FLAGSHIP INVESTMENTS

September 24

Quarterly Report

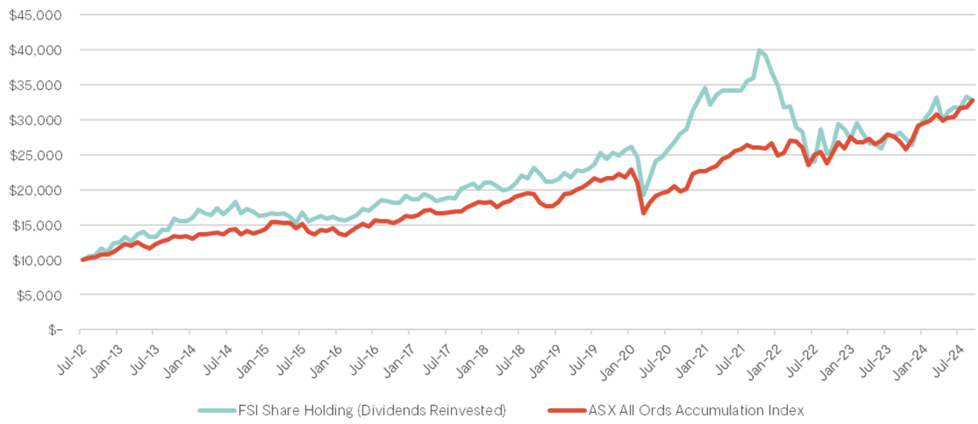
NTA	FULL YEAR DIVIDEND	SHARE PRICE	DIVIDEND YIELD
$2.734	10.1cps	$1.95	5.18%

INVESTMENT ACTIVITY

During the quarter we continued buying Chrysos Corporation Ltd (ASX: C79) and added to our holding in PWR and Megaport while our exposure to Car Group, CSL, GQG and Netwealth was reduced

During the quarter the portfolio produced a positive return of 10.6% compared to the ASX All Ordinaries accumulation index performance of 7.9%. The NTA increase for the quarter was 8.6% after paying the FY24 Final Dividend of 5.2 cents per share on 29 August 2024.

$10,000 investment in FSI under management of EC Pohl & Co



	3 m	1 yr	3 yr p.a.	5 yr p.a.	10 yr p.a.	Since Inception*
Portfolio^	10.6%	39.0%	7.2%	13.3%	13.5%	12.8%
Bloomberg Bank Bill Index	1.1%	4.4%	2.8%	1.8%	1.9%	3.9%
ASX All Ordinaries	6.6%	17.8%	3.8%	4.7%	4.9%	4.4%
ASX All Ord Accumulation	7.9%	22.2%	8.1%	8.7%	9.2%	8.7%

^ Source: EC Pohl & Co Pty Ltd
* per annum returns since inception: 1 May 1998
Gross performance before impact of fees, taxes and charges. Past performance no predictor of future returns

MARKET COMMENT

Global equities gained in the third quarter despite periods of increased volatility. Emerging markets outperformed, driven by China's announcement of new stimulus measures. Meanwhile, interest rate movements remained a central theme throughout the quarter. Major central banks, including the US Federal Reserve (Fed) and the European Central Bank (ECB), shifted their monetary policies by cutting interest rates, signalling a more accommodative stance in response to softening economic data. In spite of this market volatility persisted, with concerns over inflation, slowing growth, and the future path of interest rates leading to notable swings in investor sentiment.

In the US, shares advanced during the quarter, though sector performance varied. The utilities and real estate sectors were among the top performers, while information technology posted only a small advance, reflecting mixed sentiment. During the quarter, weaker-than-expected jobs data raised concerns about a potential economic slowdown, which prompted speculation about significant rate cuts. This became a reality when the Fed announced a 50-basis point cut to interest rates in September, settling market jitters. The S&P 500 posted +5.5%, while the Nasdaq posted +2.6% over the quarter.

In Europe, the ECB cut interest rates by 25 basis points in September, following a period of softening inflation, which fell from 2.6% in July to 1.8% in September. Despite these positive developments, economic activity showed signs of slowing. In the markets, real estate, utilities, and healthcare sectors benefited from the expectations of further rate cuts, while energy and information technology lagged behind. Political changes in France added further uncertainty, while the UK saw equity gains driven by the Labour Party's landslide victory and the Bank of England's first rate cut in four years. The FTSE increased by +0.9%, the CAC by +2.1%, and the DAX by +6.0%.

In Australia, equities recorded solid gains, outperforming many developed markets. The ASX All Ordinaries posted +6.6% for the quarter, the ASX 200 +6.5%,, with the real estate and IT sectors posting strong performance of +13.8% and +16.1%, respectively, while the materials sector surged by +8.5. The Reserve Bank of Australia (RBA) maintained the cash rate at 4.35%, though it did not rule out future hikes. Inflation data showed a moderate decline, while the labour market remained strong, with unemployment steady at 4.2%. The AUD appreciated during the quarter, posting +3.6% against the US Dollar (69.1 US cents), -2.0% against the Pound (51.7 pence), and -0.3% against the Euro (62.1 cents).

OBJECTIVE

Long-term capital growth and income

STRATEGY

High-conviction portfolio of quality Australian listed equities from a research driven, bottom-up investment philosophy

DIRECTORS

Dominic M McGann
Non-Executive Chairman

Dr Emmanuel (Manny) C Pohl AM
Managing Director

Angela Obree
Non-Executive

COMPANY SECRETARY

Scott Barrett

INVESTMENT PHILOSOPHY

- High quality growth companies outperform over the longer-term
- Investments should outperform the risk-free rate
- The price one pays determines the ultimate long-term return

A QUALITY FRANCHISE

The "Pillars of a Quality Franchise" is an integrated framework developed by the Investment Manager to assess the investments. Through in-depth, detailed analysis, companies are measured under each pillar ensuring they meet the criteria for investment and exhibit the requisite sustainable growth prospects to be incorporated in the portfolio.

SECTOR BREAKDOWN

GICS Sector	FSI %
Financials	27.6%
Consumer Discretionary	20.3%
Health Care	15.3%
Information Technology	14.1%
Materials	9.5%
Communication Services s	7.2%
Cash	3.8%
Industrials	2.2%
Consumer Staples	0.0%
Energy	0.0%
Utilities	0.0%

TOP 10 HOLDINGS

Company	Weight
GQG Partners	7.1%
Block	5.7%
HUB24 Ltd	5.7%
James Hardie Industries	5.4%
Domino Pizza Enterprises	5.0%
Xero Ltd	4.9%
ResMed Inc	4.8%
CSL Limited	4.6%
IDP Education Ltd	4.4%
Nuix Limited	4.3%

OTHER INFO

Dividend Reinvestment Plan	Dividend Reinvestment Plan (DRP) is an optional way of reinvesting dividends to acquire additional shares. When new shares are issued under the DRP, they are free of brokerage, commission, stamp duty and other costs.
Fees	Management fee of NIL. Performance fee of 15% of the annual outperformance over the Bloomberg Bank Bill Index.
MER*	0.0%

* Calculated in accordance with ASX defined terms as at 30 June 2024

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