

Dividend Builder Fund



Monthly Performance Report March 2025

Fund description and investment return objective

The Fund 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 Fund'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
Distribution return ² %	1.0	1.1	4.5	5.0	4.9	4.8	5.6	5.8
Growth return ³ %	-3.2	-2.3	-3.5	0.0	9.5	2.4	-0.5	1.4
Total net return⁴ %	-2.2	-1.2	1.0	5.0	14.4	7.2	5.1	7.2
Benchmark return ⁵ %	-3.4	-2.8	2.8	5.6	13.3	8.6	6.8	7.8
Net excess return %	1.2	1.6	-1.8	-0.6	1.1	-1.4	-1.7	-0.6

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

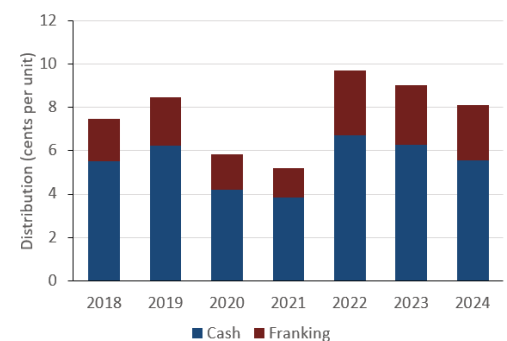
Australia was not immune to the Trump tariff policy uncertainty with the S&P/ASX 200 down by 3.4% for the month. Growing geo-political risks and uncertainty increased the attraction of gold, which is typically seen as a safe-haven asset; the USD gold price surged by more than 10% and gold producers were among the few winners in March. While the more defensive sectors including Utilities, Insurance and Telcos fared relatively well, most Industrial sectors were well down, with Information Technology the worst performer given a general derating of stocks with the highest PERs and continued governance challenges at Wisetech.

The annual distribution return to 31 March 2025 for the Antares Dividend Builder Fund was 4.5%. The fund returned -2.2% (net of fees) for the month which compared to a fall of 3.4% for the S&P/ASX200 Total Return Index. Dividends were received from ANZ, APA Group, BHP, CBA, Digico REIT, IAG, Medibank Private, NAB, Origin, Qantas, Super Retail Group, Suncorp, The Lottery Corporation, Telstra, Viva Energy and Westpac during the month.

Overweight holdings in Medibank Private (MPL) and Telstra (TLS) together with not owning Macquarie Group (MQG) contributed to performance. Following a solid result in February, MPL held up well as investors were attracted to the defensive nature of its earnings and its market leading position. TLS' solid interim result, increased dividend and share buy back have all been supportive for the stock. And with current market volatility and uncertainty its defensive domestic earnings base has added to its attraction. Financials were weaker in March with MQG down the most. With the uncertainty around Trump's tariffs and their possible impact on world economies, MQG's exposure to global markets increased the perception of associated risk.

Detracting from performance were overweight holdings in DigiCo Infrastructure REIT (DGT) and Treasury Wine Estates (TWE) and not owning Rio Tinto (RIO). With its focus on data centres, DGT was impacted by the broader sell-off of AI-related stocks. There are also some market concerns as to whether DGT will be able to

Distribution history⁶



Sector allocation

GICS ⁷	%
Financials	41.6
Metals & Mining	14.3
Communication Services	9.6
Consumer Staples	6.9
Industrials	6.7
Utilities	6.3
Consumer Discretionary	5.0
Real Estate	3.4
Health Care	3.0
Energy	1.6
Materials Ex Metals & Mining	1.5
Information Technology	0.0

Dividend Builder Fund

Monthly Performance Report

March 2025



finance its development pipeline. These negatives counteracted the good news that DGT was included in the S&P/ASX 200 from late March. TWE shares were weaker on speculation that its US business could be disadvantaged by new tariffs. Yet the majority of its wine sales in the US are from its own US domestic production. With more positive economic news from China and a valuation and dividend yield that was noted as attractive by some sell-side analysts, RIO shares were among the few large caps to rise in March.

Australia's economic data remains modest. There was positive news with the monthly inflation indicator showing annual inflation declining to 2.4% in February. Consumer sentiment in March also posted an encouraging rise in response to milder inflation and the Reserve Bank cutting interest rates in February. However, the previous strength in the labour market appears to be fading with February recording a sharp decline in jobs. Notably the business surveys also suggest subdued confidence given the 'global tariff war' and caution over Australia's prospects with a Federal election on May 3rd. With widespread global tariff impositions by the US in early April, further volatility is likely, especially if these are used as bargaining tools and altered accordingly.

Top 10 share holdings

(alphabetical order)

- ANZ Group
- BHP Group
- Commonwealth Bank of Australia
- Medibank Private
- National Australia Bank
- Suncorp Group
- Telstra Group
- Treasury Wine Estates
- Ventia Services Group
- Westpac Banking Corporation

Investor profile

Dividend Builder aims to provide investors with a regular, 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 Fund may suit investors who are willing to accept a very high level of risk in exchange for the opportunity to earn higher potential returns.

Portfolio facts

Inception date	6 September 2005
APIR Code	PPL0002AU
Fund size as at 31 March 2025	\$96.7m
Benchmark	S&P/ASX 200 Total Return Index
Distribution	Quarterly
Management fee⁸	0.60% pa

Investment guidelines and ranges

	Minimum	Benchmark Allocation	Maximum	As at 31 March 2025
Australian shares	90%	100%	100%	99.4%
Cash and cash equivalents	0%	0%	10%	0.6%

Portfolio managers

ANDREW HAMILTON

Head of Implementation

Years with the group: 24

Years of Industry Experience: 27

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.



Dividend Builder Fund

Monthly Performance Report

March 2025



Platform availability

- BT Panorama
- Macquarie Wrap
- Rhythm
- Expand Extra
- North
- uXchange
- Findex / Centric
- Praemium
- Hub 24
- PowerWrap

² Distributions generated by the fund's assets (eg dividends, realised capital gains and any return of capital).

³ Changes in the unit price reflecting movements in the value of the fund's net assets.

⁴ Investment returns are based on exit prices, and are net of management fees and assume reinvestment of all distributions.

⁵ Performance is compared to the S&P/ASX200 Industrials Total Return Index prior to 1 October 2021 because from that date the Funds Benchmark changed to the S&P/ASX200 Total Return Index.

⁶ Cash amounts are based on total distributions per financial year. Franking amounts are calculated based on annual franking levels. A full distribution history and franking levels can be found on our website at <https://www.antarescapital.com.au/home/prices-and-performance/distributions>

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

⁸ Management fee is % per annum of the Fund's net asset value (including GST net of Reduced Input Tax Credit). Certain sophisticated and professional investors or wholesale clients (as defined in the Corporations Act 2001 (Cth)) may be able to negotiate this fee by contacting Client Services.

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\$5.5 billion (at 31 December 2024) 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: MLC Investments Limited ABN 30 002 641 661, AFSL 230705 ("MLCI") is the Responsible Entity of, and the issuer of units in, the Antares Dividend Builder Fund ARSN 115 694 794 ("the Fund"). MLCI has appointed Antares Capital Partners Ltd ABN 85 066 081 114, AFSL 234483, trading as Antares Equities (Antares) as the Investment Manager of this product. MLCI and Antares are part of the Insignia Financial group of companies (comprising Insignia Financial Holdings Ltd ABN 49 100 103 722 and its related bodies corporate) ("Insignia Group").

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