

Dividend Builder Fund



Monthly Performance Report May 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 %	0.0	1.1	4.9	5.3	4.9	4.9	5.7	5.8
Growth return ³ %	3.7	3.2	6.3	2.8	8.5	3.2	0.4	1.7
Total net return⁴ %	3.7	4.3	11.2	8.1	13.4	8.1	6.1	7.5
Benchmark return ⁵ %	4.2	4.3	13.4	9.6	12.7	9.3	7.9	8.1
Net excess return %	-0.5	0.0	-2.2	-1.5	0.7	-1.2	-1.8	-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

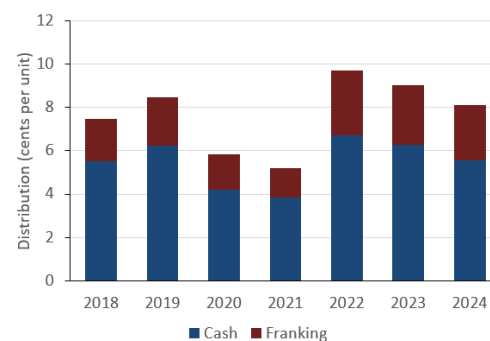
Australian shares tracked the upswing in global shares. The Information Technology sector made remarkable monthly gains of 19.8% with WiseTech rebounding on a US technology firm acquisition. The Energy sector surged by 8.6% which was led by Woodside on news that the Federal Government had extended approval 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 fund delivered a total return of 3.7% (net of fees) for the month which compared to a return of 4.2% for the S&P/ASX200 Total Return Index. 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 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

Distribution history⁶



Sector allocation

GICS ⁷	%
Financials	43.0
Metals & Mining	13.5
Communication Services	10.8
Industrials	7.5
Utilities	6.3
Consumer Staples	5.5
Consumer Discretionary	5.2
Real Estate	2.8
Energy	2.7
Materials Ex Metals & Mining	1.4
Health Care	1.3
Information Technology	0.0

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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

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 May 2025	\$102.8m
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 May 2025
Australian shares	90%	100%	100%	98.0%
Cash and cash equivalents	0%	0%	10%	2.0%

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.



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Platform availability

- BT Panorama
- Macquarie Wrap
- Praemium
- Expand Extra
- Netwealth
- Rhythm
- Findex
- North
- uXchange
- HUB24
- 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\$5.2 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: 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").

The information contained in this communication may constitute general advice and does not take into account your objectives, financial situation or needs. Because of that, before making any decision about whether to acquire or continue to hold an investment in the Fund, you should consider its appropriateness, having regard to your objectives, financial situation and needs, plus consider the relevant Product Disclosure Statement. We recommend you obtain financial advice tailored to your own personal circumstances.

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