

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 30 Nov 2025¹

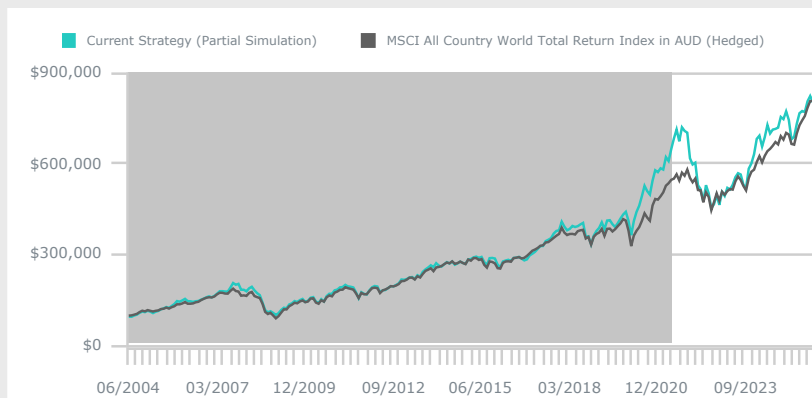
Pengana Axiom International Fund (Hedged)¹

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	-2.5%	6.4%	17.3%	17.5%	6.3%	6.4%	9.0%	
Current Strategy (Partial Simulation)⁵ Axiom Global Equity Strategy						8.1%	11.2%	10.2%
Index (Hedged)⁶	0.1%	16.8%	21.0%	17.2%	9.6%	11.8%	11.2%	10.2%

PERFORMANCE CHART

NET PERFORMANCE SINCE INCEPTION²



TOP HOLDINGS (ALPHABETICALLY)

Alphabet Inc. Class A	Communication Services
Amazon.com, Inc.	Consumer Discretionary
Broadcom Inc.	Information Technology
Meta Platforms Inc Class A	Communication Services
Microsoft Corporation	Information Technology
Morgan Stanley	Financials
Netflix, Inc.	Communication Services
NVIDIA Corporation	Information Technology
Siemens Energy AG	Industrials
Taiwan Semiconductor Manufacturing Co., Ltd. Spons	Information Technology

SECTOR BREAKDOWN

Consumer Discretionary	10.9%
Consumer Staples	1%
Financials	8.8%
Health Care	5.2%
Industrials	13%
Information Technology	39.3%
Real Estate	1.6%
Communication Services	17.5%
Cash	2.7%

CAPITALISATION BREAKDOWN

In between 10bn - 50bn USD	6%
In between 50bn - 150bn USD	14.4%
In between 150bn - 500bn USD	27.2%
Above 500bn USD	49.8%
Cash	2.7%

REGION BREAKDOWN

North America	73.8%
Europe ex-UK	12%
Emerging Markets	6.1%
Japan	5.3%
Cash	2.7%

STATISTICAL DATA

VOLATILITY⁸ 15.1%

NUMBER OF STOCKS 42

BETA⁹ 1.07

NOVEMBER REPORT

COMMENTARY

- The Fund returned -2.5% in November, underperforming the benchmark, which rose 0.1%, as volatility linked to US monetary policy and generative AI investment uncertainty weighed on information technology and industrials.
- Forward 12-month earnings revisions and aggregate earnings growth remained ahead of the benchmark, with over 70% of holdings upgraded, and the Fund's price-to-earnings-to-growth (PEG) ratio, which compares valuation to expected earnings growth, improved to 1.1 times.
- **Alphabet**, **Siemens Energy** and **Broadcom** contributed most to returns, while **Oracle**, **Fujikura** and **Axon** Activity included additions to **Alphabet**, **ASML** and **Amphenol**, reductions to **Axon**, **Meta Platforms** and **Uber**, and the exit of **Tokio Marine**, with no new positions initiated.

Market Review

Global equity markets edged lower in November as volatility increased, driven by uncertainty around US policy and concerns about the pace of generative AI investment. While some US economic data was delayed early in the month due to the government shutdown, subsequent releases were broadly consistent with recent trends of modest growth and easing inflation. The Fund's currency hedge added value during the month as the US dollar weakened slightly relative to the Australian dollar.

In the US, labour market conditions remained soft, with low unemployment claims but limited hiring momentum. Core producer price inflation held steady at 2.9% year-on-year, reinforcing the view that inflation pressures continue to moderate. Purchasing managers' data showed improvement in services activity, while manufacturing remained subdued. Consumer confidence was broadly unchanged at low levels. Expectations for a Federal Reserve interest rate cut in December increased over the month, helping stabilise financial conditions.

Elsewhere, economic conditions remained mixed. In Europe, growth showed tentative improvement from low levels, supported by stronger retail sales and firmer confidence indicators. Retail sales rose ahead of expectations in October, while both consumer and business surveys recorded modest gains. Inflation remained contained across the region. In China, growth remained weak, with slower retail sales and industrial production, ongoing weakness in fixed asset investment and continued pressure in the residential property market.

Despite subdued global growth, monetary policy remains supportive across major regions. Axiom believes its focus on companies with positive operating momentum and improving fundamentals, where dynamic earnings growth remains a key driver of long-term returns, is well suited to this environment.

Portfolio Commentary

The Fund underperformed the benchmark in November. At the sector level, communication services contributed positively, while information technology and industrials detracted as volatility increased around generative AI investment and expectations for infrastructure spending. The portfolio remained overweight information technology and communication services, with underweights to financials and consumer staples, consistent with Axiom's dynamic growth approach.

At the stock level, **Alphabet** was a key contributor as strong performance from October extended into November. The release of its latest large language model, Gemini 3, which ranked highly across industry benchmarks,

reinforced confidence in Alphabet's innovation. The company also announced new internally developed Tensor Processing Unit semiconductor systems that support sentiment across its generative AI ecosystem. **Broadcom**, a global semiconductor and infrastructure software company, also performed well as Alphabet's key design partner, with supply chain research pointing to potential upside to TPU-related demand.

Siemens Energy, a European provider of power generation and grid infrastructure equipment, contributed following its Capital Markets Day, where management raised medium-term revenue growth and margin targets, improving confidence in the company's earnings outlook.

Detractors included **Oracle**, a US-based enterprise software and cloud infrastructure provider, which declined as sentiment weakened around OpenAI-related infrastructure spending following increased competition from new foundational models. Oracle's underlying fundamentals were unchanged, and the Fund maintained its position. **Fujikura**, a Japanese manufacturer of optical fibre and connectivity solutions, also pulled back after strong year-to-date performance as the Fund took profits, despite continued robust industry fundamentals. **Axon**, a US-based public safety technology company, underperformed following its earnings report, although backlog and software revenue growth continued to accelerate. Given valuation considerations, the position was reduced while retaining a positive long-term view.

Portfolio positioning was broadly stable. The Fund added to **Alphabet**, **ASML**, the Dutch supplier of advanced semiconductor manufacturing equipment, and **Amphenol**, a global producer of electronic connectors, reflecting confidence in longer-term demand trends. Reductions were made to **Axon**, **Meta Platforms** and **Uber**, reflecting valuation discipline. The Fund exited **Tokio Marine**, a Japanese property and casualty insurer, amid slowing premium growth and redeployed capital into more dynamic Japanese exposures, including **Hitachi** and **Sony**. There were no new position initiations during the month.

There were no MSCI ESG rating changes in November. Engagement activity included discussions with **JPMorgan Chase** and **ServiceNow**, focusing on emissions targets, disclosure practices and the internal use of generative AI.

FEATURES	
APIR CODE	HHA0002AU
REDEMPTION PRICE	A\$ 3.6004
FEES *	Management Fee: 1.35% p.a
MINIMUM INITIAL INVESTMENT	\$10,000
FUM AT MONTH END	A\$ 48.26m
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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