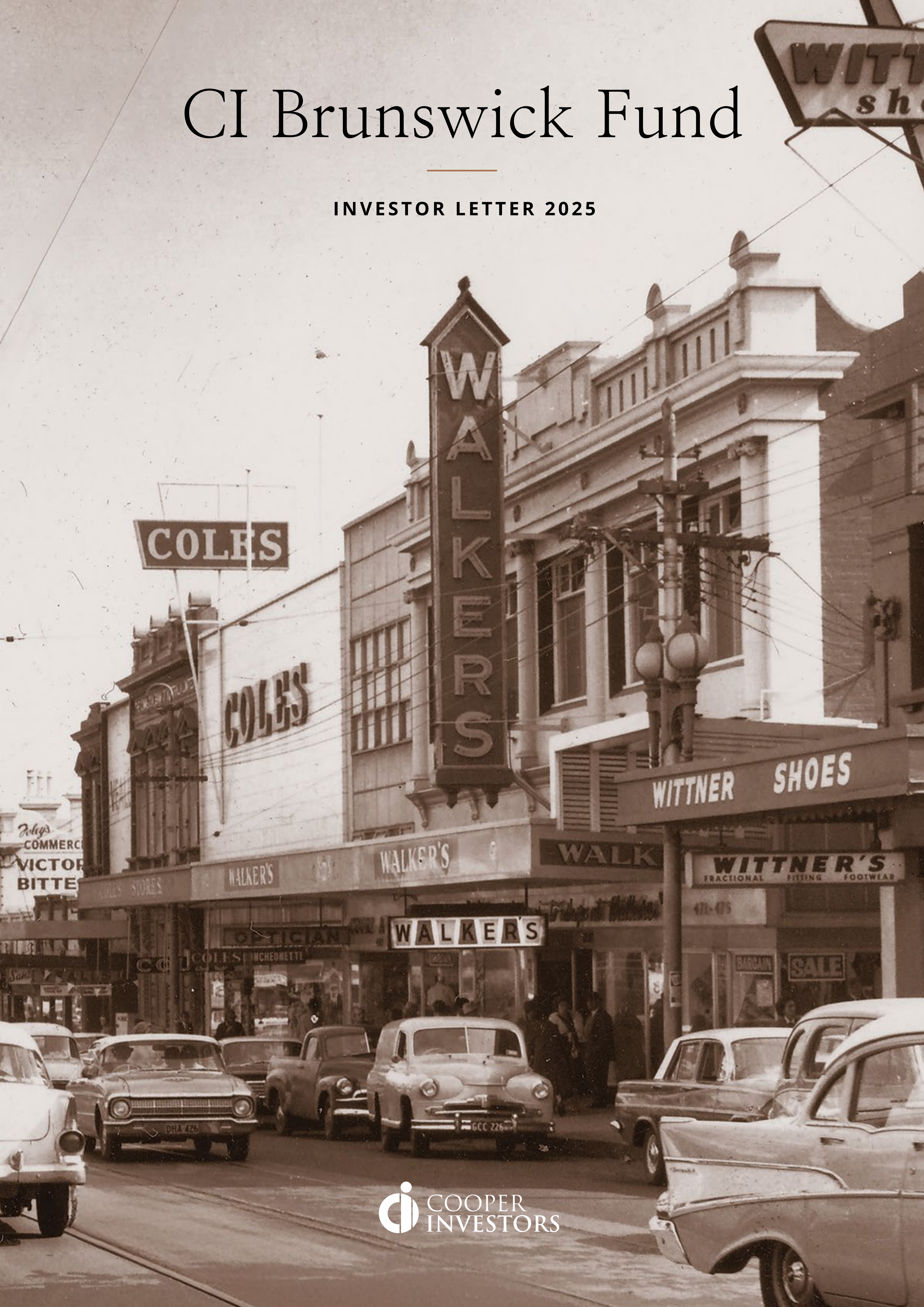
CI Brunswick Fund

INVESTOR LETTER 2025



COOPER INVESTORS

CI BRUNSWICK VS. THE ASX 200 ACCUMULATION INDEX

	ANNUAL PERCENTAGE RETURN (NET)		
12 Months to June 30	**Brunswick Fund****	**ASX 200 Acc. Index**	**Relative**
2025	22.36%	13.81%	8.55%
2024	11.67%	12.10%	-0.43%
2023	12.66%	14.78%	-2.12%
2022	-2.85%	-6.47%	3.62%
2021	27.15%	27.80%	-0.65%
2020	4.41%	-7.68%	12.09%
2019	3.97%	11.55%	-7.58%
2018	14.73%	13.01%	1.72%
2017	12.12%	14.09%	-1.97%
2016	10.19%	0.56%	9.63%
2015	12.51%	5.68%	6.83%
2014	24.57%	17.43%	7.14%
2013	29.88%	22.75%	7.13%
2012	9.44%	-6.71%	16.15%
2011	14.46%	11.73%	2.73%
2010	17.56%	13.15%	4.41%
2009	-20.07%	-20.14%	0.07%
2008	-13.95%	-13.40%	-0.55%
2007	36.60%	28.66%	7.94%
2006	26.58%	23.93%	2.65%
2005	36.09%	26.35%	9.74%
10 Year*	11.32%	8.85%	2.47%
Since Inception^	12.86%	8.78%	4.08%
Since Inception (p.a.)	1169.50%	485.03%	684.47%

* Annualised
** returns are net of fees and expenses
^ Cumulative (inception date was 1 July 2004)
Past performance is not a reliable indicator of future performance.

Cover Image: Coburg Historical Society

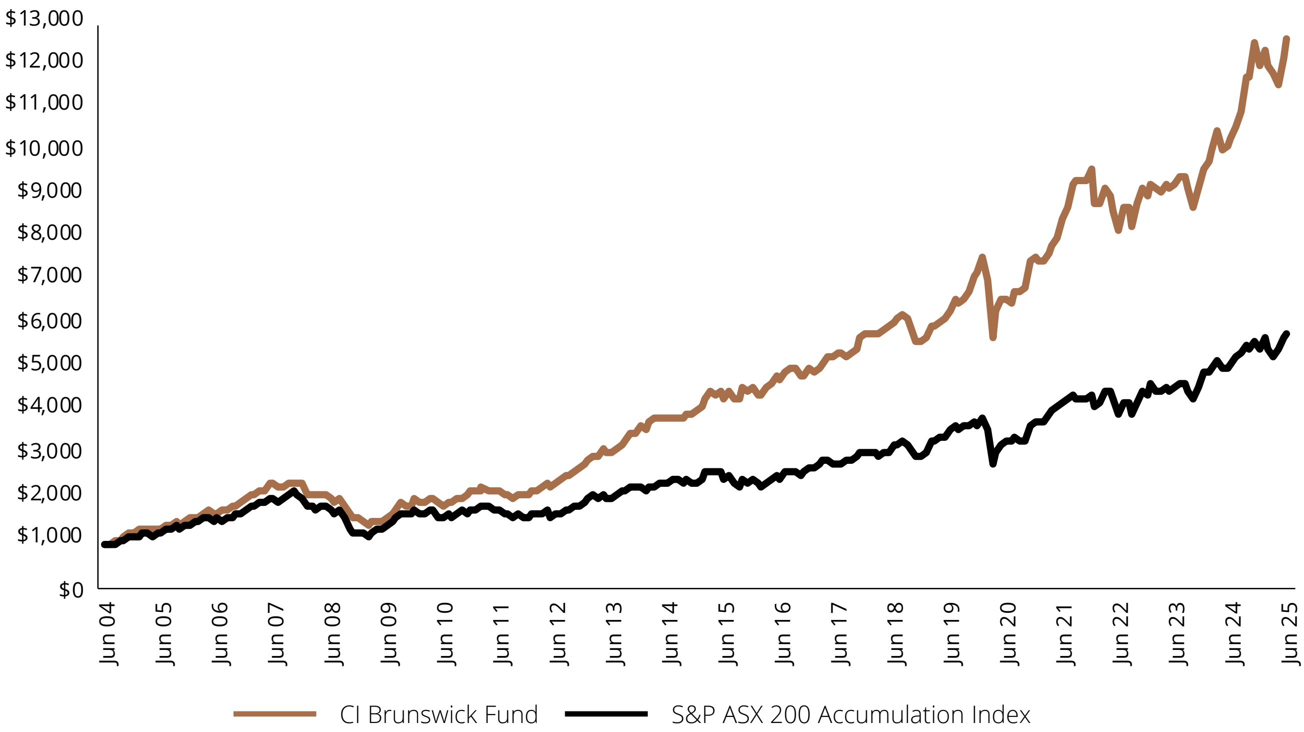
BRUNSWICK FUND INVESTORS,

The 2025 financial year is likely to be remembered for the convergence of economic pressures and geopolitical events. Trade tensions and the imposition of tariffs caused new disruptions to supply chains, impacting confidence across sectors. While heightened risks in the Middle East and the ongoing war in Ukraine saw concerns over stability, energy prices, and regional security. The combination resulted in sharp swings in share prices.

Yet despite this backdrop, it was a better year than average for stock markets. The ASX200 Accumulation Index returned 13.8% versus a very long-term (~120 year) arithmetic average of 12%[1]. The Brunswick Fund also had an above average year relative to our 21 year history, with a return net of all fees and expenses of 22.4%.

Since inception, the Brunswick Fund has returned 15.4% p.a. on a before fees basis, and 12.9% p.a. after fees, which translates to 12.7x investors' original investment. Compared to the Fund's benchmark, the ASX 200 Accumulation Index, returned 8.8% p.a. or 5.9x investment.[2]

Chart 1: Brunswick Fund returns net of fees (index starts at 1,000 in July 2004)



Source: Internal CI data, 30 June 2025
Past performance is not a reliable indicator of future performance.

We believe Australia's long-term investment appeal remains strong. Although we face our own challenges – affordable housing being one good example – Australia's supportive business environment, abundant natural resources, and our relative under-population combined with our desirable status as a migration destination offer compelling ingredients for long-term growth.

1 The arithmetic average is a simple average and is most appropriate when comparing to a single year return. When looking at annualised returns over multiperiods, a geometric average is more appropriate. The 120-year geometric average for the ASX is 10.7% p.a.

2 Past performance is not a reliable indicator of future performance.

Investment markets continue to evolve. We've witnessed a growing share of passive or index investors, along with increased capital allocation to private equity and private credit markets. The value of active investment in public markets has come under increasing scrutiny, both in Australia and globally.

To thrive in this changing landscape and meet the performance challenge, active investors – including ourselves – must adapt and leverage the opportunities these shifts create.

Cooper Investors' VoF investment philosophy is ideally suited to capitalise on these trends. This approach, coupled with our unconstrained mandate, helps us stay ahead. The Brunswick Fund is dedicated to applying this philosophy across a broad, unrestricted universe of opportunities.

The aim of the Brunswick Fund is to offer investors exposure to a diversified portfolio primarily comprising ASX-listed stocks, along with select global comparison companies. Our focus is on delivering strong returns with lower risk and consistency, guided by a 'tortoise over the hare' mindset.

The Fund is capacity-constrained, meaning we are not accepting new external applications except to accommodate redemptions, cash distributions, or significant market dislocations. This will help us maintain performance, capitalize on liquidity events such as IPOs and secondary raisings, and access high-quality small and mid-cap stocks. Since the 2020 COVID dislocation, the Fund has returned $315m back to investors in distributions.[3]

We thank investors for your continued support and we remain focused on delivering ongoing performance.

Justin O'Brien, Portfolio Manager

Justin O'Brien
Portfolio Manager

Stuart McLachlan
Deputy Portfolio Manager

Gordon Lee
Research Analyst

3 Past performance is not a reliable indicator of future performance.

Updates for the Fund

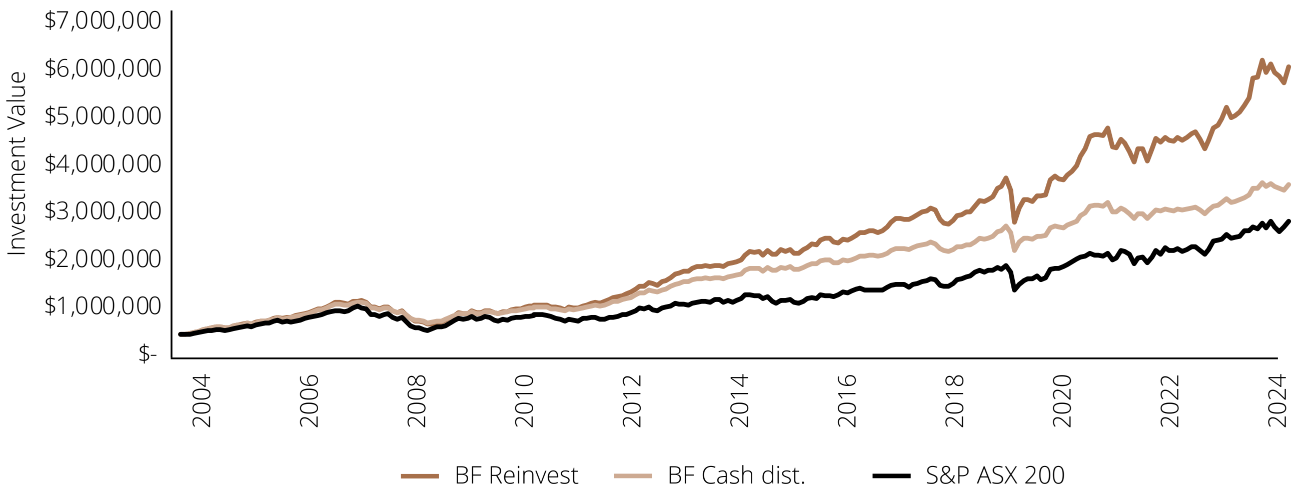
BRUNSWICK FUND DISTRIBUTION FOR FY25

The FY25 distribution is estimated to be $0.69 per security or 16% of the NAV.[4]

The Brunswick Fund is a unit trust that is required to pay all of its realised capital gains at the end of the financial year to unit holders. The timing of realised gains can be lumpy. Stocks will enter the portfolio with an expected 'vintage' of realisation of say 3 – 5 years. But at times, we can realise value ahead of time. In FY25 we had both long-dated and shorter-dated realisations.

It's important to note that electing to receive cash will impact your total return over longer periods of time. The chart below highlights the difference in net return if you elected to reinvest versus receive distributions in cash. A good illustration of the benefits of compounding!

Chart 2: Brunswick Fund returns net of fees – distributions reinvested vs cash



Source: Internal CI data, 31 May 2025
Past performance is not a reliable indicator of future performance.

BRUNSWICK FUND AND BRICKWORKS

Before exploring the broader portfolio and performance for FY25, we wanted to highlight a stock-specific event announced in June 2025: the merger of ASX-listed **Washington Soul Pattinson** (SOL) with **Brickworks** (BKW). This merger will eliminate the cross-holding structure established in 1969, creating a 'new SOL' that will rank within the ASX top 40 stocks.

The Brunswick Fund has invested in SOL and/or BKW for the majority of its 21-year history and in early June the Fund participated in the capital raise for the 'new SOL'. Combined with the Fund's existing holdings in BKW, new SOL will be a top 5 holding within the Fund. We are excited about the potential of the enlarged SOL, given its size, increased liquidity, and robust balance sheet.

4 Please note these numbers are indicative and are subject to change.

SOL boasts an impressive record of capital allocation, driven by its strong culture and the ongoing support of the Millner family, who remain substantial shareholders. Over the years, we have observed SOL's management having strong alignment with shareholders and a disciplined approach to capital allocation aimed at long-term value growth. Despite this, SOL's ownership outside of retail investors is remarkably low.

The cross-holding structure, in place for over 56 years, has supported both companies' resilience and longevity – contrast this with the many peers acquired by offshore entities. As a listed stock, Brickworks provided a diverse exposure to SOL, a high-quality industrial property portfolio via its joint venture with Goodman, and exposure to its building materials operations – all at a discount to our estimated net asset value.

Post-merger, Brickworks' building products division will become a wholly owned operating segment under SOL, leveraging its parent's strong balance sheet and capabilities.

BRICKWORKS AND ITS HERITAGE

Founded in 1934 and first listed on the ASX in 1961, Brickworks' roots trace back further through numerous acquisitions of related brick-making companies. Its history is intertwined with many parts of Australia, with a notable chapter in the inner Melbourne suburb of Brunswick.

In 1870, the Brunswick Brick, Tile, and Pottery Company was established on 12 acres in Albert Street, Brunswick, for £12,000, including machinery. It pioneered mechanical brick production in Australia using lime-dry-clay machines powered by a 25-horsepower steam engine, as reported in The Argus:

MBER 7, 1870.

THE BRUNSWICK BRICK MANUFACTORY.

The establishment of Messrs. Collier, Barry, Owen, and Rourke, recently erected at Brunswick for the manufacture of bricks, according to a patent now introduced to the colony for the first time, was opened on Monday afternoon. The buildings, which are of a very extensive character, occupy a 12-acre paddock in Albert-street. The whole, including the machinery, has subjected the proprietors to an outlay of something like £12,000.

Source: Trove, The Argus September 7, 1870

This site was among the first in Australia to produce bricks mechanically, utilizing the patented Hoffman kiln process introduced by Friedrich Hoffman in Prussia in 1859. At that time, output was around 15,000 bricks per day. Today, the Horsley plant operated by Brickworks ranks among the most sophisticated globally, capable of producing 350,000 bricks daily with minimal staff. Historically, brick kilns were prominent features of the landscape, with towering chimneys often reaching 120 feet high:

Source: Brunswick Train Station 1885, victorianrailways.net

While Brunswick is now considered an inner-suburban area of Melbourne, in 1870 it was a developing outer suburb close to expanding residential zones.

BRICKWORKS DEVELOPMENT AND STRATEGIC EVOLUTION

Over the years, Brickworks expanded by acquiring and consolidating numerous companies. In 1960, the Brunswick site was taken over by Clifton Holdings, based in Preston, Melbourne, which later merged with Nubrik to form Australbricks, a division of Brickworks. Eventually, the Brunswick land was sold to property developers; its proximity to the city made it valuable for redevelopment. As land prices increased, Brickworks shifted its strategy towards building new plants on more affordable land closer to growing suburbs.

The company's approach evolved from merely selling bricks and relocating operations, to actively engaging in development through joint ventures—most notably with Goodman.

FUTURE OUTLOOK FOR BRICK-MAKING AUSTRALIA

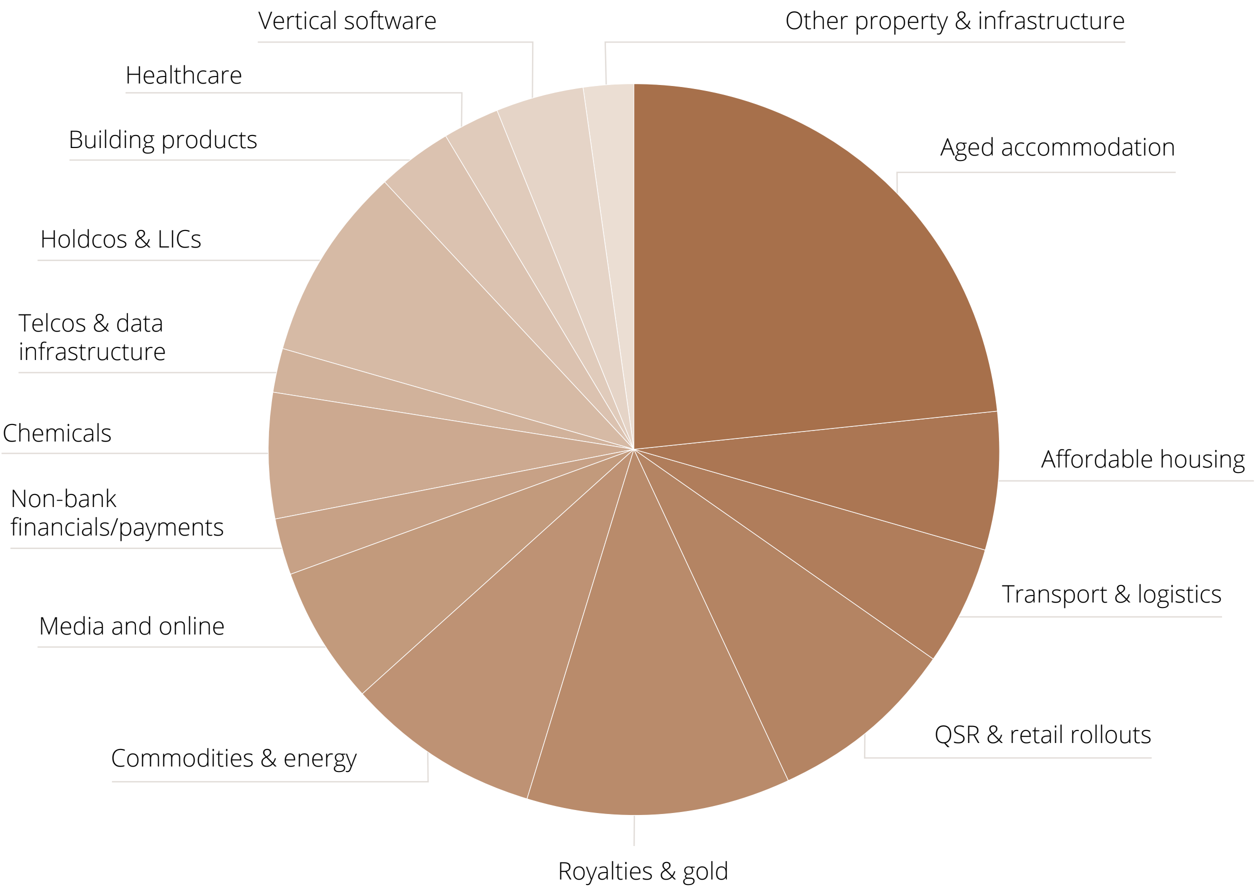
Looking ahead, the Australian brick industry remains attractive. With population growth and continued housing construction, demand for bricks is expected to remain strong. The industry's high level of consolidation and integration enables Brickworks to generate attractive profits. We expect further opportunities for the Bricks and broader building products business to emerge once it becomes an unlisted subsidiary of SOL.

What you own

The Brunswick Fund is composed of a relatively eclectic mix of stocks that own businesses operating in a broad array of end markets. However, there are some sectors that feature more prominently e.g. the aged accommodation sector.

We aim for both diversity (size, geography, business model, subset of value/capital pool) and concentration in key clusters or areas that we think are particularly attractive and where we think our specialist knowledge can add value.

Chart 3: Brunswick Fund by sector – a wide diversity of industries



Source: CI data as at 30 June 2025

The Fund's benchmark is the ASX200 Accumulation index which is the reference we use for performance. However, the benchmark does not significantly influence the way we manage the Fund and we don't spend a lot of time thinking about how the Fund is positioned *relative* to the benchmark.

The top five holdings in the Fund at 30 June 2025 in alphabetical order are as follows:

1. Aspen Group
2. Deterra Royalties
3. Regis Healthcare
4. Ryman Healthcare
5. Washington Soul Pattinson[5]

[5] Assumes completion of BKW/SOL merger in September.

Investment philosophy and Fund strategy

BENCHMARK UNAWARE

The Brunswick Fund's flexible mandate allows us to explore areas and uncover opportunities that can be less accessible to other funds. The Fund has ability to invest across small, medium, and large-cap Australian and New Zealand securities, with the option to allocate up to 25% of the portfolio to other international markets.

This approach was intentional, having observed that other funds often have constraints related to size, industry, or geographic focus.

SMALL AND MIDCAP BIAS

The performance of small capitalisation stocks has trailed larger stocks in recent years – over the last 5 years the top 20 stocks (ASX20 total return) has returned 12.6%, compared to the ASX Small Ordinaries Accumulation Index which has returned only 6.9%.

In recent years, we've increased our exposure to small-capitalisation stocks. For various reasons these stocks haven't attracted the same level of interest from investors. At the small end, we tend to favour lower-risk stocks that are asset-rich or generate recurring revenue streams.

INTERNATIONAL EXPOSURE

Australia is home to many companies like CSL which operate on a truly global scale. As part of our research, we conduct detailed work understanding and comparing these companies to their international peers.

The advantage of the Brunswick Fund is we can invest in both the ASX listed and the offshore stock. We've applied this approach numerous times – Xero (XRO) and Intuit (INTU) in the accounting software space; Macquarie (MQG) and Brookfield (BN) in infrastructure asset management; Transurban (TCL) and Ferrovial (FER) in toll roads; Reece (REH) and Ferguson (FERG) in plumbing distribution; and more recently, James Hardie (JHX) and Louisiana-Pacific (LPX) in the US housing siding sector.

Sometimes, this global perspective gives us a strategic edge in offshore stocks. For instance, Louisiana-Pacific, with a market capitalisation of around US$6 billion is small in the US context with more limited interest and following by US analysts, who tend to focus on its history in commoditised products.

The international allocation also provides access to a broader range of opportunities in niche areas. One example is spinoffs—when a large company demerges and lists a division separately. Spinoffs are attractive for two reasons: first, they often perform poorly immediately after the spin as parent shareholders tend to sell the small stock; second, the new management team often benefits from a refocusing, as the division is typically viewed as a less successful or "orphaned" part of the parent company.

THREE CAPITAL POOLS

The three Capital Pools are a framework we use to categorize our investment opportunities, primarily to facilitate comparison and analysis of stocks. These pools are quite distinct from one another, a fact we've demonstrated quantitatively (correlation factor), which measures how closely the pools tend to move together.

Having three pools helps diversify the Fund by providing different sources of latent value. This diversification is important because each pool performs differently under various market conditions or economic backdrops.

The first pool is **Compounding** ('Compounders'). These are companies that grow, ideally organically and at high rates. We look for businesses with a compelling product or service that allows them to grow faster than the industry average, gain market share, or enter new markets. Examples currently include Guzman y Gomez (GYG), Mainfreight (MFT), and Sigma (SIG). We tend to hold these stocks for the long term—some, like CSL, for nearly 20 years.

The second pool is the **Reversionary** pool. It is based on the concept of mean reversion, which is a fundamental market force underpinned by the movement of capital in and out of industries as the profitability of the industry changes over time. Certain sectors, particularly cyclical ones, are more susceptible to these reversionary forces. At the company level, some businesses can also face trouble and require turnaround, often influenced by both industry dynamics and internal factors.

The third pool is the **Real Assets and Income Securities** pool. These are asset-heavy stocks that tend to have a lower correlation with broader markets. Often under-followed or under-researched, these stocks can have complex or obscure corporate structures and a multitude of underlying assets. While generally lower risk, this pool has been our best performer over the past 10 years.

PURE APPLICATION OF CI'S VOF INVESTMENT PHILOSOPHY

The main risk with being unconstrained is having too much to do – too many stocks to look at without focus or process. This is where we believe our disciplined process is essential.

The "CI Way" – which combines our VoF investment philosophy and the firm's culture and values – includes both bottom-up and top-down elements to choosing stocks and building portfolios. Two central or guiding principles assist us investing across our three Capital Pools. These two principles are:

1. 'Observation, not Prediction' – evidence not opinion; and

2. the hubris-to-humility cycle – everything is cyclical in the end.

Our observations come from the coal face through our extensive company visitation program.

Review of FY25

For the FY25 year the Brunswick Fund returned 23.8% gross, or 22.4% net of fees.[6] The ASX 200 Accumulation Index by comparison, returned 13.8%.

CAPITAL POOLS

The Real Assets and Income Securities Capital Pool provided the strongest contribution to returns in FY25. The pool has also been our best contributor over three and five years and is also typically the lowest risk. Our investment in the affordable housing stock Aspen (APZ) was the standout contributor for FY25. Gold mining company Greatland Resources (GGP) and gold royalty company Franco Nevada (FNV) were also positive. In contrast, our long-term holding in Infratil (IFT), was the main detractor.

The Compounding pool delivered a big improvement on FY24 following strong contributions from Sigma (SIG), Guzman y Gomez (GYG) and Nanosonics (NAN). The main detractors were in the freight sector (Aurizon (AZJ) and the US listed RXO, Inc. (RXO)).

Finally, the Reversionary pool had a weaker year but has still delivered solid returns over both three and five year time horizons. The strongest contribution was from the Low-risk Turnaround stock Regis Healthcare (REG). In contrast the key detractor was again Ryman Healthcare (RYM), which we discuss in more detail later on in this report. Our cyclical stocks also mostly struggled, including both commodity and industrial cyclicals (chemicals and building materials). However, we remain confident on the future outlook for these stocks.

Note in the table below we present the returns by Capital Pool assuming we held 100% of that pool. In the prior year the tables were presented as “contribution to portfolio return”, which is the pool return multiplied by the average weight.

Table 1: **Brunswick Fund returns (gross) by Capital Pool**

	Average weight (%) FY25	1 Year return	3 Year return (% p.a.)	5 Year return (% p.a.)
Compounding	29.8%	15.3%	9.1%	8.2%
Reversionary	32.3%	6.7%	10.0%	15.9%
Real Assets & Income Securities	34.0%	47.7%	28.2%	22.1%
Cash	3.9%			
Total	**100%**	**23.8%**	**16.7%**	**15.1%**

Source: Internal CI data, 30 June 2025
Past performance is not a reliable indicator of future performance.

[6] Past performance is not a reliable indicator of future performance.

SIZE AND GEOGRAPHY

Similar to prior years, we also show portfolio returns in the table below by domestic small (less than ~$3bn market capitalisation) and large capitalisation stocks as well as by international stocks.

We are particularly pleased that in FY25 our small capitalisation stocks have performed strongly, particularly relative to the ASX Small Ordinaries index over similar timeframes (the Small Ordinaries Accumulation index returned 12.3% over 1 year, 10.0% over 3 years and 7.4% of 5 years).

It has also been beneficial complementing our larger capitalisation stocks with international comparison companies as these stocks have generally performed better.

Table 2: **Brunswick Fund returns (gross) by size and domestic/international**

Category	Average weight (%) FY25	1 Year return	3 Year return (% p.a)	5 Year return (% p.a)
Domestic – Small (<$3bn)	45.0%	38.9%	18.0%	18.1%
Domestic – Large (>$3bn)	33.4%	10.5%	11.8%	11.6%
International	17.7%	9.4%	15.4%	12.6%
Cash	3.9%			
Total	**100.0%**	**23.8%**	**16.7%**	**15.1%**

Source: Internal CI data, 30 June 2025
Past performance is not a reliable indicator of future performance.

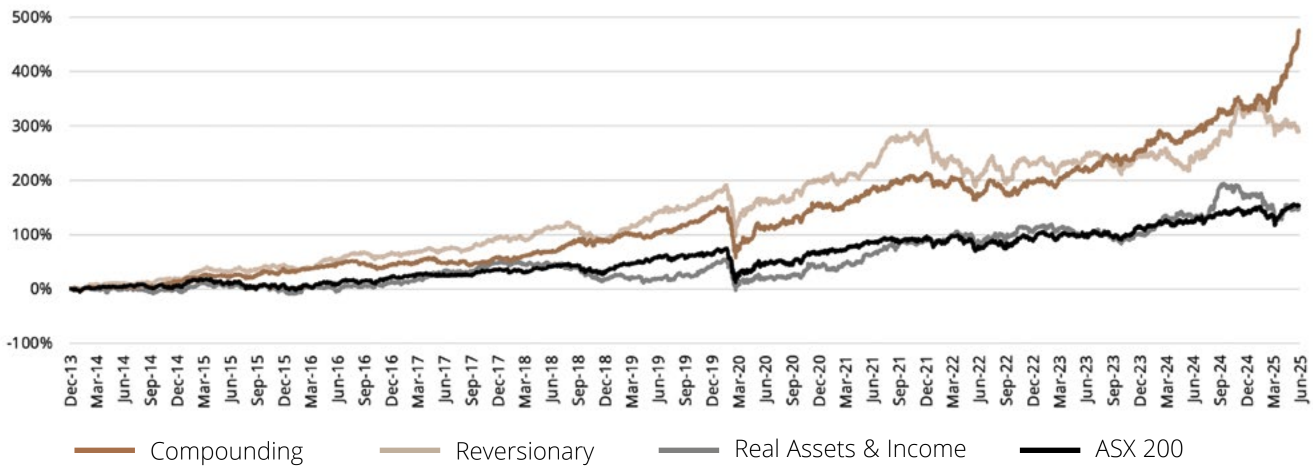
Capital Pools

Capital Pool	Compounding	Reversionary	Real Assets & Income Securities
Subsets of Value	*Growth & Stalwarts*	*Cyclicals & Low-risk Turnarounds*	*Bond-like Equities & Asset Plays*
Features	Underappreciated Growth	Low-Risk Sources of Reversionary	Uncorrelated Endowment-like Assets
Key Attributes	• Runway for organic growth • Proprietorial managers (family's and founders and owner-operator cultures) • Pathway of value creation • Identifiable value based on traditional metrics	• Quality businesses • Defensive sectors • Capital or supply scarcity • Balance sheet repair • Corporate events (spin-offs, restructurings etc) • Specific pathway for value creation (eg cost out) • Specialist (expert), aligned management teams	• Asset backing • Lower correlation to markets • Inflation protection (income or assets) • Ability to grow asset value over time • Evidence of valuation anomalies

The chart below shows how each of the Fund's Capital Pools have performed over more than ten years, assuming each pool as a separate portfolio. Of note, the Real Assets and Income Securities pool has produced particularly attractive returns over the period, given it has the lowest volatility.

While the Reversionary pool returns are lowest over the full period, it has delivered strong returns over the last five years. In part, this reflected opportunities created as a result of COVID-19.

Chart 4: Brunswick Fund cumulative returns (gross) by Capital Pool



Source: Internal CI data, 30 June 2025
Past performance is not a reliable indicator of future performance.

We've also compiled the returns of each Capital Pool on an annual basis, as well as the annualised volatility of each pool.

Table 3: **Brunswick Fund annual returns (gross) by Capital Pool**

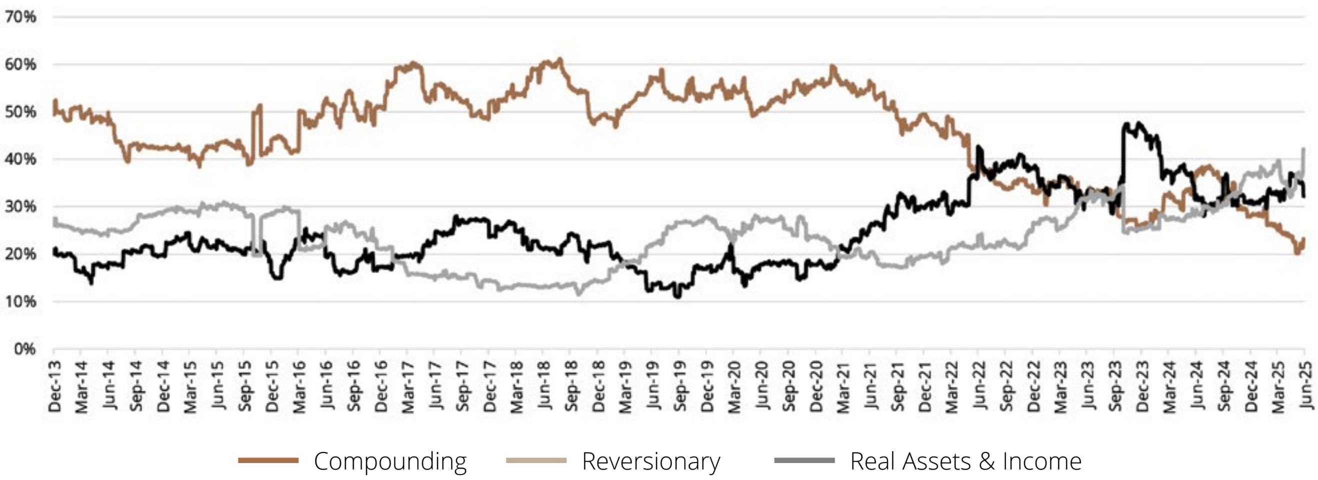
Financial year (ending 30th June)	Compounding	Reversionary	Real Assets & Income Securities
2015	18.3%	6.0%	18.6%
2016	18.0%	-5.2%	21.1%
2017	12.7%	34.3%	0.4%
2018	21.8%	9.5%	14.0%
2019	13.5%	-18.3%	20.0%
2020	10.1%	0.9%	4.5%
2021	25.3%	35.9%	34.2%
2022	-8.9%	14.9%	-4.8%
2023	13.7%	7.7%	20.1%
2024	-0.7%	16.3%	19.7%
2025	15.3%	6.7%	47.7%
Return (Ann.)	12.6%	8.3%	16.4%
Volatility	13.2%	15.9%	12.1%
ASX 200 (Ann.)	8.5%	8.5%	8.5%

Source: Internal CI data, 30 June 2025
Past performance is not a reliable indicator of future performance.

Below, we show the allocations across the three Capital Pools over time. Through the FY25 year we increased the weight primarily in the Real Assets and Income Securities pool, funded mostly by selling Compounders that had enjoyed a significant rerating through the calendar year 2024. The Real Assets and Income Securities pool provided resilience through the market volatility of March and April.

We expect in coming years to again increase our allocation to Compounders, which tend to perform the best when volatility returns to more normal levels. A number of stocks in our Reversionary pool also show attractive VOF attributes.

Chart 5: **Brunswick Fund Capital Pool allocation**



Source: Internal CI data, 30 June 2025

Capital Pools and key stock performance

COMPOUNDING CAPITAL POOL

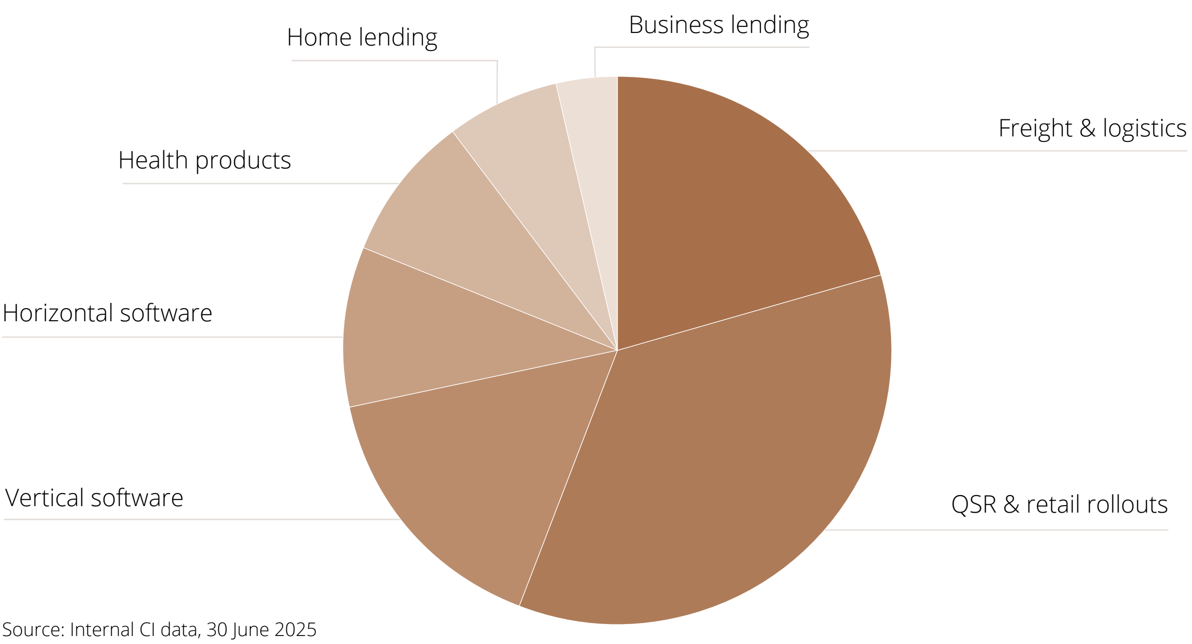
The Compounding category consists of world-class global, regional and domestic companies with preferential businesses or assets and a pathway to future underappreciated value options.

Performance of stocks within the Compounding Capital Pool was stronger than prior years driven by some new additions to the Fund.

Currently, the Fund is exposed to a number of key clusters or groups including:

1. Ageing and health
2. QSR and retail rollouts
3. Niche industrials, e.g. Freight
4. New Economy

Chart 6: Compounding pool by sector



Source: Internal CI data, 30 June 2025

Ageing and health

The ageing and health group includes stocks that provide products and services to people aged 65+, which is growing at twice the rate of underlying population growth. The Fund is currently exposed to companies producing health-related products.

QSR and retail rollouts

Our focus is on restaurants and retailers servicing everyday needs with low-cost positions, strong unit economics, large growth or rollout opportunities, managed by proprietorial cultures able to scale businesses longer-term.

Niche industrials

This includes companies that are leaders in areas of 'business-to-business' service or niche branded products. Our focus currently is on services in the less than container load (LCL) freight market, logistics (warehousing) facilities, and freight forwarding (Air and Ocean).

New Economy

This group of stocks typically provide mission-critical software in vertical niches or industries where entry barriers are high. It also includes horizontal platforms in accounting software and payments that cut across industry sectors.

KEY STOCK PERFORMANCE

Sigma Healthcare (SIG)

SIG achieved a significant milestone during the FY25 following the ACCC's approval of its reverse merger with Chemist Warehouse (CWH), with the CWH business now constituting over 90% of SIG's value.

CWH is a dominant force in the retail pharmacy sector, a true "category killer". We believe it has an exceptional long-term growth outlook, fuelled by continued market share gains in Australia and New Zealand, as well as through expanding its international store network.

CWH excels in key areas: its store productivity significantly outpaces major supermarkets, its store economics are exceptional, and its management team has a 50+ year track record of successful store rollouts and organic sales growth.

We are particularly attracted to CWH's business model, describing it as a high-performing retailer known for its unwavering commitment to offering the lowest prices. This is an approach that reminds us of highly successful operators like Costco and Aldi, renowned for their compounding growth and value creation. Chemist Warehouse has grown to over 500 stores in Australia, 60 stores in New Zealand, and expanded internationally into China, Ireland, and Dubai.

While SIG's share price has already responded to these positive developments, we continue to identify considerable future value that should be realised in the coming years, driven by the exceptional management of the company by its CEO, Mario Verrocchi and his deep team of talented executives.

We foresee opportunities materialising as it expands its international presence (potentially to the UK), dominates the New Zealand market, experiences high-margin growth from retail media, captures market share from supermarkets, achieves above-expected merger synergies, and transforms its logistics and supply chain. We also see latencies from CWH's push into generics via the Wagner brand and its unique position in distributing GPL1 medications and weight loss drugs. Australia's GPL1 consumption is growing quickly but is still very immature when compared to other western countries. CWH's dominant pharmacy market position and low-cost proposition positions them to be a major beneficiary of this medium term theme.

Our initial investment in SIG was at a small-cap level, highlighting the Fund's strength in identifying opportunities across the market capitalization spectrum.

Infomedia (IFM)

We initiated a position in Infomedia (IFM) in early 2024 but materially increased our exposure in the last 12 months. Infomedia was founded in 1987 by Richard Graham as a single flagship product called Microcat (an electronic parts catalogue software) which provided a digital solution to Australian dealerships that relied on cumbersome physical documentation.

Today Infomedia has grown into a multi-product global software provider to the automotive industry, primarily selling to OEM dealerships. While Infomedia's growth has matured, it has many attractive characteristics which we like in software businesses – it is very sticky with high customer retention rates and is an "operating system" which many automotive dealerships rely on.

Our investment thesis in Infomedia is underscored by its attractive financial characteristics – excellent earnings quality, modest valuation and a solid, recurring earnings base that continues to grow. In addition to this, Infomedia currently has 15-20% of its market cap in net cash and an unoptimised cost base which we believe could increase its earnings by at least 30%.[7]

We have however been disappointed by the company's cadence in executing on these cost optimisation opportunities and the company's approach to capital allocation. We were expecting the company to make progress on returning its overcapitalised balance sheet to shareholders and accelerate offshoring and cost efficiency initiatives.

Since our initial investment in Infomedia 18 months ago, we have extensively engaged with the company on forging a clear path to maximising shareholder returns – focusing on strengthening the Board, management incentive structure, capital allocation and cost efficiency. We remain invested and see significant upside if these latencies can be realised.

[7] Please note that this is a forecast only, based upon Cooper Investors' current views and assumptions, and is not guaranteed to occur. Any returns forecast may differ materially from the results ultimately achieved.

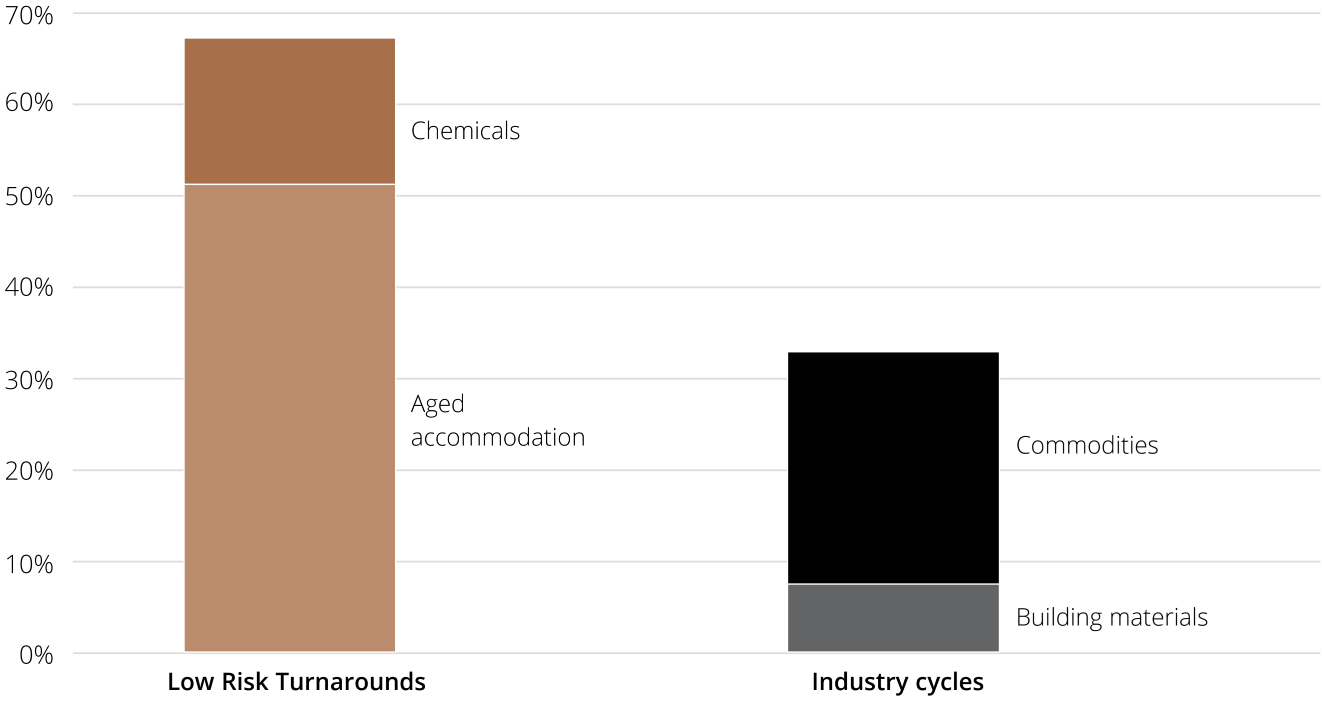
REVERSIONARY CAPITAL POOL

In the Reversionary Capital Pool, we are looking for situations where both companies and industries are performing below long-term levels of profit, and where behavioural events can explain why the stocks have not yet been priced for reversion. We particularly like spin-offs, privatisations and large-cap liquidity events (such as sell-downs). Typically, we need to see management in place with a plan for unlocking value, with follow-on value creating opportunities, and assets that are attractive to other potential owners. Sometimes a management team reset is a good precursor for realising reversionary value.

The Reversionary pool includes the following key sub-groups:

- Industry Cycles
- Low Risk Turnarounds, Events & Special Situations

Chart 7: Reversionary pool by sector (% of Reversionary pool)



Source: Internal CI data, 30 June 2025

Industry Cycles

We look to invest in select industries where the returns are below long run averages, industry return drivers are beginning to exert upward pressure (via capital starvation, bankruptcies or demand outstripping the supply response, higher incentive pricing is required etc) and valuations remain attractive relative to replacement cost, private market pricing and/or the normalised earnings power of the business.

The Fund owns a number of stocks exposed to cycles in commodities, specialty chemicals, and building materials.

Low Risk Turnarounds, Events and Special Situations

In this category we are generally looking for an idiosyncratic (specific to the individual stock) event which has created an attractive opportunity.

Our favourite sub-category is "spin-offs" (also called de-mergers) which involve the separation and listing of a division from the parent. There is significant research which supports outperformance of spin-offs over-time relating to a "re-focusing" dividend that combines operating improvements (e.g. cost-outs) with improved capital allocation (spin-offs are sometimes starved of capital) and more aligned incentives for management.

We also lean into re-capitalisations where a good business has had a bad balance sheet. Often this cleansing act results in lower risk profile ex-post accompanied by significant reversionary value. This was a particularly fruitful category during 2020 for example as good businesses were forced into re-capitalisations.

Finally, events relating to asset sales, capital returns, wind-downs, change of primary listing, and activist investor situations have all provided sources of this type of reversionary value in the past.

KEY STOCK PERFORMANCE

Regis Healthcare (REG)

Regis Healthcare was, for the second year running, one of the strongest contributors to fund performance over the past 12 months.

The company is one of the largest aged care providers in Australia, with nearly 7,600 aged care beds across 68 freehold facilities that are predominantly located in more affluent areas.

As we noted in last year's Annual Letter, our VoF process works best when we are well calibrated to both the company and the industry, and have closely tracked how the market prices the stock. Such calibration is usually the result of a long period of observation, which helps us monitor changes in the Operating, Industry and Focused Management behaviour trends. The observations and network built up over the years preceding our purchase of REG enabled us to identify improvements in these key trends, which in turn led to higher occupancy, free cash flow and earnings in recent years.

What we did not discuss in detail last year was the importance of Value Latency (the **"V"** in CI's VoF process) and the need to adjust dynamically as that latency changes. We define Value Latency as specific options for the company to create value – internal (a cost out program, exercising pricing power, or greenfield/brownfield developments) or external (regulatory change, competitive dynamics). Repricing of these latencies often drives meaningful share price movements because they are typically unexpected or heavily discounted by the market.

During the year, the Federal Government legislated a new Aged Care Act that included several important financial measures aimed at restoring industry profitability to a level that will incentivise new bed supply. These incremental earnings streams are quasi government mandated, further increasing earnings certainty for aged care operators, which have also benefited from the introduction of the pricing authority IHACPA in July 2023.

Although the share price rose sharply after the initial announcement, we believe the value created by these regulatory changes remained under appreciated. Because we had already priced these latencies in detail, we maintained Regis in meaningful size as the Value Latency and underlying business trends reinforced each other. This again underscores the benefit of a process driven approach—and of resisting heuristics such as "you can't go broke taking a profit".

We continue to hold a large position in Regis.

Ryman Healthcare (RYM)

Our worst performer for the year was Ryman Healthcare, a New Zealand based (but with a growing portfolio of assets in Victoria) retirement village and aged care operator. We underestimated the impact of its October 2024 shift in revenue model (higher Deferred Management Fee "DMF" and weekly fees) on sales velocity, necessitating a balance sheet strengthening capital raise.

Given its large housing inventory and improving industry conditions, we had expected de gearing to occur organically – an error that violated our maxim of "Observation, not Prediction".

Ryman also used the opportunity not only to reset its balance sheet but to increase accounting conservatism, on top of prior heavy impairments.

Although we were early in this reversionary investment, the medium term outlook remains favourable. Ryman has the strongest brand in New Zealand, the largest market share of premium assets, the strongest listed balance sheet and a share price significantly below replacement value.

Demographic trends for aged care are exceptional, and supply of new retirement village assets has shrunk after several difficult years. That tightening should improve supply–demand dynamics and accelerate the release of more than $800m in inventory over the near term.

Underpinning our investment proposition and conviction in the stock are the following sources of substantial latent value, including:

- **Back book pricing**
  - Ryman historically charged fixed weekly fees, which became a significant head-wind when inflation reared its head post COVID-19. As a result, there are a large number of residents who currently paying <$120 in weekly fees (average tenure of 9 years). As they vacate (some who will be paying <$90 per week), the incoming resident will pay market rates of ~$200 per week.
  - New residents pay DMFs of ~29 % (in-line with peers) versus 20 % previously—a 45 % rise—which is also at a much higher unit price.
- **Improving aged care economics** through higher occupancy, improved funding in Australia (Refundable Accommodation Deposits), and likely better revenue per bed across their New Zealand portfolio (~4,000 beds) via the introduction of Care Suites, higher Premium Accommodation charges and/or regulatory change (as occurred in Australia).
- **Corporate cost out** given a large opportunity with >$150m in gross corporate over-heads.
- **Significant inventory sell down** (~600 new units and 661 established units to be re-sold: ~$600m FCF plus then on-going weekly fees and DMF with high operating leverage).
- **Work in progress (WIP) release** as progressed developments wind down, plus the sale of land sites no longer deemed economic or optimal.
- **Potential house price appreciation** post New Zealand house prices falling 20% and having flat-lined for the past 18 months and, ultimately, development recommencement.

REAL ASSETS AND INCOME CAPITAL POOL

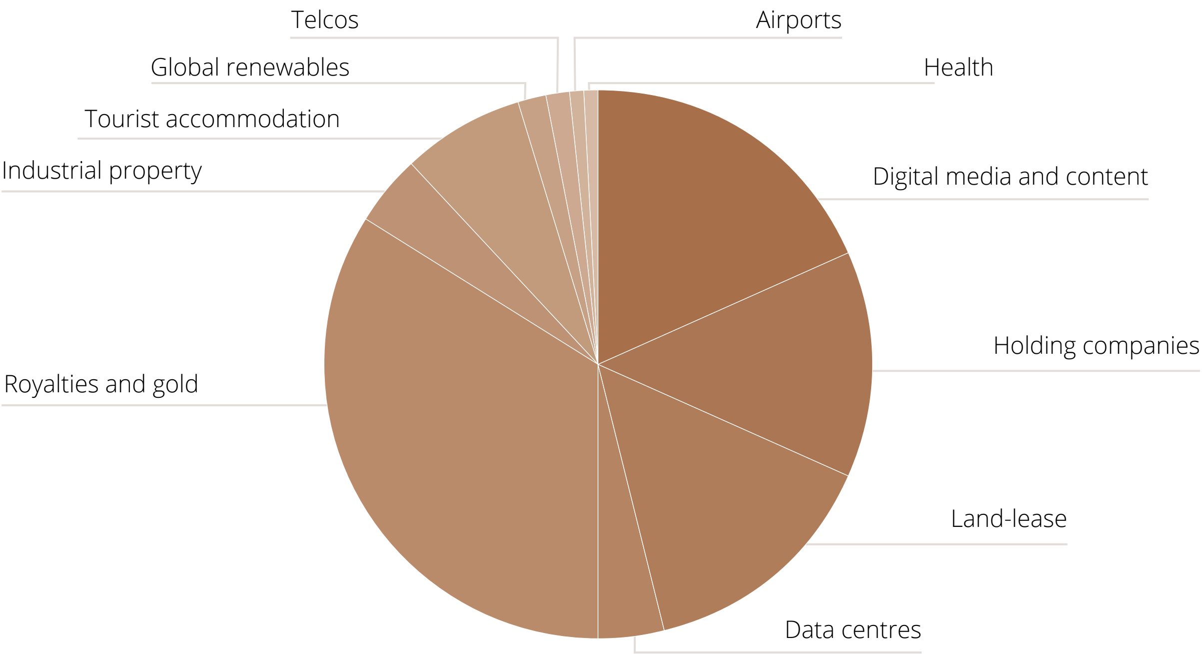
These are stocks with specific risk and non-correlating attributes that make them very different to broader equity indices. All of these securities are traded publicly. Our hope is these stocks will provide relative and perhaps absolute protection to the portfolio in times of monetary inflation, economic upheavals, and stock market corrections.

This pool invests in:

1. Asset rich stocks across specialist real estate and infrastructure
2. Royalties and gold
3. Family-linked holding companies and asset discounts

This includes holding companies, Listed Investment Companies (LICs), royalties and royalty companies, infrastructure, specialised real-estate and other asset-rich companies with growth and hidden value options, and catalysts for capturing value.

Chart 8: Real Assets and Income Securities pool by sector



Source: Internal CI data, 30 June 2025

Asset rich stocks across specialist real estate and infrastructure

This includes stocks developing and operating affordable accommodation spanning caravan/tourist parks, rentals, land-lots and land-lease communities. The Fund is also exposed to industrial property leased to high quality global e-commerce companies.

The infrastructure exposures include large data centre developers/operators, telecommunications operators, hydropower electricity generation, domestic and offshore airports, as well as exposure to some of the leading developers of renewable energy assets in the US, Europe and Australia.

Royalties and gold

We also like royalty streams over quality, long-life assets/commodities such as gold, iron ore and oil and gas. We look for quality, long-life assets with options for extension of the operating asset and royalty life. Royalty companies with the ability to build long-term optionality via counter-cyclical opportunities are particularly attractive.

Family-linked holding companies and royalties

This includes exposure to diverse 'Asset Plays' backed by long-term conservative management teams where valuation discounts are observable with a pathway to grow net asset value per share over time.

KEY STOCK PERFORMANCE

Greatland Resources (GGP)

During the year, Greatland Resources (GGP) was a strong performer for the Fund. We initiated a position in Greatland December last year after identifying a set of deeply undervalued gold-copper assets located in a top-tier jurisdiction, managed by a highly capable team, with a clear catalyst (an ASX listing) which would close the valuation gap.

When we first invested in Greatland Resources, it was a UK-listed small-cap gold producer with two key assets—Telfer and Havieron—situated approximately 45 km apart in Western Australia. The current management team, composed of motivated ex-Northern Star executives who joined Greatland following Northern Star's merger with Saracen in 2020, brings extensive experience and a proven track record. Led by Sean Day (former Northern Star CFO), they have a history of creating value through strategic acquisitions of undervalued and neglected assets from major miners, then improving operations through entrepreneurial cost management, revisiting mine plans from first principles, and investing in drilling and exploration.

We are familiar with Sean Day from his previous work with Bill Beament, as the Fund had previously invested in Northern Star. Greatland's acquisition of Telfer and its remaining 70% stake in Havieron from Newmont in December 2024 aligns with this value-creation approach. We particularly appreciated the nature of the transaction: Newmont was a forced seller, and Greatland was the only genuinely competitive bidder due to a right of first refusal, resulting in a purchase at a significant discount. Further diligence revealed favourable transaction structure features, including downside protections against certain operational risks and Newmont's liabilities for potential redundancies.

At the time of our initial investment, our conviction in Greatland hinged on the long life, low-cost nature of its assets, which were also deeply undervalued compared to peers in the gold sector. Key latencies included extending mine life at Telfer, which has since seen resource increases of more than fivefold, and improving Havieron's economics through cost management and expanded production. Most importantly, we believe the talented management team will drive operational excellence and unlock further value from these assets.

Greatland has since listed on the ASX, attracted Australian investors and bridged the valuation gap relative to other midcap ASX-listed gold stocks. Our initial investment thesis hinged on mispriced assets on the "wrong" stock exchange have largely played out but from here, we still see unrealised latencies from further life extensions at Telfer and expansions at Havieron. This investment is a good illustration of the Brunswick Fund's flexibility given our ability to invest early via our international sleeve.

Deterra Royalties (DRR)

A key purchase during the year was Deterra Royalties (DRR). We classify royalties under the Real Assets and Income Securities pool in contrast to mining companies where we typically invest with a cyclical or reversionary framework.

In simple terms, a royalty is a right to receive a cashflow stream, usually a fixed % of revenue which in this case is the revenue output or sales from a mine. However, royalties exist in many sectors such as music, pharmaceuticals, and restaurants among others. Royalty income is an attractive cash flow in contrast to a stream based on profit, which comes after operating costs and capital expenditure.

What makes commodity companies more volatile or risky is the movement in revenue is amplified at the profit line after both operating costs and capital costs. As the royalty stream is not subject to fluctuations beyond revenue, it is higher quality and less risky. As an investment this makes royalties and royalty companies attractive, particularly for long-term patient investors.

DRR was spun out of Iluka (ILU) in 2020 with one main asset – the Mining Area C ("MAC") iron ore royalty. MAC's story illustrates why patience is necessary. The MAC royalty dates back many years with value having emerged slowly.

One of ILU's predecessor companies – Consolidated Gold Fields – formed a joint venture called Mount Goldsworthy Mining Associated in 1962, with an export license granted the year after to export iron ore from Port Hedland to Japanese steel mills. The operation became the first iron ore mine in the Pilbara.

The JV was eventually fully acquired by BHP (and Japanese partners Mitsui and Itochu) in 1990, BHP having bought an initial interest in 1977. As part of the sale, Consolidated Gold Fields retained a deferred consideration which was transferred into a royalty (the MAC royalty) in 1994.

Operations at MAC only commenced in 2003, but production ramped up significantly in the last five years as BHP developed the South Flank orebody. The MAC operation is significant with eight open-cut mines, three ore handling plants and one train load-out facility. The ore is transported by Mt Newman JV owned rail to Port Hedland 360kms away.

At ~140m dmpta (dry metric tonnes per annum), MAC is the biggest of BHP's four large iron ore hubs. Given MAC's size and scale it is low-cost (1st quartile on the cost curve). BHP has disclosed its expectation that MAC is likely to operate for at least 50 years. Given the quality of the underlying asset and its duration with a tier-1 operator in BHP, the MAC royalty would rank as one of the highest quality globally.

As mentioned above, our opportunity to buy DRR/MAC came after DRR acquired the UK listed Trident Royalties and the stock significantly de-rated over subsequent months. Trident has a diverse set of royalties and other "royalty-like" assets. The more significant assets are linked to the lithium mine Thacker Pass in North America as well as a number that are gold linked. Post the acquisition of Trident, DRR reduced its dividend payout and made clear its intention to make further acquisitions.

The de-rating of DRR is simple to understand. The MAC asset is a high-quality royalty and its cashflows, which had previously been streamed directly out of DRR to shareholders via fully franked dividends, are most valuable to shareholders that can fully utilise the franking credit. Investing this cashflow into risky, likely lower-returning royalty cash flows that don't have the ability to return franked dividends has a high chance of being dilutionary to MAC and destroying value for DRR shareholders. We have been engaging with the Board and management team to make our view clear.

Aspen Group (APZ)

As noted last year, we "high graded" our affordable housing exposure by vending our Eureka Group (EGH.ASX) shares into Aspen Group, where we were already a substantial shareholder. We saw far greater value latency and stronger focused management behaviour in Aspen.

Aspen was a strong contributor to performance this year owing to both multiple earnings upgrades/value accretive acquisitions and the stock's being significantly under appreciated at the start of the year.

In particular, we see continued latent value in Aspen's rapidly growing land lease business, which we believe remains under the radar. Because the company assembled its land bank opportunistically over the years, it can sell quality product at affordable price points. That affordability drives high sales velocity, ties up minimal capital and produces very strong returns and a robust development pipeline.

The company's ability to deploy capital opportunistically should also create significant value over time. Last year we highlighted its rejuvenation of a derelict Perth apartment block that has already generated a >50 % return. This year it acquired a major lithium producer's workers' accommodation asset near Bunbury for roughly one third of the capital originally invested. Notably, the asset's depreciation schedule (tax shield) approximates the price Aspen paid for both the asset and its 18 hectares of suburban land.

Much has been written about the dominance of large capitalisation stocks in indexes and the relative under performance of smaller companies. Despite our focus on small and mid caps, this dynamic can work to our advantage. Both Aspen and Regis are likely index inclusions in the next 6–12 months; given their free floats and presently limited passive ownership, such inclusion could trigger outsized reactions if operations keep performing.

Risk and portfolio attributes

There are many ways to think about risk and its impact on performance. Some considerations include statistical measures summarising returns profile, drawdowns (maximum fall), and historical volatility at the portfolio level:

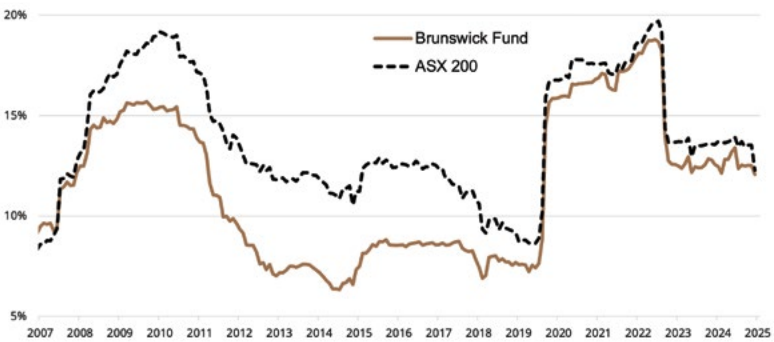
Table 4: Portfolio risk attributes

	PORTFOLIO	#BENCHMARK
Total Return	+1,918.9%	+485.0%
Max Drawdown	-40.0%	-47.2%
Best Month	+10.9%	+10.2%
Worst Month	-18.9%	-20.7%
Positive Months	67.9%	63.9%
Negative Months	32.1%	36.1%
Annualised Volatility	+12.1%	+13.7%

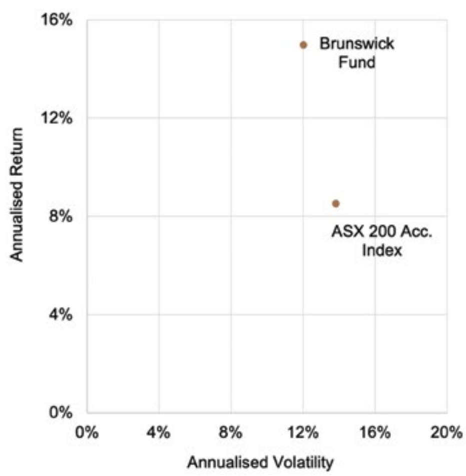
Cumulative (1 July 2004), pre fees and expenses
S&P ASX 200 Accumulation Index
Max Drawdown for the Brunswick Fund occurred December 2007 to February 2009.
Source: Internal CI data, 30 June 2025
Past performance is not a reliable indicator of future performance.

Chart 9: Brunswick Fund historical volatility

VOLATILITY (3 YR)



CI BRUNSWICK FUND VS ASX 200 (SINCE INCEPTION)

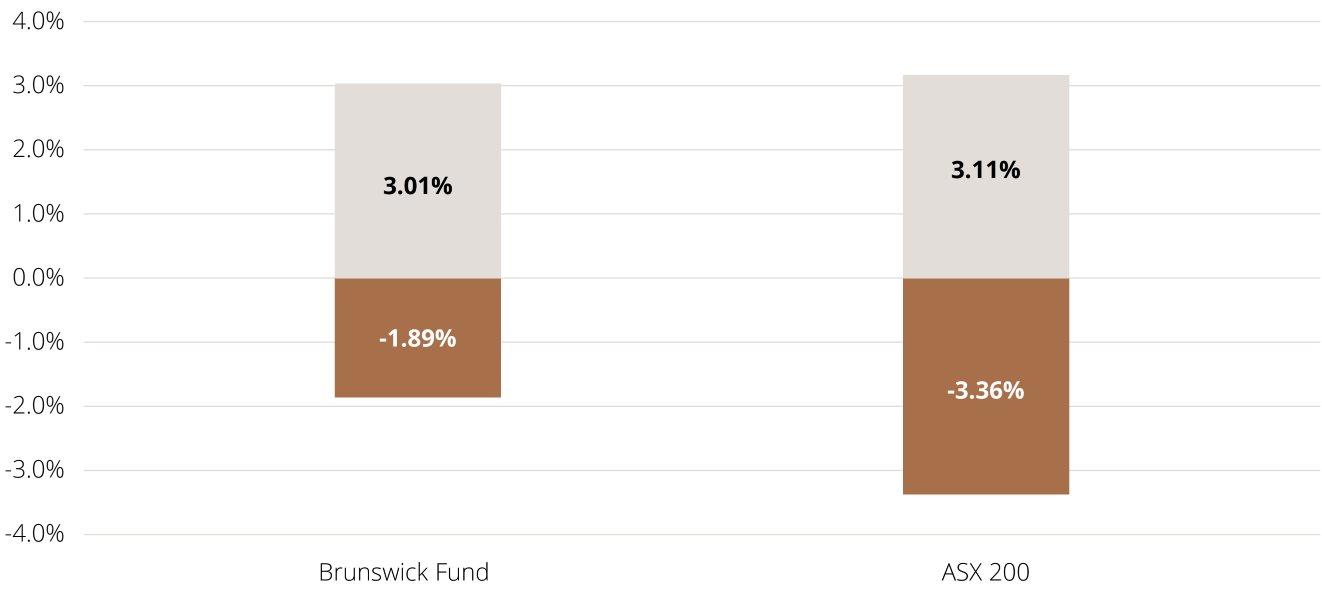


Source: Internal CI data, 30 June 2025
Past performance is not a reliable indicator of future performance.

One important aspect to the Fund's performance historically has been that most of the attribution comes from performing better in down-markets. Since inception, this has occurred in 80% of down-markets (based on monthly returns).[8]

[8] Past performance is not a reliable indicator of future performance.

Chart 10: Average monthly returns



Based on 252 monthly data points, 161 up months, 91 down months
Source: Internal CI data, 30 June 2025
Past performance is not a reliable indicator of future performance.

As we reflect on its history, the Fund has remained true to its namesake, Brunswick. By investing in everyday products and services, genuine people with strong values and beliefs, and businesses that are run by their proprietors, the Fund continues to deliver value to investors.

The Brunswick Fund remains very well positioned across our three capital pools and we continue to find opportunities across each pool.

We once again thank you for your ongoing support and please do not hesitate to contact us should you have any questions.

Best Regards,

The Brunswick Fund Team

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