



IML'S FLAGSHIP FUNDS CELEBRATE 25 YEARS OF ABOVE BENCHMARK RETURNS WITH LOWER VOLATILITY

Sydney, 17 July, 2023

IML's two flagship funds, the Australian Share Fund and Australian Smaller Companies Fund, this month celebrate a 25-year track-record of delivering better returns than their benchmarks, with better downside protection and lower volatility*.

The funds launched on June 30, 1998, in the same year Anton Tagliaferro founded IML, with a single-minded focus on providing attractive long-term returns for clients, with lower volatility than the sharemarket. IML has achieved this by consistently investing in high-quality businesses that are undervalued by the market.

- The Australian Share Fund has returned 9.8% per annum since 1998, after fees, 1.3% above its benchmark while, on average, falling 35% less than the market on months when it falls. \$10,000 invested with the fund in 1998 would now be worth \$103,757 after fees, \$26,783 more than its benchmark*.
- The Australian Smaller Companies Fund has returned 12.3% per annum since 1998, 6.7% above its benchmark while, on average, falling 54% less than the market on months when it falls. \$10,000 invested with the fund in 1998 would now be worth \$179,779 after fees, \$140,960 more than its benchmark*.

IML Chief Executive Damon Hambly, says that IML's investment philosophy is just as relevant today as it was in IML's early days:

"IML's style of investing is particularly well suited to periods of higher sharemarket volatility and economic uncertainty, like we are experiencing right now. We have a strong track record of both protecting clients' capital during market declines and delivering returns with lower volatility. We are also proud of our history of active ownership – of standing up for shareholders, and challenging boards and senior management when we believe shareholders' best interests are not being served."

Back in 1998 Google was founded, the 'Tech Boom' was in full swing and unprofitable dot.com stocks were becoming all the rage. It was a tough time to attract investors to a value and quality fund. It wasn't until the 'Tech Wreck' started in March 2000, and share markets plunged around the world, that many investors started returning to investment fundamentals. In 2002, as the fallout from the Tech Wreck continued, the ASX 300 fell 8.64%, while IML's Australian Share Fund was up 4.25%.

Simon Conn is Senior Portfolio Manager for the Australian Smaller Companies Fund. He has been at IML since the company launched, working with Anton to put in place the investment processes and frameworks that continue to this day. Speaking about the fund's 25th anniversary, he said:

"New funds are launched all the time, so to have achieved such a great track record of returns over 25 years is a real vindication of our investment style. What is more satisfying to me than the numbers



though, is the way these returns have been delivered.

There are a lot of low-quality companies in the smaller end of the market, so our disciplined focus on quality companies with a strong competitive advantage, recurring earnings and capable management which are trading at reasonable prices has helped us grow capital over time, while protecting our clients' capital during more difficult times.

Another pleasing outcome of the fund has come from our focus on profitable companies that pay dividends, this has allowed the fund to continually generate income from its underlying investments and enabled us to pay a distribution every six months since 1998.

I'd like to thank all of our clients who have trusted us with their hard-earned savings for so many years, we hope you will continue to trust us for many years to come."

Daniel Moore and Hugh Giddy are the portfolio managers for IML's Australian Share Fund, both joining the firm in 2010. Commenting on the fund's anniversary Hugh said:

"It's a responsibility that Daniel and I take very seriously, managing a fund with such a long, proud history that has played a key role in many of our clients' investment portfolios.

I think the key to our success over so many years has been sticking to the investment philosophy that we know works – our relentless focus on both quality and value – while at the same time continuing to improve our investment processes."

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Notes for editors:

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IML funds - performance vs benchmarks 1998 - 2023*

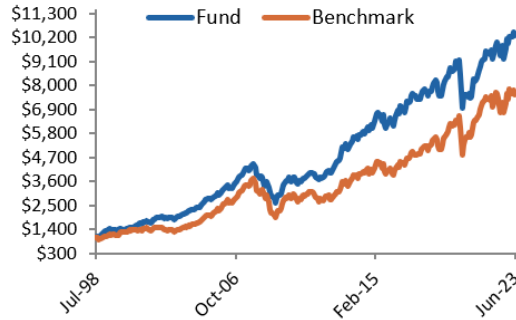
	RETURN	VOLATILITY	DOWNSIDE PROTECTION
Australian Share Fund	9.8%	11.1%	65%
Benchmark	8.5%	13.4%	N/A
Australian Smaller Companies Fund	12.3%	13.8%	46%
Benchmark	5.6%	18.3%	N/A

*Benchmark for the Australian Share Fund is the ASX 300 Accumulation Index and benchmark for the Australian Smaller Companies Fund is the ASX Small Ordinaries Index, excluding property trusts. Stats are from 1 July, 1998 to 1 July, 2023. Sources: Morningstar Direct, IML. Past performance is not a reliable indicator of future performance.



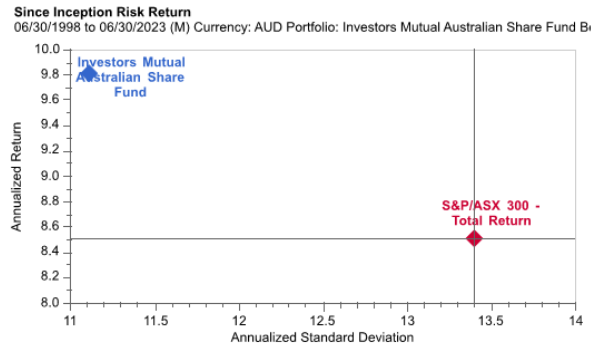
Australian Share Fund

GROWTH OF \$1,000 INVESTED AT INCEPTION



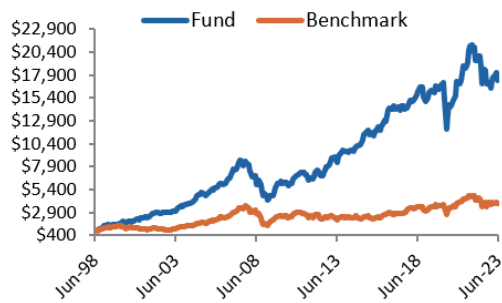
Since inception: 30 June 1998; Cumulative performance of the Fund vs its benchmark; Benchmark = S&P/ASX 300 Accumulation Index, Source: IML, Factset

FUND RISK-RETURN VS BENCHMARK



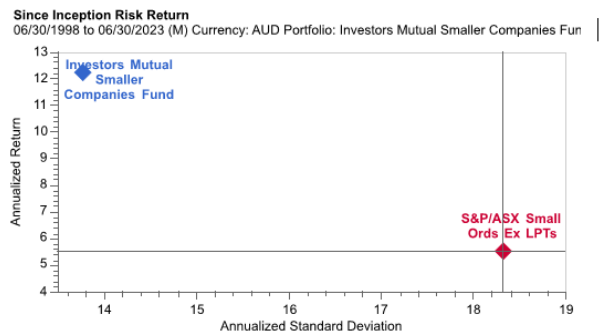
Australian Smaller Companies Fund

GROWTH OF \$1,000 INVESTED AT INCEPTION



Since inception: 30 June 1998; Cumulative performance of the Fund vs its benchmark; Benchmark = S&P/ASX Small Ordinaries Index (excluding Property Trusts), Source: IML, Factset

FUND RISK-RETURN VS BENCHMARK



About IML

IML is a quality and value style Australian equities fund manager with a single-minded focus on achieving attractive long-term returns for clients, with lower volatility and better downside protection than the market.

We offer nine Australian investment funds to investors with different characteristics to suit the varying needs of our clients. All our funds invest in Australian companies listed on the ASX 300 and follow our conservative, disciplined, proven investment philosophy. We also act as the Investment Manager for [QV Equities](#), a listed investment company (ASX:QVE).

- Australian Share Fund
- All Industrials Share Fund
- Concentrated Australian Share Fund
- Equity Income Fund



- Future Leaders Fund
- Australian Smaller Companies Fund
- Small Cap Fund
- Private Portfolio Fund
- Sustainable Future Fund

IML is also the responsible entity for the Loomis Sayles Global Equity Fund and the Vaughan Nelson Global Equity SMID Fund as well as active ETFs Loomis Sayles Global Equity Fund (Quoted Managed Fund, ASX:LSGE) and Vaughan Nelson Global Equity SMID Fund (Quoted Managed Fund, ASX:VNGS).

For further information visit iml.com.au

Australian Share Fund

Our flagship large cap fund. The Australian Share Fund was launched in 1998 and is now co-managed by Hugh Giddy and Daniel Moore. It follows our proven quality and value investment philosophy to identify and invest in high quality Australian companies listed on the ASX, typically with market caps above A\$1 billion, at reasonable valuations. The fund aims to provide investors with robust capital growth and income over the medium to long term.

- Suitable for: investors wanting attractive capital growth and income through exposure to Australian large cap companies
- Invests in: 40-60 high-quality large-cap companies listed on the ASX
- Investment timeframe: 4+ years
- Investment objective: exceed the returns of the ASX 300 Accumulation index on a rolling four-year basis.

Australian Smaller Companies Fund

The Australian Smaller Companies Fund has been rewarding investors with attractive returns and income since its inception in 1998. The fund rigorously applies our proven investment philosophy to identify and invest in high-quality, undervalued companies outside the ASX100. It has been managed by Simon Conn for more than 20 years and is now co-managed by Lucas Goode.

- Suitable for: investors wanting attractive capital growth and income
- Invests in: 50-70 Australian companies outside the ASX 100
- Investment timeframe: 4+ years
- Investment objective: exceed the returns of the S&P/ASX Small Ordinaries index (ex Property Trusts) on a rolling four-year basis.

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