Contactus@
ausbil.com.au

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Ausbil Active Dividend Income Fund - Active ETF ASX: DIVI

Quarterly performance update

December 2025

Ausbil Investment Management Limited
ABN 26 076 316 473
AFSL 229722
Level 27
225 George Street
Sydney NSW 2000
GPO Box 2525
Sydney NSW 2001
Phone 61 2 9259 0200

'On the earnings outlook, this sees Ausbil positioned significantly ahead of consensus on earnings growth in FY26'

Performance Review

Fund performance for the quarter ending December 2025 was +0.13% (net of fees), versus the benchmark return of -1.01%, as measured by the S&P/ASX 200 Accumulation Index.

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

At a stock level, the overweight positions in IGO, Rio Tinto, Newmont Corporation, BHP, Evolution Mining and Orica contributed to relative performance. The nil positions in Xero, Pro Medicus, Life360 and WiseTech Global also added value. Conversely, the overweight positions in CSL, Qantas, Aristocrat Leisure and Suncorp detracted from relative performance. The underweight position in Fortescue, and the nil positions in PLS Group, Northern Star Resources, South32, Woolworths and Transurban Group also detracted value.

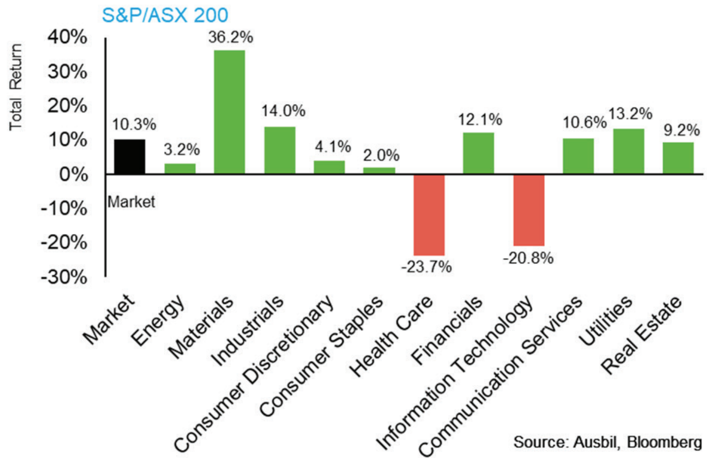
Market Review

The market (the S&P/ASX 200 Accumulation Index) closed December with a one month return of +1.3%, and a quarterly return of -1.0%. Despite a year that saw some of the most remarkable changes to trade relations since the Smoot-Hawley Tariff Act of 1930, the ASX 200 still delivered a positive return for the calendar year, achieving a trailing market 1-year return to +10.3%.

Developed Markets (MSCI World) delivered an amazing year, achieving returns of +21.1%, but were trumped by Emerging Markets (MSCI EM) which achieved +33.6%. Every major developed and emerging market returned positive results for calendar 2025, underscoring the benefits for those who patiently and carefully remained invested in equities in the face of the tariff crisis as Ausbil did.

The rebound in resources across 2025, coupled with surging copper and gold prices, drove the Materials sector to outperform all others, as shown in the Chart. On the flip side, Health Care significantly underperformed as was Information Technology.

Sector returns – Year to December 2025



Source: Ausbil, Bloomberg

Fund Characteristics

Returns[1] as at 31 December 2025

Period	Distribution Return[2] % Net	Growth Return % Net	Total Return % Net	Bench-mark[3] %	Excess Return[4] % Net
1 month	0.44	2.23	2.67	1.30	1.37
3 months	1.29	-1.16	0.13	-1.01	1.14
6 months	2.63	0.86	3.49	3.65	-0.16
1 year	5.61	4.14	9.74	10.32	-0.58
2 years pa	5.45	3.70	9.15	10.88	-1.73
3 years pa	5.55	3.59	9.14	11.39	-2.25
4 years pa	5.50	1.13	6.63	8.13	-1.50
5 years pa	5.89	2.62	8.51	9.89	-1.39
7 years pa	6.44	3.72	10.16	10.45	-0.30
Since inception pa Date: July 2018	5.81	2.73	8.55	8.69	-0.14

Top 10 Stock Holdings

Name	Fund %	Index[3] %	Tilt %
Commonwealth Bank	11.21	10.15	1.06
BHP	10.87	8.72	2.15
ANZ Bank	5.56	4.09	1.47
National Australia Bank	4.96	4.89	0.06
Macquarie Group	3.93	2.72	1.22
Rio Tinto	3.72	2.06	1.66
CSL	3.71	3.16	0.55
Westpac Bank	3.69	4.99	-1.29
Goodman Group	3.37	2.39	0.98
Wesfarmers	3.10	3.48	-0.37

Sector Tilts

Sector	Fund %	Index[3] %	Tilt %
Energy	2.30	3.86	-1.56
Materials	29.23	22.99	6.24
Industrials	5.28	6.75	-1.47
Consumer Discretionary	5.86	7.37	-1.51
Consumer Staples	0.97	3.37	-2.41
Health Care	5.09	7.14	-2.05
Financials	34.70	34.15	0.55
Information Technology	0.52	3.62	-3.10
Communications Services	2.58	2.63	-0.05
Utilities	4.07	1.40	2.67
Real Estate	9.15	6.71	2.44
Cash	0.25	0.00	0.25
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

Global and Australian markets ended a solid 2025 despite a complete rewriting of world trade relations. The December quarter witnessed upside inflation surprise that saw a reduction in the number of rate cuts expected in the US, and the Australian RBA switch to a holding pattern with warnings that rates could rise if inflation was persistently high. Ausbil's view has been that rates were to remain on hold heading into 2026, however we have adjusted our view towards the potential for one rise in Q4 2026 if higher than target band inflation remains a problem. Even with a rate rise that would likely be 25 basis points, rates would remain around their equilibrium level which is supportive of healthy business financing and positive capital allocation.

Looking ahead to 2026, with Australian, US and global economic growth expected to improve, and with a return to more steady trade relations, we see more opportunity in equities, and strong, more broad-based earnings growth ahead of consensus. On the earnings outlook, this sees Ausbil positioned significantly ahead of consensus on earnings growth in FY26. We think that this is largely due to our different and more positive view of the outcome for tariffs, and the path of the global, US and Australian economies. Resources should enjoy significant upgrades compared with consensus. This, together with market negative positioning, supports our view of substantial rerate potential.

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 major shake-up in global trade, Ausbil expects Australian growth to be relatively unchanged and we expect Australian companies to generate earnings growth in excess of consensus expectations. 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%
FY 2026	$10.948662	4.80	4.80	4.80	4.80	4.80	4.80										

* 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.

Ausbil Investment
Management Limited
Level 27
225 George Street
Sydney NSW 2000
Australia
Toll Free 1800 287 245

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ausbil.com.au

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