



GLOBAL MASTERS FUND LIMITED

ABN 84 109 047 618

Chairman's Address – Annual General Meeting

Tuesday 25 November 2025

Fellow Shareholders, Ladies and Gentlemen, I am pleased to present the Annual Chairman's Report of Global Masters Fund Limited for the 2024/2025 financial year.

THE YEAR IN REVIEW

I am pleased to report that GFL delivered a total return of 19.8% for the financial year, outperforming the MSCI World Index (AUD) return of 16.4% by 3.4 percentage points. This strong performance was achieved across all major holdings in our portfolio.

Our cornerstone investment in Berkshire Hathaway continued its steady performance, with BRK.A shares rising 19.0% in USD terms. Currency movements provided an additional tailwind of 1.3%, reflecting the strength of the US dollar. The ECP Global Growth Fund delivered an impressive 22.0% return, while our actively managed UK portfolio achieved 20.2% for the year.

Navigating a Complex Market

FY2025 presented a market of stark contrasts. While the "Magnificent Seven" technology stocks dominated index returns and created unprecedented concentration risk, powerful structural themes emerged beneath the surface. The return of tariffs accelerated manufacturing re-shoring, AI-driven computing demand exposed critical power grid constraints, and the energy transition highlighted looming shortages in critical minerals.

Against this backdrop, the achievement of our investment manager, EC Pohl & Co, is particularly noteworthy—the ECP Global Growth Fund delivered 22.0% returns while maintaining an underweight position in mega-cap technology stocks. This outperformance, achieved by identifying quality growth companies across the market capitalisation spectrum, validates our conviction that disciplined active management can succeed without following the crowd into increasingly concentrated positions.

Our Enduring Philosophy

Across all these themes—whether evaluating AI adoption, infrastructure opportunities, or emerging market reforms—our investment filter remains unchanged. We seek businesses with strong cash generation, demonstrable competitive advantages, excellent governance, and high reinvestment opportunities at attractive returns.

This discipline served us well through a year of both concentrated market gains and broad thematic shifts. As we execute the strategic initiatives outlined in this address, we remain focused on identifying the quality businesses that will compound value through the cycles ahead, regardless of their size or sector.

CONVERTIBLE NOTES

During the year, we reached the step-up hurdle for our convertible notes, which now pay interest at 6.5% per annum. More importantly, our strong share price performance has encouraged noteholders to convert to ordinary shares, strengthening our capital base exactly as intended.

This positive momentum has continued into the current financial year with 548,389 notes already converted. As we approach the November 2026 maturity date, we expect this trend to accelerate. Each conversion represents both a vote of confidence in our strategy and a reduction in future cash obligations, allowing more capital to remain invested for long-term compounding.

INVESTMENT IN THE ECP PRIVATE GROWTH FUND

Later in the meeting, Shareholders will be asked to approve a capital commitment to the ECP Private Growth Fund. This is an evolution, not a revolution of our approach—extending GFL's quality-focused philosophy into the pre-IPO phase while retaining our discipline and safeguards.

A Listed Investment Company structure is uniquely suited to private investments. Unlike managed funds that face redemption pressures, our permanent capital base allows us to hold investments through their full value creation journey—from pre-IPO through to public listing and beyond. This patient approach means we can access opportunities that would be unavailable or inappropriate for open-ended funds.

The Private Growth Fund extends our quality-focused philosophy into the pre-IPO phase, allowing GFL to access exceptional businesses 12-36 months before they list. These are not venture-style investments but disciplined allocations into companies with:

- Proven revenue traction (minimum 12 months)
- Clear competitive advantages and resilient unit economics
- Strong, aligned management and governance discipline
- Credible pathway to public listing within 36 months
- Industry-agnostic, but quality-constrained

For our Shareholders, this provides institutional-grade access to pre-IPO opportunities typically reserved for sophisticated investors with much larger minimum investments. You maintain daily liquidity through GFL shares while we manage the illiquidity of private investments on your behalf.

Importantly, this capability comes with no additional management fees to GFL, and each investment requires specific Board approval. We have limited any single investment to 5% of GFL's equity, ensuring appropriate risk management.

The Board believes that selectively investing in these private companies will give GFL a performance edge over the long term, realising both the upside of the IPO event and access to pre-IPO stock to increase our investment if appropriate. I look forward to discussing this further when we come to this agenda item.

INVESTMENT IN THE EC POHL & CO RESILIENT QUALITY FUNDS

The second resolution seeks approval to invest in three new regional Resilient Quality Funds. These funds represent the next phase of our portfolio evolution as we undertake a measured reduction of our Berkshire Hathaway weighting.

While our Berkshire Hathaway investment has served Shareholders exceptionally well, Warren Buffett himself acknowledged in his 2023 letter that Berkshire's enormous size now constrains future returns—noting the company has only marginally outperformed the S&P 500 since 2004. This reality creates our opportunity.

Our Manager employs Berkshire's quality-focused philosophy but targets "resilient quality" companies—exceptional businesses in their growth phase rather than at maturity, particularly in the mid-cap space where Berkshire can no longer meaningfully invest. This approach allows us to capture the next generation of compounding opportunities that Berkshire's scale now precludes.

The Manager's approach has already proven successful. Since our investment in the ECP Global Growth Fund, it has outperformed its benchmark on a one-year, two-year, and three-year basis, validating both the investment philosophy and execution capability.

Building on this success, and recognising the opportunity to apply this proven approach across different geographic markets, the Manager is establishing three new regional funds. The Board believes GFL should be a cornerstone investor in these strategies:

- European Resilient Quality Fund - incorporating our existing UK portfolio
- Americas Resilient Quality Fund - capturing opportunities in the Americas, largely the US
- Asia-Pacific Resilient Quality Fund - targeting quality businesses across our region

I'm pleased to report that through our commitment to seed these new strategies, we have successfully negotiated terms that mirror our ECP Global Growth Fund arrangement. GFL will benefit from zero management fees on the Americas and Asia-Pacific funds for three years. This ensures maximum value flows directly to our Shareholders while these strategies establish their track records.

These funds maintain our disciplined focus on quality while providing the regional diversification and active management needed to capture companies during their most dynamic growth phases—precisely where Berkshire found its greatest successes in earlier decades.

GFL STRATEGY AND BRANDING

Following extensive Board deliberations this year, I am pleased to share our refined strategic direction and brand positioning. Our evolved brand promise - "Built on Quality, Driven by Compounding" - crystallizes what GFL has always stood for while providing clear direction for our future.

From the start of the new year, Shareholders will see this evolution come to life through our new website and refreshed brand identity. This enhanced transparency and communication reflects our commitment to bringing Shareholders along on our journey toward becoming a fully active investment company.

Portfolio Evolution

Our strategic review confirmed a measured, multi-stage approach to portfolio transformation. In the near term, we are reducing our Berkshire Hathaway position to approximately 50% of the portfolio. This is not a departure from our quality-focused philosophy, but rather the first step in a gradual transition that allows us to deploy capital more actively while maintaining meaningful exposure to Warren Buffett's exceptional stewardship.

The regional Resilient Quality Funds represent an intelligent intermediate structure. By securing zero management fees on the Americas and Asia-Pacific funds for three years, we can build scale and performance history efficiently. As GFL continues to grow and our active management capabilities expand, we anticipate eventually transitioning to a fully direct portfolio—eliminating the unit trust layer entirely and managing a concentrated portfolio of 20-40 global quality companies directly within GFL.

Dividend Policy

After careful analysis of our Shareholder base and the long-term wealth implications, the Board has resolved to maintain our no-dividend policy in the short-term. Our research shows that for the majority of our capital-weighted investors, the compounding benefit of retained earnings exceeds the value of franking credits over the long-term. This approach, consistent with the Berkshire Hathaway model we admire, ensures maximum long-term wealth creation for our Shareholders.

We do, however, acknowledge that as we progress our strategic transition and continue reducing our Berkshire Hathaway holding, we will realise capital gains and accumulate franking credits. The Board recognises these franking credits represent value that belongs to Shareholders and will monitor this balance carefully. Our new website will feature a comprehensive dividend policy that outlines the circumstances under which the Board may consider special distributions. This ensures we maintain flexibility to act in Shareholders' best interests while preserving our core commitment to long-term compounding.

LOOKING AHEAD

The decisions before you today position GFL for its next chapter. We remain committed to our core purpose – maximising long-term capital growth through quality investments. Our refined strategy provides the tools and flexibility to pursue this goal more effectively while maintaining the discipline and values that have guided us since inception.

Your Board believes these initiatives will enhance our ability to compound wealth over the long term, close the discount to NTA, and deliver superior returns to our patient Shareholders.

These amendments provide Shareholders with clear explanations of strategic decisions while maintaining appropriate detail for an AGM address.

THANK YOU

I wish to record my appreciation for my fellow Board members for their support and contribution throughout the past year. In particular I want to congratulate Jason Pohl again on his promotion to Managing Director of GFL. Jason, is bringing fresh energy and perspective to the GFL strategy and the ambition and drive to execute. This is an exciting time to be involved in the Company.

Finally, thank you to our long-term Shareholders for your support, we will keep working hard on your behalf.



Murray d'Almeida
Chairman
25 November 2025