

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 31 Aug 2025¹

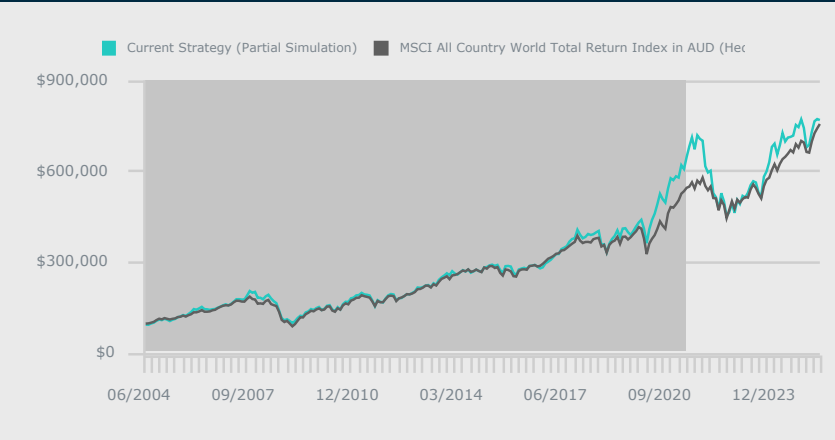
Pengana Axiom International Fund (Hedged)¹

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	-0.4%	8.1%	16.9%	15.3%	5.7%	6.9%	8.8%	
Current Strategy (Partial Simulation)⁵ Axiom Global Equity Strategy						7.9%	11.0%	10.1%
Index (Hedged)⁶	2.0%	14.9%	17.9%	15.7%	8.5%	11.7%	10.7%	10.0%

PERFORMANCE CHART

NET PERFORMANCE SINCE INCEPTION²



TOP HOLDINGS (ALPHABETICALLY)

Amazon.com, Inc.	Consumer Discretionary
Meta Platforms Inc Class A	Communication Services
Microsoft Corporation	Information Technology
Netflix, Inc.	Communication Services
NVIDIA Corporation	Information Technology
Oracle Corporation	Information Technology
SAP SE	Information Technology
Siemens Energy AG	Industrials
Taiwan Semiconductor Manufacturing Co., Ltd. Spons	Information Technology
Visa Inc. Class A	Financials

SECTOR BREAKDOWN

Consumer Discretionary	11.2%
Consumer Staples	1.3%
Financials	12%
Health Care	6%
Industrials	14.6%
Information Technology	34.7%
Real Estate	2.1%
Communication Services	16.4%
Cash	1.6%

CAPITALISATION BREAKDOWN

In between 10bn - 50bn USD	8.1%
In between 50bn - 150bn USD	19.7%
In between 150bn - 500bn USD	19.9%
Above 500bn USD	50.6%
Cash	1.6%

REGION BREAKDOWN

North America	73.1%
Europe ex-UK	13.8%
Emerging Markets	4.6%
Japan	7%
Cash	1.6%

AUGUST REPORT

COMMENTARY

- The Fund fell 0.4% in August, underperforming the benchmark, which rose 2.0%, as growth stocks lagged value. Despite this, the portfolio's fundamentals remain strong, with broad-based earnings upgrades and increasingly attractive valuations creating a compelling backdrop for the strategy.
- **Fujikura**, **Live Nation**, and **Sony** were leading contributors, while **Siemens Energy**, **Oracle**, and **Hitachi** detracted amid style rotations and mixed operational data.
- The Fund added to **Oracle**, **Meta Platforms**, and **HEICO**, initiated a new position in **AppLovin**, and reduced **Amazon** and **Tokio Marine**.

Market Review

Global equities were mixed in August, with style rotations favouring value over growth. Earnings fundamentals remained supportive, with forward 12-month revisions for the Fund well ahead of the benchmark. The Fund's currency hedge added value during the month, offsetting some of the negative return as the US dollar weakened relative to the Australian dollar.

Inflation continued to moderate across most regions, with the US Core PCE Index stable at 2.9% year-on-year. At the Federal Reserve's Jackson Hole summit, policymakers struck a dovish tone, raising expectations for monetary easing. US employment data released in early September also pointed to weakness, further supporting the case for rate cuts.

Regional trends diverged. In the US, consumer demand stayed resilient, with retail sales growth moderating slightly but remaining healthy in real terms. Europe continued to improve, with both manufacturing and services PMIs in expansionary territory and sentiment indicators strengthening. China was weaker, with retail sales and trade data below expectations, adding to concerns over domestic demand and external growth.

Global inflation readings are now broadly in line with, or below, central bank targets, while monetary policy remains accommodative. Against this backdrop, Axiom remains firmly committed to its dynamic growth philosophy, focusing on companies with positive earnings revisions and visibility. With valuations more attractive following recent volatility and growth fundamentals well ahead of the benchmark, including stronger earnings revisions and higher aggregate growth rates across holdings, the team views the forward investment landscape as increasingly compelling for deploying the strategy.

Portfolio Commentary

The Fund underperformed the benchmark in August, with information technology and industrials the largest detractors at the sector level. Stock selection remained the main driver of relative performance, with strong contributors offset by several weaker names.

Fujikura, a Japan-based fibre optics supplier, was a leading contributor after reporting second-quarter results that comfortably exceeded expectations and raising full-year guidance. The company continues to benefit from accelerating demand for high-speed data transmission as hyperscalers expand generative AI infrastructure. **Live Nation**, a US-based live entertainment company, also advanced after delivering results ahead of expectations, supported by resilient consumer demand and further gains in global market share. Regulatory pressures eased as

scrutiny shifted toward ticket resellers, lowering the risk of punitive measures. **Sony** contributed as profitability in its Games & Network Services division remained above forecasts, with further catalysts from the planned spin-out of Sony Financial Services and new music streaming contracts.

Siemens Energy, a Germany-based energy technology group, underperformed despite reporting strong results and upgraded guidance. Order momentum in gas services and operating leverage remain robust, but performance was held back by factor rotation as investors shifted away from recent outperformers in growth and industrial names. **Oracle** also weakened ahead of earnings despite an increasingly positive outlook for its cloud infrastructure business. **Hitachi**, the Japanese industrial and technology group, detracted as growth in its Digital Services business fell short of expectations, although its Power division continues to benefit from shortages in transformers, supporting favourable pricing trends.

Portfolio activity reflected both selective additions and profit-taking. Positions in **Oracle**, **Meta Platforms** and **HEICO**, a US-based aerospace and electronics manufacturer, were increased. **Amazon** was reduced after AWS growth lagged peers, while **Tokio Marine**, a Japanese non-life insurer, was trimmed as moderating pricing trends limited near-term upside. A new position was initiated in **AppLovin (C2)**, a US-based digital advertising company with a strong position in mobile gaming. The rating reflects attractive upside potential alongside solid quality characteristics, supported by its AI-driven targeting capabilities and early expansion into e-commerce advertising.

On ESG, **Blackstone** was downgraded by MSCI on governance and disclosure concerns. While engagement with the company has been challenging, Axiom continues to push for improvements in human capital reporting. An attempt to engage with **Oracle** management during the month was unsuccessful, though further discussions are planned in the second half of the year.

FEATURES	
APIR CODE	HHA0002AU
REDEMPTION PRICE	A\$ 3.4565
FEES *	Management Fee: 1.35% p.a
MINIMUM INITIAL INVESTMENT	\$10,000
FUM AT MONTH END	A\$ 46.84m
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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