

PENGANA AXIOM INTERNATIONAL FUND

DESCRIPTION

The Pengana Axiom International Fund 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 31 May 2025¹

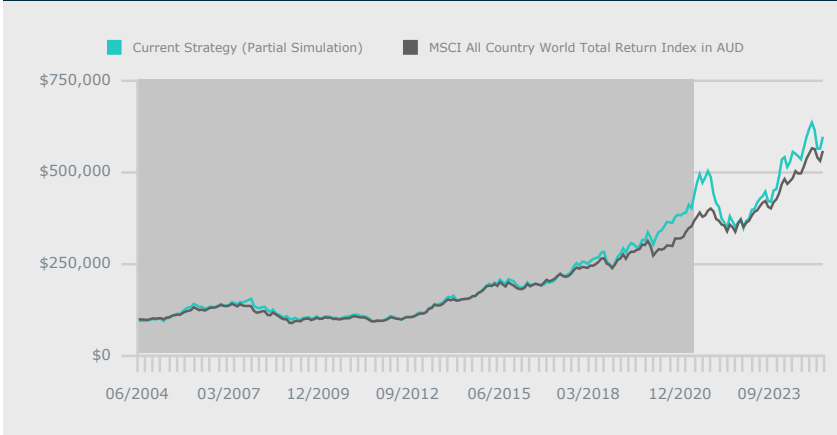
Pengana Axiom International Fund

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 ¹ | 5Y | Since Fund Inception July 2017 ² | Since Strategy Inception July 2004 ³ |
|--|------|-------|-------|-------|--|-------|---|---|
| Fund: APIR (HOW0002AU)^{1,2} Managed by Axiom from June 2021 | 5.7% | 13.0% | 19.7% | 18.1% | 10.4% | 11.2% | 11.4% | |
| Current Strategy (Partial Simulation)⁴ Axiom Global Equity Strategy | | | | | | 12.1% | 13.8% | 8.9% |
| Index⁵ | 5.1% | 17.4% | 18.8% | 16.4% | 12.3% | 14.1% | 12.7% | 8.5% |

PERFORMANCE CHART

NET PERFORMANCE SINCE INCEPTION²



TOP HOLDINGS (ALPHABETICALLY)

| | |
|-------------------------------|------------------------|
| Amazon.com, Inc. | Consumer Discretionary |
| Boston Scientific Corporation | Health Care |
| Cintas Corporation | Industrials |
| Meta Platforms Inc Class A | Communication Services |
| Microsoft Corporation | Information Technology |
| Netflix, Inc. | Communication Services |
| NVIDIA Corporation | Information Technology |
| SAP SE | Information Technology |
| Spotify Technology SA | Communication Services |
| Visa Inc. Class A | Financials |

SECTOR BREAKDOWN

| | |
|------------------------|-------|
| Consumer Discretionary | 16.3% |
| Consumer Staples | 4% |
| Financials | 16.7% |
| Health Care | 7.2% |
| Industrials | 10.7% |
| Information Technology | 25.1% |
| Real Estate | 2.5% |
| Communication Services | 16.2% |
| Cash | 1.4% |

CAPITALISATION BREAKDOWN

| | |
|------------------------------|-------|
| In between 10bn - 50bn USD | 9.2% |
| In between 50bn - 150bn USD | 25.2% |
| In between 150bn - 500bn USD | 24.1% |
| Above 500bn USD | 40% |
| Cash | 1.4% |

REGION BREAKDOWN

| | |
|------------------|-------|
| North America | 69.4% |
| Europe ex-UK | 17.3% |
| Emerging Markets | 4.7% |
| Japan | 5.9% |
| UK | 1.2% |
| Cash | 1.4% |

STATISTICAL DATA

VOLATILITY⁷ 13.6%

NUMBER OF STOCKS 46

BETA⁸ 1.04

MAY REPORT

COMMENTARY

- The Fund returned 5.7% in May, outperforming the benchmark, which rose 5.1%, driven by a favourable backdrop for growth stocks and strong stock selection in health care and communication services.
- **Axon, Meta Platforms, and Taiwan Semiconductor Manufacturing Co.** were the top contributors, while Alibaba and Broadcom, due to their lack of exposure, and Nvidia, given its underweight position, detracted.
- The Fund added to **Microsoft, Meta, and Amazon** following strong earnings, initiated new positions in **Siemens Energy and Heico**, and exited **Danaher and Deckers**. Three holdings received ESG upgrades, while two were modestly downgraded.

Market Review

Global equities rose in May, supported by strong earnings results, easing inflation, and resilient consumer spending in the US. Growth stocks meaningfully outperformed value, creating a favourable backdrop for the Fund's positioning. A weaker US dollar moderately detracted from performance in Australian dollar terms.

In the US, inflation continued to trend lower while consumer demand remained firm, reinforcing the soft-landing narrative. Europe presented a mixed picture, with business surveys softening slightly but still pointing to modest growth. Retail activity improved marginally, though underlying momentum remained fragile. Commodity prices also declined, helping to maintain supportive financial conditions.

China's economic signals were mixed. While some indicators improved, manufacturing activity slipped back into contraction and consumer demand remained sluggish, held back by ongoing weakness in the property sector. Stimulus efforts are beginning to gain traction, but the recovery remains uneven.

Axiom believes the current market continues to favour companies delivering strong earnings momentum, particularly those exposed to secular growth drivers. As macro conditions remain uneven, the team is focused on businesses with clear visibility into earnings upgrades, rather than those reliant on cyclical tailwinds or broad economic strength.

Portfolio Commentary

The Fund outperformed its benchmark in May, supported by strong stock selection in health care, communication services, and consumer staples. These sector exposures added meaningfully to relative returns, while consumer discretionary and information technology holdings modestly detracted.

Axon Enterprises, a US-based provider of public safety technologies, was a top contributor after delivering strong first-quarter results, led by software and services. The company also eased investor concerns about federal budget exposure, supporting a re-rating. **Meta Platforms** outperformed following strong earnings, robust advertising growth, and continued improvements in return on ad spend through AI-driven enhancements. **Taiwan Semiconductor Manufacturing Co**, the world's leading advanced chip foundry, contributed positively after reporting April sales that exceeded seasonal norms and market expectations.

On the downside, **Alibaba**, a Chinese e-commerce and cloud services group, underperformed after slightly disappointing results in cloud and local services. Axiom remains constructive on its medium-term potential,

supported by improving fundamentals. **Broadcom**, a global semiconductor and software company, detracted from relative returns due to the Fund's lack of exposure. **Nvidia** also weighed on performance due to the underweight position amid a strong rally in semiconductors following an upside surprise in hyperscaler capital expenditure.

Several portfolio changes were made during the month. The Fund added to **Microsoft**, **Meta**, and **Amazon** following strong results and guidance that suggest upside to consensus forecasts. New positions were established in **Siemens Energy**, a German energy technology company with improving fundamentals, and **Heico**, a US-based aerospace and electronics firm with a scalable aftermarket model. The Fund exited **Danaher**, a life sciences and diagnostics business, and **Deckers**, a footwear company, following weaker-than-expected guidance. **Apple**, **TJX**, and **Sony** were trimmed on earnings-related signals, though the team remains constructive on their long-term outlooks.

Three holdings received ESG upgrades. **Boston Scientific**, a US-based medical device company, **MercadoLibre**, a Latin American e-commerce and fintech platform, and **Tradeweb**, a global operator of electronic trading platforms, were recognised for governance improvements. **Nvidia** and **Costco** were modestly downgraded. Axiom views these changes as incremental and is engaging with management. ESG discussions with **Morgan Stanley** and **Deutsche Boerse**, a European market infrastructure provider, highlighted continued progress on sustainability and human capital initiatives.

| FEATURES | |
|----------------------------|--|
| APIR CODE | HOW0002AU |
| REDEMPTION PRICE | A\$ 3.9735 |
| FEES * | Management Fee: 1.35% p.a |
| MINIMUM INITIAL INVESTMENT | \$10,000 |
| FUM AT MONTH END | A\$ 368.23m |
| STRATEGY INCEPTION DATE | 1 July 2004 |
| BENCHMARK | MSCI All Country World Total Return Index (net, AUD) |

FUND MANAGERS



Bradley Amoils
Managing Director/Portfolio Manager



Andrew Jacobson
CEO/Chief Investment Officer

Prior to June 2021, the Axiom Global Equity Strategy performance (shown in the shaded area) includes the strategy performance simulated by Pengana from the monthly gross returns of the Axiom Global Equity strategy. This simulation was done by: 1) the conversion of US-denominated gross returns to AUD, 2) applying the fee structure of the stated class. The simulation does not include the Pengana ethical screen. From June 2021 the strategy performance is the performance of the Pengana Axiom International Ethical Fund.

1. Axiom was appointed fund manager as of 5 May 2021. June 2021 represents the first full month of Axiom managing the Fund.
2. 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 (HOW0002AU) in the table above which is the continuous performance of both the current and previous strategies.
3. Axiom Global Equity Strategy inception 1 Jul 2004.
4. Prior to June 2021, the Axiom Global Equity Strategy performance (labeled 'Strategy (Partial Simulation)' and shown in the shaded area) includes the strategy performance simulated by Pengana from the monthly gross returns of the Axiom Global Equity strategy. This simulation was done by: 1) the conversion of US-denominated gross returns to AUD, 2) applying the fee structure of the stated class. The simulation does not include the Pengana ethical screen. From June 2021 the strategy performance is the performance of the Pengana Axiom International Ethical Fund.
5. MSCI All Country World Total Return Index in AUD.
6. 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.
7. Annualised standard deviation since inception.
8. Relative to the MSCI All Country World Total Return Index in AUD.

*For further information regarding fees please see the PDS available on our website.

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