

Dividend Builder Model Portfolio Monthly Performance Report May 2025



Model Portfolio description and investment return objective

The Antares Dividend Builder Model Portfolio is an actively managed portfolio of equities listed (or expected to be listed) on the Australian share market. It seeks to deliver regular tax-effective income by identifying and investing in companies with sustainable, and where possible, franked dividends and provide moderate capital growth over rolling five year periods.

The Model's benchmark is the S&P/ASX 200 Total Return Index.

Investment returns¹

Period	1 month	3 months	1 year	3 years pa	5 years pa	7 years pa	10 years pa	Since inception pa
Income yield ² %	0.7	1.8	6.7	6.0	5.4	5.2	4.6	4.9
Benchmark income yield ³ %	0.5	1.4	4.5	5.0	4.6	4.4	4.4	-
Excess yield	0.2	0.4	2.2	1.0	0.8	0.8	0.2	-
Gross return ⁴ %	3.7	4.5	11.5	8.7	13.3	8.1	6.3	9.5
Benchmark return ⁵ %	4.2	4.3	13.4	9.6	12.7	9.3	7.9	10.3
Gross excess return %	-0.5	0.2	-1.9	-0.9	0.6	-1.2	-1.6	-0.8

¹ Past performance is not a reliable indicator of future performance. The value of an investment may rise or fall with the changes in the market.

Investment commentary

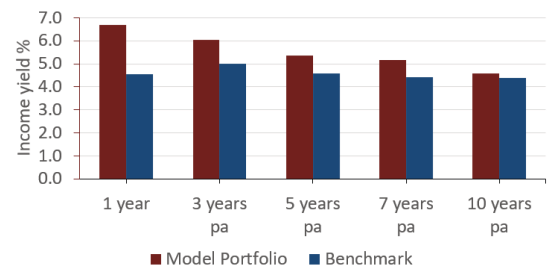
Australian shares tracked the upswing in global shares. The Information Technology sector made remarkable monthly gains of 19.8% with WiseTech rebounding on a US technology firm acquisition. The Energy sector surged by 8.6% which was led by Woodside on news that the Federal Government had extended approval for their gas export facility. There were also strong gains for the Communication Services, Financials and Real Estate sectors which benefitted from the Reserve Bank (RBA) cutting the cash interest rate by 0.25% to 3.85%.

The portfolio delivered a return of 3.7% (gross of fees) for the month compared to the Benchmark return of 4.2%. Dividends were received from ANZ, NAB and Westpac during the month.

Overweight holdings in Ventia Services (VNT) and Qantas (QAN) together with not holding Aristocrat Leisure (ALL) contributed to performance. VNT's share price has continued its 2025 upward trajectory as investors value the defensive nature and growth potential of the business. At its AGM during the month the company confirmed it was expecting to deliver 7-10% profit growth in FY25 with its focus on sustainable growth. QAN shares rebounded after a weak month in April. There was no new news, although the falling oil price probably fed into expectations of bullish guidance for the first half of FY26. Further, travel stocks lifted globally as the worst of the trade impasses seem to have faded and traveler volumes continue to show strong numbers globally. Although ALL's interim results revealed a 6% increase in net profit and 9% increase in revenue together with a new share buyback program, the market was disappointed. Several brokers subsequently downgraded their FY25 earnings forecasts.

Detracting from performance were overweight holdings in Treasury Wine Estates (TWE) and The Lottery Corporation (TLC) together with not owning Macquarie Group (MQG). During the month TWE announced its CEO, Tim Ford, plans to leave in

Income yield^{2,3}



Sector allocation

GICS ⁷	%
Financials	42.5
Metals & Mining	13.5
Communication Services	10.9
Industrials	7.3
Consumer Staples	6.3
Utilities	6.2
Consumer Discretionary	5.1
Real Estate	2.8
Energy	2.6
Materials Ex Metals & Mining	1.3
Health Care	1.3
Information Technology	0.0

Dividend Builder Model Portfolio

Monthly Performance Report

May 2025



September after five years as its leader. The company announced it had recruited a new CEO but the market remains concerned about the company's US and Chinese businesses. There was no news from TLC during the month but a broker note has suggested lower jackpot activity was a negative for the company. They also highlighted that TLC shares have rallied strongly in recent months. During the month MQG reported a 5% increase in profit for the year to 31 March which was slightly above consensus. The company also noted its financial position comfortably exceeded regulatory minimum requirements.

Australia's economic data is relatively subdued. Both housing construction approvals and retail spending fell in April with consumers still very cautious given cost of living pressures. However, on the positive side there were strong job gains in April and the unemployment rate remained steady at 4.1%.

Top 10 share holdings

(alphabetical order)

- ANZ Group
- BHP Group
- Commonwealth Bank of Australia
- Medibank Private
- National Australia Bank
- Origin Energy
- Suncorp Group
- Telstra Group
- Ventia Services Group
- Westpac Banking Corporation

Stock Activity

Buys/Additions

We introduced Ampol (ALD) to the portfolio. We believe it has an attractive valuation and dividend yield. Earnings should improve with global refining margins.

Sells/Reductions

Following a meeting with management we trimmed CSL on concerns that its near-medium term growth could disappoint expectations.

Our portfolio construction and risk management process balances our expectations for grossed-up dividend yield and one year total return with our proprietary sustainability assessment and ESG ratings within a framework that ensures appropriate diversification.

Investor profile

The Dividend Builder Model Portfolio is designed for investors seeking a stable, tax effective income stream through participating in the Australian share market and investing in companies providing dividend growth. It may also act as an income stabiliser in investment portfolios, especially during shifting or uncertain markets. The Model Portfolio may suit investors who are willing to accept a very high level of risk in exchange for the opportunity to earn higher potential returns.

Model Portfolio facts

Inception date	22 November 2010
Benchmark	S&P/ASX 200 Total Return Index
No. of shares⁶	Maximum of 25 to 30
Indicative portfolio turnover	20% to 30% p.a.

Investment guidelines and ranges

	Minimum	Benchmark Allocation	Maximum	As at 31 May 2025
Australian shares	90%	100%	100%	97.7%
Cash and cash equivalents	0%	0%	10%	2.3%

Dividend Builder Model Portfolio

Monthly Performance Report

May 2025



Portfolio managers

ANDREW HAMILTON

Head of Implementation

Years with the group: 24

Years of Industry Experience: 28

Key Responsibilities:

Andrew is the Portfolio Manager of the Dividend Builder Model Portfolio and Managed Fund.



JENNIFER LAM

Investment Manager

Years with the group: 12

Years of Industry Experience: 20

Key Responsibilities:

Jennifer is the Deputy Portfolio Manager of the Dividend Builder Model Portfolio and Managed Fund.



Platform availability

- BT Panorama
- Expand Extra
- Grow Wrap
- Macquarie Wrap
- Netwealth
- PowerWrap
- Praemium

For Adviser use only

This report is intended only for financial advisers. It must not be distributed or communicated to any third party and must be kept confidential. The Model Portfolio performance information in this report is based on Antares' construction of the notional Model Portfolio which is not available for direct investment. It is not a guarantee or an indication of the actual performance of a client's portfolio. Advisers need to consider the relevant disclosure documents of providers or platforms that offer the Model Portfolio for investment before recommending the Model Portfolio to their client.

² Grossed up income yield - Calculated as the sum of dividends paid (including franking credits) on the shares held in the notional model portfolio over the specified period divided by the market value of the portfolio at the start of the period.

³ Grossed up Benchmark income yield - Calculated as the sum of the monthly returns of the S&P/ASX 200 Industrials Total Return Index minus the monthly returns of the S&P/ASX 200 Industrials Index (price index) plus franking credits prior to 1 October 2021 and subsequently as the sum of the monthly returns of the S&P/ASX 200 Total Return Index minus the monthly returns of the S&P/ASX 200 Index (price index) plus franking credits.

⁴ Performance is based on the income and market value of the notional model portfolio. Investment returns for the Model Portfolio are based on a notional model portfolio constructed by Antares and are gross of administration (platform) and investment management fees and assume all dividends remain in the Model Portfolio.

⁵ Benchmark - S&P/ASX 200 Total Return Index from 1 November 2021 and the S&P/ASX200 Industrials Total Return since inception to 31 October 2021.

⁶ Maximum number of stocks between 25 to 30 which varies by platform.

⁷ GICS - Global Industry Classification Standard % are absolute ie sector proportion of portfolio. Source: Antares Equities.

Dividend Builder Model Portfolio

Monthly Performance Report

May 2025



About Antares Equities

Antares Equities (Antares) is a specialist Australian equities manager. Since 1994, Antares has managed portfolios for wholesale, advised and direct investors through a suite of products including segregated mandates, investment funds and managed account models. Antares has A\$5.2 billion (at 31 March 2025) under advice across a range of strategies including large capitalisation, concentrated, income and long-short. Antares believes in bottom-up stock picking. A consistent process and detailed, quality research executed by a highly experienced, stable and diverse team underpin this approach. The investment philosophy is based on the belief that markets can misprice stocks and these opportunities can be identified using the proven, proprietary Antares research process. Antares Equities is part of Antares Capital Partners Limited (ABN 85 066 081 114, AFSL 234483).

For further information please contact our Client Services Team - 1300 738 355

Important information: This report is prepared by Antares Capital Partners Ltd ABN 85 066 081 114, AFSL 234483 (Antares). Antares is the investment manager for the [*] Model Portfolio. This report is general advice prepared for licensed financial advisers only. Advisers must not distribute this document or any part of it to retail clients or to any other person. The report has been prepared without taking into account any person's individual objectives, financial situation or needs. Advisers should therefore, before acting on information in this report, consider its appropriateness, having regard to their clients particular objectives, financial situation or needs. Advisers also need to consider the relevant disclosure documents of providers or platforms that offer the Model Portfolio for investment before recommending the Model Portfolio to their clients. Antares is a part of the Insignia Financial group of companies (comprising Insignia Financial Holdings Ltd ABN 49 100 103 722 and its related bodies corporate) ('Insignia Financial Group'). The capital value, payment of income and performance of any financial product offered by any member of the Insignia Financial Group including but not limited to Antares, are not guaranteed. An investment in any product offered by any member of the Insignia Financial Group including but not limited to Antares, is subject to investment risk, including possible delays in repayment of capital and loss of income and principal invested. Any opinion expressed in this presentation constitutes Antares' judgement at the time of issue and is subject to change. Antares believe that the information presented is correct and that any estimates, opinions, conclusions or recommendations are reasonably held or made as at the time of compilation. However, no warranty is made as to their accuracy or reliability (which may change without notice). Past performance is not a reliable indicator of future performance. Returns are not guaranteed and actual returns may vary from any target returns described in this communication. Any projection or forward looking statement in this presentation is provided for information purposes only and no representation is made as to its accuracy or that it will be met. Where applicable, information is based on information from sources believed to be reliable and accurate as at the time of preparation. Antares is not responsible for the accuracy of information provided by third parties, and is not liable for any loss arising from it. Bloomberg Finance L.P. and its affiliates (collectively, Bloomberg) do not approve or endorse any information included in this publication and disclaim all liability for any loss or damage of any kind arising out of the use of all or any part of any such information.