

Apostle Dundas Global Equity Fund – Class D Active ETF

ASX: ADEF ARSN 093 116 771

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\$6.3017
Fund Size (AUD)	AUD\$2,745.89M
Class D Size	AUD\$17.28M
Tax Losses Available (As at last distribution period)	AUD\$215.36M
Portfolio Inception Date	September 2012
Inception Date – Class D	February 2021
Companies in Portfolio	Targeting 50-65 holdings
Investment Manager	Dundas Global Investors
Management Fee	0.90% p.a. (incl. GST & RITC)
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	State Street Australia Limited
Unit Registry	Boardroom Limited

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

Performance

Return (%)	1 mth	3 mth	6 mth	1 yr	2 yr (p.a.)	3 yr (p.a.)	Incep. (p.a.)	^Portfolio Incep. p.a.
Total (gross)	2.34	2.56	6.92	10.48	17.47	14.61	11.80	11.65
Total (net)	2.27	2.33	6.44	9.49	16.42	13.59	10.80	10.66
Relative (gross)*	-1.23	-4.45	-12.40	-12.86	-8.26	-6.38	-3.61	-0.53
Relative (net)**	-1.31	-4.68	-12.88	-13.84	-9.30	-7.40	-4.61	-1.52

Source: State Street Performance & Analytics Australia. Fund performance calculated using exit prices for Class D and shown on a total return basis (net dividends reinvested). Class D commenced on 24th February 2021. *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 Inception pa returns refers to Class C of the Apostle Dundas Global Equity Fund from its inception date of 4th June 2015. Class C has the same management fee, hence the information would be comparable for Class D. Different future expenses and other factors between the classes may impact the returns of each class.

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
Microsoft	4.26
Amphenol	3.81
Alphabet	3.75
WR Berkley	3.74
EssilorLuxottica	3.54
TSMC	3.54
American Express	3.08
Applied Materials	2.89
Visa	2.75
Sage Group	2.58
TOTAL	33.94

*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 9.49%, 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

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