

Axis Flexi Cap Fund – Fund Update

(An open-ended dynamic equity scheme investing across large cap, midcap, small cap stocks)

Investment Strategy

- Focus on Top-down approach for sector selection, ensuring alignment with macroeconomic and structural trends, while following a bottom-up approach for stock picking to uncover high-conviction opportunities.
- Portfolio construction emphasizes on Competitive edge, sustainable earnings growth, and capital Efficiency.
- Aims to look for stocks that are at **inflection point**, across market cap spectrum.
- The strategy targets companies demonstrating capital efficiency, specifically those capable of delivering sustained, optimal ROE/ROCE over the medium to long term
- The strategy seeks risk-reward ideas with a strong margin of safety, driven by robust growth potential and a sharp competitive edge

The fund follows a structured BMV approach, focusing on **Businesses** with large addressable markets, strong **Management** teams with deep business understanding & acumen in capital allocation, and **Valuation** models that support provide favourable risk reward. This framework ensures investments are made in companies with scalable potential, sound governance, and sustainable returns. A clear illustration of this is the quick commerce industry, which taps into massive opportunities like grocery retailing. These businesses benefit from quality management and lean operating models that avoid heavy fixed assets or working capital, enabling longer term optimal capital efficiency. The sector’s higher growth rate compared to other formats highlights its growing relevance and inflection point in the retail industry. The below illustration shows the potential of the Quick commercial industry through market cap comparisons with top retail players.

Quick commerce Catching up

Some of the top listed retail sector companies – Market Cap (Rs. Crs)	Some of the top quick commerce sector companies - Market Cap / Valuations (Rs. Crs)
255,476	223,979
17,78,158	85,595
196,693	60,200 (\$ 7Billion)*
	27,520 (\$ 3.2 Billion)*

Source: Internal research and NSE 6 Months average market cap. Data as of Sept 2025. * Unlisted players, numbers based on media reports.

Fund Positioning

- The fund focuses on macro resilient companies that have competitive edge, premiumization and visibility of earnings growth.
- As medium to long-term growth is expected to be driven by both top-down themes such as manufacturing, defence, and energy transition and bottom-up momentum in services and consumer discretionary. Fund maintains sizable allocations across these areas, guided by bottom-up stock selection.
- Fund tilts towards domestically focused companies with expanding market opportunities, and lower impact due to crude oil, given rising global friction and tariff uncertainty.
- The scheme has maintained a larger allocation to the large cap segment with a dynamic allocation to the mid and small cap segment. Even though the valuation in mid and small cap segment remains high, we will continue to be selective towards midcap and small cap allocation. Currently, Fund have exposure to 61% Large cap, 19% Midcap and 13% Small cap as of 30th April 2026.

- The markets continue to be consolidation phase amid ongoing Global uncertainty and expected earning cut. The Fund in line with market dynamics has also consolidated its positioning by increasing allocation in high conviction stocks and reducing tail by existing some of the export-oriented companies (e.g. Pharma companies like Biocon Ltd, Cohance Lifesciences, strides Pharma. IT – TCS.)
- Fund has added exposure in Banks, electronic equipment, Auto Ancillaries.
- Compared to Benchmark, fund is OW 4% in Consumer discretionary, Industrial Products and Healthcare.

Sectors - Top changes	April-26	April-25	Difference	Rationale
Electrical Equipment	7.6%	2.1%	5.5%	Increased order inflow and strong earnings visibility
Auto Components	3.4%	1.8%	1.7%	Premium segment demand and exports
Banks	19.7%	18.8%	0.8%	EW to BM as banks might do comparatively better if war escalation continues
Realty	0.2%	3.7%	3.6%	Sector Out of favour
IT-Software	2.8%	5.9%	-3.3%	Sharpe UW due to AI impact
Industrial Manufacturing	0.4%	1.4%	-1.0%	Moved out of stocks with global impact

Source: Axis MF Internal Research. 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. 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

Focus themes

Growth is broad-based across manufacturing, consumption, and services. The Fund is effectively positioned across all three.

Emphasis on domestic Manufacturing

- Continuity of government policies towards deepening domestic manufacturing with specific focus on semiconductor value chain

Defence

- Increased policy focus on defence indigenisation

Formalization and technology

- Benefit Food delivery, Platform companies

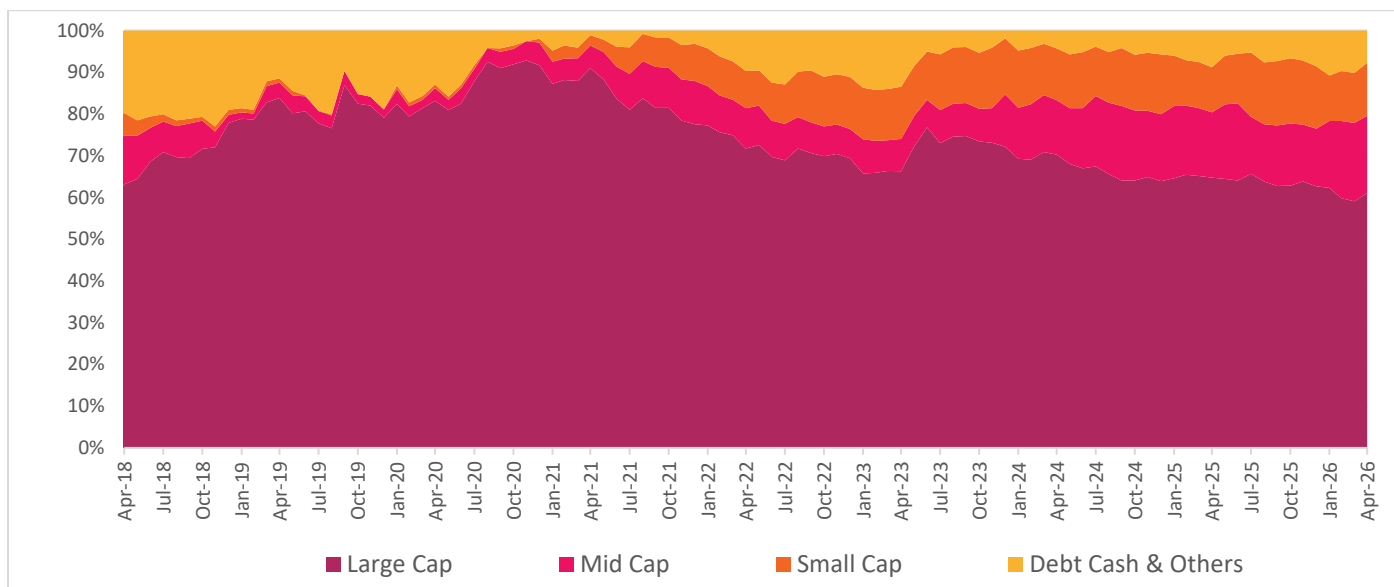
Energy Transition & increasing electrification

- Rising share of renewable energy mix
- Intensity of electricity usage set to go up – economy / businesses / individuals more data driven

Market Cap Allocation

The Fund has invested across the market capitalization curve taking active calls to shift between the market caps based on Fund Manager's views. The valuation in Mid and Small cap stocks continue to remain high. Currently, the Midcap 1 yr fwd PE is close to its LTA and Smallcap is just below +1SD. Valuation in large cap is less of a concern and hence it is an attractive space. Earnings growth is expected to be weak in the current earning session – However, mid and small earnings looks comparatively better than Largecap.

For small cap allocation, Fund looks for clear customer value proposition or segments which are not represented in large cap (For instance, Global energy Transition play). The Smallcap allocation aims to capture the scalable niches – speciality chemical case, competitive Edge on hospital. We are actively looking for opportunism in Midcaps and Small caps.



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.

Performance Attribution

Attribution one year

Company Name	Port. Avg. Weight	BM Avg. Weight	Contribution	Port. Stance
APAR Industries Limited	1.92	0.07	1.11	Overweight
GE Vernova T&D India Limited	1.32	0.18	0.93	Overweight
Bharat Electronics Limited	3.62	0.74	0.88	Overweight
ITC Limited	0.01	1.93	0.51	Underweight
L&T Finance Ltd	1.08	0.10	0.39	Overweight
Federal Bank Ltd. (India)	1.02	0.29	0.33	Overweight
Navin Fluorine International Limited	0.68	0.10	0.32	Overweight
TVS Motor Company Limited	1.32	0.40	0.31	Overweight
Cummins India Limited	0.83	0.27	0.29	Overweight
Kotak Mahindra Bank Limited	0.00	1.60	0.28	Underweight

Company Name	Port. Avg. Weight	BM Avg. Weight	Detraction	Port. Stance
Trent Limited	2.33	0.55	-0.66	Overweight
State Bank of India	0.86	1.90	-0.48	Underweight
InterGlobe Aviation Ltd	2.57	0.58	-0.46	Overweight
Reliance Industries Limited	0.00	5.04	-0.43	Underweight
Indian Hotels Co. Ltd.	1.59	0.34	-0.34	Overweight
Sun Pharmaceutical Industries Limited	0.70	0.95	-0.30	Underweight
Brigade Enterprises Limited	1.08	0.07	-0.30	Overweight
Cohance Lifesciences Ltd	0.19	0.05	-0.30	Overweight
Mankind Pharma Ltd.	1.98	0.14	-0.29	Overweight
Axis Bank Limited	0.36	1.80	-0.27	Underweight

Sector	Port. Stance	Port. Avg. Weight	BM Avg. Weight	Attribution
Information Technology	Underweight	5.00	8.10	0.37
Capital Goods	Overweight	12.10	5.76	3.02
Services	Overweight	2.57	1.85	-0.57
Chemicals	Overweight	3.71	2.10	0.39
Consumer Services	Overweight	8.91	3.57	-0.54

Fast Moving Consumer Goods	Underweight	1.03	6.37	0.22
Construction	Underweight	0.02	2.81	-0.01
Financial Services	Underweight	29.47	31.37	-1.29
Healthcare	Overweight	8.18	6.29	-0.97
Telecommunication	Overweight	4.76	3.45	0.07
Metals & Mining	Underweight	0.00	3.65	-0.92
Construction Materials	Overweight	2.99	2.05	0.03
[Cash]	Overweight	7.49	0.00	0.46
Automobile And Auto Components	Underweight	6.83	7.09	0.86
Consumer Durables	Underweight	1.83	2.80	0.19
Power	Underweight	1.71	3.25	-0.37
Oil, Gas & Consumable Fuels	Underweight	0.00	7.77	-0.65
Realty	Overweight	3.33	1.20	-0.10

The 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. 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.

<https://transact.axismf.com/cms/sites/default/files/Statutory/Monthly%20Portfolio%20-%20Axis%20Flexi%20Cap%20Fund%20-%2030%20April%2026.xls>

Way Forward

The fund portfolio has been tweaked, weeding out companies where longer-term pressures persist and focusing on segments benefitting from the manufacturing and formalization and technology advancement. This segment also offers us the comfort on high-quality sustainable businesses with good growth prospects. We will continue to be opportunistic towards mid-cap segment and small cap allocation.


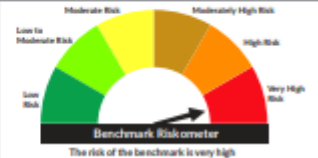
The tilt of the fund in favour of growth and quality remains unchanged and is visible in the portfolio growth estimates.

Parameter	Fund	Nifty 500
PE FY27E	24.06	18.22
ROE FY27E	16.3	15.5

Performance as of 30th April 2026

Fund Name	Date of inception	1 Year		3 Years		5 Years		Since Inception	
		CAGR (%)	Point-to-Point returns on Standard Investment of Rs. 10,000/-	CAGR (%)	Point-to-Point returns on Standard Investment of Rs. 10,000/-	CAGR (%)	Point-to-Point returns on Standard Investment of Rs. 10,000/-	CAGR (%)	Point-to-Point returns on Standard Investment of Rs. 10,000/-
Axis Flexi cap Fund - Regular Plan - Growth	20-Nov-17	2.83%	10,283	13.95%	14,810	10.67%	16,604	11.86%	25,770
Nifty 500 TRI (Benchmark)		3.96%	10,396	15.28%	15,339	14.03%	19,289	12.50%	27,036
Nifty 50 TRI (Additional Benchmark)		-0.28%	9,972	11.18%	13,753	11.69%	17,382	11.83%	25,720

Product Labelling & Disclaimers

Axis Flexi Cap Fund (An open ended dynamic equity scheme investing across large cap, mid cap, small cap stocks)	
Benchmark: Nifty 500 TRI	
This product is suitable for investors who are seeking* <ul style="list-style-type: none"> • Capital appreciation over medium to long term • Investment in a dynamic mix of equity and equity related instruments across market capitalization. *Investors should consult their financial advisers if in doubt about whether the product is suitable for them.	
Riskometer	
Fund	Nifty 500 TRI
	

Disclaimer

Past performance may or may not be sustained in the future. Returns greater than 1 year period is compounded annualized. Benchmark: Nifty 500 TRI. Additional Benchmark: Nifty 50 TRI. Inception Date: Nov 20, 2017.

This scheme is managed by Sachin Relekar & Krishnaa N. Sachin Relekar is managing the scheme since 1st February 2024 and he manages 03 schemes of Axis Mutual Fund & Krishnaa N (foreign securities) is managing the scheme since 01st March 2024 and she manages 24 schemes of Axis Mutual Fund. 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. Please click on link below

https://www.axismf.com/cms/sites/default/files/Statutory/WDP_Annexure_Apr.pdf to view the performance of other schemes currently managed by the fund manager

Statutory Details: Axis Mutual Fund has been established as a Trust under the Indian Trusts Act, 1882, sponsored by Axis Bank Ltd. (liability restricted to Rs. 1 Lakh). Trustee: Axis Mutual Fund Trustee Ltd. Investment Manager: Axis Asset Management Co. Ltd. (the AMC). Risk Factors: Axis Bank Limited is not liable or responsible for any loss or shortfall resulting from the operation of the scheme. This document represents the views of Axis Asset Management Co. Ltd. and must not be taken as the basis for an investment decision. Neither Axis Mutual Fund, Axis Mutual Fund Trustee Limited nor Axis Asset Management Company Limited, its Directors or associates shall be liable for any damages including lost revenue or lost profits that may arise from the use of the information contained herein. No representation or warranty is made as to the accuracy, completeness or fairness of the information and opinions contained herein. The AMC reserves the right to make modifications and alterations to this statement as may be required from time to time.

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