Insync Global Capital Aware Fund

June 2025

Fund Overview

The Insync Global Capital Aware Fund is a high-conviction, concentrated portfolio designed to capture growth from transformative global megatrends across both technology and non-technology sectors.

It employs proactive hedging strategies to cushion the impact of significant market downturns, offering investors a smoother investment journey.

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 (%)	-0.14	4.29	13.94	11.63	17.24	11.98	9.41	11.01
Benchmark (%)^	2.63	6.00	18.48	12.64	19.34	12.81	14.82	11.98
Active Return (%)	-2.77	-1.71	-4.54	-1.01	-2.10	-0.83	-5.41	-0.97

^ 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 7 October 2009.

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): 7/10/2009.

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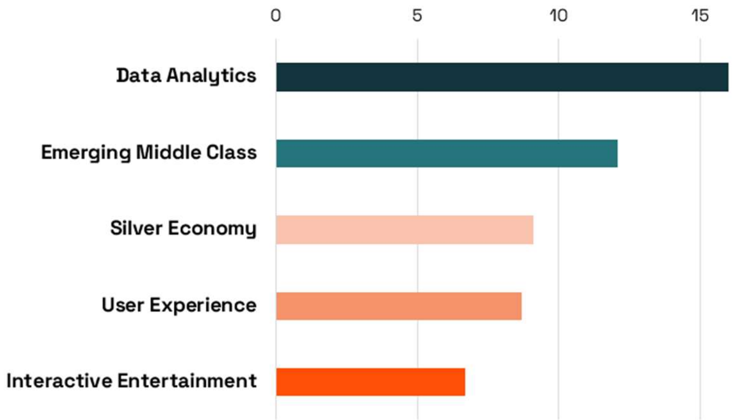
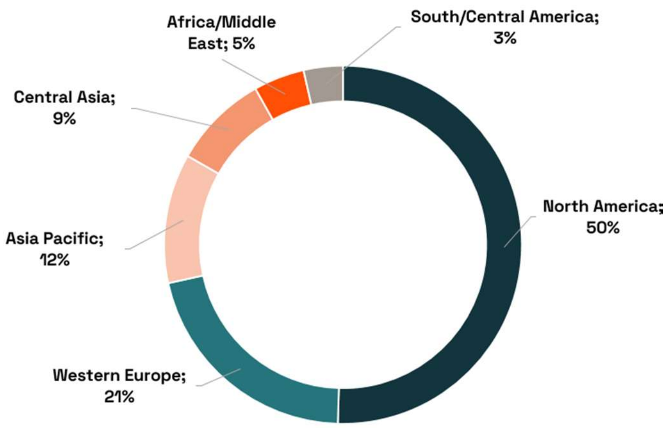
Top 5 Megatrend Exposure (%)[2]



Geographical Exposure[3]



Key Portfolio Holdings

Google	Mastercard	Nintendo	Tencent	McKesson
Data Analytics	User Experience	Interactive Entertainment	Emerging Middle Class	Silver Economy

Fund Information

APIR Code	SLT0041AU
Inception Date	October 2009
Number of Holdings	20 - 40
Management Fee[4]	1.30% p.a.
Buy / Sell Spread	+0.20% / -0.20%
Frequency of Distributions	Annually

2. Megatrends are internally defined based on portfolio holdings excluding Cash and portfolio hedges.
3. Source: Insync. Geographical exposure is calculated excluding cash and portfolio hedges 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 Capital Aware Fund added **4.29% over the quarter** and returned **13.94% for the last 12 months to June 2025.** Currently, the Fund's protection level is approximately 23% of its notional equity exposure.

For much of the financial year, Fund performance closely tracked the benchmark, with our strategy demonstrating strong downside protection during the market drawdowns in early 2025. The portfolio proved particularly resilient during the April correction, which was triggered by escalating tariff tensions and geopolitical unrest. The combination of high-quality equity holdings and proactive risk management—through well-structured option protections—**enabled the Fund to meaningfully outperform during what was a sharp and broad-based market selloff.**

However, performance lagged in May and June as the U.S. equity market – which represents over 65% of the MSCI ACWI index – staged a historic and exceptionally narrow rebound. In June, the broader U.S. market, as measured by the S&P500, reached new all-time highs. **Yet the gains were overwhelmingly concentrated in a small group** of U.S. mega-cap technology and semiconductor companies. Notably, Nvidia alone accounted for 12% of the S&P 500's rebound from the April low, highlighting the unusually narrow leadership of this rally. As a result, our underweight position in Nvidia was the largest detractor from performance during the quarter.

Veeva Systems remained the largest contributor to Fund performance over the quarter, supported by continued confidence in its defensible business model and long-term growth outlook. Additionally, our zero allocation to Apple contributed positively, as the company faced persistent uncertainty related to tariffs and mounting challenges in the rollout of next-generation generative AI-enabled devices.

Ongoing policy uncertainty—driven by the conflicting forces of restrictive tariffs, stimulating tax cuts, and heightened geopolitical tensions—continues to cloud the economic outlook in the U.S. and globally. **These competing dynamics have also kept the U.S. Federal Reserve in a cautious, data-dependent stance regarding the path forward for interest rates.** In China, export growth supported GDP expansion in the first half of the year, but looking ahead, we expect domestic consumption growth and the scale of fiscal stimulus in the second half of 2025 to be the key drivers of market performance in the region. Meanwhile, the intensifying and highly scrutinised AI race between the U.S. and China is expected to evolve rapidly, with selective investment opportunities also beginning to emerge across parts of the European market.

Despite the short-term performance gap during this narrow rally, **we believe the setup for forward-looking returns remains compelling for our strategy.** We continue to see strong opportunities emerging beyond the concentrated group of index-dominating U.S. stocks. Our portfolio remains deliberately diversified across geographies, sectors, and long-term megatrends, with a consistent focus on companies delivering high and sustainable returns on invested capital. While recent market gains have favoured concentration, **we believe long-term outperformance will come from owning quality businesses exposed to durable structural growth themes**, supported by disciplined capital allocation and reasonable valuations.