

Quarterly Report

June 2025

Unit Price: \$1.137

The Bristlemoon Global Fund returned -0.3 percent for the June 2025 quarter, with a -1.4 percent return for the month of June 2025, net of fees. For the twelve-month period ending June 30, 2025, the Fund produced a 13.7 percent return, net of fees.

Key contributors to the Fund's performance in the June 2025 quarter included Uber Technologies, PAR Technology and APi Group. Notable detractors were AppLovin and Hemnet.

To be upfront, we are not satisfied with the Fund's performance this quarter. The lacklustre performance was driven by two factors: 1) being too bearish regarding the impacts of tariffs; and 2) the volatility inherent in a concentrated strategy, with some of our larger stock positions declining during the quarter.

We want to spend this quarterly letter walking through both of these factors. At the same time, it is also worth noting that we are the most excited about the Fund's portfolio of stocks that we have ever been. Later in the letter we detail three new stock positions that were initiated during the quarter: APi Group, Salesforce, and UnitedHealth Group.

Performance (%)

June 2025

Net return	(1.4)
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Portfolio Exposure (%)

(as at 30 June 2025)

% of NAV

Long	97.9
Short	(8.1)
Net exposure	89.8
Number of long positions*	16
Number of short positions	7

* Excludes derivative positions.

Top 5 Long Positions

(as at 30 June 2025)

(Alphabetical order)

AerCap Holdings NV
AppLovin Corporation
Hemnet Group AB
PAR Technology Corporation
Uber Technologies Inc

Fund Returns (Net)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
2024							(1.1)	0.6	7.4	6.8	0.2	3.1
2025	5.1	(1.5)	(6.5)	(0.6)	1.7	(1.4)						

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We are incredibly thankful for the support of our investors. It is difficult to verbalise how much it means to us that you have entrusted us to manage your capital. We hope to be good stewards of your capital for many years to come. For new investors looking to enter the Fund, more information can be found [here](#).

As a business update, Bristlemoon Capital now has an office. In June 2025 the Bristlemoon team moved into Level 10, Hudson House, 131 Macquarie Street, Sydney. Having a physical space has made collaboration easier and we are thrilled at how the new arrangement has been working thus far. The views aren't too bad either!



Tariff-driven volatility

Coming into April 2025, we were defensively positioned. As we discussed in our March 2025 quarterly letter, the Fund was holding an elevated level of cash in addition to index puts. Our positioning was to protect against a left-tail risk of a draconian tariff scenario, one which we felt markets were not adequately appreciating. This portfolio positioning turned out to have been the correct move.

Our plan was to begin selling the puts and gradually deploying into the attractive opportunities we were seeing. However, the markets turned on a dime after Trump announced a 90-day pause on implementing reciprocal tariffs and we were too slow putting the Fund's cash to work. Equities surged, and the opportunity to scoop up stocks at bargain prices rapidly diminished. At the time, we still believed there was a reasonable chance that the tariff situation could deteriorate again after the 90-day pause, but we underestimated how quickly the market would write off that tail risk.

While Trump may genuinely view tariffs as a tool to raise revenue and bring manufacturing back to the U.S., he was bound by a set of constraints that he could not bully or negotiate out of. In other words, the potential damage to the U.S. economy stemming from the escalating trade standoff was too severe for the system to endure, and thus the risk of Trump actually driving the country off a tariff cliff diminished sharply. Notably, this was also a manufactured crisis that was easily reversible via a tweet from one person.

Unfortunately, we were too slow to reverse our defensive portfolio positioning in April and reluctant to chase stocks higher in May and June, particularly the basket of retail favourite momentum stocks that underpinned the S&P 500's recent rally back to all-time highs. During this period, the market has displayed what we can only describe as unbounded enthusiasm at buying any and every dip. Perhaps the emergence of the "TACO trade" – Trump Always Chickens Out – has conditioned Mr Market into Pavlov's dip-buyer.

Having resisted the temptation to throw caution to the wind so far, our investors need not worry that we suddenly lose our minds and start chasing momentum at all-time highs. We will continue to gradually deploy cash into new and existing positions that have idiosyncratic catalysts and offer attractive risk-adjusted returns on a 12- to 18-month horizon. We are not making a directional call on the market, nor are we positioning for a potential U.S. recession that may or may not arrive, as we have no edge in predicting these things. Trump's economic agenda has flipped 180 degrees from reining in the deficit to running it hot, so it is entirely plausible that the environment remains supportive of equities for the foreseeable future.

Idiosyncratic performance

Exacerbating the drag from our defensive positioning has been a number of larger portfolio positions that have been weak, adding to the Fund's underperformance during the quarter.

In our communications we have consistently mentioned that there will be periods where the Fund underperforms. This is natural for a concentrated portfolio of stocks. Because while there are periods where our largest stock positions will do well, there are also stretches of time when these stocks don't do much, or even decline in price.

We are underwriting the value of these businesses based on where we believe their earnings and free cash flow will be in next one to two years and beyond. We are far less concerned about the interim stock price fluctuations. Rather, we are playing for significantly higher future business values, and we have conviction in the underlying growth trajectory of the Fund's core portfolio.

Take Hemnet Group AB for example, the Swedish property portal which we wrote about in our [March 2025 quarterly letter](#). Hemnet is a wonderful business with genuine pricing power and a long growth runway. However, in recent months, the stock has come under pressure as the narrative has shifted towards concerns over competition and regulation.

A key factor behind this shift has been the pace of Hemnet's price increases in recent years (as we explored in more detail [here](#)). These price increases led many investors – ourselves included – to extrapolate a continuation of recent pricing-led growth rates. It now appears more likely that there will be a diminution in this rate of growth. The bullish scenario we outlined in our March letter was predicated on strong adoption of Hemnet Max, the company's newest premium tier. However, so far the take up of Max has been slow. This resetting of growth expectations has contributed to the weak share price performance.

At the lows reached in June 2025, Hemnet declined 37% from its SEK 419 all-time-high achieved in February 2025. We think this sell-off represents a significant overreaction. Having revisited these competitive and regulatory issues in detail, we do not believe the facts support the narrative that Hemnet's dominant position is under threat.

To the contrary, we see the recent weakness as a compelling opportunity to add to our position – and we have been doing so. The drawdown has been a headwind to our short-term performance, particularly given Hemnet was our largest position. But we view this as a temporary setback, not a structural issue. We think the market has misread the situation and has sold off this stock based on fear, not fundamentals. Hemnet has now given up its valuation premium to the other global listed property portals, despite a demonstrably higher growth profile.

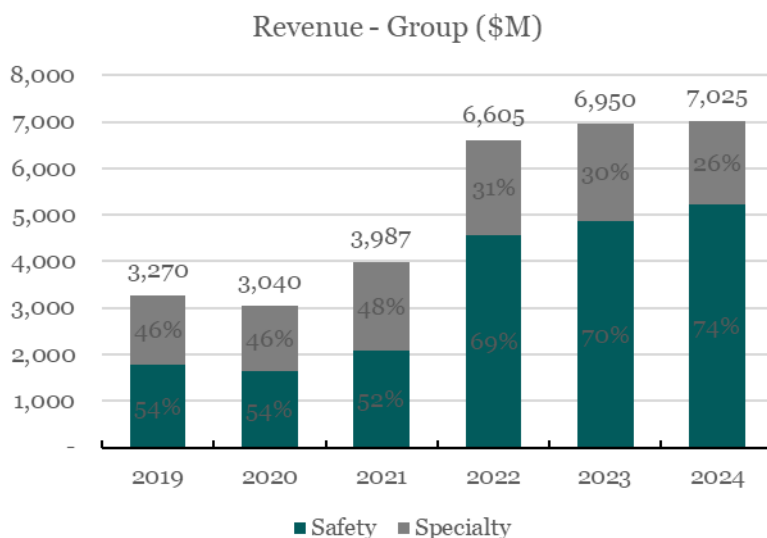
We continue to find interesting opportunities and have been incrementally deploying the Fund's capital into these stocks. We wanted to share with you three examples of recent purchases made by the Fund: APi Group, Salesforce, and UnitedHealth Group.

APi Group (APG)

APG is a leader in fire and life safety services. The company focuses primarily on providing statutorily mandated and contracted services to a diverse range of industries, covering critical systems such as fire sprinklers, fire alarms, HVAC, water & telco infrastructure, electricity and natural gas distribution systems, security systems, and most recently elevator service. We were drawn to APG in early April as we searched for resilient businesses that were minimally exposed to Trump’s tariffs. APG’s regular inspection and maintenance services are highly resilient on account of being mandated under statute, yet the stock sold off alongside the market, offering us an opportunity to establish a position at an attractive discount.

The company operates two segments: Safety Services and Specialty Services.

- Safety Services includes life safety, security and elevator inspection and maintenance services. This segment was 74% of revenue in 2024 with a majority being recurring service revenue, which the company calls Inspection Service and Monitoring (ISM) revenue.
- Specialty Services includes infrastructure and utility services, HVAC, specialty contracting services (mechanical, insulation, roofing, plant maintenance etc), and fabrication services. This segment was 26% of 2024 revenue and the majority is one-time contract work (installation projects), although the segment also includes some ISM revenue.



Source: Bristlemoon Capital, company filings

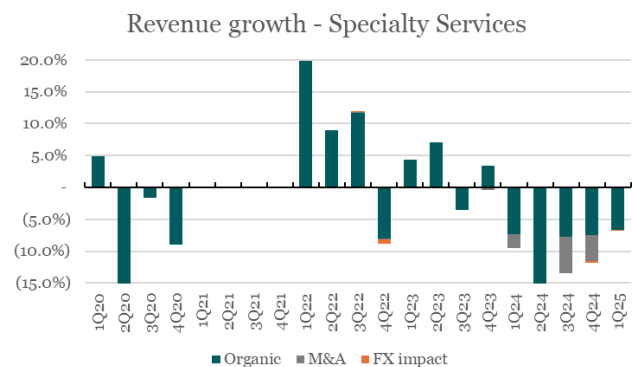
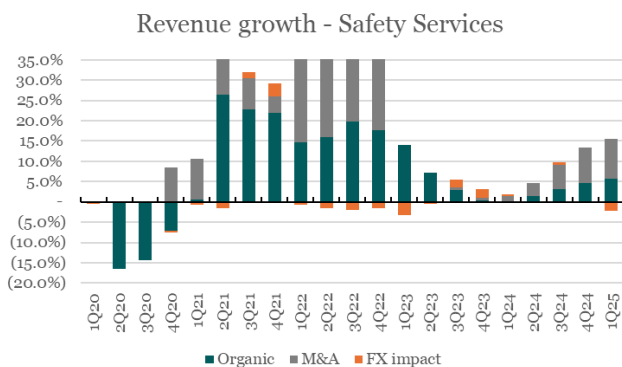
APG doubled the size of its Safety Services segment in 2022 via the transformative acquisition of Chubb from Carrier Global, which brought in ~\$2.5 billion of international revenue – essentially a major international expansion play. Chubb is a full-service provider of fire and electronic security services with operations in Europe and APAC. There is overlap with APG’s existing fire safety business (though not geographically), while bringing new security monitoring capabilities.

Growth drivers and a differentiated go-to-market strategy

APG’s growth algorithm is mid-single digit organic growth plus bolt-on M&A contributing to high-single digit headline revenue growth. Along with some margin expansion from revenue mix and operating leverage, we believe APG can grow its EPS in the mid-teens range for the foreseeable future.

Organic growth

The company’s mid-single digit organic growth target is decomposed into high-single digit growth for ISM revenue and low-single digit for installation/project revenues. Inspection revenue (within ISM) has grown double digits organically for 19 consecutive quarters, almost entirely from share gains. Considering Safety Services has a higher mix of ISM revenue, we believe the Safety segment could achieve mid- to high-single digit organic growth while Specialty delivers lumpier low- to mid-single digital organic.



Source: Bristlemoon Capital, company filings

Organic growth has mostly been driven by volume, with some price and product mix tailwinds. The US life safety market is highly fragmented due to the localised nature of the services, and APG has consistently taken share from small, local family operators. Management also expects the international business to grow mid-single digit organic in-line with the Group average, despite operating in slower growth markets (primarily Europe). Chubb was a neglected, flat to declining asset for 15 years inside Carrier, and has now returned to a growth trajectory under APG ownership.

Given the company’s scale, APG can pursue a differentiated go-to-market strategy: it leads with low-cost, high-value inspections, which it leverages into maintenance and high-value project work. Smaller local competitors typically bid on big, low margin installation projects first and then hope to convert into recurring inspection and maintenance work afterwards. The average Safety Services job size is just ~\$5,000 and Specialty Services project is ~\$75,000, compared to smaller competitors’ installation contracts in the 6-7 figure range. Unlike large, tendered projects, these ISM jobs are essentially priced in real time, allowing APG to pass through any tariff-related cost increases.

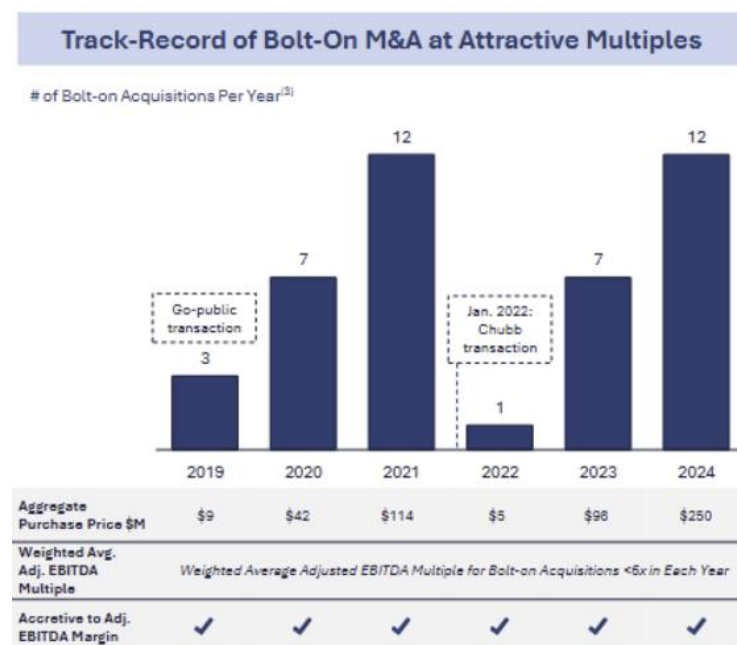
APG can take an inspection-first approach because it has the operational scale to handle hundreds of thousands of small inspection and maintenance jobs nationally, while small competitors might only be able to juggle a few large projects. It is typically much easier convincing building managers to spend \$1,000-\$2,000 on a statutorily mandated inspection than it is to win a 7-figure installation RFP. If the inspection uncovers defects or wear-and-tear, it is more convenient for the customer to award the repair job to the APG technician on the spot than to tender out a job that might only cost several thousand dollars.

This creates a sticky relationship with the customer because if APG is reliably doing a satisfactory job, there's very little incentive for customers to switch service vendor to save a few hundred dollars a year, at the risk of experiencing a critical safety incident. Data from the company shows that every \$1 of inspection revenue will generate \$3-4 of annual service revenue over time. This combination of inspection-first plus sticky relationships forms APG's durable competitive advantage.

Bolt-on M&A

APG, like many scaled businesses in niche markets, pursues a rollup acquisition strategy to supplement its organic growth. But unlike many other rollups, management will not pursue revenue growth for the sake of revenue growth. Growth must be profitable, and it is clear that management cares more about margin expansion than top-line growth.

The company has completed over 125 acquisitions since 2005, ranging from a few million dollars to Chubb at \$3.1 billion. Substantially all the bolt-on acquisitions are done at <6x EBITDA pre-synergies, while larger strategic acquisitions like Chubb and Elevated are at higher multiples. Chubb was the largest acquisition to-date and necessitated a pause in bolt-on M&A activity in 2022 and 2023 as management worked to integrate the Chubb acquisition. Integration was also a drag on organic growth in 2023 and early 2024 as unprofitable Chubb branches were closed. The company resumed its regular M&A activities in 2024, and we expect the ~\$250 million p.a. cadence to continue over the next few years. The CEO has said that M&A contributes to revenue basically "dollar for dollar", so this level of M&A should add 3-4% to revenue growth in the coming years.



Source: company filings

When APG acquires smaller operators, it immediately implements the inspection-first strategy with the goal of converting acquired project-based revenues to service-based revenues over time. As mentioned previously, small players lack the operational capabilities and bandwidth to manage dozens or hundreds of 4-figure inspection jobs. Post-acquisition, existing project work is allowed to run off and the pipeline is rebuilt with a focus on inspections and maintenance. Over time, this mix shift drives

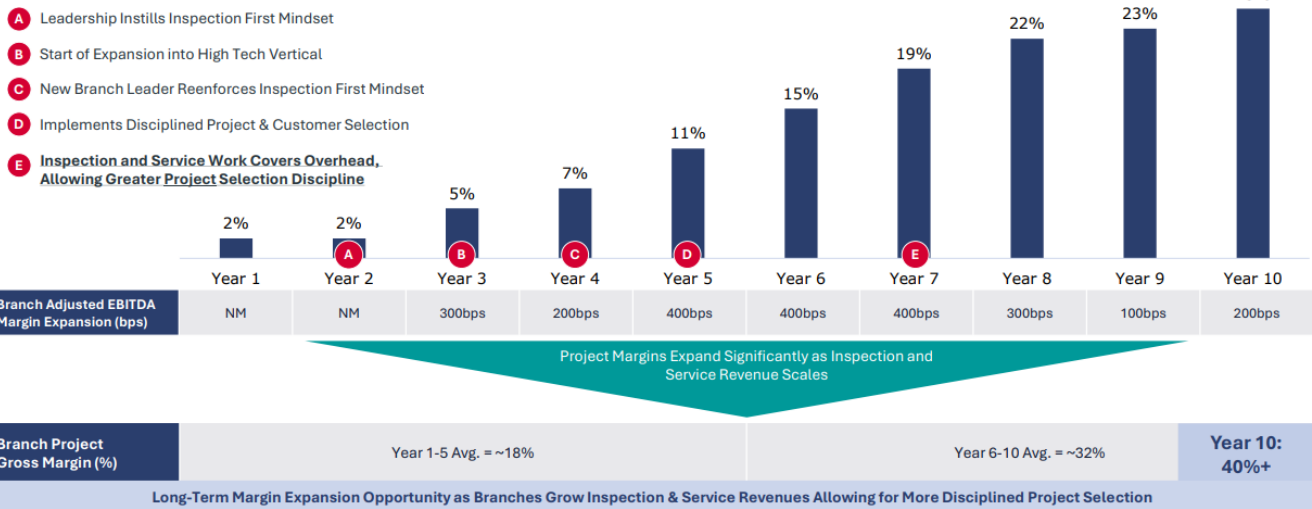
material branch-level margin improvement, largely as a result of gross margin expansion. The best performing branches are already north of 20% EBITDA margin, so the mid-teens Safety segment EBITDA margin should continue to expand over time.

COMPETITIVE ADVANTAGE: INSPECTION-FIRST STRATEGY

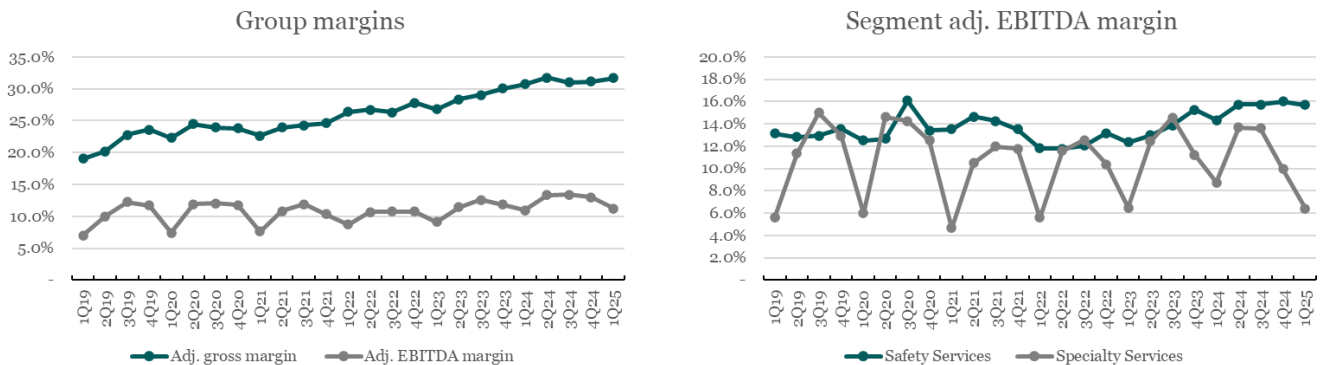
Inspection-First Strategy – Branch Level Case Study

% Adjusted EBITDA Margin Over Time For a Leading Branch

10 Yr. Branch Revenue CAGR: 9%
10 Yr. Branch Adjusted EBITDA CAGR: 43%



Source: company filings



Source: Bristlemoon Capital, company filings

Aligned management, yet significant dilution

APG is not without its hairs. For a non-founder business, the management team is well aligned with common shareholders on paper. Co-Chair Martin Franklin, who took APG public in 2020 via a SPAC, still retains 11% of shares outstanding between common stock and Series A Preferred Stock, worth over \$1.5 billion. The second Co-Chair and a director, both associates of Franklin, own just over 2% each, and the CEO Russell Becker owns 1.2%, for total insider ownership of 17%.

Yet despite this economic alignment, common shareholders have been significantly diluted by secondary public offerings and issuance of preferred stock to fund large acquisitions. Diluted shares outstanding have increased from 174 million at the end of 2019 to 282 million in Q1 2025.

- In 2021, the company issued 20 million shares for the exercise of 60 million of SPAC warrants.
- The company issued over 35 million shares in two secondary public offerings for general corporate purposes in 2021 and to fund the Elevated elevator services acquisition in 2024.
- The company also issued \$800 million in Series B Preferred Stock to partly fund the Chubb acquisition, which converted into \$1.2 billion of common stock (32 million shares) in 2024. 16 million shares were repurchased upon conversion, halving the dilution impact.
- Finally, Mariposa Acquisition IV, the Martin Franklin SPAC that took APG public, owns 4 million Series A Preferred Stock. These prefs earn a year-end performance fee equal to 20% of the annual increase in APG share price on 141 million common shares, payable in cash or shares. This has resulted in 30.5 million shares issued to Mariposa for the years 2020-2024. The Series A prefs convert to ordinary shares (1-for-1) on the last day of 2026, so common shareholders are subject to two more years of dilution. We guess the silver lining is that Franklin has elected to receive shares instead of cash, indicating that he still has a positive view on the value of APG stock.

We have heard feedback that the Series A promote structure precludes some large institutional investors from owning the stock; this overhang will clear at the end of 2026. We also believe that given the value of Franklin's existing ownership and the incentive structure, he is unlikely to do anything drastic over the next 18 months that would be detrimental to the share price. And notwithstanding the dilution, adjusted EPS has still grown at 21% CAGR since 2021 and common shareholders have performed well.

Taking the underlying business performance and management incentives into consideration, we think APG continues to offer attractive risk/reward even after the sharp post-Liberation Day rally.

Salesforce (CRM)

Salesforce's beginnings were as a daring upstart that turned the model of how software was delivered and consumed on its head. The company, after all, was the one that pioneered and commercialised the now omnipresent software-as-a-service (SaaS) model. We believe the next technological pivot is now on Salesforce's doorstep: agentic AI.

The concept of agentic AI refers to autonomous agents that can make decisions and act independently to achieve specific goals, often with limited human supervision. These agents can range from simple chatbots to more complex systems that can research topics and perform other higher-value functions. Agentforce is Salesforce's agentic AI tool, allowing Salesforce customers to automate certain sales and service tasks. This could potentially unlock enormous value by substituting digital labour for human labour, saving both costs and time.

Bank of America (BofA) recently released a report that estimated the size of the market for agentic AI. The report first looked at the quantum of global knowledge worker wages across seven major occupation categories (e.g., sales, finance, IT, et al) which was estimated to be \$18.6 trillion annually. It was then estimated that agents will be capable of performing 10% of the workflows of these employees by 2030, representing around \$1.9 trillion of value from the automation of these tasks. If we then

assume that software vendors can capture circa 8% of this value (based on a 12x ROI on that agentic AI spend), then this amounts to global agentic AI spending of \$155 billion in 2030, according to these BofA estimates.

The truth is no one really knows precisely how large the agentic AI opportunity is. However, what we do know is that the potential opportunity is very large, and our belief is that Salesforce is well-positioned to capitalise on this technological shift for two key reasons: 1) it has the data; and 2) it has a distribution advantage via the app layer, a position that is especially advantageous given that the company's frontline applications are conducive to monetisable automation.

Data is the lifeblood of AI tools – it's what's used to train the AI algorithms. This bodes well for Salesforce, which serves as the system of record for its users. It is in Salesforce's apps where users record valuable insights about their customers and sales prospects. Salesforce can harness this information to unlock efficiencies in ways that other third-party AI tools will struggle to replicate.

Consider the recent move by Salesforce to limit third-party access to data within Slack (which is owned by Salesforce), curtailing the ability of third-party software firms to index or store Slack messages, and thus affecting their AI-powered tools that rely on this Slack data. In other words, only Salesforce's own AI-tools will be able to fully leverage Slack's data. This data feudalism likely means that the future of enterprise AI will be controlled by companies like Salesforce, who have proprietary data.

We also believe that Salesforce should benefit from a built-in distribution advantage: the company already has 150,000 customers that use Salesforce apps for a variety of workflows. By controlling this app layer, it positions Salesforce well to be the AI orchestration layer that connects into and generates value from its customers' disparate data sources.

Data Cloud is a key Salesforce asset, with its zero copy architecture underpinning the value and scalability of Agentforce, given that it unlocks real-time, context-rich AI without the traditional bottlenecks of data movement. We can think of Data Cloud as a precursor to Agentforce. While it's early days, the initial datapoints from Data Cloud and Agentforce are encouraging: in the Q1 2026 earnings result, it was disclosed that Data Cloud and AI annual recurring revenue (ARR) were over \$1 billion, increasing by more than 120% year-over-year. Within this, Agentforce reached \$100 million of ARR, which we estimate to have grown 5x quarter-over-quarter.

This isn't bad given that Agentforce moved to General Availability in October 2024. While currently a miniscule piece of the circa \$41 billion in revenues Salesforce is anticipated to achieve in FY26 (i.e., Data Cloud and Agentforce combined represent just 2.4% of Salesforce's total revenues), the very strong growth rates and recent initiatives implemented to reduce the frictions to customers adopting Agentforce could lead to these revenue streams scaling up and becoming meaningful contributors to Salesforce's total growth.

The beauty of Salesforce is it is currently being valued as if Agentforce won't amount to much. Thought of another way, the current share price allows us to treat Agentforce as a call option, as opposed to a relying upon its success as a key driver for us to get paid from the investment. The stock trades on just 17x free cash flow, which we believe could positively re-rate to the extent that Salesforce continues to gain traction with Data Cloud and Agentforce, and prove itself as a genuine AI-contender.

UnitedHealth Group (UNH)

UNH is the largest integrated healthcare services company in the United States. The company is comprised of two distinct businesses: UnitedHealthcare (UHC), the health insurance operation, and Optum, a collection of what are essentially cost containment businesses. Historically, UNH has been regarded as a defensive, quality compounder, trading at a significant premium to other managed care companies. We established a starter position in UNH after the company's Q1 2025 earnings implosion and continued to build our position as the stock price weakened. While we don't think UNH is the defensive compounder that many investors thought it to be, we do think that the stock offers quite an asymmetric risk/reward following a ~50% drawdown from the recent highs in April.

We recently published a deep dive into UNH and the US healthcare system [here](#); the free portion of the report is a primer on US health insurance and is necessary for understanding UNH's businesses. For our investors, we summarise below our understanding of the situation at UNH and the opportunity that we see. The remainder of this letter assumes some working knowledge of US health insurance and the main government programs (Medicare and Medicaid).

Overview of key businesses

UHC is the country's largest health insurer with 50 million members and is the industry leader in Medicare Advantage (MA) with nearly 10 million members. UHC has profitably taken share in MA over the past decade, with MA membership growing at 10% CAGR compared to 8% for the MA population. This has been enabled by UNH's capabilities in risk adjustment and medical cost management via Optum, and existing scale which supports marketing, compliance and MA program-specific benefits.

Optum, the cost containment segment, consists of OptumHealth, OptumRx and OptumInsight. OptumHealth is UNH's care delivery business. It serves over 100 million consumers and delivers an array of primary, specialty and surgical care in various care settings. 61% of revenue in 2024 came from other UNH businesses (mainly UHC) and the remainder from over 100 healthcare payer partners. We set aside OptumRx and OptumInsight in this letter; see the deep dive for more on these businesses.

Sitting within OptumHealth is a value-based care (VBC) business called OptumCare that accounts for ~2/3rd of OptumHealth revenue. This business employs the largest physician network in the US, with over 90,000 physicians serving ~20 million patients. OptumCare is the largest provider of VBC in the country with ~5 million VBC patients, around half of whom are UHC MA members.

Value-based care is an emergent healthcare funding model that attempts to contain rising medical costs by shifting the funding risk from the insurers to healthcare providers. Just as insurers receive capitated payments from payers to assume risk, in a VBC or risk-sharing arrangement, the provider agrees to receive capitated payments from insurers to manage the health outcomes of a population of patients. Any savings under the payment cap are retained as profit by the provider, but any cost overruns must be absorbed as well.

One of the main criticisms of VBC, especially for the MA program, is that it incentivises care providers to engage in upcoding. This is the practice of coding patients to appear sicker than clinically supported, so as to receive higher risk-adjusted payments from CMS. CMS is fully aware of this practice, and the V28 risk adjustment model introduced in 2024 and phased in through 2026 is intended to curtail MA coding intensity.

UNH's challenges year-to-date

Based on our research into the major changes happening in the MA program, it seems to us that trouble had been brewing beneath the surface for at least a year (especially seeing Humana's struggles last year) and exploded into view this year.

The first cracks appeared in UNH's Q1 2025 results when it reported a sharp increase in MA utilisation at UHC and OptumHealth along with MA VBC and V28 challenges in the latter business, and downgraded 2025 EPS guidance. Subsequently in May, the company announced the immediate resignation of CEO Andrew Witty, to be replaced by Chairman and longtime former CEO Stephen Hemsley. The company also withdrew its guidance, citing a worsening of trends that had broadened into adjacent populations. Around the same time, the WSJ reported that UNH was under criminal investigation by the DOJ for possible Medicare fraud. These events sent the stock crashing more than 50% within a month.

We can summarise UNH's operational challenges into three broad categories, all stemming from the MA business and now leaking into adjacent populations.

1. Elevated MA care activity at UHC, with utilisation growth double the expected level. Existing MA members were making greater use of their benefits, and new MA additions were sicker than UHC expected. We believe these issues should largely be addressable in 2026 plan design and pricing.
2. Inadequate risk adjustments for new MA VBC members at OptumHealth. This is confusing to us and raises the question of why OptumCare is accepting these new members that just switched health plans and were inadequately risk-adjusted. If the reason is to meet growth targets, that is a red flag as underpricing risk is the easiest way for a risk-bearing business to blow up.
3. Challenges implementing the V28 transition at OptumHealth. This suggests OptumCare had been imprudently adding sicker patients for their higher payments, as V28 has a greater impact on the risk scores of sicker patients. This again flags potential cultural issues under Witty with the prioritisation of growth over prudence.

What's the recovery opportunity?

Starting with the Q1 downgrade, the CFO specifically cited a \$1.5 billion operating income cut at UHC driven predominantly by group MA utilisation trends. In May, the CFO said that utilisation was accelerating and broadening to other MA populations. We are skipping a number of steps here for the sake of brevity, but we estimate a similar utilisation scenario for the non-group MA members could wipe a further \$4 billion from operating income (ostensibly at UHC, but could be realised at Optum given significant intercompany transactions).

On the Optum side, OptumHealth operating income was initially cut by \$3.3 billion and the May update did not sound incrementally worse for that business, aside from possible spillover from UHC per the above. If we prudently assume the non-UHC members in OptumCare also see a similar acceleration in utilisation, it could add a further \$1 billion to medical costs for Optum.

Taken together, an incremental \$5 billion medical cost impact would further reduce EPS by another ~\$4/share, down to \$22.0-\$22.5, which is slightly above the latest sellside consensus of \$21.9. This

does not appear unreasonable for a base case, though we recognise that UNH may reinstate sandbagged guidance in Q2 at sub-\$20 EPS.

Management has reiterated the 13-16% long-term EPS growth target but only committed to returning to “growth” for 2026. Assuming this means ballpark 10%, 2026 EPS would be in the \$24.0-\$25.0 range. We do not think UNH will return to a 20x or even high-teens forward P/E multiple as its “premium” halo has been shattered, and we see 12x as a resilient floor. At 12-15x the 2026 EPS range of \$24.0-\$25.0, UNH would trade in the range of \$290-\$375 – limited downside from current prices, enough upside for an attractive trade, and helps diversify the Fund’s factor concentration.

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We think we have a fantastic portfolio of stocks that should compound at healthy rates over time. We have a lot of conviction in what we own and are excited for what the future holds for the Fund.

Thank you again for your continued support, and we hope to serve you well as investors for years to come.

Kind regards,

Bristlemoon Capital