Apostle Dundas Global Equity Fund – Class C

APOSTLE

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

Monthly Report **– October 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$2.5542
Fund Size (AUD)	AUD$2,745.89M
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 31/10/25

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)	2.34	2.55	10.41	14.45	12.32	13.50	12.19	11.65
Total (net)	2.27	2.32	9.43	13.43	11.31	12.49	11.19	10.66
Relative (gross)*	-1.23	-4.46	-12.92	-6.54	-4.02	-0.76	-0.16	-0.53
Relative (net)**	-1.31	-4.69	-13.91	-7.56	-5.03	-1.77	-1.16	-1.52

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	52
Dividend Yield	1.30
Turnover* (last 12 months)	20.76%
Price/Earnings	30.31
Price/Cash Flow	22.13
Price/Book Value	7.78x
Beta (ex-ante)	0.82
Average market capitalisation	$283.39bn
Median market capitalisation	$96.26bn
Tracking error (1 year)	5.71

*Turnover calculated as ((Purchases + Sales)/2) / average assets during the period. Source: Dundas Global Investors and Apostle Funds Management as at 31/10/25

Market Cap Exposure (% weight by capital)

Range	Fund
>US$ 500bn	14.30
US$ 100 - 500bn	45.16
US$ 50 - 100bn	6.87
US$ 10 - 50bn	30.63
US$ 2 - 10bn	0.66

Source: Dundas Global Investors as at 31/10/25

Top Ten Holdings by Capital (% weight)

Stock	Fund	Active Weight*
Microsoft	4.26	0.10
Amphenol	3.81	3.62
Alphabet	3.75	2.10
WR Berkley	3.74	3.72
EssilorLuxottica	3.54	3.42
TSMC	3.54	3.54
American Express	3.08	2.85
Applied Materials	2.89	2.68
Visa	2.75	2.11
Sage Group	2.58	2.56
TOTAL	33.94	26.69

*Active Weight relative to the Index. Source: Dundas Global Investors and Apostle Funds Management as at 31/10/25

Regional Allocation (%)

Country	Fund	Active Weight*
United States	55.82	-7.15
France	11.80	9.68
Switzerland	4.56	2.45
Sweden	3.83	2.96
Taiwan	3.54	1.18
Hong Kong	3.38	2.38
Denmark	2.96	2.58
United Kingdom	2.58	-0.70
Netherlands	2.34	1.23
Singapore	2.26	1.81
Germany	1.67	-0.34
Japan	1.62	-4.01
India	1.27	-0.58
Other Countries	0.00	0.00

*Active Weight relative to the Index. Source: Dundas Global Investors and Apostle Funds Management as at 31/10/25

Sector Exposure (%)

Sector	Fund	Active Weight*
Information Technology	28.33	-0.14
Financials	24.47	7.93
Health Care	21.32	12.65
Industrials	8.37	-2.31
Consumer Discretionary	5.65	-5.04
Communication Services	3.75	-5.30
Materials	3.54	0.43
Consumer Staples	2.19	-2.96
Energy	0.00	-3.39
Real Estate	0.00	-1.66
Utilities	0.00	-2.59
Cash	2.38	2.38

*Active Weight relative to the Index. Source: Dundas Global Investors and Apostle Funds Management as at 31/10/25

Performance and Portfolio Comment

Market overview

Global equities advanced modestly in October 2025, supported by easing monetary policy and strong tech earnings. Late-month trade talks between the US and China lifted global sentiment, with both sides agreeing a one-year trade deal that would pause steeper US tariffs and limit China's export controls on rare earth minerals – a critical component in the AI supply chain. Although no formal agreement was reached, the more constructive tone marked a shift from the heightened rhetoric earlier in the month, which had triggered the largest one-day decline in US equity markets since the Liberation Day announcements in April.

US equity markets remained resilient, buoyed by optimism around monetary easing and strong technology earnings. The softer inflation backdrop gave the Federal Reserve (Fed) the confidence to deliver another 25-basis point (bps) cut, bringing their target range to 3.75-4.00%. There were signs of caution: valuations are elevated (notably among the "Magnificent Seven" tech stalwarts), and there is growing concern over concentration risk and stretched multiples. Growth stocks extended their outperformance versus value stocks buoyed by renewed enthusiasm for AI. Small-cap stocks lagged large caps as investors favoured quality and defensiveness, even as cyclical sectors showed some pickup thanks to the improved macro backdrop.

European equities delivered modest positive returns, supported by improving sentiment and relatively attractive valuations. The European Central Bank (ECB) kept policy steady while inflation hovered near target, giving markets some relief from further tightening risk. President Christine Lagarde warned that potential US tariffs on European industrial goods remained "a material downside risk." However, policymakers judged that premature easing could reignite price pressures, especially given higher wage settlements in France and Spain. Market participants expect an initial ECB rate cut in the first quarter of 2026 if current inflation trends continue. The euro briefly fell below 1.06 against the dollar before stabilising, as investors balanced rate differentials with improved trade data.

In Asia, equity markets enjoyed strong momentum, driven in large part by technology-oriented exports and improving sentiment toward China. Semiconductor and hardware names across Taiwan and South Korea surged on AI infrastructure demand and the dovish turn in global rates. That said, risks remain: China's property sector remains a drag, and valuations in parts of the region appear rich rather than cheap.

Performance overview

Over the past 12 months, the Fund has posted a total return net of fees of 9.43%, while the market returned 23.33%*. In October, the Fund returned 2.27% net of fees underperforming the market by 1.31%.

Positive contributions came from the Fund's holdings in the Communication Services and Consumer Discretionary sectors and the overweight to Consumer Staples.

Fund performance was negatively impacted by the Fund's holdings in the IT, Health Care and Industrials sectors, as well as the overweight to the Financials sector.

Regionally, Europe was positive to performance. Fund holdings in North America and the underweight to Asia Pacific detracted.

The top five contributors were Amphenol, EssilorLuxottica, Applied Materials, Thermo Fisher Scientific and Alphabet.

The bottom five contributors were Brown & Brown, WR Berkley, Equifax, Dassault Systemes, and Automatic Data Processing.

Dividends

The monthly average dividend increase was 25.0% and the announcements consisted of: Amphenol 51.5%, Visa 13.6% and Brown & Brown 10.0%.

Portfolio changes

During the month, Hong Kong Exchanges, a leading global operator of exchanges and clearing houses and one of the world's largest exchange groups by market capitalisation was purchased. There were no complete sales.

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

Contact us

Apostle Funds Management Pty Ltd

Suite 2, Level 26, 6 O'Connell Street Sydney NSW 2000
T: +61 2 8278 9554 F: +61 2 9247 9976
www.apostlefm.com.au
apostleclientservice@apostlefm.com.au

K2 Asset Management Ltd

Level 44, 101 Collins Street Melbourne VIC 3000
T: +61 3 9691 6111
www.k2am.com.au

Recommended
Lonsec Research

This document has been prepared by Apostle Funds Management Pty Limited ("Apostle") (ABN 16 129 922 612) (AFSL No. 458375). The Apostle Dundas Global Equity Fund (ARSN 093 116 771) is issued by K2 Asset Management Ltd ("K2") (ABN 95 085 445 094) (AFSL No. 244393), a wholly owned subsidiary of K2 Asset Management Holdings Limited (ABN 59 124 636 782). This material and the content of any offer document for the investment are principally governed by Australian rather than New Zealand law. This material may contain information provided directly by third parties which include Dundas Partners, LLP (AFSL No. 527238).

This material is for information purposes only. Offers to invest will only be made in the product disclosure statement ("PDS") and this material is not intended to substitute the PDS which outlines the risks involved and other relevant information. You should also consider the Target Market Determination ("TMD") when ascertaining if the product is appropriate for your needs. Both the PDS and the TMD are available from https://www.k2am.com.au/forms-apostle-Dundas. It is not an offer or a recommendation to invest and it should not be relied upon by investors in making an investment decision. Offers to invest will only be made in the relevant offer document and this material is not intended to substitute suitable disclosure documents which will outline the risks involved and other relevant information. Any investment carries potential risks and fees which are described in the relevant offer document. An investor should, before deciding whether to invest, consider the appropriateness of the investment, having regard to both the relevant offer document in its entirety and the investor's objectives, financial situation and need. This information has not been prepared taking into account your objectives, financial situation or needs. Please note that past investment performance is not a reliable indicator of future investment performance. No representation is made as to future performance or volatility of the investment. In particular, there is no guarantee that the investment objectives and investment strategy set out in this presentation may be successful. Any forward-looking statements, opinions and estimates provided in this material are based on assumptions and contingencies which are subject to change without notice and should not be relied upon as an indication of the future performance. Persons should rely solely upon their own investigations in respect of the subject matter discussed in this material. No representations or warranties, expressed or implied, are made as to the accuracy or completeness of the information, opinions and conclusions contained in this material. In preparing these materials, we have relied upon and assumed, without independent verification, the accuracy and completeness of all information available to Apostle. To the maximum extent permitted by law, all liability in reliance on this material is expressly disclaimed.

This document is strictly confidential and is intended solely for the use of the person to whom it has been delivered. It may not be reproduced, distributed or published, in whole or in part, without the prior approval of Apostle. Third party distributors may be used to market the investment to New Zealand investors. Where this occurs, this material can only be provided to New Zealand persons that the New Zealand distributor is authorised to deal with under New Zealand law and is not available to any person to whom it would be unlawful to make such offer or invitation.

The rating published on 05/2024 for the Apostle Dundas Global Equity Fund is issued by Lonsec Research Pty Ltd ABN 11 151 658 561 AFSL 421 445 (Lonsec Research). Ratings are general advice only and have been prepared without taking account of investors' objectives, financial situation or needs. Consider your personal circumstances, read the product disclosure statement and seek independent financial advice before investing. The rating is not a recommendation to purchase, sell or hold any product. Past performance information is not indicative of future performance. Ratings are subject to change without notice and Lonsec Research assumes no obligation to update. Lonsec Research uses objective criteria and receives a fee from the Fund Manager. Visit lonsec.com.au for ratings information and to access the full report.
…