

Akambo International Equities Fund

AFSL 322056

The Fund's objective is to provide long-term capital appreciation by investing primarily in a portfolio of securities of companies which are traded, listed or due to be listed, on recognised exchanges and/or markets throughout the world.

The portfolio may include investments in the securities of companies traded, listed or due to be listed, on recognised exchanges and/or markets, or developing countries.

Top 10 Holdings

as at 28 February 2025

	Weight
Microsoft Corporation	6.08%
Amazon.Com Inc	5.53%
Bank of America Corp	5.10%
VanEck Gold Miners ETF	4.88%
Sony Group Corporation	4.87%
Betashares Japan ETF	4.85%
Lloyds Banking Group PLC	4.52%
Freeport-McMoran inc	3.74%
VanEck MSCI International Small Companies ETF - AUD Hedged	3.73%
Apple Inc	3.69%

Market Update and Commentary

February Update

International share markets were mixed in February, with the MSCI All Country World Index down just 0.14% and hanging onto most of January's large gain. Divergences amongst the major global indices were notable with the S&P 500 down 1.42%, Europe's STOXX 600 surged a further 3.27%, the UK's FTSE 100 rose 1.57%, China's Shanghai Composite rose 2.16%, and Japan's Nikkei 225 fell 6.11%. The S&P 500 pulled back from the January all time high despite a much stronger than expected Q4 earnings season with companies reporting an average earnings growth of 11% year-over-year, the highest in three years, with a high 76% of companies surpassing analyst estimates. The financial sector led with a remarkable 57% earnings per share (EPS) growth although earnings were coming off a low base, and earnings growth extended well beyond the dominant technology sector with companies outside the "Magnificent Seven" tech giants experiencing a 20% earnings increase indicating a more balanced economic expansion across various industries. Despite the strong growth overall for the technology sector several stocks faced headwinds, some on valuation grounds after a strong 2-year rally in these stocks but also from emerging Chinese AI competitors and Deepseek in particular. This increased competition led to a subdued performance among major tech companies, reflecting the sector's evolving landscape. The U.S. stock market experienced notable fluctuations during February, many due to bottom-up earnings themes, but President Trump's tariff announcements were also a significant contributor to increased volatility with these measures prompting retaliatory actions from affected nations, leading to heightened market instability and growing concerns about broader trade wars. Some weaker than expected economic indicators further fuelled investor apprehension. European markets on the other hand demonstrated notable strength during the month. The MSCI Europe ex-UK Index was the top-performing major equity index for February, due to a range of factors including a potential ceasefire in Ukraine, prospects for interest rate cuts, strong fourth quarter corporate earnings, and higher defence spending (particularly in Germany) driving defence-related stocks. Asian markets displayed mixed results, with China's tech-driven surge contrasting with Japan's currency-impacted decline.

Akambo International Equities Fund

AFSL 322056

Market Update and Commentary

Monthly Performance:

The Portfolio fell 0.88% in February while the benchmark MSCI All Country World Index rose 0.20% in AUD terms.

The largest contributors to the Portfolio in February were Lloyds Bank (LLOY) up 18.98%, Sony (SONY) up 14.08%, and AIA Group (AIA) up 10.00%. The largest detractors were Constellation Energy (CEG) down 16.25%, Alphabet (GOOG) down 16.01%, and Thermo Fisher Scientific (TMO) down 11.27%.

Portfolio changes:

Changes to the portfolio in February included reducing our Broadcom (AVGO) position and exiting Constellation Energy (CEG) with both being key beneficiaries of the AI theme in which we believe in but some near term headwinds have emerged in the form of the Deepseek AI development and other large tech companies potentially hitting peak capex. We also reduced our Japanese equities exposure overall by exiting the currency hedged Japan ETF (HJPN) but adding a smaller unhedged Japan ETF (IJP) to maintain exposure.

Company updates:

CME Group (CME) reports strong Q4 results – Record year. The world's leading derivatives exchange CME Group reported Q4 EPS of \$2.52 ex-items in February ahead on the \$2.45 estimate. Q4 revenue of \$1.53B was also a slight beat on the \$1.51B expected. It was a record year (2024) for CME with revenue of \$6.1 billion up 10% on CY2023. "In 2024, CME Group had its best year ever, generating record annual average daily volume, revenue, adjusted operating income, adjusted net income and adjusted earnings per share," said CEO Terry Duffy. Adding "With volume growth across every asset class, we hit new records in interest rates, including U.S. Treasury and SOFR complexes, as well as in agricultural, foreign exchange and metals markets. Our Q4 performance also was very strong, delivering a 6% increase in revenue, adjusted net income and adjusted earnings per share."

Sony (SONY) reports strong Q3 – Shares surge. Japanese entertainment and media conglomerate Sony reported a solid Q3 during February with Q3 net income attributable of ¥373.70B well ahead of the ¥294.08B (USD 1.9 billion) estimate. Revenue of ¥4.410T (USD 28.7 billion) was a big beat on the ¥3.764T estimate with the result led by a 37% increase in profits from the Gaming division with Sony selling 9.5 million PlayStation 5 units during the quarter, compared to 8.2 million a year earlier. There is further anticipation around games including the upcoming Grand Theft Auto VI release, and monthly active users on PlayStation Network surged more than 10% to 129 million users in 1 quarter. Full year (March 2025) guidance was also revised higher on the strong Q3.

Palo Alto (PANW) posts slight Q2 beat. Leading cybersecurity business Palo Alto Networks reported Q2 results in February with Q2 EPS of \$0.81 ex-items and a slight beat on the \$0.78 expected. Total revenue for Q2 grew 14% year over year to \$2.3 billion, also a slight beat. Q3 guidance was ok, and FY guidance (July 2025) was upgraded to EPS in the \$3.18-3.24 range ex-items vs prior guidance \$3.13-3.20 and the consensus estimate of \$3.17. "In Q2, our strong business performance was fuelled by customers adopting technology driven by the imperative of AI, including cloud investment and infrastructure modernization," said CEO Nikesh Arora. "Our growth across regions and demand for our platforms demonstrate our customers' confidence in our approach. It reaffirms our faith in our 2030 plans and our \$15 billion NGS ARR goal."

**The above portfolio composition, weightings, and manager comments were current as of 28th February 2025. Past performance is not a reliable indicator of future performance. Returns are calculated and referenced in Australian Dollars before fees and net of franking credits.

Akambo Disclaimer: the information presented in this fact sheet is not intended to be advice. It does not take into account any particular investors or class of investors investment objectives, financial situation or needs, and should not be used as the basis for making investment, financial or other decisions. The investment returns shown are historical and no warranty can be given for future performance. You should be aware that historical performance is not a reliable indicator of future performance. Due to the volatility of underlying assets of the fund and other risk factors associated with investing, investment returns can be negative (particularly in the short term). To the extent permitted by law no liability is accepted for any loss or damage as a result of any reliance on this information. Akambo does not guarantee the repayment of capital, payment of income or the portfolio performance. Neither Akambo nor its affiliates guarantee the data or content contained herein to be accurate, complete or timely nor will they have any liability for its use or distribution.

Akambo International Equities Fund

AFSL 322056

Portfolio Details

Top 5 Contributors and Detractors

Contributors

- Lloyds Banking Group PLC
- Sony Group Corporation
- AIA Group Limited
- CME Group Inc
- Verizon Communications Inc

Detractors

- Amazon.com Inc
- Alphabet Inc
- Thermo Fisher Scientific Inc
- Constellation Energy
- Broadcom Inc

Portfolio Characteristics

28/02/2025	Port	Bench	Relative
# of Holdings	30.00		
Price to Earnings Ratio	23.25	23.08	0.17
Price to Book Ratio	3.20	3.20	0.00
Dividend Yield	1.64	2.00	-0.36

Sector Weights

28/02/2025	% Wgt	
	Port	+/-
Communication Services	7.24%	-0.95%
Consumer Discretionary	13.45%	2.55%
Consumer Staples	1.01%	-5.08%
Energy	3.59%	-0.31%
Financials	17.29%	-0.64%
Health Care	7.30%	-2.90%
Industrials	5.60%	-4.85%
Information Technology	20.57%	-3.65%
Materials	11.40%	7.87%
Real Estate	0.15%	-1.89%
Utilities	3.29%	0.74%
Not Classified	9.12%	9.12%

Geography

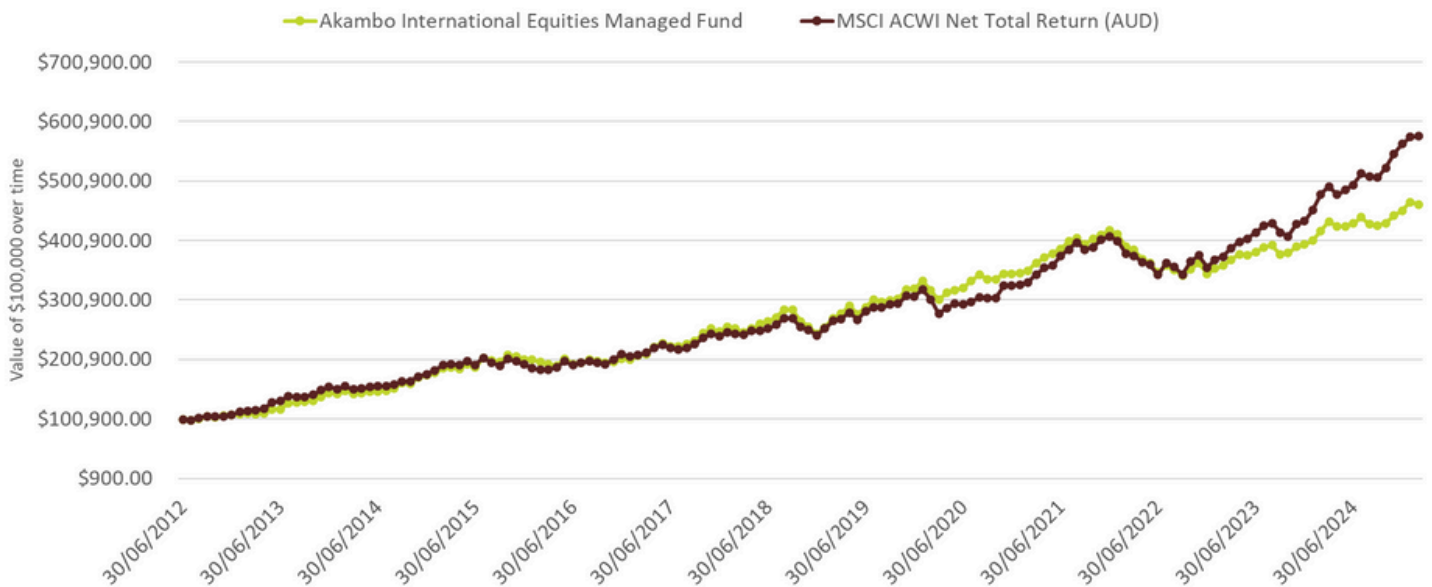
28/02/2025	% Wgt	
	Port	+/-
North America	63.20%	-6.85%
South & Central America	0.43%	-0.26%
Western Europe	11.55%	-0.32%
Asia Pacific	21.07%	6.97%
Eastern Europe	0.04%	-0.17%
Central Asia	3.22%	1.40%
Africa / Middle East	0.49%	-0.77%

Akambo Disclaimer: the information presented in this fact sheet is not intended to be advice. It does not take into account any particular investors or class of investors investment objectives, financial situation or needs, and should not be used as the basis for making investment, financial or other decisions. The investment returns shown are historical and no warranty can be given for future performance. You should be aware that historical performance is not a reliable indicator of future performance. Due to the volatility of underlying assets of the fund and other risk factors associated with investing, investment returns can be negative (particularly in the short term). To the extent permitted by law no liability is accepted for any loss or damage as a result of any reliance on this information. Akambo does not guarantee the repayment of capital, payment of income or the portfolio performance. Neither Akambo nor its affiliates guarantee the data or content contained herein to be accurate, complete or timely nor will they have any liability for its use or distribution.

Akambo International Equities Fund

AFSL 322056

Portfolio Performance



Performance as at 28/02/2025	Akambo International Equities Fund	MSCI ACWI (net in AUD)	-/+
Since fund inception p.a 16/02/2022	6.44%	15.87%	-9.44%
Since strategy inception p.a 30/06/2012	12.84%	14.83%	-1.99%
10 year return p.a.	9.50%	11.64%	-2.14%
5 year return p.a.	7.80%	13.80%	-6.00%
3 year return p.a.	5.68%	14.95%	-9.27%
12 month return	10.74%	20.40%	-9.66%
6 month return	7.81%	13.34%	-5.53%
3 month return	4.29%	5.41%	-1.12%
1 month return	-0.88%	0.20%	-1.08%

*Data sourced from Bloomberg

Past performance is no indication of future performance. Investments may rise and fall in value and returns cannot be guaranteed. Returns are based on the mid-point of unit prices and are net of all fees and charges. Unless otherwise stated, all figures are in Australian dollars and include GST. Return calculations covering a period greater than 12 months assume the reinvestment of distributions.

**The Akambo International Equities Fund (Fund) has been operating since 16/02/2022. The Fund employs the same International Equities strategy, that was used by Akambo who manage the Akambo International Equities strategy. To give a longer-term view of performance using this investment strategy, we have shown historical returns for the Akambo International Equities strategy. Returns shown for the period from 30/06/2012 reflect the returns of the Investment Strategy calculated after fees. This historical performance has been provided for information purposes only. While the strategy has been running since 1 July 2012, the Fund only became available/was incepted in 16/02/2022. Accordingly, the actual performance of the Fund since its inception will be different to the performance of the strategy. Past performance is not a reliable indicator of future performance.

Akambo Disclaimer: the information presented in this fact sheet is not intended to be advice. It does not take into account any particular investors or class of investors investment objectives, financial situation or needs, and should not be used as the basis for making investment, financial or other decisions. The investment returns shown are historical and no warranty can be given for future performance. You should be aware that historical performance is not a reliable indicator of future performance. Due to the volatility of underlying assets of the fund and other risk factors associated with investing, investment returns can be negative (particularly in the short term). To the extent permitted by law no liability is accepted for any loss or damage as a result of any reliance on this information. Akambo does not guarantee the repayment of capital, payment of income or the portfolio performance. Neither Akambo nor its affiliates guarantee the data or content contained herein to be accurate, complete or timely nor will they have any liability for its use or distribution.

Akambo International Equities Fund

AFSL 322056

Company Details

Investment Manager

Akambo Pty Ltd is an investment management and wealth advisory business which manages over \$1 billion for retail, wholesale, and not-for-profit entities.

Founded in 2007, Akambo is owned and operated by highly regarded industry specialists, with a consistent track record of delivering strong risk-adjusted returns across a range of domestic and international asset classes.

Foremost in the philosophy of Akambo is the protection of capital and the management of risk, which is driven by a strong focus on robust investment management processes and systems.

Target Market Determination

The Fund's Target Market Determination is available here:




<https://www.eqt.com.au/insto>.

A Target Market Determination is a document which is required to be made available from 5 October 2021. It describes who this financial product is likely to be appropriate for (i.e., the target market), and any conditions around how the product can be distributed to investors. It also describes the events or circumstances where the Target Market Determination for this financial product may need to be reviewed.

Fund Features

- An international equities portfolio using the MSCI All Country World Index (Net in AUD) as its benchmark.
- A high conviction portfolio with a maximum 30 securities.
- "Style agnostic", with the portfolio consisting of both "growth" and "value" investments.
- A focus on large capitalisation global companies with strong brand awareness.
- A "long only" strategy with an active cash weighting in order to manage risk.
- A concentrated, large capitalisation global equities exposure through the one fund.
- A highly regarded investment management team with extensive experience, demonstrating robust investment and risk management processes and approach.

Contact Details

-  Level 9, 90 Collins Street, Melbourne, Victoria 3000
-  www.akambofg.com
-  03 9602 3233
-  03 9602 5009

Akambo International Equities Fund

AFSL 322056

Equity Trustees Limited ("Equity Trustees") (ABN 46 004 031 298), AFSL 240975, is the Responsible Entity for the Akambo International Equities Fund. Equity Trustees is a subsidiary of EQT Holdings Limited (ABN 22 607 797 615), a publicly listed company on the Australian Securities Exchange (ASX: EQT). Akambo Financial Group ACN 123 078 900 is the Investment Manager of the Fund AFSL 32205.



The rating contained in this document is issued by SQM Research Pty Ltd ABN 93 122 592 036 AFSL 421913. SQM Research is an investment research firm that undertakes research on investment products exclusively for its wholesale clients, utilising a proprietary review and star rating system. The SQM Research star rating system is of a general nature and does not take into account the particular circumstances or needs of any specific person. The rating may be subject to change at any time. Only licensed financial advisers may use the SQM Research star rating system in determining whether an investment is appropriate to a person's particular circumstances or needs. You should read the product disclosure statement and consult a licensed financial adviser before making an investment decision in relation to this investment product. SQM Research receives a fee from the Fund Manager for the research and rating of the managed investment scheme.

This report has been prepared by Akambo Financial Group, to provide you with general information only. In preparing this information, we did not take into account the investment objectives, financial situation or particular needs of any particular person. It is not intended to take the place of professional advice and you should not take action on specific issues in reliance on this information. Neither Akambo Financial Group, Equity Trustees nor any of its related parties, their employees or directors, provide any warranty of accuracy or reliability in relation to such information or accepts any liability to any person who relies on it. Past performance should not be taken as an indicator of future performance. You should obtain a copy of the Product Disclosure Statement before making a decision about whether to invest in this product.