

Apostle Dundas Global Equity Fund – Class D Active ETF

ASX: ADEF ARSN 093 116 771

Monthly Report – August 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\$6.1304
Fund Size (AUD)	AUD\$2,700.45M
Class D Size	AUD\$17.36M
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 31/08/25

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)	-0.38	-0.20	-1.83	8.45	12.69	14.79	11.54	11.54
Total (net)	-0.45	-0.43	-2.28	7.48	11.68	13.77	10.55	10.54
Relative (gross)*	-1.23	-7.10	-7.83	-11.90	-6.43	-4.93	-2.97	-0.20
Relative (net)**	-1.30	-7.33	-8.28	-12.87	-7.44	-5.96	-3.96	-1.20

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 p.a. 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	1.26
Turnover* (last 12 months)	20.35%
Price/Earnings	29.57
Price/Cash Flow	21.83
Price/Book Value	7.50x
Beta (ex-ante)	0.82
Average market capitalisation	\$257.72bn
Median market capitalisation	\$96.46bn
Tracking error (1 year)	5.36

*Turnover calculated as ((Purchases + Sales)/2) / average assets during the period. Source: Dundas Global Investors and Apostle Funds Management as at 31/08/25

Market Cap Exposure (% weight by capital)

Range	Fund
>US\$ 500bn	13.96
US\$ 100 - 500bn	40.50
US\$ 50 - 100bn	10.16
US\$ 10 - 50bn	32.94
US\$ 2 - 10bn	0.76

Source: Dundas Global Investors as at 31/08/25

Top Ten Holdings by Capital (% weight)

Stock	Fund	Active Weight*
Microsoft	4.24	-0.02
WR Berkley	3.83	3.80
Amphenol Corp	3.03	2.86
Essilorluxottica	2.99	2.89
Alphabet	2.89	1.47
Visa	2.89	2.20
American Express	2.88	2.67
Brown & Brown	2.78	2.78
TSMC	2.76	2.76
Abbott Laboratories	2.66	2.39
TOTAL	30.94	23.80

*Active Weight relative to the Index. Source: Dundas Global Investors and Apostle Funds Management as at 31/08/25

Regional Allocation (%)

Country	Fund	Active Weight*
United States	56.28	-6.63
France	11.68	9.52
Switzerland	5.86	3.71
Sweden	4.80	3.91
Denmark	3.31	2.89
Taiwan	2.76	0.53
United Kingdom	2.55	-0.81
Hong Kong	2.35	1.34
Singapore	2.18	1.72
Germany	1.84	-0.25
Japan	1.77	-4.00
Netherlands	1.68	0.67
India	1.27	-0.61
Other Countries	0.00	0.00

Active Weight relative to the Index. Source: Dundas Global Investors and Apostle Funds Management as at 31/08/25

Sector Exposure (%)

Sector	Fund	Active Weight*
Information Technology	26.94	0.06
Financials	24.42	7.26
Health Care	22.24	13.61
Industrials	9.21	-1.66
Consumer Discretionary	5.49	-5.29
Materials	3.83	0.58
Consumer Staples	3.30	-2.23
Communication Services	2.89	-6.33
Energy	0.00	-3.42
Real Estate	0.00	-1.76
Utilities	0.00	-2.50
Cash	1.68	1.68

*Active Weight relative to the Index. Source: Dundas Global Investors and Apostle Funds Management as at 31/08/25

Performance and Portfolio Comment

Market overview

August 2025 was a broadly positive month for global equities. Developed markets led gains, with strong US performances and record highs in small-cap segments. Asia, particularly China and Japan, also showed robust gains, while emerging markets continued their steady upward trajectory.

US equities rose with the S&P 500 and Nasdaq reaching new highs and the Russell 2000 posting its strongest month since November 2024. Treasuries firmed as Fed rate-cut expectations increased, and gold surpassed \$3,500/oz. The month began with concerns over weak job reports, but strong Q2 earnings and resilient consumer spending boosted sentiment. Trade policy was in focus, with new tariffs and ongoing negotiations impacting markets. Notably, Trump announced the firing of Fed Governor Cook over legal issues, reviving discussions on Fed independence. The trade backdrop remains far from settled, and headline risk is ever-present. Rate cuts may be coming, but Fed members have consistently reminded they will be data dependent. And even broad growth themes such as AI have sparked questions about what practical returns have been generated by the capex surge.

European equity markets gained over the month. Market participants are still digesting the impact of trade tariffs, but for the most part reduced uncertainty after a series of US deals, including with the EU, supported risk appetite. The BoE cut rates by 25bps to 4%, amidst cautious inflation forecasts, while other central banks held rates steady. Elsewhere, Trump and Putin discussed a potential Ukraine ceasefire and increased the possibility of a path to direct talks between Putin and Zelensky after subsequent talks between US, EU and Ukraine. The Kremlin confirmed Russia and Ukraine negotiating teams were in touch, but no date for negotiations has been set.

Asia stocks rose for a fifth consecutive month as Japan's benchmarks rose to record highs and the rest of Asia's markets received support from a weaker US dollar, robust economic data, and a surge in China's technology sector. Mainland China markets outperformed by some distance on optimism over its economy and a push by Beijing to use domestically developed technology, and despite economic data that pointed to a slowdown in growth. China and the US extended their truce by another 90 days although the respective 10%/30% tariff rate will stay for the entirety of the period. On the downside, trade talks with India effectively broke down, resulting in Trump imposing a 50% tariff rate on India's exports from late August.

Performance overview

Over the past 12 months, the Fund has posted a total return net of fees of 7.48%, while the market returned 20.36%*. In August, the Fund returned -0.45% net of fees underperforming the market by 1.30%.

Positive contributions came from the Fund's holdings in the Industrials sector and having no exposure to Utilities.

Fund performance was negatively impacted by the Fund's holdings in the IT, Health Care and Materials sectors.

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

The top five contributors were American Express, Analog Devices, Novo Nordisk, Alphabet and DBS Group.

The bottom five contributors were Sage Group, Applied Materials, Sysmex, Intuit and TSMC.

Dividends

The monthly average dividend increase was 13.3%. The announcements consisted of: -Intuit 15.4% and TSMC 11.1%.

Portfolio changes

During the month, Costco, the American multinational corporation which operates a chain of membership-only big-box warehouse club retail stores was sold. There were no new investments.

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

Contact us

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