QUARTERLY NEWSLETTER

1 April 2026 – 30 June 2026

Share Price	Warrant Price	BRM NAV	PREMIUM[1]
$0.53	$0.00	$0.53	0.2%

as at 30 June 2026

In the June Quarter ("Q2") Barramundi's gross performance was +3.8%, and the adjusted NAV return was +3.4%, compared to the +4.2% return of the ASX200 benchmark index.

Q2 proved to be another volatile period for the Australian share market with global macro themes intersecting with company-specific events to drive a wide dispersion of returns across the Australian share market.

The Energy sector (-17%) was the worst performing sector following the retracement in oil and energy prices. The Healthcare sector (-6%) also lagged the market driven in part by negative investor sentiment to healthcare and in part by some poor investment updates from the likes of CSL and Cochlear (see below).

Information Technology (+17%) performed well, however the dispersion of returns within the sector was high. Strong demand for investment in Artificial Intelligence ("AI") related infrastructure underpinned the returns for the likes of Megaport (+208%) and data centre operator **NEXTDC** (+31% in A$ for the quarter). However continuing fears about how AI will impact 'traditional' software businesses weighed on the share prices of **WiseTech** (-13%) and **Xero** (-4%).

Strong share price returns from some portfolio companies in different sectors helped deliver a solid portfolio performance in the period.

A diverse range of portfolio positions delivered strong returns in Q2

Our best performing positions in Q2 spanned the outdoor advertising, building materials, data centre, electrical contracting, and diversified financial services industries.

Outdoor advertising company **oOH!Media** (+53%) received three non-binding takeover offers from different private equity investors during Q2. All three suitors are currently undertaking due diligence on the company and final bids are due in Q3. The bidders have opportunistically pounced during a cyclically weak period in the advertising cycle. Similar to our rationale for owning shares in oOH!Media, these suitors like the structural growth tailwinds underpinning spending growth in outdoor advertising. They seem to be prepared to take a longer-term view on oOH!Media's earnings prospects than the short term focussed public market.

Insurance broker **AUB Group** (+18%) also benefitted from takeover activity. AUB's Australian competitor Steadfast received a takeover offer from a suitor opportunistically taking advantage of the market's fear about how AI may disrupt the insurance broking industry. As with oOH!Media's takeover situation, the investor is prepared to take a longer-term view than the public market in assessing Steadfast's earnings power and hence valuation of the company. AUB's share price was buoyed by the takeover price (valuation multiple) offered for Steadfast coupled with the 'scarcity' factor. In other words, should Steadfast be acquired this would leave AUB as the only listed insurance broker in the ASX200 and hence is more attractive to investors seeking insurance broking exposure in their portfolios.

Strong demand for AI infrastructure benefitted **NEXTDC** (+31%) and industrial business **Maas Group** (+23%). In Q2, NEXTDC announced its biggest contract wins in the company's history. It successfully raised close to $3bn in funding to build out data centres underpinning these contracts. NEXTDC's earnings prospects have never looked brighter. Maas Group is benefitting from its electrical division that has won a large contract supplying the electrical equipment required to power data centres. The market expects Maas to sign more of these contracts in the near future.

A number of our financials investments including **Macquarie** (+26%), **Credit Corp** (+21%) and insurance broker AUB (see commentary above) all performed well. Macquarie delivered strong financial results in the period which highlighted strong earnings growth across its global divisions and has led to investors upgrading their future earnings growth expectations. Credit Corp likewise provided a positive trading update with strong earnings growth evident across its debt collection and consumer lending divisions.

Q2 was a mixed period for the major banks and diversified miners

Dominated by the four major banks and the diversified miners, the financials and materials sectors are the largest constituents of the Australian share market index (ASX200). As such, the share price performance of the banks and miners often dictate the ASX200 index return. In Q2, these groups of companies performed quite differently.

The banks - **ANZ** (+1%), **CBA** (-2%), **NAB** (-7%) and **Westpac** (-9%) share prices lagged the ASX200 in Q2. The Australian government's budget and affiliated tax changes are expected to weigh on lending growth (and hence earnings growth). Also, the effects of the Iran war have begun seeping into business confidence and so business lending is expected to weaken as well. The banks retain strong balance sheets and are well run, so they are well positioned to weather a softer economic environment. However, after a few years of strong share price performance this change in economic direction was enough to see some softness in their share prices.

We have exposure to the banks in our portfolio, but smaller than their ASX200 index weight and as such this benefitted our returns relative to the ASX200 in Q2.

In contrast, diversified miners **BHP** (+18%) and **Rio Tinto** (+7%) which are meaningful positions in our portfolio, performed well in Q2. In part they benefitted from being a derivative of the AI infrastructure demand thematic in that copper – a key commodity for both companies – is a key input in data centres and the affiliated increase in electrification infrastructure. BHP and Rio Tinto also benefitted from solid quarterly production updates from both companies. They have also been helped by production disruption at competitors' mines and rising costs of production across the mining industry because of, for example, energy prices going higher. This has seen the prices of global commodities more generally remaining elevated in this environment.

[1] Share price premium to NAV (including warrant price on a pro-rated basis and using the net asset value per share, after expenses, fees and tax, to four decimal places)

Tough Q2 for Brambles and Healthcare (albeit with glimmers of improvement)

Healthcare companies **Cochlear** (-28%) and **CSL** (-19%) and Chep pallets owner **Brambles** (-14%) delivered profit downgrades in Q2.

Cochlear's downgrade related to surgeries being cancelled in their Middle East markets and was impacted by changes in healthcare reimbursement in the US market. The company also rushed to launch a new cochlear implant into the market which has given them some initial difficulties. We've done a lot of digging into these dynamics including spending time meeting specialists in the US. We think the majority of these headwinds will prove to be temporary. Cochlear seem close to resolving the teething issues with its new product, and within a few months we should see an improvement in sales outcomes.

CSL's downgrade in part relates to cyclical factors in the US which we became aware of in late April, and this led to us cutting our positioning then, albeit with the benefit of hindsight, by not enough. CSL is notably cheap and has a good core franchise. We saw CSL's share price rebound in June - which was pleasing - as the market became more comfortable that the worst might be behind the company. That said, investors are still looking for sustained evidence of improved operating performance from management.

In Brambles' case the key catalyst for its earnings downgrade was the emergence of unexpected constraints in the contractors that it uses in the US to repair damaged pallets. This occurred at the same time that Brambles experienced a surge in demand for pallets as its large beverage customers (think 'Heineken' or 'Budweiser') stocked up ahead of the football world cup. The combination of these things led to Brambles spending more to meet its customers' requirements and this impacted its profitability. Although its share price fell sharply, we think the market has overreacted to what is a readily fixable short-term problem. We think Brambles is an attractively priced high-quality company and used this opportunity to add to our position.

Robbie Urquhart
Senior Portfolio Manager
Fisher Funds Management Limited
15 July 2026

SIGNIFICANT RETURNS IMPACTING THE PORTFOLIO DURING THE QUARTER IN AUSTRALIAN DOLLARS

oOH!MEDIA	NEXTDC	MACQUARIE GROUP	MAAS GROUP	COCHLEAR
+53%	+31%	+26%	+23%	-28%

PERFORMANCE
as at 30 June 2026

	3 Months	3 Years (annualised)	5 Years (annualised)
Company Performance			
Total Shareholder Return	(2.1%)	(0.5%)	(5.7%)
Adjusted NAV Return	+3.4%	(0.9%)	+0.1%
Portfolio Performance			
Gross Performance Return	+3.8%	+1.1%	+2.0%
Benchmark Index[1]	+4.2%	+11.9%	+8.8%

[1] Benchmark Index: S&P/ASX 200 Index (hedged 70% to NZD)

Non-GAAP Financial Information

Barramundi uses non-GAAP measures, including adjusted net asset value, adjusted NAV return, gross performance return and total shareholder return. The rationale for using such non-GAAP measures is as follows:

» *adjusted net asset value – the underlying value of the investment portfolio adjusted for capital allocation decisions after expenses, fees and tax,*
» *adjusted NAV return – the percentage change in the adjusted NAV value,*
» *gross performance return – the Manager's portfolio performance in terms of stock selection and currency hedging before expenses, fees and tax, and*
» *total shareholder return – the return combines the share price performance, the warrant price performance, the net value of converting any warrants into shares, and the dividends paid to shareholders. It assumes all dividends are reinvested in the company's dividend reinvestment plan, and that shareholders exercise their warrants, (if they were in the money), at warrant expiry date..*

All references to adjusted net asset value, adjusted NAV return, gross performance return and total shareholder return in this newsletter are to such non-GAAP measures. The calculations applied to non-GAAP measures are described in the Barramundi Non-GAAP Financial Information Policy. A copy of the policy is available at barramundi.co.nz/about-barramundi/barramundi-policies.

PORTFOLIO HOLDINGS SUMMARY
as at 30 June 2026

Company	% Holdings
Ansell	2.2%
ANZ Banking Group	5.0%
AUB Group	5.4%
BHP Group Limited	6.3%
Brambles	5.3%
CAR Group	4.9%
Cochlear Limited	2.0%
Commonwealth Bank	3.6%
Credit Corp	4.2%
CSL	2.2%
Fineos Corporation Holdings	3.7%
Maas Group Holdings Limited	4.8%
Macquarie Group	6.4%
National Australia Bank	4.0%
NEXTDC	4.9%
oOh! Media	3.6%
PWR Holdings	4.6%
REA Group	1.7%
ResMed	4.4%
Rio Tinto Limited	3.1%
SEEK	4.1%
Wise Tech Global	5.8%
Xero Limited	6.1%
Equity Total	**98.3%**
Australian cash	**1.0%**
New Zealand cash	**0.8%**
Total cash	**1.8%**
Forward foreign exchange contracts	**-0.1%**
Total	**100.0%**

Barramundi

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