



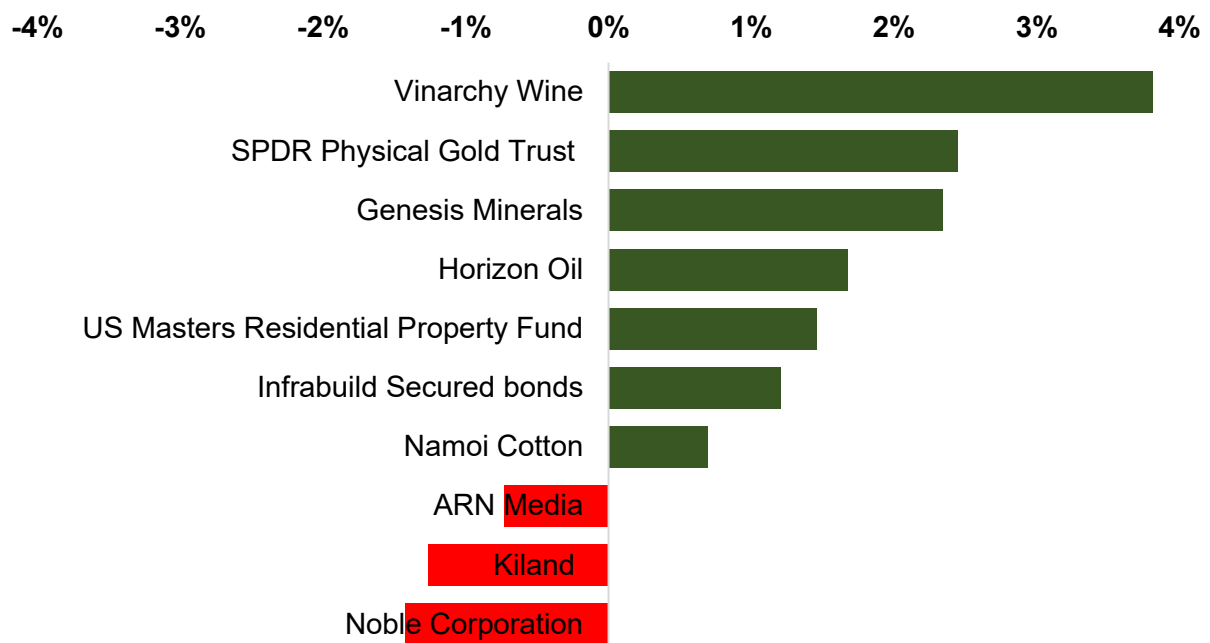
SAMUEL TERRY
ASSET MANAGEMENT

Dear Unitholders,

The Fund's results during the year are shown in the following table, which compares the Fund's return (net of fees) to the Australian All Ords Index and the MSCI World Index:

To 30 June 2025	STAR Founder Class	All Ords	MSCI (\$A)	STAR A Class
1 year	13.1%	13.2%	16.5%	12.3%
3 years (p.a.)	18.6%	13.5%	17.8%	17.1%
5 years (p.a.)	17.9%	12.0%	14.0%	16.3%
7 years (p.a.)	16.5%	8.9%	11.7%	14.8%
10 years (p.a.)	20.1%	9.1%	11.1%	
Inception in 2003 (p.a.)	16.3%	9.0%	8.9%	

Top contributors to 2025 return¹



The fund modestly underperformed both Australian and global share markets but met our target return of over 10% pa. This was despite having 13.5% (on average) of the Fund in low-yielding cash and no exposure to high-flying technology companies.

Our worst performer was American drillship owner **Noble Corp** (2.2% of the Fund) which lost 36%, driven by a 21% drop in the Brent oil price during the year. Kangaroo Island landowner,

¹ STAM internal calculation of contribution to NAV return.

Kiland (6.6% of the Fund), lost 14% and Australian radio network **ARN Media** (3.1% of the Fund) lost 21%².

Our winners included American real estate owner **US Masters Residential Fund** (4.5% of the Fund) which rose 44% and **Vinarchy**, which was revalued by 27% following completion of Accolade's purchase of Pernod Ricard's wine business³.

Australian oil producer **Horizon Oil** (6.5% of the Fund) delivered a 25% return, benefiting from effective management and strategic capital allocation, despite a weak oil price.

The price of gold in Australian dollars rose 44% during the year. This benefitted both our holdings of physical gold (sold during the year) and Australian gold miner, **Genesis Minerals** (4.5% of the Fund), which rose 85%.

We have had an exposure to gold for a long time. The reason we switched from owning the metal to owning gold mining shares was that gold mining shares were (and are), in general, inexpensive relative to the gold price. The market in gold shares appears to believe that the rise in gold is temporary and cyclical, rather than part of a long-term trend. Indeed, many stockbroker research reports on gold miners explicitly base their valuations using gold prices that are well below the current price.

We remain positive on the long-term outlook for gold for two main reasons. One is the unsustainable debts and deficits that major western countries (eg USA, UK and France) are incurring. The other is reduced faith in western financial institutions as a safe store of value following the west's seizure of Russia's foreign reserves after the Ukraine invasion.

Our Investment Approach (repeated from prior years)

We approach the Fund with a "family office" mindset, focusing on preserving and generating value over a long-term investment horizon. Rather than operate as traditional fund managers, we view our role as stewards of capital with a mandate to make rational, high-conviction investments whilst carefully weighing risks.

We keep at the forefront of our mind our typical investor: a rational risk-taker, preferring investments where the odds are strongly in their favour. They are comfortable allocating a substantial portion of their portfolio to a single security, provided the potential downside is limited and the upside is considerable. While they can accept moderate losses on individual trades and tolerate some volatility, they are highly averse to any risk that could significantly impact their long-term net worth. Ultimately, their goal is to achieve substantial, sustained wealth growth.

With this investor profile in mind, we are prepared to take meaningful positions in assets that offer limited downside and significant upside potential. Our investment philosophy is strengthened by our personal alignment with unitholders, as each of us maintains a considerable portion of our own net worth in the Fund.

Growth of the Fund

The Fund has grown to over a billion dollars, which has naturally prompted some questions about whether size might affect future returns. Our answer is the same as it has been since we had less than \$100m in assets: we recognise there is a level of assets beyond which we cannot generate decent returns. While we cannot pinpoint that level, we are confident it sits above our current size.

² Gain/loss numbers for individual securities are total returns, i.e. they include any dividends paid.

³ During the year Accolade Wines was renamed Vinarchy.

As we have grown, we have continually assessed whether we can still find attractive investments that work at our scale, and we can. Even in a bull market for both equities and credit, we continue to find suitable opportunities, and we expect even more of them WHEN the next bear market arrives.

During the last year, we hired Charlie Kingston as senior analyst, Oli Coombs as analyst and Pete van Beek to manage our investor relations. Welcome to all.

Changed redemption policy

Following feedback from unitholders, we removed the three-month notice period for redemptions. Any redemption request received by the last business day of the month will be effective at the end of that same month.

To support this change, we have introduced a Fund-level net redemption cap of 2.5% of NAV per month. Individual investors can request to redeem up to 100% of their holdings in any month, and redemption requests will continue to be met in full unless total net redemption requests across the Fund exceed the 2.5% cap.

If total net redemption requests ever exceed the 2.5% cap, redemptions will be pro-rated up to the cap, and investors will be free to reapply to redeem their balance the following month.

The removal of the notice period, combined with the 2.5% fund-level cap, ensures greater flexibility for investors while also protecting the Fund's ability to take advantage of compelling opportunities, including those arising from distressed or time-sensitive situations.

Outlook

When we look at macro conditions, our instinct is to worry and increase our cash weighting. The share prices of many large companies are far from cheap, and there is speculative enthusiasm in some parts of the equity markets. We are seeing aggressive uses of "back leverage"⁴ and causes of potential concern in some parts of the credit markets.

On the other hand, we continue to find investments that we regard as having attractive combinations of risk and reward. Even more than usual, we are torn between the desire to increase cash to prepare for a bear market, and the attractiveness of some new and existing assets.

Overall, we remain optimistic about the Fund's outlook.

Thank you for your support.

Fred Woollard, Nigel Burgess and Mitch Taylor

15 November 2025

⁴ "Back leverage" means a credit investor borrows additional funds from a bank to finance part of a loan investment, which increases both potential returns and risk.

Samuel Terry Asset Management Pty Limited (AFSL 278294) does not guarantee the repayment of capital or any particular rate of return from the Fund. Past performance is no guarantee or indication of future performance. The unit price can go down as well as up. Investment returns have been calculated in accordance with normal industry practice utilising movements in the unit price and assuming reinvestment of all distribution of income and realized profits. The above report does not take into account a reader's investment objectives, particular needs or financial situation. It is general information only and should not be considered as investment advice and should not be relied on as an investment recommendation.