

**MFF Capital Investments Limited ("MFF")
Net Tangible Assets ("NTA") per share**

Please find enclosed MFF's monthly NTA per share for May 2025.

Authorised by
Kathy Molla-Abbasi | Company Secretary

2 June 2025

MFF Capital Investments Limited ('MFF') Net Tangible Assets ('NTA') per share for May 2025

MFF advises that its approximate monthly NTA per share as at 30 May 2025 was \$4.921 pre-tax (\$4.284 as at 30 June 2024), and \$4.102 after providing for tax¹ (\$3.574 as at 30 June 2024). The pre-tax NTA figures each month are after deducting taxes paid by MFF (including approximately \$77.8m cash taxes paid in the financial 10 months to 30 April 2025 and \$2.9m in May 2025). Cash tax payments reduce pre-tax NTA compared with pre-tax figures for indices and trusts (MFF pre-tax NTA per share has been reduced by tax paid year to date by approximately 14 cents). Obviously, MFF shareholders also do not get the benefit of MFF's compounding on cash taxes paid. MFF targets sustained growth in capital and in fully franked dividend payments, over the medium to longer-term and the May figures are after payment during the month of the dividend (8 cents per share fully franked).

In May MFF had portfolio sales of about 3.8% of portfolio value and purchases of about 0.9%. As with every month for many years, we remain price/value sensitive and the portfolio is focused upon businesses we regard as outstanding, with profitable growth characteristics (traditional value investing was more favoured in past decades). We continue to look for sensibly priced businesses, particularly where advantages and special talent are present. In recent decades large companies have benefitted from technology (as suppliers, developers, and users) and other factors benefitting scale. Our searches have always included companies which are smaller than our average sized portfolio holding, and this continues. Earlier stages of internet, mobile communications and other technology evolutions enabled some smaller businesses and broke down some established scale players, for example as costs and other barriers to entry and innovation fell. Artificial general intelligence is becoming more widespread, and users and some companies may benefit (including some currently smaller companies) as low-cost enhancements are expected to become more ubiquitous.

Politics, trade, and supply chains are volatile, as are debt, currency, and other markets, particularly as inflation concerns continue. The mix adds complexity to business decisions given the concurrency of ongoing technology advances, requiring major investment commitments, and, together with instant (mis)information, impacts markets sentiments. Market dislocations might appear anywhere and at any time and allow for better purchase terms than otherwise. MFF has maintained cash and capacity of over \$700m, after tax payments and accruals, on the significant realised gains. MFF also has significant portfolio liquidity, in the case of better opportunities or changes in risk probabilities/other parameters. In the meantime, our businesses remain extraordinarily profitable and sustainably advantaged.

Broad risk factors remain elevated. During the month there again were pronounced fluctuations in sentiment and market prices, mostly in response to political and geopolitical events. Risk and uncertainty remain ubiquitous. The political disasters and their related economic and social causes and effects continue to unfold, as societies grapple with generational, geographic, and other inequalities, redistribution, security, immigration, geopolitics, security, and debt amongst other issues. Although trade is the political focus, the uneven, partially free, flow of capital is impactful and feeds into market participant concerns about inflation and interest rates. Consensus became far less positive about US business conditions, and some argue for an end to "US exceptionalism". Over the month, the US Government 10-year bond trading yield rose to approximately 4.4% p.a. from approximately 4.16% p.a. The final ratings agency took away the AAA. Elsewhere, quality company management continued in evidence [including but not limited to the US] in contrast to Government.

Last month we noted some MFF principles may have become less trite in the current times of tumult. We were wrong. Extreme speculation ebbed and flowed in May along with aggressive, even panicked, buying and selling; all in the absence of "fundamentals". Coinbase followed Enron and WorldCom into the S&P 500 to reflect sentiment along with more permissive Government policies. Also, some professional investors have latched onto cost of capital and risk premia in markets with some arguing the end of the sustained bond bull market since 1982 (sustained falling bond prices underpinned asset prices). Agency risk has become more real as "opportunities" to invest in [illiquid] assets at retail plus prices are democratised. Meanwhile, the trade war, the Big Beautiful Bill (maybe even more ironically titled and dangerous than the damned Inflation Reduction Act) and socialist/populist Government spends and other bad capricious policies, impact fiat currencies and stagflation. None of this is favoured by history or guarantees financial prosperity. MFF continues with its core principles and checklists targeting the small percentage of companies that may sustain compound gains over time, with patience and unpressured opportunity cost assessments between companies perceived to have sustainable advantages and high returns on invested capital [which are potentially conflicting goals encouraging underinvestment and/or malinvestment]. In addition to complacency and other obvious risks, more second order effects of dislocations need to be anticipated, the longer that uncertainty and other headwinds prevail.

All listed holdings in the portfolio as at 30 May 2025 (except for one undisclosed holding) are shown in the table that follows (shown as percentages of investment assets, including net cash). The Montaka Global investment at cost rounds to 0.0%.

	%		%
MasterCard	10.0	CK Hutchison	1.7
Visa	9.4	HCA Healthcare	1.7
Amazon	7.8	United Overseas Bank	1.6
American Express	7.7	Oversea - Chinese Banking	1.4
Bank of America	7.7	US Bancorp	1.2
Meta Platforms	6.6	CVS Health	0.9
Alphabet Class A	6.6	Lowe's	0.7
Microsoft	6.4	Prosus	0.4
Home Depot	5.9	RB Global	0.3
Alphabet Class C	5.0	L'Oreal	0.2
Flutter Entertainment	2.6	Intercontinental Exchange	0.2
Lloyds Banking Group	2.5	Schroders	0.1
DBS Group	2.1		

Net cash shown as a percentage of investment assets (including net cash) was approximately 7.7% as at 30 May 2025. AUD net cash was 4.5% (taxes, other expenses and dividends are paid in AUD), USD net cash 5.7%, SGD net cash 0.2% and Euro, GBP and HKD borrowings totalled approximately 2.5% of investment assets as at 30 May 2025 (all approximate). Key currency rates for AUD as at 30 May 2025 were 0.644 (USD), 0.567 (EUR) and 0.477 (GBP) compared with rates for the previous month which were 0.640 (USD), 0.563 (EUR) and 0.479 (GBP).

Yours faithfully



Chris Mackay
Portfolio Manager

2 June 2025

¹ Net tax liabilities are current tax liabilities and deferred tax liabilities, less tax assets.

All figures are unaudited and approximate.

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