Insync Global Capital Aware Fund

INSYNC

November 2025

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** — 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.**

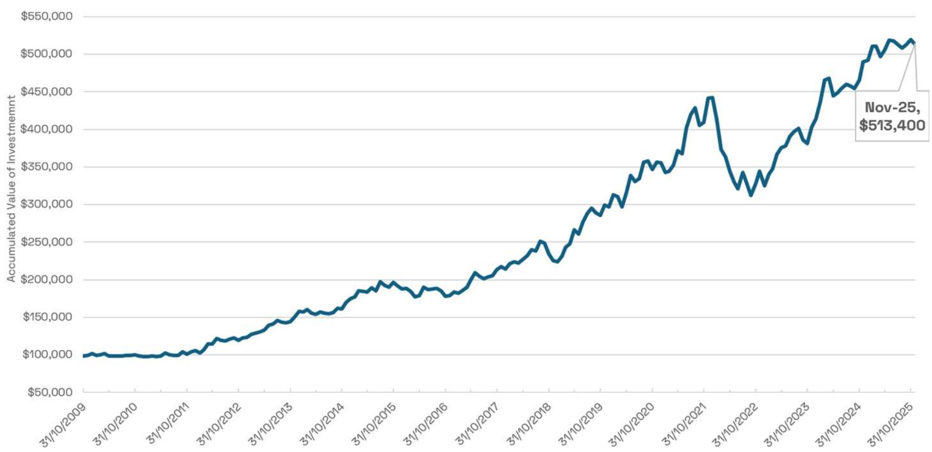
Fund Performance[1]

	1 Month	3 Months	1 Year	Rolling 3 Year Average*	3 Years	Rolling 5 Year Average*	5 Years	Inception p.a.
Fund (%)	-1.24	1.00	4.77	11.76	14.28	11.83	7.60	10.65
Benchmark (%)^	-0.14	5.88	17.69	12.88	19.66	12.90	14.69	12.32
Active Return (%)	-1.10	-4.88	-12.92	-1.11	-5.38	-1.07	-7.09	-1.66

^ 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 $100,000[1]

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.

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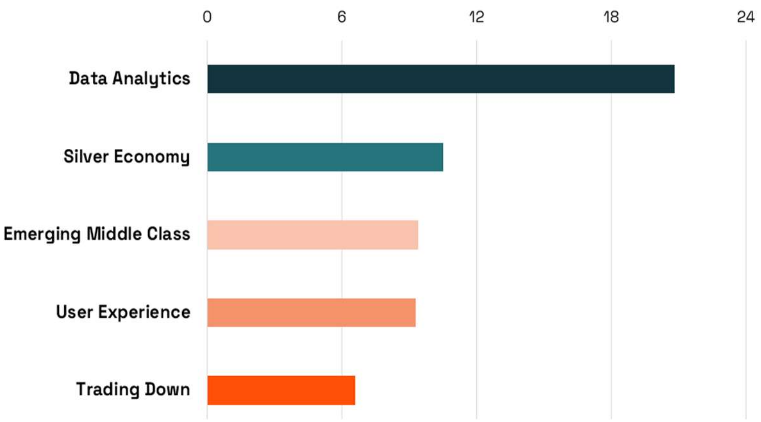
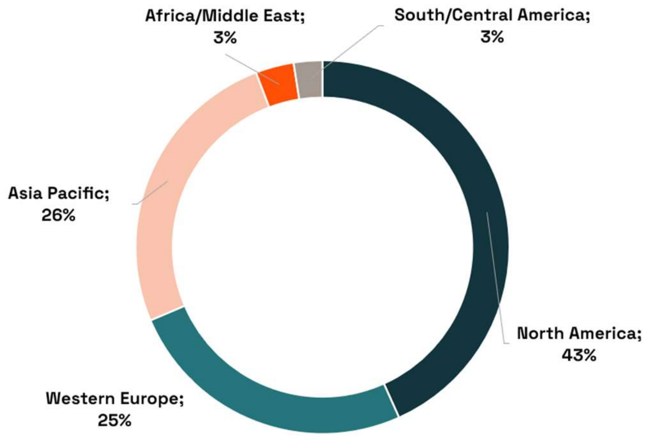
Top 5 Megatrend Exposure (%)[2]



Geographical Exposure[3]



Key Portfolio Holdings

Google — Data Analytics

Mastercard — User Experience

Nintendo — Interactive Entertainment

Tencent — Emerging Middle Class

McKESSON — Silver Economy

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.

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Manager Commentary

The Insync Global Capital Aware Fund returned -1.24% over the month and has gained 4.77% for the last 12 months to November 2025. Approximately 65% of the fund is covered by index puts on a notional basis.

Alphabet was a key contributor to portfolio returns, **with its shares reaching all-time high during the month.** The highly anticipated release of Google's new Gemini 3 AI model was well received based on early testing, and many of the earlier concerns about AI cannibalising Alphabet's core Search franchise have now meaningfully eased. This has reinforced confidence in a more balanced growth trajectory — one underpinned by **the resilience of traditional Search and the accelerating adoption of Alphabet's AI-driven products and infrastructure.** Sentiment was further lifted by positive news flow, including reports that Meta is in discussions with Google to spend billions of dollars on Alphabet's proprietary AI chips for deployment in its data centres beginning in 2027. This development strengthens the market's recognition of Alphabet's vertically integrated AI stack and highlights its growing strategic relevance in next-generation compute.

Veeva was the largest detractor in November. Although the company delivered a strong quarterly result ahead of consensus, investor attention remained focused on its ongoing transition to Vault CRM, Veeva's next-generation commercial platform. As the long-standing partnership with Salesforce ends in 2025, Veeva is migrating all customers off its legacy Salesforce-based CRM and onto its own natively built Vault CRM system. **This shift brings important long-term benefits** — including full control of the technology stack, deeper AI integration, and better connectivity with Veeva's broader suite of Clinical, Quality, and Regulatory products — but the near-term customer movements have created uncertainty. **However, the latest update is less negative than headlines suggest.** While Veeva will retain 14 of the top 20 global pharmaceutical companies on Vault CRM, the CRM business today is far broader and more diversified. Growth is increasingly driven by the ~400 customers outside the top tier, where Veeva continues to win a very high share of new contracts. With over 115 customers already live on Vault CRM and strong take-up among small and mid-sized biopharma companies, the migration is indeed progressing well.

More broadly, global equity performance was largely muted, with the MSCI ACWI ex Australia Index declining –0.14% for the month. In the U.S., conflicting economic signals with stronger payrolls alongside a rising unemployment rate kept investors cautious and **contributed to a lack of clear directional conviction ahead of the final Federal Reserve meeting of the year.** Emerging markets also delivered mixed performance. China was negatively affected by weakness in the U.S. technology sector and remained weighed down by uneven domestic demand and ongoing stress in the property market, despite incremental policy support. India, by contrast, posted more resilient equity returns, supported by strong corporate earnings and continued investment in domestic infrastructure and manufacturing capacity.

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Manager Commentary

At the same time, debates around a potential "AI bubble" continue to intensify, with sentiment rightly shifting from broad enthusiasm to more rigorous scrutiny of spending plans, free cashflow yields, return on investment, and balance sheet resilience. As noted in our previous reports, **elevated valuations across a narrow group of U.S. megacaps naturally constrain upside when momentum fades.** For much of the year, however, buying dips in AI-related names remained the dominant trade with little attention paid to the potential downside risks. While our underweight positioning in these names contributed to relative performance pressure during this phase, **we have long held the view that concerns around a potential AI bubble warrant serious consideration.**

The question with new technologies is rarely whether they will change the world. Many do. **The harder question is whether the people supplying the capital will earn an adequate return on it.** An asset can be essential, well designed and heavily used, and still turn out to be a poor investment if too much money chases it at too high a price. We have seen this in real estate, where fine buildings in prime locations have delivered disappointing results once financing costs and purchase prices outran the income they produced. The same principle applies when large amounts of capital are committed to new infrastructure. As the dollars required grow and competition increases, **the burden of earning an acceptable return rises.** The distinction between a good business outcome and a good investment outcome is therefore critical. Even when demand is strong and growth is rapid, **shareholder value depends on the ability to earn returns that exceed the capital required to sustain that growth.**

We do not seek to predict the precise moment when sentiment may turn. Instead, we remain disciplined in our investment process, focusing on underlying economics and adjusting exposure where the balance of risk and return has become less attractive. Over the past 12 months, our underweight positioning in the U.S. information technology sector has created capacity to **reallocate capital toward other sectors with more attractive risk-reward characteristics, including Eli Lilly and TJX.** Consistent with this approach, we exited Meta in early November and have reduced our overweight exposure to Alphabet over the past two weeks. While this discipline can result in periods of looking different from the benchmark, we believe it better positions the portfolio to protect capital and deliver durable long-term compounding as market conditions evolve.