

# Apostle Dundas Global Equity Fund – Class D Active ETF

ASX: ADEF ARSN 093 116 771

Monthly Report – December 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

<b>Unit Price (NAV)</b>	AUD\$6.2785
<b>Fund Size (AUD)</b>	AUD\$2,726.86M
<b>Class D Size</b>	AUD\$16.79M
<b>Tax Losses Available (As at last distribution period)</b>	AUD\$215.36M
<b>Portfolio Inception Date</b>	September 2012
<b>Inception Date – Class D</b>	February 2021
<b>Companies in Portfolio</b>	Targeting 50-65 holdings
<b>Investment Manager</b>	Dundas Global Investors
<b>Management Fee</b>	0.90% p.a. (incl. GST & RITC)
<b>Portfolio Management Team</b>	Alan McFarlane – Chair David Keir – Managing Partner James Curry – Partner Gavin Harvie – Partner Andrew Brown – Partner
<b>Responsible Entity</b>	K2 Asset Management Ltd
<b>Custodian</b>	State Street Australia Limited
<b>Unit Registry</b>	Boardroom Limited

Source: Dundas Global Investors as at 31/12/25

## 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.
<b>Total (gross)</b>	-1.16	2.12	2.75	4.48	12.42	15.20	11.32	11.44
<b>Total (net)</b>	-1.23	1.89	2.29	3.55	11.42	14.18	10.33	10.44
<b>Relative (gross)*</b>	-0.50	-0.62	-6.81	-9.60	-9.20	-6.51	-3.33	-0.46
<b>Relative (net)**</b>	-0.57	-0.85	-7.28	-10.53	-10.20	-7.53	-4.32	-1.45

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

<b>No of Holdings</b>	51
<b>Dividend Yield</b>	1.31
<b>Turnover* (last 12 months)</b>	21.70%
<b>Price/Earnings</b>	30.13
<b>Price/Cash Flow</b>	22.05
<b>Price/Book Value</b>	8.04x
<b>Beta (ex-ante)</b>	0.86
<b>Average market capitalisation</b>	\$293.86bn
<b>Median market capitalisation</b>	\$104.04bn
<b>Tracking error (1 year)</b>	5.08

\*Turnover calculated as ((Purchases + Sales)/2) / average assets during the period. Source: Dundas Global Investors and Apostle Funds Management as at 31/12/25

## Market Cap Exposure (% weight by capital)

Range	Fund
<b>&gt;US\$ 500bn</b>	15.90
<b>US\$ 100 - 500bn</b>	44.68
<b>US\$ 50 - 100bn</b>	9.06
<b>US\$ 10 - 50bn</b>	28.33
<b>US\$ 2 - 10bn</b>	0.57

Source: Dundas Global Investors as at 31/12/25

## Top Ten Holdings by Capital (% weight)

Stock	Fund
<b>Alphabet</b>	4.12
<b>Microsoft</b>	3.94
<b>WR Berkley</b>	3.64
<b>TSMC</b>	3.54
<b>Amphenol</b>	3.34
<b>Applied Materials</b>	3.15
<b>American Express</b>	3.12
<b>Essilorluxottica</b>	3.03
<b>Visa</b>	2.80
<b>Thermo Fisher Scientific</b>	2.59
<b>TOTAL</b>	33.26
	26.02

\*Active Weight relative to the Index. Source: Dundas Global Investors and Apostle Funds Management as at 31/12/25

## Regional Allocation (%)

Country	Fund	Active Weight*
United States	57.55	-4.38
France	11.51	9.37
Switzerland	4.44	2.23
Taiwan	3.54	1.01
Hong Kong	3.44	2.43
Denmark	3.11	2.66
Sweden	2.89	1.99
United Kingdom	2.46	-0.85
Netherlands	2.36	1.17
Singapore	2.36	1.92
Germany	2.13	0.04
Japan	1.49	-4.27
India	1.26	-0.52
Other Countries	0.00	0.00

Active Weight relative to the Index. Source: Dundas Global Investors and Apostle Funds Management as at 31/12/25

## Sector Exposure (%)

Sector	Fund	Active Weight*
Information Technology	27.15	-0.29
Financials	25.88	9.00
Health Care	20.86	11.89
Industrials	8.46	-2.58
Consumer Discretionary	6.07	-4.46
Communication Services	4.12	-4.96
Materials	3.58	0.12
Consumer Staples	2.42	-2.70
Energy	0.00	-3.39
Real Estate	0.00	-1.62
Utilities	0.00	-2.47
Cash	1.46	1.46

\*Active Weight relative to the Index. Source: Dundas Global Investors and Apostle Funds Management as at 31/12/25

## Performance and Portfolio Comment

### Market overview

Global equities finished 2025 with gains amid year-end volatility and shifting monetary policy expectations. Broad benchmarks showed resilience, supported by healthy corporate earnings, AI-driven tech advances, and easing macro risks, though trading in December itself was mixed with days of weakness around key data and rate decisions. International stocks outperformed US equities in 2025, supported by a weaker US dollar and robust emerging market returns. Precious metals also rallied, reflecting safe-haven demand. Diverging central bank paths—Fed cuts versus steady ECB/BoE—added nuance to equity performance across regions, leading to rotation into non-US stocks and cyclicals late in the year.

In the United States, equity markets delivered another strong year, though December was choppy as investors digested Fed policy shifts. Major indices such as the S&P 500, Dow Jones, and Nasdaq recorded solid gains in 2025 with notable contributions from technology and AI-linked names. However, mid-December sessions saw broad declines, particularly in tech and semiconductors, as markets adjusted to monetary policy data and rate cut expectations. The S&P 500's year-end performance continued a rare multi-year streak of double-digit returns, even as the pace of gains slowed toward month end. Rotation and sector leadership shifts characterised the final weeks of trading.

European equities demonstrated strong performance in 2025 and maintained relative strength through December. Major indices like the FTSE 100 and Stoxx Europe 600 posted significant annual gains, with the FTSE 100 achieving its best year since 2009. Defensive and commodity-linked sectors helped buoy markets amid geopolitical tensions and fiscal stimulus in parts of the region. Eurozone inflation cooled toward target levels, reducing interest rate risk and supporting equity valuations. European markets benefited from improving macro data and preserved investor confidence into year-end.

Asian stock markets saw a mixed but generally positive finish to 2025. Major benchmarks such as Japan's Nikkei 225, Shanghai Composite, and Hang Seng exhibited modest upside into year-end, often reacting to US rate-cut expectations and local monetary policy dynamics. South Korea's equities and certain emerging Asian markets outperformed amid robust domestic growth and tech sector strength. Some sessions experienced volatility linked to external macro cues, but broader sentiment leaned supportive as markets shrugged off earlier sell-offs and geopolitical concerns. Overall, Asian equities closed the year with relatively strong performance, underpinned by favourable earnings outlooks and capital inflows.

### Performance overview

Over the past 12 months, the Fund has posted a total return net of fees of 3.55%, while the market returned 14.08%\*. In December, the Fund returned -1.23% net of fees underperforming the market by 0.57%.

Positive contributions came from the Fund's holdings in the IT, Financials and Consumer Discretionary sectors, as well as having no exposure to Utilities.

Fund performance was negatively impacted by holdings in the Financials and the Materials sectors. The Fund's overweight to Health Care and holdings within the sector also weighed on performance.

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

The top five contributors were Booking Holdings, Nasdaq, TSMC, Salesforce and DBS Group.

The bottom five contributors were EssilorLuxottica, WR Berkley, Amphenol, Resmed and Strkyer.

### Dividends

The monthly average dividend increase was 11.2% and the announcements consisted of :- Mastercard 14.5%, Abbot Laboratories 6.8%, Zoetis 6.0%, and Stryker 4.8%.

### Portfolio changes

During the month, there were no new investments, and the Swedish multinational industrial technology company Hexagon was sold.

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

## Contact us

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