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Ausbil Active Dividend Income Fund

Quarterly performance update

June 2025

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'As a result of tariffs and tensions, the June quarter saw high volatility with major market moves'

Performance Review

Fund performance for the quarter ending June 2025 was +8.70% (net of fees), versus the benchmark return of +9.50%, as measured by the S&P/ASX 200 Accumulation Index.

At a sector level, the overweight positions in the Consumer Discretionary and Financials sectors contributed to relative performance. The underweight positions in the Industrials, Consumer Staples and Health Care sectors also added value. Conversely, the overweight positions in the Energy, Materials, Communication Services and Utilities sectors detracted value. The underweight positions in the Information Technology and Real Estate sectors also detracted value.

At a stock level, the overweight positions in Santos, Macquarie Group, Helia Group, National Australia Bank, Hub24 and Challenger contributed to relative performance. The underweight position in Coles Group and the nil positions in Northern Star Resources, South32 and Fortescue also added value. Conversely, the overweight positions in BHP, Woodside Energy Group, Amcor, Rio Tinto and Treasury Wine Estates detracted from relative performance. The underweight positions in Commonwealth Bank and Westpac Bank, and the nil positions in WiseTech Global, Pro Medicus and TechnologyOne also detracted value.

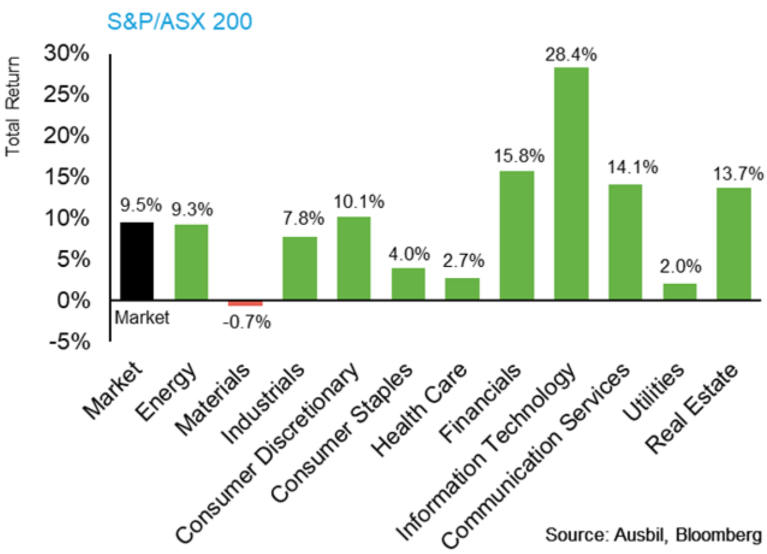
Market Review

The month of June saw the S&P/ASX 200 Accumulation Index deliver +1.4%, adding to a positive return for the quarter of +9.5%, bringing the trailing market 1-year return to +13.8%.

All major world markets moved higher this quarter, with the exception of Singapore. Emerging Markets (MSCI EM) slightly outpaced Developed Markets (MSCI World), with Nasdaq leading the quarter. This was despite tariffs in April, and military exchanges involving Iran, Israel and the US bombing of key nuclear installations in Iran.

All sectors enjoyed positive returns this quarter, other than Materials, as shown in the chart. Information Technology, Financials, Communication Services and Real Estate were the standouts.

Sector returns – June Quarter 2025



Source: Ausbil, Bloomberg

Fund Characteristics

Returns[1] as at 30 June 2025

Period	Distribution Return[2] % Net	Growth Return % Net	Total Return % Net	Bench-mark[3] %	Excess Return[4] % Net
1 month	0.67	1.05	1.72	1.41	0.31
3 months	1.63	7.06	8.69	9.50	-0.80
6 months	2.89	3.15	6.04	6.44	-0.39
1 year	5.66	5.37	11.03	13.81	-2.77
2 years pa	5.58	4.78	10.36	12.95	-2.60
3 years pa	5.79	4.99	10.78	13.56	-2.78
4 years pa	5.78	1.01	6.79	8.18	-1.40
5 years pa	6.44	4.50	10.94	11.85	-0.92
7 years pa	5.95	2.70	8.65	8.78	-0.13
Since inception pa Date: July 2018	5.95	2.70	8.65	8.78	-0.13

Top 10 Stock Holdings

Name	Fund %	Index[3] %	Tilt %
Commonwealth Bank	14.48	12.04	2.43
BHP	7.05	7.27	-0.21
National Australia Bank	5.54	4.70	0.84
CSL	5.38	4.52	0.86
Wesfarmers	5.23	3.75	1.48
Macquarie Group	5.17	3.16	2.01
Rio Tinto	4.30	1.55	2.75
Telstra	3.70	2.16	1.54
Goodman Group	3.45	2.71	0.74
Santos	2.47	0.97	1.51

Sector Tilts

Sector	Fund %	Index[3] %	Tilt %
Energy	3.96	4.04	-0.08
Materials	18.76	17.52	1.24
Industrials	5.12	6.27	-1.15
Consumer Discretionary	10.34	7.75	2.59
Consumer Staples	1.40	3.67	-2.27
Health Care	6.49	9.13	-2.64
Financials	38.37	36.07	2.29
Information Technology	0.00	4.70	-4.70
Communications Services	4.38	2.61	1.77
Utilities	3.19	1.37	1.82
Real Estate	5.99	6.88	-0.88
Cash	2.00	0.00	2.00
Total	**100.00**	**100.00**	**0.00**

1. Fund returns are net of fees but before taxes and exclude franking credits.
2. The 2018/2019 distribution was 92% franked. The 2019/2020 distribution was 70% franked. The 2020/2021 distribution was 71% franked. The 2021/2022 distribution was 93% franked. The 2022/2023 distribution was 85% franked. The 2023/2024 distribution was 80% franked. The 2024/2025 distribution was 79% franked.
3. S&P/ASX 200 Accumulation Index.
4. Excess returns are net of fees but before taxes and exclude franking credits.

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Outlook

As a result of tariffs and tensions, the June quarter also saw high volatility with major market moves the size of which we have not seen since the Global Financial Crisis in 2008/09. June has seen further steps towards negotiated outcomes with Europe and China. Markets have continued to respond positively, and with tariffs currently on hold, they ended the quarter well.

Ausbil's view of the US economy is that tariffs will have a downward drag on growth in the near term, before growth begins to build again at the end of 2025 and into 2026. We think the chance of a US recession is less than the market is ascribing because considerations such as tax cuts, deregulation, lower oil prices, lower core inflation and lower interest rates will help offset some growth drag from tariffs. With the quantum of monetary tightening undertaken by global central banks in 2022 and 2023, monetary authorities have significant room to stimulate should this be needed.

Ausbil is seeing opportunities in equities that are relatively shielded from, or are beneficiaries of, the new US tariff policy. While tariffs have caused a potential major shake-up in global trade, Ausbil expects Australian growth to be relatively unchanged and expect Australian companies to generate earnings growth in excess of consensus expectation of +6.1% in FY26 (S&P/ASX 300). Underpinning our outlook for equities are a number of structural drivers that are offering opportunities. These include an increased commitment to military spending globally (as the US withdrawal of support for Ukraine and others has sparked an upward shift in defence spending); increased investment in infrastructure to accommodate the growth in AI; ongoing investment to secure independent energy security; and the increase in demand for electricity over carbon-based energy.

Monthly Distributions

	Ex-Price (mid) 30 June	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Ex-Price (mid) 30 June	Total CPU	Franking Credit Per Unit	Franking Level
FY 2019	$1.000000	0.45	0.45	0.45	0.44	0.44	0.44	0.44	4.77	0.44	0.44	0.44	2.43	$1.019293	11.63	4.58	92%
FY 2020	$1.019293	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.54	$0.893822	5.60	1.67	70%
FY 2021	$0.893822	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	1.15	$1.099169	5.00	1.52	71%
FY 2022	$1.099169	0.46	0.46	0.46	2.00	0.46	0.46	0.46	0.46	0.46	0.46	0.46	3.56	$0.954105	10.16	4.07	93%
FY 2023	$0.954105	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46	0.46	1.00	$1.003187	6.06	2.20	85%
FY 2024	$1.003187	0.47	0.47	0.47	0.47	0.47	0.47	0.47	0.47	0.47	0.47	0.47	0.43	$1.041421	5.60	1.92	80%
FY 2025**	$1.041421	4.70	4.70	4.70	4.70	4.70	4.70*	4.70	4.70	4.70	4.70	4.70	7.25	$10.948662	58.95	20.05	79%

* Effective on 13 December 2024, units in the Fund were consolidated in the ratio of 10:1. That is, for every 10 units held by a unitholder, it was consolidated into one unit. The Unit Consolidation increased the Fund's unit price proportionately with the consolidation ratio.

** FY25 distribution amounts prior to the 10:1 unit consolidation in December 2024 have been converted based on the current unit ratio to ensure consistency throughout the reporting period.

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