MONTHLY REPORT
JULY 2026

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 Jul 2026[1]

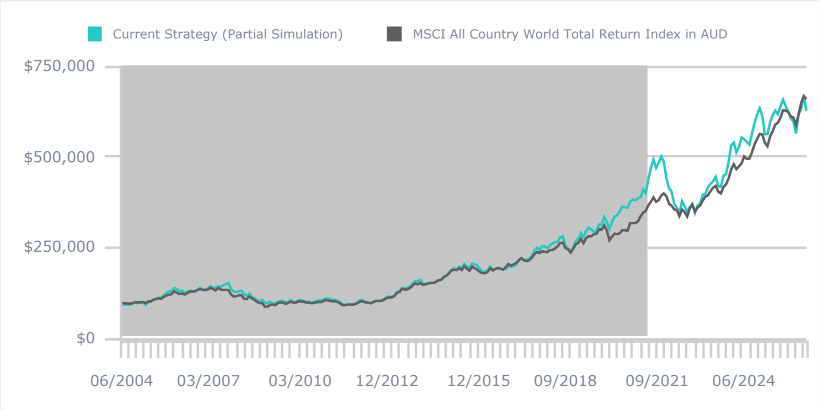
Pengana Axiom International Fund

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	5Y	Since Axiom Appointed June 2021[1]	Since Fund Inception July 2017[2]	Since Strategy Inception July 2004[3]
Fund: APIR (HOW0002AU)[1,2] Managed by Axiom from June 2021	-6.1%	0.0%	7.0%	13.2%	6.0%	9.1%	10.5%	
Current Strategy (Partial Simulation)[4] Axiom Global Equity Strategy							12.6%	8.7%
Index[5]	-1.3%	11.9%	14.7%	16.7%	11.9%	13.0%	13.1%	8.9%

PERFORMANCE CHART

NET PERFORMANCE SINCE INCEPTION[2]



TOP HOLDINGS (ALPHABETICALLY)

Alphabet Inc. Class A	Communication Services
Amazon.com, Inc.	Consumer Discretionary
ASML Holding NV	Information Technology
Broadcom Inc.	Information Technology
JPMorgan Chase & Co.	Financials
Morgan Stanley	Financials
NVIDIA Corporation	Information Technology
Samsung Electronics Co., Ltd.	Information Technology
Siemens Energy AG	Industrials
Taiwan Semiconductor Manufacturing Co., Ltd. Spons	Information Technology

SECTOR BREAKDOWN

Consumer Discretionary	8.4%
Consumer Staples	2.8%
Financials	13.2%
Health Care	5.7%
Industrials	22.1%
Information Technology	39%
Real Estate	1.7%
Communication Services	5.7%
Cash	1.3%

CAPITALISATION BREAKDOWN

Under 5bn USD	0.6%
In between 10bn - 50bn USD	12.6%
In between 50bn - 150bn USD	21.2%
In between 150bn - 500bn USD	15.5%
Above 500bn USD	48.7%
Cash	1.3%

REGION BREAKDOWN

North America	61.7%
Europe ex-UK	16.8%
Emerging Markets	7.2%
Japan	7.4%
UK	1.7%
Asia Pacific ex-Japan	4%
Cash	1.3%

STATISTICAL DATA

VOLATILITY[7] 13.8% | NUMBER OF STOCKS 44 | BETA[8] 1.08

JULY REPORT

COMMENTARY

- The Fund declined 6.1% in July, underperforming the MSCI All Country World Total Return Index (net, AUD), which fell 1.3%. Elevated sectoral and factor rotation drove relative weakness, with holdings in information technology and industrials detracting following strong year-to-date performance.
- Portfolio fundamentals remain compelling. Forward earnings revisions accelerated to the widest gap over the benchmark in recent months, led by hyperscaler cloud infrastructure upgrades. Earnings growth eased slightly on risk management actions but remains well ahead of the index, and lower share prices left valuation more attractive relative to growth.
- Key contributors included **Amazon**, supported by strong AWS results, alongside beneficial underweights to **Micron** and **Tesla**. Detractors included **Taiwan Semiconductor Manufacturing**, **Fujikura**, and **ASML**. The Fund initiated **CSX**, **Roche**, **Unilever**, and **Sphere Entertainment**, and exited **Meta Platforms** and **Live Nation**.

Market Review

Global equity markets delivered mixed results in July as a sharp rotation out of semiconductors and other AI-linked names weighed on the year's strongest performers, while broader benchmarks held largely flat. Renewed US-Iran tensions lifted oil prices and pushed bond yields higher. A stronger Australian dollar detracted from unhedged returns, as foreign currency exposures translated into lower Australian dollar terms.

In the US, headline benchmarks were little changed, but beneath the surface, semiconductor and other artificial intelligence infrastructure stocks fell materially, marking the sector's steepest monthly decline in years. Equal-weighted and value-oriented indices outperformed as capital rotated into cyclicals and defensives. Economic data remained resilient, with manufacturing and services surveys improving further and retail sales accelerating. Core inflation moderated, though the June payrolls print undershot expectations.

In Europe, equity markets held up relatively well as the value and cyclical rotation supported the region. Macroeconomic signals were mixed, with German factory orders and retail sales rebounding sharply while UK survey data slipped deeper into contractionary territory and retail spending decelerated. Regional inflation remained close to trend.

In China, equity markets reflected further softness in domestic growth signals, with manufacturing and services surveys slipping into contractionary territory and retail sales and property investment remaining weak. Export activity provided partial support, with industrial production accelerating on continued strength in overseas demand.

Portfolio Commentary

The Fund underperformed the benchmark in July. Information technology and industrials were the largest detracting sectors as strong year-to-date performers came under pressure, partly offset by consumer discretionary. Industrials and information technology remained the largest overweights, with financials and materials the largest non-exclusionary underweights.

Amazon was a leading contributor as strong quarterly results and easing capital expenditure concerns supported the shares, with AWS revenue growth accelerating materially and backlog expansion pointing to further acceleration. **JPMorgan Chase** also performed well as increased capital markets activity and improving spread-lending dynamics supported its industry-leading franchise.

Conversely, Taiwan Semiconductor Manufacturing was the largest detractor as the sectoral drawdown weighed on the shares, despite management raising 2026 revenue and capital expenditure targets. Fujikura, a Japanese fibre optic cable manufacturer, and ASML, a Dutch semiconductor equipment supplier, also detracted, both against a backdrop of raised guidance and unprecedented demand visibility from customers. The team views this as a middle-cycle correction largely run.

Over the month, sectoral weightings were broadly unchanged. The largest additions were to Kioxia, a Japanese memory chip manufacturer, Keyence, a Japanese provider of machine vision systems, and ASML, reflecting the drawdown, strong results, and expanded capacity commentary, respectively. The largest reductions were to Alphabet, AstraZeneca, and Apple. Alphabet was trimmed on capital spending concerns and slowing advertising growth, though Google Cloud growth accelerated meaningfully. AstraZeneca continued to fund reallocation into Johnson & Johnson and the new Roche position within health care. Apple was reduced further on memory pricing concerns and elevated valuation.

CSX, a US East Coast railroad operator, was initiated on the strength of industrial activity supporting intermodal freight and new management driving operational efficiencies. Roche, a Swiss therapeutics provider, was added following approval of Giredestrant, its oral treatment for HER2-negative breast cancer. Unilever was initiated on accelerating personal and home care growth under new management, trading at a discount to staples peers. Sphere Entertainment, operator of the eponymous Las Vegas venue, offers accelerating monetisation and new licensing deals not reflected in consensus. Meta Platforms was exited as its lack of direct infrastructure monetisation sharpens the AI return-on-investment debate versus peers. Live Nation was exited on continued state-level regulatory scrutiny, with capital rotating into Sphere to preserve live entertainment exposure.

Underlying portfolio dynamics continued to improve. Forward earnings revisions accelerated to +4.8% month over month, well ahead of the benchmark's +0.9% and the widest gap in recent months, driven by upgrades to hyperscaler cloud infrastructure holdings. Aggregate earnings growth eased on risk management actions but remains well ahead of the benchmark. Valuation compressed to its most attractive level relative to earnings growth in recent memory. The team views the forward landscape as increasingly attractive.

On ESG, no portfolio holding received an MSCI rating change during July. The team engaged with Alphabet following its 2025 Sustainability Report and welcomed progress on infrastructure efficiency, grid modernisation, and carbon-free power sourcing. Engagement with Amazon following its own report was less encouraging, with the absence of data centre-related electricity disclosure a material gap, and the team will press for improved disclosure and quantifiable emissions targets.

FEATURES

APIR CODE	HOW0002AU
REDEMPTION PRICE	A$ 3.3078
FEES *	Management Fee: 1.35% p.a
MINIMUM INITIAL INVESTMENT	$10,000
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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