Insync Global Quality Equity Fund

May 2025

Fund Overview

The Insync Global Quality Equity Fund is a high-conviction, concentrated portfolio purpose-built to harness growth from transformative global mega-trends spanning both technology and non-technology sectors.

Our focused approach targets companies with exceptional quality, growth potential, and resilience, enabling sustainable capital growth through economic shifts.

Monik Kotecha

Portfolio Manager

BSc (Hons), MSc
34 years of funds management experience across international and Australian equity markets.
Previously senior portfolio manager at Bankers Trust & IML with experience working from London, New York & Sydney.

Identifying tomorrow's winners requires a deep understanding of the **key drivers of quality growth**—and at the heart of this is **Return on Invested Capital (ROIC).**

At Insync, we remain extremely focused on finding companies that can **sustainably grow their ROIC over time,** ensuring long-term value creation.

This disciplined approach is reflected in our portfolio, where the **average ROIC stands at 50% — approximately five times the market average.**

Fund Performance[1]

	1 Month	3 Months	1 Year	Rolling 3 Year Average*	3 Years	Rolling 5 Year Average*	5 Years	Inception p.a.
Fund (%)	2.99	-0.39	15.10	9.90	17.03	11.65	10.50	12.31
Benchmark (%)^	5.16	-1.01	17.53	11.28	16.56	12.06	14.09	12.49
Active Return (%)	-2.17	0.62	-2.43	-1.38	0.47	-0.41	-3.59	-0.18

^ Benchmark used - MSCI All Country World ex-Australia Net Total Return Index in Australian Dollars.
* The rolling average measures the average of all monthly-calculated, annualised, 3-year and 5-year returns.

Growth of AUD $100,000[1]

Accumulative value of $100,000 invested since inception at 3 July 2018.

1. Past performance is not a reliable indicator of future performance. Returns are calculated after fees and costs, and assume all distributions reinvested. No consideration is made for individual tax. Performance Inception Date (exclusive): 3/07/2018.

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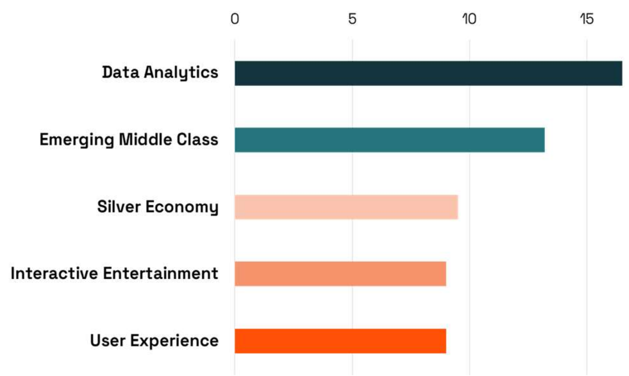
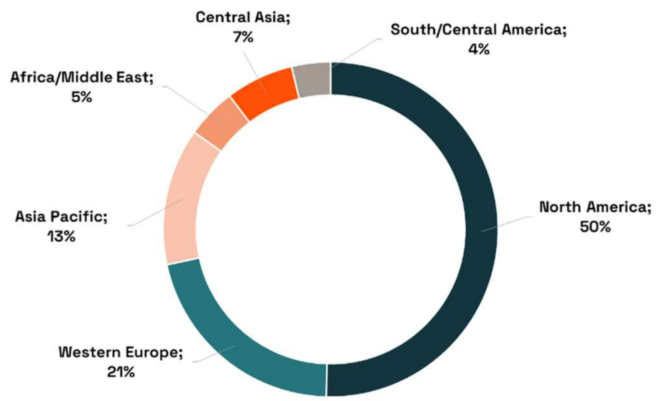
Top 5 Megatrend Exposure (%)[2]



Geographical Exposure[3]



Key Portfolio Holdings

Data Analytics

User Experience

Interactive Entertainment

Emerging Middle Class

Silver Economy

Fund Information

APIR Code	ETL5510AU
Inception Date	July 2018
Number of Holdings	20 - 40
Management Fee[4]	0.98% p.a.
Buy / Sell Spread	+0.20% / -0.20%
Frequency of Distributions	Annually

2. Megatrends are internally defined based on portfolio holdings excluding Cash.
3. Source: Insync. Geographical exposure is calculated excluding cash and is based on the location of senior management of each company within our portfolio.
4. Management fee is inclusive of GST. Transaction costs may also apply - refer to the Product Disclosure Statement for additional information.

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Manager Commentary

The Insync Global Quality Equity Fund **added 2.99% in May**, in comparison to a benchmark return of 5.16%.

The underperformance during the month was primarily driven by our relative underweights in the U.S. mega-cap technology sector, particularly Nvidia, where we viewed valuations as excessive and maintained a conservative positioning. Despite ongoing headwinds from U.S. export restrictions impacting sales to China, Nvidia rebounded strongly in May on renewed investor optimism surrounding demand for its advanced AI chips. While our underweight position meant we participated less in the narrow semiconductor-led rally, we continue to maintain a balanced exposure to select U.S. technology companies that are well-positioned to benefit from AI adoption, albeit with more attractive risk-reward profiles. Although the global equity market bounce in May provided some relief, **we remain disciplined on valuation, especially in many segments of the U.S. market where expectations leave little margin for error.**

Veeva Systems was the largest contributor to Fund performance for the month. The company, which provides an integrated suite of cloud-based software solutions for the life sciences industry, reported another strong set of quarterly results despite a generally cautious macro and regulatory environment. Growth was led by its Commercial segment, particularly its Crossix business, which continues to gain market share. The R&D segment also showed resilience, underpinned by broader customer adoption of adjacent products across Veeva's platform. **The results reinforced the company's strategic positioning as a vertical SaaS leader,** supported by the structural digitalisation of life sciences and the high retention inherent in its platform-based delivery model.

More broadly, signs of de-escalation in U.S.–China tensions, a solid U.S. earnings season, and incremental macroeconomic data pointing to resilient growth and contained inflation **contributed to reduced volatility across global equity markets in May.** The MSCI ACWI ex Australia Index recovered its April losses and delivered a 1.3% gain in AUD terms over the first five months of 2025. For now, so-called "TACO" trades, supported by expectations of limited follow-through on hawkish U.S. trade or policy measures, have continued to underpin market strength. **In contrast, bond markets have taken a more cautious stance,** with the long end sovereign yields drifting higher across several developed economies including the U.S. and Japan, amid growing concerns over fiscal discipline and the long-term sustainability of public debt trajectories.

We continue to position the portfolio with a disciplined, fundamentals-driven approach, **balancing selective exposure to attractively valued U.S. mega-cap names with high-conviction structural growth opportunities outside the U.S.** Our focus remains on companies with durable competitive advantages, strong balance sheets, and clear, sustainable paths to long-term earnings growth, as we seek to navigate an increasingly complex and policy-sensitive investment landscape.