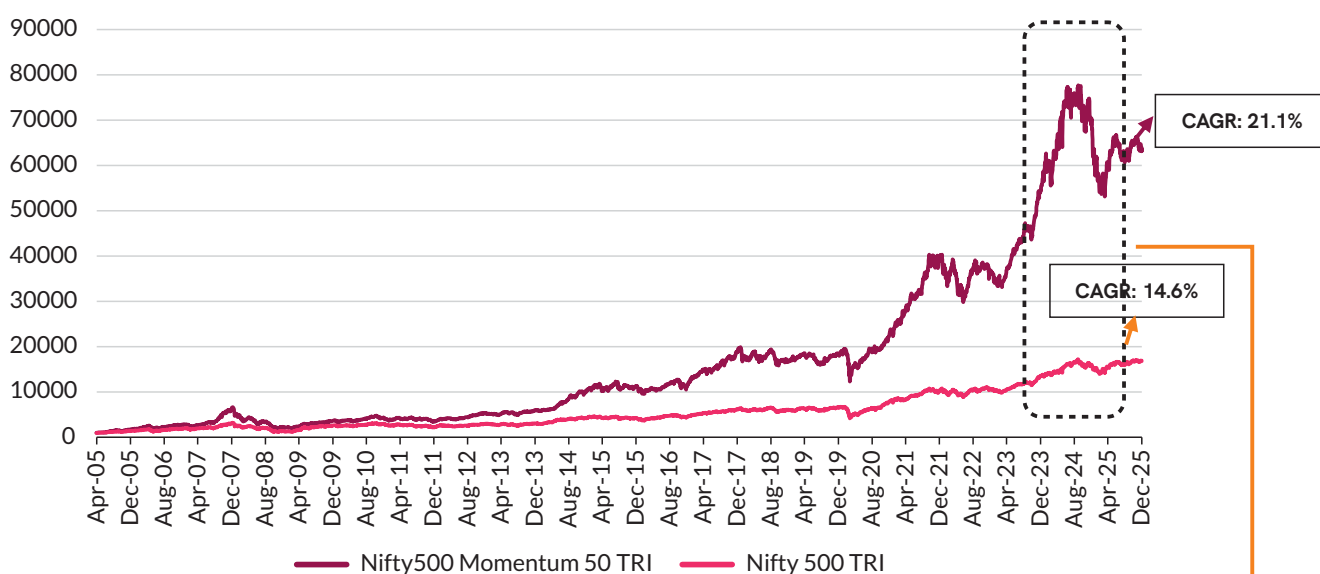


AXIS MOMENTUM FUND

JOURNEY OF MOMENTUM STRATEGY

The momentum investing strategy—which seeks to capture persistent price trends across market cycles—has historically demonstrated strong long term performance. This is evident across cycles since 2005, where momentum strategy has delivered relatively superior cumulative return compared to broad market. However, momentum is an inherently aggressive factor, and its return profile can exhibit sharper reversals during regime shifts or macro events. As repeatedly highlighted in previous product notes, the strategy tends to experience higher volatility relative to diversified market indices, particularly in phases of rapid sentiment change or unpredictable macro resets.

Journey of Momentum Strategy



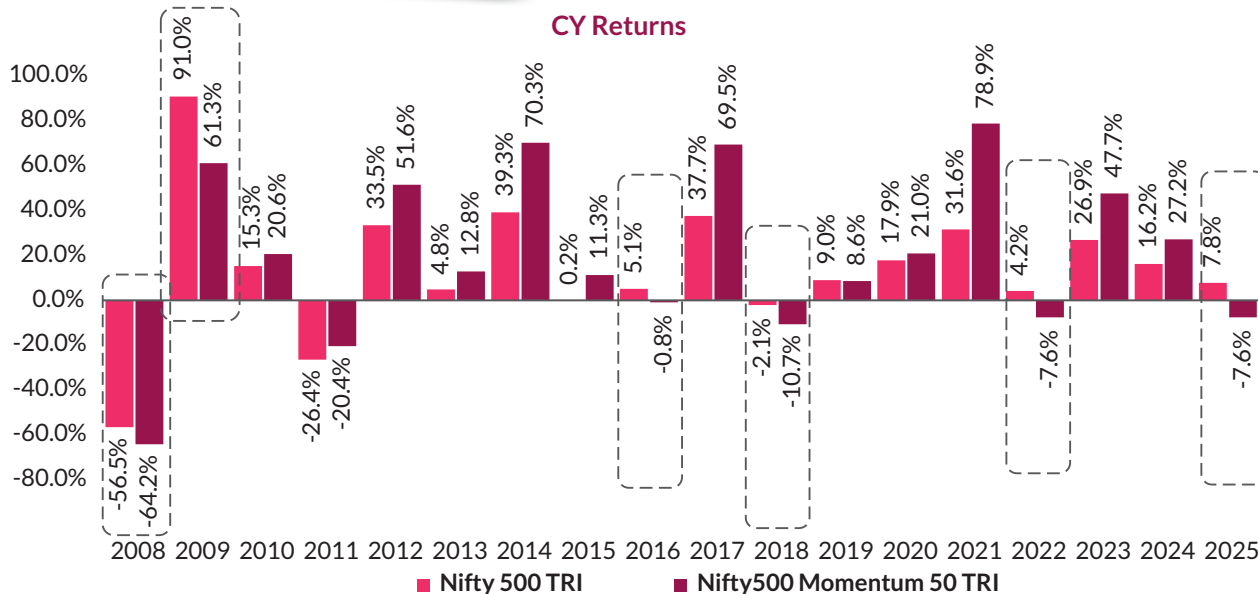
CY	Nifty 500 Momentum TRI	Nifty 500 TRI
2023	47.7%	26.9%
2024	27.2%	16.2%
2025	-7.6%	7.8%

Source: NSE Indices, Data from 01-Apr-2005 to 31-Dec-2025; Past performance may or may not be sustained in the future. The above information should not be construed as promise, guarantee or forecast of returns. Table / Charts mentioned above are used to explain the concept and is for illustration purpose only.

The momentum strategy delivered strong performance in 2023 and 2024 as well, outperforming the broad market. In 2023, the Nifty 500 Momentum TRI surged 47.7%, comfortably ahead of the Nifty 500 TRI. This strength continued into 2024. However, 2025 marked a pause in this trajectory. The underperformance was driven by abrupt macro shocks, most notably the unexpected tariff announcements from the Trump administration and sharp shifts in global interest-rate expectations. These developments broke previously established price trends creating a mismatch between momentum aligned stocks and the newly emerging macro regime.

The momentum strategy is relatively aggressive compared to the broad market strategies and hence this approach can lead to higher volatility, especially during market downturns. Therefore, it is important to look at this offering from a long-term perspective. During downturns, the fund can underperform a diversified broader market but it has been observed that the bounce back from bad performance patch could also be significant based on history.

JOURNEY OF MOMENTUM STRATEGY (CONTD.)



Source: NSE Indices, Data from 31-Dec-2005 to 31-Dec-2025; Past performance may or may not be sustained in the future. The above information should not be construed as promise, guarantee or forecast of returns. Table / Charts mentioned above are used to explain the concept and is for illustration purpose only.

Period of Underperformance	Next 3Y CAGR	
	Nifty500 Momentum 50 TRI	Nifty 500 TRI
2008	15.7%	17.5%
2009	13.3%	4.2%
2016	18.0%	13.7%
2018	32.9%	19.1%
2022	31.8%	21.5%

ABOUT AXIS MOMENTUM FUND

The Axis Momentum Fund is an actively managed thematic fund that leverages momentum as its core strategy. It employs price trends and model-based approach for selecting stocks and constructing its portfolio. The fund utilizes an in-house model for stock selection, focusing on price trends and risk factors such as stock liquidity and other portfolio level constraints. This approach aims to enhance risk management and achieve better risk-adjusted performance.

AXIS MOMENTUM FUND PERFORMANCE UPDATE

Despite the recent market volatility causing momentum strategies to underperform compared to broad market indices, the Axis Momentum Fund has demonstrated relatively better performance due to its robust portfolio constraints and risk management frameworks.

Since its inception, the Axis Momentum Fund has outperformed the momentum index by a reasonable margin.

Period of Underperformance	Falling market	Rising Market	Since Inception
	12-Dec-2024 to 28-Mar-2025	28-Mar-2025 to 31-Dec-2025	12-Dec-2024 to 31-Dec-2025
Axis Momentum Fund - Reg - Growth	-16.4	11.7	-6.3
Nifty 500 TRI	-8.1	12.8	3.5
Nifty500 Momentum 50 TRI	-22.7	10.7	-13.8
Outperformance vs Nifty 500 Momentum 50 TRI	6.3	1.0	7.5

Source: ICRA MFIE. Data as of 31-Dec-2025. Past performance may or may not be sustained in the future.

AXIS MOMENTUM FUND PERFORMANCE UPDATE (CONTD.)

The momentum strategy is designed to capitalize on prevailing market trends, and active management allows it the flexibility to adjust to changing market conditions. By staying invested, investors can benefit from the fund's ability to navigate market fluctuations and potentially achieve better risk-adjusted returns over time.

CURRENT POSITIONING: MARKET CAP AND SECTOR

Market Cap	Axis Momentum Fund	Nifty 500	Nifty 500 Momentum 50
Large cap	50.1	70.8	47.6
Midcap	37.8	19.8	44.3
Small cap	9.4	9.4	8.1
Cash & Equivalents	2.6	--	--

Disclaimer: Data as on 31-Dec-2025. Current Portfolio Allocation is based on the prevailing market conditions and is subject to changes depending on the fund manager's view of the equity markets. *Top 10 of Unhedged equity exposure Market caps are defined as per SEBI regulations 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.

Sectors	Axis Momentum Fund	Nifty 500	Nifty 500 Momentum 50	OW/UW 1	OW/UW 2
Financial Services	34.8	31.6	42.1	3.2	-7.2
Automobile and Auto Components	14.6	7.2	22.8	7.3	-8.2
Capital Goods	11.2	5.7	5.2	5.4	5.9
Healthcare	7.7	6.2	6.0	1.5	1.7
Chemicals	7.0	1.9	2.5	5.0	4.4
Telecommunication	6.7	3.6	4.9	3.1	1.7
Oil, Gas & Consumable Fuels	4.4	8.0	--	-3.5	--
Services	4.2	1.8	4.8	2.4	-0.6
Fast Moving Consumer Goods	3.7	6.2	0.8	-2.6	2.9
Construction Materials	2.0	1.9	--	0.1	2.0
Information Technology	0.6	8.1	--	-7.5	0.6
Power	0.6	3.0	--	-2.4	0.6
Construction	--	2.9	--	-2.9	--
Consumer Durables	--	2.7	4.7	-2.7	-4.7
Consumer Services	--	3.6	1.6	-3.6	-1.6
Diversified	--	0.1	--	-0.1	--
Forest Materials	--	0.0	--	0.0	--
Media, Entertainment & Publication	--	0.1	--	-0.1	--
Metals & Mining	--	3.8	4.5	-3.8	-4.5
Realty	--	1.1	--	-1.1	--
Textiles	--	0.2	--	-0.2	--

Disclaimer: Data as on 31-Dec-2025. Exposure as % of Net assets. Source: MFI explorer, NSE. Sector(s) / Stock(s) / Issuer(s) mentioned above are for the purpose of disclosure of the portfolio of the Scheme(s) and should not be construed as recommendation. The fund manager(s) may or may not choose to hold the stock mentioned, from time to time. OW: Overweight, UW: Underweight, OW/UW1: compared to Nifty 500, OW/UW2: compared to Nifty 500 Momentum 50.

ADVANTAGES OF INVESTING IN AXIS MOMENTUM FUND

- **Frequent rebalancing than passive strategies:** Active management and frequent rebalancing of portfolio enables to capture momentum signals earlier than passive strategies, which rebalance only on predetermined dates. As a result, the portfolio often adds stocks before they enter the index and exits them well ahead of their removal from the index.

Entry		
Rebalance Date	Number of common stocks Entered the Fund before Rebalancing	Weight of entered stocks in the Index
Jun-25	10	23.6%
Dec-25	13	35.3%
Exits		
Rebalance Date	Number of common stocks Exited the Fund before Rebalancing	Weight of stocks Exited the Index
Jun-25	18	44.7%
Dec-25	15	29.4%

Source: Axis Internal Research, Index: Nifty 500 Momentum 50. * The period is considered from Jan-25 till Jun-25 and from Jul-25 till Dec-25.

- **Risk Management:** The exposure to key risks such as sector or stock concentration, market cap bias, and liquidity constraints are controlled. At the same time, by inducing efficient risk management technique the fund manages the volatility, which is usually higher in momentum based strategies.

Parameter	Axis Momentum Fund - Reg - Growth	Nifty500 Momentum 50 TRI
Standard Deviation	16.4%	19.6%
Beta Compared to Nifty 500	1.14	1.36

Source: Axis Internal Research, Standard Deviation and Beta are calculated for the period 12-Dec-2024 till 31-Dec-2025.

CONCLUSION

Axis Momentum Fund follows a pure momentum style and stays fully invested without taking cash calls. The fund uses strong risk controls and frequent rebalancing, which helps it react quickly when market trends change. Because of this, it has participated well when markets moved up and also protected the portfolio better during market declines. Overall, the fund aims to give a smoother and more efficient momentum experience compared to regular momentum indices.

PERFORMANCE AS ON 31-DEC-25

	1 Year		3 Year		5 Year		Since Inception	
	CAGR %	Current Value of investment of Rs. 10,000	CAGR %	Current Value of investment of Rs. 10,000	CAGR %	Current Value of investment of Rs. 10,000	CAGR %	Current Value of investment of Rs. 10,000
Axis Momentum Fund - Regular Plan - Growth	-4.69%	9,531	NA	NA	NA	NA	-6.28%	9,340
Nifty 500 TRI (Benchmark)	7.76%	10,776	NA	NA	NA	NA	3.50%	10,368
Nifty 50 TRI (Additional Benchmark)	11.88%	11,188	NA	NA	NA	NA	7.37%	10,776

Past performance may or may not be sustained in future. Since inception (12th December 2024). The performance data for 3 & 5 years period has not been provided, since scheme is in existence for less than 3 year. Different plans have different expense structure. Karthik Kumar is managing the scheme since 12th December 2024 and he manages 25 schemes of Axis Mutual Fund. Mayank Hyanki is managing the scheme since 12th December 2024 and he manages 4 schemes of Axis Mutual Fund. Returns greater than 1 year are Compounded Annual Growth Rates (CAGR). Face value 10 per unit. Please click on link https://www.axismf.com/cms/sites/default/files/Statutory/WDP_Annexure_Dec.pdf to view the performance of other schemes currently managed by the fund manager. Note: In case you require physical copy of this document request you to kindly take the printout to review the fund managers performance of other schemes managed by him from the above link given.

AXIS MOMENTUM FUND

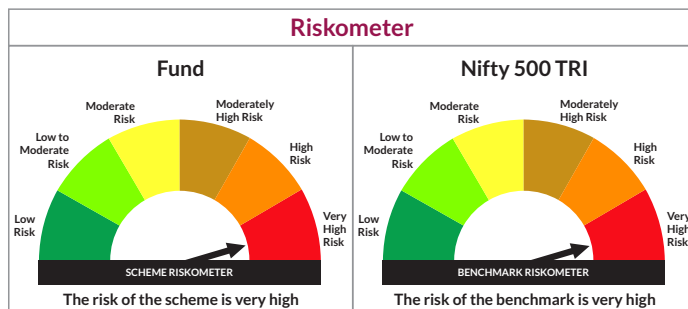
(An open-ended equity scheme following momentum theme)

Benchmark: Nifty 500 TRI

This product is suitable for investors who are seeking*:

- Capital appreciation over long term.
- An equity scheme investing in equity & equity related securities selected based on the momentum theme.

*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.



Past performance may or may not be sustained in the future.

The Note dates 31-Dec-25 has been prepared by Axis Asset Management Company Limited (Axis AMC) based on internal data, publicly available information and other sources believed to be reliable. Any calculations made are approximations, meant as guidelines only, which you must confirm before relying on them. The information given is for general purposes only. Past performance may or may not be sustained in future. The current investment strategies are subject to change depending on market conditions. The statements are given in summary form and do not purport to be complete. The views / information provided do not have regard to specific investment objectives, financial situation and the particular needs of any specific person who may receive this information. The information/ data herein alone are not sufficient and should not be used for the development or implementation of an investment strategy. The statements contained herein may include statements of future expectations and other forward-looking statements that are based on our current views and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Stocks/Sectors referred in the presentation are illustrative and should not be construed as an investment advice or a research report or a recommended by Axis Mutual Fund / AMC. The Fund may or may not have any present or future positions in these sectors. Axis Mutual Fund/AMC is not guaranteeing any returns on investments made in the Scheme(s). The data/statistics are given to explain general market trends in the securities market, it should not be construed as any research report/research recommendation. Neither Axis AMC and Axis Mutual Fund nor any person connected with them, accepts any liability arising from the use of this document. The recipient(s) before acting on any information herein should make his/her/their own investigation and seek appropriate professional advice and shall alone be fully responsible / liable for any decision taken on the basis of information contained herein.

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.