

PENGANA AXIOM INTERNATIONAL FUND HEDGED

DESCRIPTION

The Pengana Axiom International Fund (Hedged) invests in companies that are dynamically growing and changing for the better, more rapidly than generally expected and where the positive changes are not yet reflected in expectations or valuation.

The Global Equity Strategy seeks dynamic growth by concentrating its investments in global developed markets, and may also invest in companies located in emerging markets.

The investment manager is Axiom Investors, a Connecticut-based global equity fund manager formed in 1998 with over US\$19billion in assets under Management.

PERFORMANCE TABLE

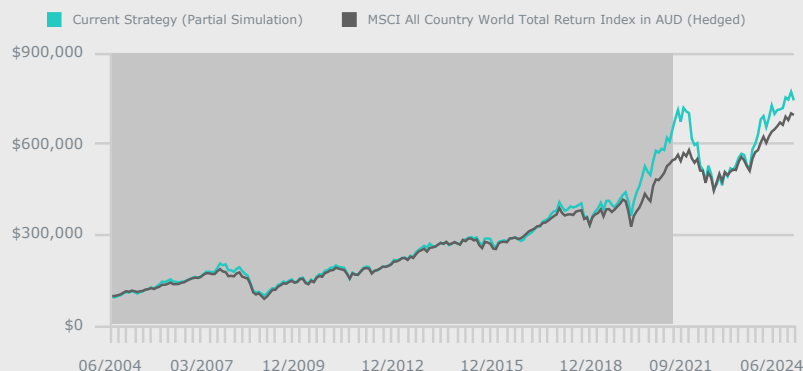
NET PERFORMANCE FOR PERIODS ENDING 28 Feb 2025¹

Pengana Axiom International Fund (Hedged)¹

The Class was established in 1 July 2017. From June 2021 Axiom was appointed as the investment manager for the Fund.

	1M	1Y	2Y	3Y	Since Axiom Appointed June 2021	5Y	Since Fund Inception July 2017 ³	Since Strategy Inception July 2004 ⁴
Fund: APIR (HHA0002AU)^{2,3} Managed by Axiom from June 2021	-3.6%	9.2%	22.9%	7.6%	5.5%	7.7%	8.9%	
Current Strategy (Partial Simulation)⁵ Axiom Global Equity Strategy						12.6%	11.3%	10.2%
Index (Hedged)⁶	-0.8%	15.1%	18.3%	8.9%	7.3%	13.0%	10.2%	9.8%

PERFORMANCE CHART

NET PERFORMANCE SINCE INCEPTION²


TOP HOLDINGS (ALPHABETICALLY)

Alphabet Inc. Class A	Communication Services
Amazon.com, Inc.	Consumer Discretionary
Apple Inc.	Information Technology
Meta Platforms Inc Class A	Communication Services
Microsoft Corporation	Information Technology
Netflix, Inc.	Communication Services
NVIDIA Corporation	Information Technology
ServiceNow, Inc.	Information Technology
Taiwan Semiconductor Manufactu	Information Technology
Visa Inc. Class A	Financials

SECTOR BREAKDOWN

Consumer Discretionary	18.7%
Consumer Staples	1.9%
Financials	10.6%
Health Care	7.9%
Industrials	9.2%
Information Technology	30.2%
Real Estate	2.7%
Communication Services	18.9%
Cash	-0.1%

CAPITALISATION BREAKDOWN

In between 5bn - 10bn USD	0.6%
In between 10bn - 50bn USD	9%
In between 50bn - 150bn USD	21.7%
In between 150bn - 500bn USD	27.5%
Above 500bn USD	41.2%
Cash	-0.1%

REGION BREAKDOWN

North America	78.5%
Europe ex-UK	11.9%
Emerging Markets	4.3%
Japan	5.3%
Cash	-0.1%

STATISTICAL DATA

VOLATILITY⁸ 15.1%

NUMBER OF STOCKS 41

BETA⁹ 1.05

FEBRUARY REPORT

COMMENTARY

- The Fund returned -3.6%, while the benchmark delivered -0.8% in February, as global equities faced volatility from uncertainties around US tariffs and key economic data, despite resilient corporate earnings.
- Profit-taking in large-cap US tech stocks and caution in highly valued sectors, influenced by shifts in interest rate expectations, contributed to the Fund's underperformance, particularly in the technology and communications services sectors.
- The Fund's top performers were **Uber**, **Visa**, and **Sony Group**, and it established a new position in **Spotify Technology**, the world's largest audio streaming platform.

Global equity markets faced headwinds in February with rising investor caution amid ongoing macroeconomic uncertainty.

In the US, economic data remained robust, with retail sales accelerating in January. The labour market showed resilience, and inflationary pressures continued to ease, supporting expectations of potential interest rate cuts later in the year.

The Eurozone remained stable, with composite purchasing managers' index (PMI) data indicating a steady but moderate expansion. However, retail sales growth slowed in January.

In China, manufacturing activity remained expansionary, with the Caixin Manufacturing PMI indicating accelerating expansion. However, broader economic conditions continued to underwhelm, with weak consumer spending and ongoing property sector challenges.

The Fund's largest overweight sectors were communication services, consumer discretionary, and information technology, with the largest underweight sectors being financials, consumer staples, and energy. While strong stock selection helped offset broader market weakness, the Fund's overweight exposure to growth sectors detracted from relative performance.

The Fund's underweight position in US-based global automotive and clean energy company **Tesla** was the largest contributor to relative returns in February. The stock declined sharply as vehicle sales fell across key markets such as Europe and China, with increasing competition from Chinese EV manufacturers including BYD. Investor concerns about CEO Elon Musk's focus on politics, alongside disappointing fourth-quarter earnings, further pressured the stock. The Fund plans to maintain its zero position.

Uber Technologies is a US-based provider of ride-hailing, food delivery and courier services worldwide. It outperformed after Pershing Square's Bill Ackman revealed a significant investment in the company. He argued that the market was underappreciating Uber's scalable platform, network effects, and long-term growth potential. Ackman also rejected concerns that robotaxis represented a competitive threat, boosting investor sentiment.

The US-based global payment platform **Visa** has also contributed positively. This followed a successful investor day, where it outlined strong long-term growth prospects, reinforcing confidence in its business model.

The Japanese entertainment and electronics group **Sony** was another strong performer. It benefited from robust demand for its PlayStation 5 consoles and gaming content. The company's strong holiday-season sales and expanding subscriber base for PlayStation Plus supported investor confidence.



Taiwan-based advanced chip manufacturer **TSMC** was the largest detractor from relative returns in February. The stock declined due to investor concerns over potential US tariffs on Taiwanese exporters, which triggered a broader sell-off in the sector. However, TSMC announced an additional US\$100 billion investment in fabrication plants and advanced packaging facilities in Arizona, which are expected to mitigate near-term tariff risks.

US-based e-commerce and cloud computing company **Amazon** also detracted from returns. The stock underperformed as macroeconomic concerns weighed on investor sentiment and consumer confidence appeared to weaken. Google-owner **Alphabet** faced renewed regulatory scrutiny, contributing to a decline in its share price alongside broader weakness in growth stocks.

The Fund established a new position in Sweden-based **Spotify Technology**. It operates the world's largest audio streaming platform, offering music, podcasts, and other digital content to over 600 million users globally.

Despite near-term volatility, the Fund remains focused on dynamic growth stocks. Expected earnings upgrades should help the Fund outperform as economic growth moderates.

FEATURES	
APIR CODE	HHA0002AU
REDEMPTION PRICE	A\$ 3.3402
FEES *	Management Fee: 1.35% p.a
MINIMUM INITIAL INVESTMENT	\$10,000
FUM AT MONTH END	A\$ 47.72m
STRATEGY INCEPTION DATE	1 July 2004
BENCHMARK	MSCI All Country World Total Return in AUD (Hedged)

FUND MANAGERS	
	Bradley Amoils Managing Director/Portfolio Manager
	Andrew Jacobson CEO/Chief Investment Officer

1. From 4 June 2021 the capital component of the foreign currency exposure for the Fund is hedged back to Australian dollars.
 2. Axiom was appointed fund manager as of 5 May 2021. June 2021 represents the first full month of Axiom managing the Fund.
 3. Inception date 1 July 2017. Figures shown are calculated from the continuous performance of both the current and previous strategies. For performance see row labelled Fund: APIR (HHA0002AU) in the table above which is the continuous performance of both the current and previous strategies.
 4. Axiom Global Equity Strategy inception 1 Jul 2004.
 5. Prior to 1 June 2021, the Axiom Global Equity Strategy performance (labeled 'Current Strategy (Partial Simulation)' and shown in the shaded area) includes the strategy performance simulated by Pengana from the monthly gross USD returns of the Axiom Global Equity strategy. The Axiom Global Equity Strategy performance does not include the Pengana ethical screen
 6. Prior to 4 June 2021 hedged performance has been simulated by Pengana for both the Fund and Index. This was done by: 1) using 3 month rolling forwards to hedge movements in the AUD/USD spot rate, and 2) deducting the Pengana International Ethical Fund (Hedged) management fee of 1.35% p.a. from the Fund's performance.
 - From 4 June 2021, index performance is from the MSCI All Country World Total Return in AUD (Hedged). Prior to 4 June 2021, index performance is simulated from the MSCI All Country World Total Return in USD
 7. Performance for periods greater than 12 months are annualised. Net performance figures are shown after all fees and expenses, and assume reinvestment of distributions. No allowance has been made for buy/sell spreads. Please refer to the PDS for information regarding risks. Past performance is not a reliable indicator of future performance, the value of investments can go up and down.
 8. Annualised standard deviation since inception.
 9. Relative to the MSCI All Country World Total Return in AUD (Hedged).
- *For further information regarding fees please see the PDS available on our website.

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