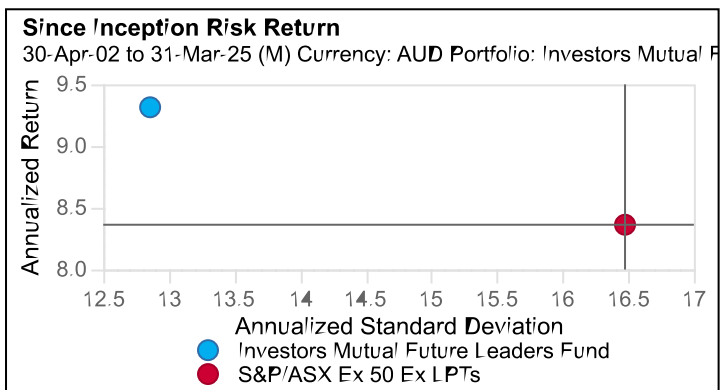
Company	ASX CODE
Aurizon	AZJ
Orica	ORI
Integral Diagnostics	IDX
Ampol	ALD
Australian Clinical Labs	ACL
Steadfast	SDF
Amotiv	AOV
Tabcorp	TAH
Ooh!Media	OML
Clearview Wealth	CVW

GROWTH OF \$1,000 INVESTED AT INCEPTION



Since inception 1 May 2002; Cumulative performance of the Fund vs its benchmark; Benchmark = S&P/ASX 300 Accumulation Index (excluding S&P/ASX50, excluding Property Trusts), Source: IML Factset

FUND RISK-RETURN VS BENCHMARK



FUND FACTS

ARSN	093 182 828
APIR	IML0003AU
Inception	1 May 2002
Benchmark	S&P/ASX 300 Accumulation Index (ex S&P/ASX50, exc Property Trusts)
FUM	\$ 298M
Investment Horizon	4-5 years
Min Initial Investment	A\$50,000
Min Add Inv'tt/ Redn	A\$5,000
Distributions	Generally semi-annually
Management Fee	0.993% p.a. of the net assets of the fund (includes net effect of GST)
Performance Fee	15.375% of the change in value of the Redemption Price that exceeds the change in the value of the Fund's Benchmark (includes net effect of GST)

PORTFOLIO CHARACTERISTICS

	FUND	BENCHMARK
No. of stocks	63	224
Portfolio turnover ¹	36%	NA
Portfolio Beta (since inception)	0.68	1.00

FRANKING LEVELS²

	FY24	FY23	FY22	FY21	FY20
	107.1%	101.9%	20.8%	101.6%	85.5%

FUND RATINGS

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

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.