Global Masters Fund

GFL ANNUAL GENERAL MEETING

# Chairman's Address

Tuesday 24 November 2026

Fellow Shareholders, Ladies and Gentlemen, may I present the Annual Chairman's Report of Global Masters Fund Limited. While we will discuss the operations of the previous financial year, today I would like to focus on the current business of GFL and the future direction of the Company.

## THE YEAR IN REVIEW

As I wrote in the Annual Report, the Global Masters Fund portfolio under-performed during the financial year, delivering a negative return of 6.7%. The GFL portfolio was impacted generally due to the strengthening of the Australian dollar, which moved 5.2% against the US dollar and 8.9% against the British Pound. Berkshire Hathaway increased during the financial year in USD terms, but not enough to offset the currency movement.

The ECP Global Growth Fund, after increasing 22.0% in the prior year, decreased by 12.7% in the current financial year. The fund has significant exposure to globally listed growth companies and was affected between January and March 2026, when advances in AI large language models produced an outsized selloff in software and technology enabled businesses in favour of AI infrastructure. Importantly the business fundamentals of the underlying investments remain strong while valuation multiples compressed significantly. In discussions with the manager the long-term impact of earnings growth is expected to far out-weigh the short term decline in the price-to-earnings ratio.

## GFL'S FIRST DIVIDEND

We have released our Dividend Policy and Capital Management Framework. Under this governance framework the Board decided to declare a special dividend, accompanying the selldown of some of our Berkshire Hathaway position. The default position for GFL is to retain capital and compound earnings over time, however three things have changed:

- Franking credits and LIC capital gains are building up faster as a result of BRK sale.
- The capital gains tax changes from 1 July 2027 make the future value of LIC capital gains less certain.
- Many shareholders, particularly self-managed super funds, have told us franking credits matter to them.

The Board weighed these factors across the register, by capital held, and concluded it worthwhile to pay the dividend.

## GFLGA CONVERTIBLE NOTES

Today marks the maturity date of the convertible notes. Issued in 2021 the GFLGA convertible notes were a way of raising capital to further extend our active transition and entice a new group of investors to join the shareholding ranks of GFL. The notes have been a tremendous success. There have been 755,674 conversions, permanently adding $2,342,589 capital to the Company. The active investments have delivered consistently over the period adding $847,000 to the portfolio after costs for the benefit of Shareholders.

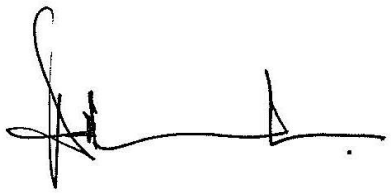
Today Noteholders will be repaid their capital and the final interest payment will be made. The current interest rate environment is not conducive to a new note offer, however the Board will continue reviewing our options for future capital raising activities in line with the new Capital Management Framework.

## LOOKING AHEAD

The EC Pohl & Co Resilient Quality Funds have been seeded and we believe there is a real opportunity in the timing on this investment. As mentioned earlier the price-to-earnings ratio has been compressed while investee earnings remain resilient, we expect the earnings to grow and these companies will be priced accordingly, if the sentiment shifts and valuation multiples expand this will be a tailwind for these portfolios.

We look forward to sharing more about these underlying investments, about the individual business stories and their prospects.

Yours faithfully,



**Murray d'Almeida**
Chairman
Global Masters Fund Limited