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by AXIS ASSET MANAGEMENT

Axis Brand Equity Portfolio

As on 30th June 2025

Investment Manager

Axis Asset Management company Limited

Investment Objective

To generate long term capital appreciation by investing in a diversified portfolio of equity instruments of companies with brands.

Key Terms

Investment Approach	Axis Brand Equity Portfolio
Inception Date	27th January 2017
Strategy	Equity
Allocation of Portfolio across Types of securities	Equity & Equity related instruments 80-100% & Debt & Money market instruments 0-20%
Benchmark#	NIFTY 50 TRI

Portfolio Details

AUM	₹ 1,131 crores
Avg Market Capitalization	₹ 2,42,853 crores
Performance Reporting Structure Time	Weighted Rate of Return (TWRR)
Certificate Registration No.	INP000003534
Indicative Inv. Horizon	3 years
Min. Investment Amount	₹ 50 Lakhs
STO Options	5/10 installments
Fee Structure	As per the term sheet
Exit Load	As per the term sheet

Risks associated with the Investment Approach

Evaluation of companies from a Brand perspective may exclude securities of certain issuers for non-investment reasons and therefore the strategy may forgo some market opportunities available to strategy that don't fit the Brand theme. Stocks of companies with Brand attributes may shift into and out of favor with stock market investors depending on market and economic conditions, and the strategy's performance may at times be better or worse than the performance of stocks that do not have brand attributes.

General Risk Factors

- Risks associated with investments in Equities
- Risks associated with investments in Fixed Income Instruments
- Risks associated with Investments in Securitized Debt Instruments
- Risk Factor associated with debt instruments having credit enhancement
- Risk Factor associated with investing in Tier I and Tier II Bonds
- Risk associated with Investment in Mutual Fund Units
- General Risks associated with investments

Portfolio Manager Profile

Mr. Hitesh Zaveri - SVP & Head - Listed Equity Alternatives

Hitesh Zaveri joined Axis AMC in 2022 as SVP & Head – Listed Equity Alternatives. He is responsible for managing the Axis PMS portfolios along with relevant CAT-3 AIF strategies. Hitesh has over 25 years of experience in portfolio management, investment banking and equity research. Prior to joining Axis AMC, he served as Head of Investments in the PMS business at Aditya Birla Mutual Fund. Hitesh has also worked with Enam Asset Management as Executive Director & Portfolio Manager and Edelweiss Capital as Senior VP & Co-Head of Institutional Research. He has managed large equity funds, authored research reports and executed a number of transactions in M&A, IPO and IB assignments that involved Restructuring and Delisting in his past roles. Hitesh has contributed his research to a book co-authored by two Harvard Business School Professors - 'Wall Street Research – Past Present & Future', co-authored by Prof. Boris Groysberg and Prof. Paul Healy, published by Stanford Press.

Qualification:- MBA from Mumbai University, Hitesh has also completed Advanced Management Program, Investment Management Program, and General Management Program from the Harvard Business School and Executive Development Program from The Wharton School. Also, he is an alumnus of Harvard Business School and an Advisor to the Board of HBS Club of India.

Source: Axis Internal Research

Investment Strategy (Basis of selection of securities)

Axis 'Brand Equity' Portfolio is a compact portfolio investing in equity that endeavors to achieve long term capital appreciation through investment in companies with 'established and emerging brands.' The allocation will consist of best ideas within this space. While the portfolio will consist of bottom-up best ideas, portfolio construction will target reasonable diversification across sectors. Investments will be across market capitalizations.

The portfolio seeks to buy businesses with strong brands that provide:

- Sustainable competitive advantage
- Capable Management Team
- Good Corporate governance

The Portfolio Manager does not indicate any guarantee for capital/returns.

Market Commentary

Market Overview

Indian equities maintained their strong momentum in June, despite experiencing bouts of volatility. The month was characterized by geopolitical conflicts between Israel and Iran, which eventually led to a ceasefire. This resolution of conflict contributed to gains in equities globally. Consequently, the BSE Sensex and Nifty 50 closed 2.6% and 3.1% higher, while the NSE Midcap 100 advanced by 4% and the NSE Smallcap 100 by 6.7%, outperforming the large caps. Almost all sectors ended in the green, except FMCG.

Foreign Portfolio Investors (FPIs) were net buyers for the third consecutive month, with inflows totaling US$1.7 bn. Emerging markets including India have been beneficiaries of the FPI inflows in light of a weaker dollar, and increased optimism about the emerging markets. Domestic Institutional Investors (DIIs) also made significant purchases worth US$ 8.5 bn. Meanwhile, the rupee stayed little changed ending at 85.75 vs the US dollar.

As in May, promoter and strategic shareholder stake sales continued unabated in June – emerging as a notable supply source. This was prompted by the sharp rebound from the lows and higher valuations, triggering equity supply to the tune of US$18bn of which approx. 75% was driven by promoters and PE exits. FY26 has already seen 56 IPO filings in ~3-months, and an estimated supply pipeline of US$60-80bn is expected in the remaining 9MFY26. This equates to roughly 2 years of SIP inflows at current level of US$ 3 bn/per month).

From their lows, all indices have risen notably – the Nifty 50 by 15.6%, the Nifty Midcap 100 by 25% and Nifty Smallcap 100 by 30%. The large caps have outperformed the mid and small caps in the first half of the year - the Nifty 50 is up 8%, the Nifty Midcap 100 4.4% and the Nifty Small Cap 100 is up 1.6%.

Valuations, however, are not cheap, given the sharp run and are trading at least one standard deviation above long-term averages. Across categories – both investment and consumption - stocks trade at higher valuations. However, as compared to global economies, India is one of the worst performing countries.

Meanwhile, economic indicators are showing some signs of improvement but not out of the woods completely and recent positives are not yet fully factored in. GDP growth has recovered, system liquidity is now back to historical levels and should improve further with the CRR cut. RBI frontloaded rate cuts with the 50bps of cuts in June. FPIs are getting positive on emerging markets and the base will start becoming favourable.

Notwithstanding expectations of lower growth in the short to medium term, India's long term growth story is supported by: 1) strong macro stability, characterized by improving terms of trade, a declining primary deficit, and declining inflation 2) annual earnings growth in the mid- to high-teens over the next 3-5 years, driven by an emerging private capital expenditure cycle, the re-leveraging of corporate balance sheets, and a structural increase in discretionary consumption.

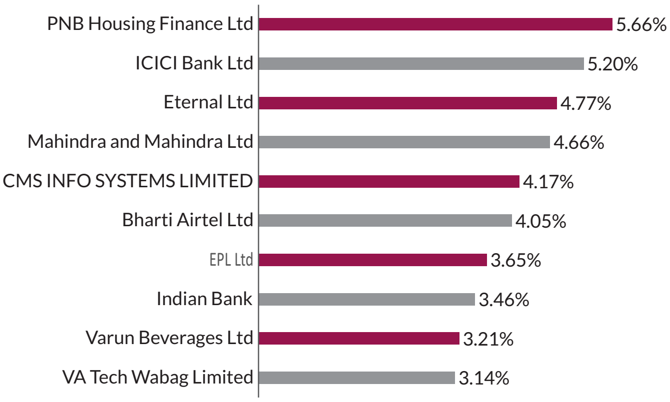
Market Outlook

In the last 12 months, from June 2024 to June 2025, the Nifty50 has delivered a modest return of +6.3%, indicating limited market momentum. A broad set of concurrent indicators suggests that India's macroeconomic recovery is still pending. Consumption growth remains weak, with only a few bright spots, while government-led capex growth appears to be driven by a temporarily low base. Monetary transmission is yet to become visible. Against this backdrop, we believe the weak earnings momentum observed in FY25 is likely to persist into Q1FY26E. Despite ongoing global political and tariff-related uncertainties, investors should consider shifting focus from immediate geopolitical concerns to long-term market cycle trends. Although the Indian equity market has lagged behind other emerging markets in calendar year-to-date (CYTD) 2025, it has still achieved modest growth. This is particularly noteworthy given India's own geopolitical challenges, including an ongoing kinetic war. Amidst this tense geopolitical environment, the Indian economy stands out for its remarkable stability. We anticipate that corporate earnings will show a progressively improving trend starting from H2FY26, as the situation begins to stabilize.

Portfolio Positioning

For the month, we added Lemon Tree Hotels Ltd as we expect it to benefit due to its recent portfolio renovation and FSN E-Commerce Ventures as it is expected to show well positioned growth, as suggested by the pre-quarter management commentary for Q1FY26, positioning it as an outlier in the consumer space.

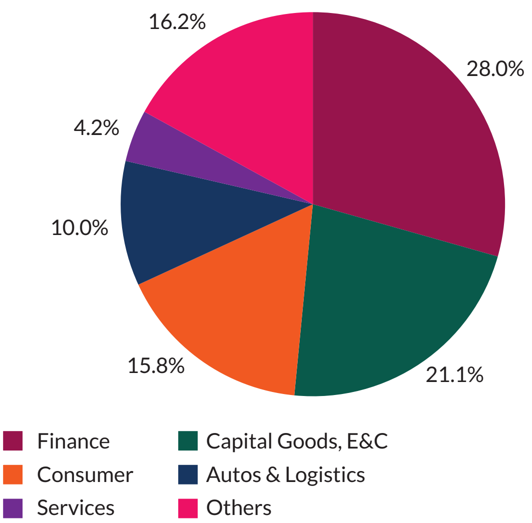
Top 10 Holdings



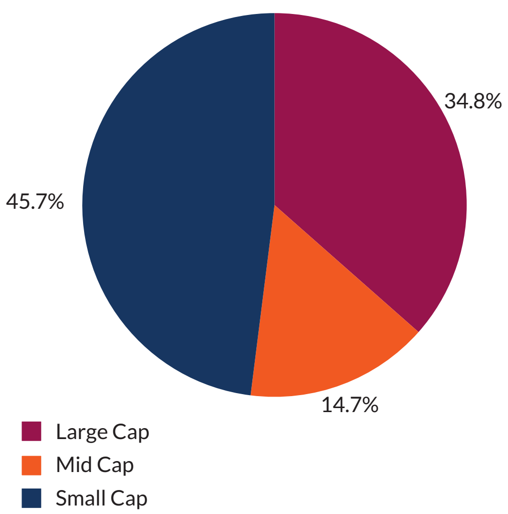
Holding Analysis

Parameters	Portfolio
No. of Stocks	40
Top 5 Stock Holding	24.5%
Top 10 Stock Holding	42.0%
Top 3 Sectors	64.9%

Sector Mix



Market Cap Mix



Risk Ratios

Beta	0.91
Standard deviation	11.6%
Sharpe ratio	1.10

All risk ratios are calculated on a 3 year basis.

Attribution

Top contributors	Top detractors
Eternal Limited	VA Tech Wabag Limited
Mahindra & Mahindra Ltd.	Varun Beverages Ltd.
PNB Housing Finance Limited	Sona BLW Precision Forgings Ltd.

Month on Month Performance

Month	Axis Brand Equity Portfolio	NIFTY 50 TRI
Jun-25	2.72	3.37
May-25	6.15	1.92
Apr-25	3.85	3.48
Mar-25	5.21	6.31
Feb-25	-9.75	-5.79
Jan-25	-5.46	-0.45
Dec-24	-2.07	-2.02
Nov-24	-1.62	-0.26
Oct-24	-6.21	-6.12
Sep-24	1.20	2.30
Aug-24	-0.30	1.36
Jul-24	4.44	4.00

Performance *(As on 30th June 2025)*

Period	Axis Brand Equity Portfolio	NIFTY 50 TRI
1 month	2.72	3.37
3 month	13.24	9.02
6 month	1.64	8.71
1 year	-3.23	7.54
2 year	12.87	16.69
3 year	18.35	18.73
4 year	12.01	14.22
5 year	19.29	21.35
Since inception*	11.72	15.2

**Inception Date: 27th January 2017*

Source: Axis Internal Research

DISCLAIMER AND RISK FACTORS:

The above returns are calculated on a consolidated Time Weighted Rate of Return (TWRR) basis and are as on 30th June 2025. The returns for one year or less are on absolute basis, while returns more than one year are on annualized basis. Please note that performance of your portfolio may vary from that of other investors and that generated by the Investment Approach across all investors because of 1) the timing of inflows and outflows of funds; and 2) differences in the portfolio composition because of restrictions and other constraints. The returns are net of all fees and all expenses (including taxes). Returns for individual clients may differ depending on time of entry in strategy. Past performance may or may not be sustained in future and should not be used as basis for comparison with other investments. The performance related information provided herein has not been verified by SEBI.

Investments in Securities are subject to market and other risks and there is no assurance or guarantee that the objectives of any of the strategies of the Portfolio Management Services will be achieved. The stocks referred in this document are a part of the existing PMS strategy as on 30th June 2025. The portfolio data mentioned above is of client representing general holdings and data of an individual client may vary significantly from the above. These Stocks may or may not be bought for new clients. The stocks may or may not be forming part of the current or future portfolio and portfolio manager can exit any of the stocks without notice. The companies/sectors referred herein above should not be construed as recommendations from Axis Asset Management Company Limited (AAMCL). Name of the PMS Strategy does not in any manner indicate its future prospects and returns.

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#The portfolio’s strategy is to invest in a diversified portfolio of companies across sectors. Fund manager finds it most suitable as per the strategy and is the closest benchmark among the APMI circular list of benchmarks.

DIRECT CLIENTS: Clients can invest directly with Portfolio Manager, without intermediation of persons engaged in distribution services. For investing directly with the Portfolio Manager, client can visit any of the branches of Axis AMC or contact Relationship Manager of Axis AMC.

Please click on the below link to view the performance relative to other Portfolio Managers -
https://www.apmiindia.org/apmi/welcomeiaperformance.htm?action=PMSmenu

Market caps are defined as below: a. Large Cap: 1st -100th company in terms of full market capitalization. b. Mid Cap: 101st -250th company in terms of full market capitalization. c. Small Cap: 251st company onwards in terms of full market capitalization.

The Sector Mix is Axis Internal bifurcation based on AMFI Classification of sectors.