

Ironbark Brown Advisory Global Share Fund

Quarterly Report / As at 31 March 2026

Fund facts

Objective:
The Fund seeks to outperform the Benchmark by 2-3% p.a. after fees, over rolling five-year periods through investment in a focused selection of equities on a global basis.
Benchmark:
MSCI ACWI NR (AUD)
APIR:
MGL0004AU
ARSN:
090 379 105
Inception date:
4 October 1996
Class size:
\$1,025.4m
Exit price:
\$3.7276

Net performance (%)

	1 month	3 months	1 year	3 years (p.a.)	5 years (p.a.)	7 years (p.a.)	10 years (p.a.)	Since inception (p.a.)
Fund¹	-4.88	-11.35	-3.74	13.79	14.11	14.63	14.76	9.20
Benchmark ²	-3.42	-5.75	9.19	16.30	12.87	13.04	13.22	8.26
Active	-1.46	-5.60	-12.93	-2.51	1.24	1.59	1.54	0.94
Brown Advisory Composite³	-	-	-	11.12	8.86	10.75	12.58	11.66
Composite Benchmark	-	-	-	15.71	11.84	12.20	12.64	11.03
Active	-	-	-	-4.60	-2.98	-1.45	-0.06	0.63

Top 5 holdings

Stocks	Sector	Country
Microsoft	Information Technology	United States
Deutsche Boerse	Financials	Germany
Visa - Class A	Financials	United States
Alphabet - Class C	Communication Services	United States
Mastercard - Class A	Financials	United States

¹ Fund performance prior to 23 September 2024 is not attributable to the current investment manager. From 29 August 2024 to 20 September 2024, a transition manager was appointed to the Fund to coordinate an orderly transition of the portfolio from the prior investment manager over this period. Returns prior to 29 August 2024, reflect the previous investment manager(s) of the Fund. The Brown Advisory composite is presented to provide a longer-term view of the Fund's current investment strategy.

² The MSCI ACWI NR AUD was adopted as the Fund's benchmark on 23 September 2024. Benchmark calculations from 1 September 2016 to 20 September 2024 are based on the MSCI World NR AUD and benchmark calculations prior to this date are based on the MSCI World ex Australia in AUD, as previously adopted benchmarks of the Fund.

³ The inception date of the Brown Advisory Composite is 1 May 2015. Performance periods from 1 May 2015 to 30 September 2024 for the Brown Advisory Composite represent the Brown Advisory Global Leaders Strategy in AUD terms, net of fees. Performance periods from 1 October 2024 to month-to-date for the Brown Advisory Composite represent the net returns of the Ironbark Brown Advisory Global Share Fund. Source: Brown Advisory, State Street Australia Limited and Morningstar Direct.

Past performance is not indicative of future performance. Net performance figures are calculated using exit prices, net of fees and reflect the annual reinvestment of distribution. Returns are rounded to two decimal places. Slight variations to actual calculations may occur. Significant investor activity can impact performance returns in a fund or of a class of a fund.

Top 5 monthly contributors

Contributing Stocks	Active weight
Deutsche Boerse	Overweight
B3 SA - Brasil, Bolsa, Balcao	Overweight
London Stock Exchange Group	Overweight
Rentokil Initial	Overweight
Mastercard - Class A	Overweight

Top 5 quarterly contributors

Contributing Stocks	Active weight
B3 SA - Brasil, Bolsa, Balcao	Overweight
ASML Holding	Overweight
Deutsche Boerse	Overweight
Taiwan Semiconductor	Overweight
AIA Group	Overweight

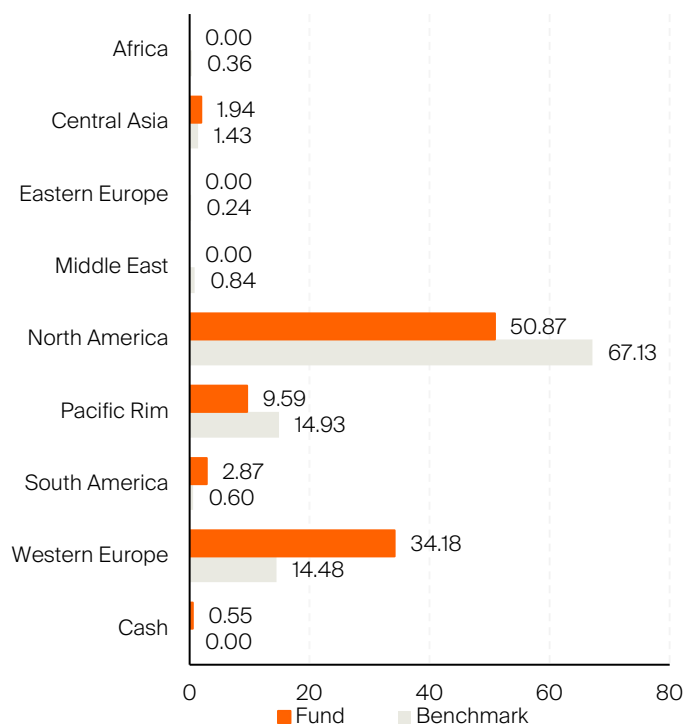
Top 5 monthly detractors

Detracting Stocks	Active weight
Unilever	Overweight
Safran	Overweight
Roche Holding	Overweight
HDFC Bank	Overweight
CTS Eventim	Overweight

Top 5 quarterly detractors

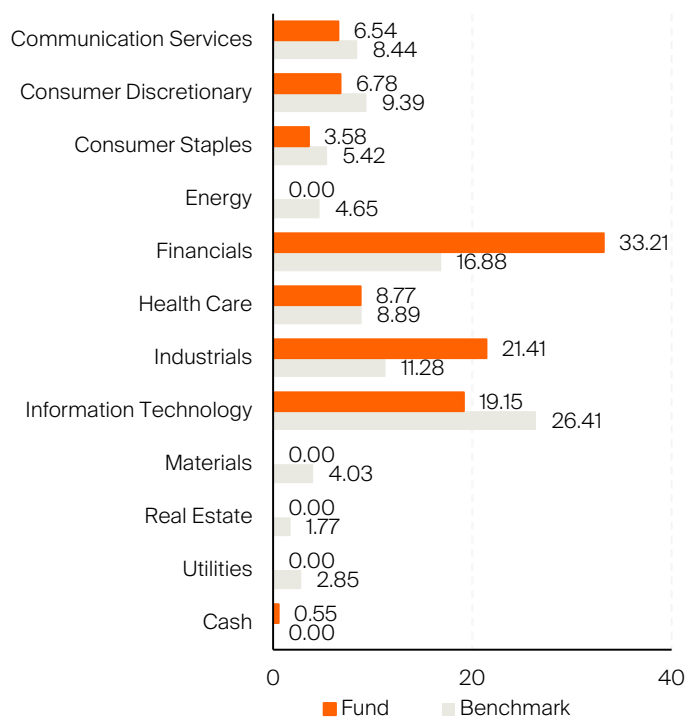
Detracting Stocks	Active weight
Microsoft	Overweight
Workday - Class A	Overweight
HDFC Bank	Overweight
Intuit	Overweight
Experian	Overweight

Regional asset allocation (%)⁴



⁴ Totals may not equal due to rounding.

Sector asset allocation (%)⁴



Investment manager commentary

Performance review

The Ironbark Brown Advisory Global Share Fund (the 'Fund') returned -11.35% (net) for the quarter, underperforming the MSCI ACWI NR AUD by -5.60% which returned -5.75% over the period.

Over the first three months of 2026, the investment manager has encountered a number of headwinds. On one hand, there was weakness across risk assets more broadly (nothing the investment manager controls for in their process); on the other, and by far the greater impact given the portfolio's level of concentration, came from its investments which were impacted by the market's perceived "AI loser" narrative. For the portfolio this directly impacts: payments companies Visa and Mastercard, credit bureaus Experian and Equifax (both initiated in 2025), software companies Microsoft, Autodesk, Intuit and Workday, and one of portfolio's Financial Market Infrastructure investments the London Stock Exchange Group. The investment manager conducted drawdown reviews and added to all the aforementioned companies and exited Intuit. Not being invested in Energy was a secondary driver. Not owning energy accounted for roughly one fifth of the strategy's relative underperformance YTD. The investment manager does not have a hard exclusion of the Energy sector, but the lack of capital or technology barriers, high prices attracting competition, and lack of product differentiation make commodities and energy very difficult areas for them to find a superior customer outcome, a sustainable business advantage (SBA), or a durable 20%+ RoIC.

B3, Brazil's financial markets monopoly, benefitted from increased trading volumes during a period of heightened market volatility. B3 continues to diversify its product portfolio and retains exposure to structural growth opportunities in Brazil. The company maintains a virtual monopoly across 90% of its business lines. ASML continued to benefit from the build-out of AI infrastructure, maintaining a strong order backlog and positive indications regarding the adoption of High-NA tools required for the production of leading-edge nodes (2 nm and below), where ASML holds a monopoly position in Extreme Ultraviolet (EUV) lithography machines. Deutsche Boerse benefited from increased hedging activity at Eurex and heightened activity at EEX, the largest European energy exchange owned by Deutsche Boerse. The company also continues to show strong fundamentals and growth opportunities with expected growth to be broad-based across Financial Market Infrastructure trading and clearing and security services asset, and newer areas like commodities and FX. The investment manager has a positive view on the proposed acquisition of fund distribution platform Allfunds. The combined Clearstream Funds Services and Allfunds businesses would be the leading fund distribution and custody business in Europe. Taiwan Semiconductor Manufacturing benefits from its leadership in leading node manufacturing which allows it to take market share and benefit from the strong demand environment for high-performance computing and AI infrastructure. Ferguson continued to outperform its end markets in a challenging macroeconomic environment, demonstrating its ability to maintain pricing and achieve margin expansion. Additionally, the company continues to pursue accretive, low-risk tuck-in acquisitions that further bolster its market share growth.

For Microsoft, the investment manager believes that market expectations for very strong product cycles partially explain the negative reaction to what they consider strong performance for Azure and Copilot. Microsoft demonstrates genuine growth and cash flow from GenAI, but, importantly, continues to deliver strong performance across all business segments, driven by Azure and Windows. The company continues to deliver in a constrained supply environment, which it is addressing through its capital expenditure plans, extending the durability of their free-cash-flow growth in their view. The market seems to focus on the slower-than-expected reduction in post-merger loan-to-deposit ratios (LDRs) at HDFC Bank and the recent abrupt resignation of part-time Chairman Atanu Chakraborty. The investment manager expects LDRs to improve, with deposit growth outpacing loan growth, given HDFC's structural deposit growth and funding advantage versus peers. The investment manager has also seen proof points of the expected post-merger cross-selling opportunity, with over 95% of home loan customers opening current and savings accounts according to the company, and 50% of those customers opting for additional offerings as well. The market seems to focus on the slower-than-expected reduction in post-merger loan-to-deposit ratios (LDRs) at HDFC Bank and the recent abrupt resignation of part-time Chairman Atanu Chakraborty. The investment manager expects LDRs to improve, with deposit growth outpacing loan growth, given HDFC's structural deposit growth and funding advantage versus peers. The investment manager has also seen proof points of the expected post-merger cross-selling opportunity, with over 95% of home loan customers opening current and savings accounts according to the company, and 50% of those customers opting for additional offerings as well. Despite strong fundamentals, Experian, as a credit company and data business, is currently being penalised as an "AI loser." Due to the uniqueness and scale of its data, barriers to entry for credit bureaus are extremely high; replicating this data is virtually impossible in terms of scale, depth, and quality, in the investment manager's view, positioning Experian well against AI challengers. Visa has experienced weakness due to a number of AI bear case concerns (such as white-collar unemployment), as well as potential macro softness driven by geopolitical risks. The investment manager views AI opportunities as beneficial, with Visa remaining critical for agentic commerce.

Portfolio Activity

The investment manager initiated a new position in Mercado Libre in February. Mercado Libre is the dominant e-commerce and fintech platform in Latin America, positioned to capture long-duration growth from still-low online retail penetration and underdeveloped credit markets.

Portfolio activity (continued)

Its leadership across Brazil, Mexico, and Argentina is reinforced by a vertically integrated ecosystem spanning logistics, payments (MercadoPago), and credit (MercadoCredito), creating powerful network effects and data advantages that competitors will struggle to replicate, in the investment manager's view. One way that Mercado Libre outperforms its competitors is by how it generates value for its ecommerce suppliers by not competing with the merchants on its platform (neither via own-label goods nor via Mercado Libre's own first-party inventory). With over 90% third-party content in Brazil, Mercado Libre's largest e-commerce market, Mercado Libre sparingly uses first-party inventory to supplement product assortment gaps in certain categories. As e-commerce spending continues to grow across Latin America, Mercado Libre benefits from management's long-sighted view and long track record of prioritising investment into ecosystem strength and growth over short-term margins, investing through cycles in fulfilment, payments, underwriting models, and product innovation.

The investment manager believes that a like-for-like cohort analysis shows very good profitability embedded in past investments, albeit currently hidden at a corporate level by increasing expenditure over 2025 (and again through 2026) into logistics and MercadoCredito. The investment manager used weakness in the shares as an opportunity to enter on a long-term investment horizon. In the short-term accelerated expenditures have weighted on 2025 (and expected 2026) operating margins but these have already shown visible acceleration in platform revenue growth with market share gains demonstrating the long-term payoff. On a three-to-five-year view the investment manager sees great potential for payback. The investment manager expects this will be driven by the continuing high growth of the e-commerce business as greater scale delivers unit cost declines and the ongoing rapid growth of its high margin advertising business. Within the fintech segment, growth in on- and off-platform payments, and a growing credit offering across Brazil, Mexico and Argentina, also contribute positively to their estimates. Arguably the MercadoCredito outlook in Mexico and Argentina is even better than what the investment manager has seen so far in Brazil. On a constant currency basis, the investment manager sees a five-year double-digit IRR in their base case, using a 15% discount rate to reflect country and currency risk.

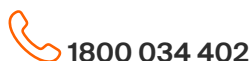
The investment manager exited their position in Intuit in February. Over the Fund's holding period, Intuit tripled its free cash flow per share and achieved a compound annual growth rate of 14.15% (in USD terms). The investment manager was originally attracted by the company's position as the largest provider of consumer tax software in the US and its leadership in accounting software solutions for small and mid-cap businesses. Intuit's tax and accounting software provides substantial value to consumers, entrepreneurs, and small businesses today such as tax savings for consumers and improved cash flow for businesses.

The opportunity to penetrate the largely untapped market where competition is still primarily paper-based accounting and to expand into the mid-market segment offered the prospect of an attractive, free cash flow-based return profile. The company executed well on its growth strategy, successfully navigating a channel shift to online solutions for both consumer taxes and accounting software, and is now monetising AI across both segments. Over the strategies nearly six-year holding period, Intuit delivered on their thesis. The investment manager's decision to exit Intuit was not related to its historic execution, but rather to the well-discussed substitution risk posed by AI challengers. While the company is significantly reducing its own technology costs by implementing AI, the investment manager believes it is exposed to greater competition from low-cost challengers, potentially weakening its competitive advantages going forward. Its products are also targeted at consumers and smaller businesses, which have higher annual churn and are generally more willing to adopt new technologies (esp. if they are lower cost) than traditional enterprise software customers. Another complication is the investment manager's inability to disprove the bear case in the market that low-cost challengers could compete effectively in tax, undermining pricing power and AI monetisation, or that AI could disintermediate the back-office software business. The probabilities for Intuit have widened, and they perceive a weakening of its barriers to entry. The investment manager prefers companies with high probabilities and strengthening moats. Despite Intuit's strong historical execution and an attractive IRR, they believe that their clients' capital is better allocated to other investments. The investment manager allocated the capital to Visa, Mastercard, and the credit bureaus.

The investment manager received shares in the Magnum Ice Cream Company in December 2025 as part of a corporate action. The position was analysed as a potential stand-alone investment and has now been exited for liquidity and business model fit reasons.

Market outlook

Since the inception of the Fund's Strategy, the investment manager has looked for high-quality companies with superior customer outcomes, that they believe are able to pass on prices and generate high levels of recurring revenue while requiring low financial leverage. This approach is helping them focus on the long-term and capital preservation. The investment manager's process continues to guide them successfully to investing in those quality companies that have their economics compound over long periods of time to generate attractive returns for their investors. It is this time arbitrage paired with a thoughtful, repeatable process that the investment manager sees as the core driver of value generation within the Fund.



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