

Apostle Dundas Global Equity Fund – Class C



Australian PDS and New Zealand Clients – ARSN 093 116 771 APIR ETL0438AU

Monthly Report – June 2025

Investment Objective

- The target is to exceed the MSCI All Country World ex Australia Index by 2.5% p.a. after all fees and expenses on a rolling 5-year basis.
- Long term dividend growth and capital appreciation.
- To achieve lower volatility than the benchmark.

Investment Firm

Established in 2010, Dundas Global Investors (“Dundas”) is an independent Investment Management firm based in Edinburgh that manages a single investment strategy, global equities.

Dundas can best be categorised as Quality Growth, with a focus on companies with strong and sustainable returns on equity and a growing dividend stream.

Key Advantages

- Pro-active management of both components of total return (capital and dividends)
- Fee minimisation and alignment of incentives
- Lower cost base
- Enhanced research that capitalises on technology

Investment Style

Dundas invests for capital and income growth. The team uses fundamental, bottom-up research to find companies capable of real long-term wealth generation that will lead to sustainable capital and dividend growth. While dividends are an important part of the investment proposition, Dundas places greater emphasis on future income streams as opposed to current payout ratios. The resulting portfolio is globally diversified, has an average holding period of more than five years, with satisfactory upside and good downside capture statistics.

Characteristics

Unit Price (NAV)	AUD\$2.4979
Fund Size (AUD)	AUD\$2,713.79M
Tax Losses Available (As at last distribution period)	AUD\$215.36M
Portfolio Inception Date	August 2012
Inception Date - Class C	June 2015
Companies in Portfolio	Targeting 50-65 holdings
Sub-Investment Manager	Dundas Global Investors
Management Fee	0.90% p.a. (inc. GST and RITC)
Buy/Sell Spread	15/15 (bps)
Portfolio Management Team	Alan McFarlane – Chair David Keir – Managing Partner James Curry – Partner Gavin Harvie – Partner Andrew Brown – Partner
Responsible Entity	K2 Asset Management Ltd
Custodian/Registry	State Street Australia Limited

Source: Dundas Global Investors as at 30/06/25

Performance

Return (%)	1 mth	3 mth	1 yr	3 yr (p.a.)	5 yr (p.a.)	7 yr (p.a.)	10 yr (p.a.)	Incep (p.a.)
Total (gross)	-0.24	2.56	12.37	16.25	12.39	12.89	12.23	11.74
Total (net)	-0.31	2.33	11.36	15.21	11.39	11.88	11.23	10.75
Relative (gross)*	-2.93	-3.64	-6.12	-3.17	-2.40	0.13	0.38	0.23
Relative (net)**	-3.00	-3.87	-7.13	-4.21	-3.40	-0.88	-0.62	-0.76

Source: State Street Performance & Analytics Australia. Fund performance calculated using exit prices and shown on a total return basis (net dividends reinvested). Performance inception date is 4th June 2015. *Relative (gross) calculated as the difference between the Fund's gross (of fees) return and that of the Solactive GBS Global Markets ex Australia Large & Mid Cap AUD Index **Relative (Net) calculated as the difference between the Fund's net (of fees) return and that of the Solactive GBS Global Markets ex Australia Large & Mid Cap AUD Index. Past performance is not a reliable indicator of future performance.

Portfolio Characteristics

No of Holdings	54
Dividend Yield	1.26
Turnover* (last 12 months)	12.86%
Price/Earnings	30.61
Price/Cash Flow	23.10
Price/Book Value	8.68x
Beta (ex-ante)	0.83
Average market capitalisation	\$251.03bn
Median market capitalisation	\$98.85bn
Tracking error (1 year)	5.17

*Turnover calculated as $((\text{Purchases} + \text{Sales})/2) / \text{average assets during the period}$. Source: Dundas Global Investors and Apostle Funds Management as at 30/06/25

Market Cap Exposure (% weight by capital)

Range	Fund
>US\$ 500bn	12.96
US\$ 100 - 500bn	39.25
US\$ 50 - 100bn	8.59
US\$ 10 - 50bn	35.97
US\$ 2 - 10bn	0.00

Source: Dundas Global Investors as at 30/06/25

Top Ten Holdings by Capital (% weight)

Stock	Fund	Active Weight*
Microsoft	4.10	-0.37
WR Berkley	3.62	3.59
WW Grainger	3.44	3.38
Visa	2.74	1.99
Amphenol	2.70	2.56
TSMC	2.67	2.67
Essilorluxottica	2.64	2.54
Sage Group	2.57	2.55
Brown & Brown	2.44	2.44
American Express	2.43	2.21
TOTAL	29.35	23.56

*Active Weight relative to the Index. Source: Dundas Global Investors and Apostle Funds Management as at 30/06/25

Regional Allocation (%)

Country	Fund	Active Weight*
United States	57.11	-5.67
France	10.51	8.29
Switzerland	6.38	4.14
Sweden	4.35	3.45
Denmark	3.53	3.02
Taiwan	2.67	0.58
United Kingdom	2.57	-0.82
Japan	2.06	-3.55
Hong Kong	1.87	1.25
Netherlands	1.76	0.72
Singapore	1.66	1.21
India	1.34	-0.73
Germany	0.97	-1.27
Other Countries	0.00	0.00

*Active Weight relative to the Index. Source: Dundas Global Investors and Apostle Funds Management as at 30/06/25

Sector Exposure (%)

Sector	Fund	Active Weight*
Information Technology	25.30	-1.00
Financials	24.42	6.99
Health Care	20.27	11.48
Industrials	10.85	-0.26
Consumer Discretionary	5.92	-4.61
Consumer Staples	4.26	-1.61
Materials	3.40	0.21
Communication Services	2.36	-6.52
Energy	0.00	-3.51
Real Estate	0.00	-1.81
Utilities	0.00	-2.60
Cash	3.23	3.23

*Active Weight relative to the Index. Source: Dundas Global Investors and Apostle Funds Management as at 30/06/25

Performance and Portfolio Comment

Market overview

Global equity markets delivered strong monthly gains as investor confidence returned amid easing trade tensions and robust earnings.

US equities rose in June, with the S&P 500 and Nasdaq Composite hitting record highs, driven by big tech stocks like NVIDIA and Meta. Geopolitical tensions in the Middle East caused fluctuations and the month saw a sizable ebb-and-flow of the geopolitical risk premium in both equities and Treasuries. Fed headlines were volatile, with an emerging split between hawkish and dovish camps. The June Federal Open Market Committee (FOMC) meeting ended with no change to the fed funds rate, as expected.

AI optimism was another key tailwind to stocks this month. Big tech, semis, and AI-linked names were among the best performers this month. Other bullish factors included improving sentiment and positive earnings outlook. However, weakening business sentiment and sticky inflation posed challenges. The dollar was the weakest against the Euro since September 2021.

European markets experienced a decline in June after a significant gain in May. Geopolitical tensions, particularly between Israel and Iran, contributed to market declines and increased oil prices. The European Central Bank and other central banks are on an easing path amid benign macro data. The EU is working towards a US trade deal ahead of the 9 July deadline, weighing the benefits of a quick agreement against potential tariff escalations, while preparing retaliatory measures. The UK Chancellor unveiled a spending review, focusing on infrastructure and departmental spending. Overall European market sentiment stayed broadly constructive, supported by compelling valuations, robust fund flows and increasing macro tailwinds.

Asian markets experienced gains, with almost all major benchmarks posting gains, and technology stocks leading the way. Sentiment over US trade deals improved although negotiations with Asia nations were bumpy with only a handful set to sign even outline agreements by July's deadline. The conflict between Iran and Israel rattled markets for a time, especially those exposed to oil imports, while economic data for May released this month showed some stabilisation in manufacturing and was a little 'less bad' than expected in China.

Performance overview

Over the past 12 months, the Fund has posted a total return net of fees of 11.36%, while the market returned 18.49%*. In June, the Fund returned -0.31% net of fees underperforming the market by 3%.

The most significant performance contribution came from the Consumer Staples sector. Additionally, the Fund's lack of exposure to the Utilities and Real Estate sectors had a positive impact.

Performance was negatively impacted by the Fund's holdings in Financial, IT and Industrials. The overweight to Health Care and underweight to Communication Services also detracted.

Regionally, Asia Pacific contributed positively to performance, Europe and North America detracted.

The top five contributors were TSMC, Applied Materials, Amphenol, Analog Devices and American Express.

The bottom five detractors were WW Grainger, Ross Stores, WR Berkley, Marsh & McLennan and Zoetis.

Dividends

There was one dividend announcement - WR Berkley declared an increase of 12.5%.

Portfolio changes

During the month, Coloplast, the Danish multinational company that develops, manufactures and markets medical devices and services was sold. There were no new investments.

*Solactive GBS Global Markets ex Australia Large & Mid Cap AUD Index.

Contact us

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