

Fund Overview

The Insync Global Capital Aware Fund is a high-conviction, concentrated portfolio designed to capture growth from transformative global megatrends across both technology and non-technology sectors.

It employs proactive hedging strategies to cushion the impact of significant market downturns, offering investors a smoother investment journey.



Monik Kotecha

Portfolio Manager

BSc (Hons), MSc
34 years of funds management experience across international and Australian equity markets.
Previously senior portfolio manager at Bankers Trust & IML with experience working from London, New York & Sydney.

Identifying tomorrow’s winners requires a deep understanding of the **key drivers of quality growth**—and at the heart of this is **Return on Invested Capital (ROIC)**.

At Insync, we remain extremely focused on finding companies that can **sustainably grow their ROIC over time**, ensuring long-term value creation.

This disciplined approach is reflected in our portfolio, where the **average ROIC stands at 50% — approximately five times the market average**.

Fund Performance¹

	1 Month	3 Months	1 Year	Rolling 3 Year Average*	3 Years	Rolling 5 Year Average*	5 Years	Inception p.a.
Fund (%)	-0.89	1.52	10.56	11.65	14.45	11.95	8.92	10.89
Benchmark (%)^	3.19	11.37	17.64	12.68	18.49	12.83	15.29	12.13
Active Return (%)	-4.08	-9.85	-7.08	-1.03	-4.04	-0.87	-6.37	-1.24

^ Benchmark used - MSCI All Country World ex-Australia Net Total Return Index in Australian Dollars.
* The rolling average measures the average of all monthly-calculated, annualised, 3-year and 5-year returns.

Growth of AUD \$100,000¹

Accumulative value of \$100,000 invested since inception at 7 October 2009.

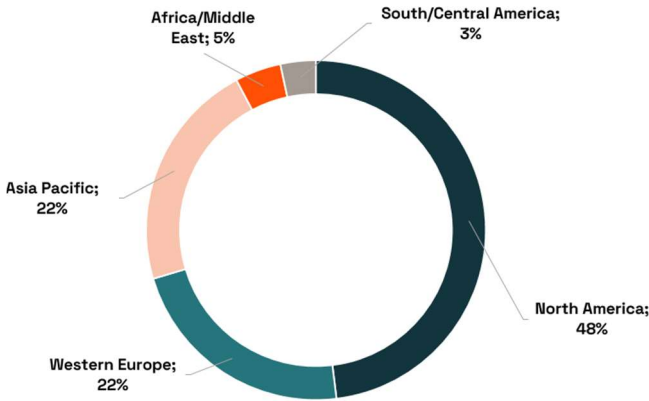


1. Past performance is not a reliable indicator of future performance. Returns are calculated after fees and costs, and assume all distributions reinvested. No consideration is made for individual tax. Performance Inception Date (exclusive): 7/10/2009.

Top 5 Megatrend Exposure (%)²



Geographical Exposure³



Key Portfolio Holdings



Fund Information

APIR Code	SLT0041AU
Inception Date	October 2009
Number of Holdings	20 - 40
Management Fee ⁴	1.30% p.a.
Buy / Sell Spread	+0.20% / -0.20%
Frequency of Distributions	Annually

2. Megatrends are internally defined based on portfolio holdings excluding Cash and portfolio hedges.
3. Source: Insync. Geographical exposure is calculated excluding cash and portfolio hedges and is based on the location of senior management of each company within our portfolio.
4. Management fee is inclusive of GST. Transaction costs may also apply - refer to the Product Disclosure Statement for additional information.



Manager Commentary

The Insync Global Capital Aware Fund returned -0.89% over the month and added 10.56% for the last 12 months to July 2025. Currently, the Fund's protection level is approximately 25% of its notional equity exposure.

Tencent was the largest contributor to Fund performance in July, driven by strong momentum in its leading gaming franchises, renewed confidence in its diversified and resilient business model, and improving sentiment toward the broader Chinese equity market. At the time of writing, the company also reported robust second-quarter earnings, with solid growth in both gaming and advertising, supported by the effective integration of AI across its core business segments.

By contrast, our underweight position in Nvidia was the largest detractor in July. The recent market rally was led by a surge in enthusiasm for the AI theme, with Nvidia at the centre of investor attention as a key supplier of GPUs powering the rapid build-out of AI infrastructure. This concentration of market leadership made **Nvidia a significant driver of index performance during the month**, amplifying the impact of our underweight position.

While the Fund generated a healthy double-digit return in another volatile year, the recent relative performance gap versus the benchmark warrants context.

Since 2009, our philosophy has remained unchanged: **own outstanding businesses with durable advantages at reasonable prices and allow compounding to do the work**. At the heart of this process is a disciplined focus on company fundamentals and their ability to benefit from long-term structural shifts.

For much of the year, this approach delivered strong results. **The Fund outperformed the benchmark by nearly 3% over the first nine months**, driven by strong contributions from holdings such as: Fortinet (**Cybersecurity, +82.5%**), Nintendo (**Gaming, +53.7%**), and Tencent (**Interactive Entertainment, +22.5%**)*.

The environment shifted dramatically after April's sell-off. While we do not base investment decisions on macro forecasts, **we remain macro-aware**, recognising that geopolitical or policy shocks can materially affect company fundamentals. We expected further volatility would create opportunities to add to high-quality businesses at attractive valuations, but the window proved remarkably short-lived. **Instead, the S&P 500 staged one of the most explosive rallies in history** - advancing nearly 25% in just 55 days, the fastest rebound to a new high following a 15% drawdown on record. Importantly, **this rally was extremely narrow**, led almost entirely by AI-linked semiconductor stocks and a handful of U.S. mega-cap technology companies. Our underweight to this narrow group, particularly Nvidia, was the main source of relative performance difference this year. While we recognise Nvidia's recent success, we see rising risks from intensifying competition (e.g., DeepSeek), and an elevated valuation that leaves little margin of safety.

* Performance figures refer to the nine months from August 2024 to April 2025. We subsequently exited our position in Fortinet on 6 August.



Manager Commentary

Instead, we express our exposure to the AI theme through companies such as Meta, Alphabet, and Trane Technologies, which we believe are well-positioned to benefit from AI adoption but with a more balanced risk-return profile. **This reflects our philosophy of allocating capital where the odds of long-term compounding are most favourable.**

Periods of concentrated leadership invariably create opportunities elsewhere, and our portfolio remains positioned in businesses with durable competitive advantages, high returns on invested capital, and exposure to powerful global megatrends—the foundations of sustainable long-term compounding.

A clear example of our philosophy in action is the investment in Tencent (+41.9% YTD in local currency). **We began building our position at the end of 2024**, at a time when sentiment toward China was deeply negative and the market broadly discounted the region as “uninvestable.” **Rather than follow prevailing narratives, we focused on fundamentals:** Tencent’s dominant ecosystem, diversified revenue streams, and one of the most visible paths to consumer AI application. Throughout 2025, we continued to add, making Tencent one of the largest positions in the portfolio. This conviction has been rewarded, with the company delivering two consecutive quarters of revenue, gross profit, and net profit all ahead of market expectations.

This demonstrates our willingness to look beyond short-term pessimism, to take positions where we see durable competitive advantages, and to back our convictions with meaningful capital. While this approach can mean periods of relative underperformance during market exuberance, **it is the same discipline that has enabled us to protect capital in weaker markets and deliver superior outcomes over the long term.**



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