Axis Value Fund

(An open-ended equity scheme following a value investment strategy)

Axis Mutual Fund - MF/061/09/02

Why Invest in Value Fund?

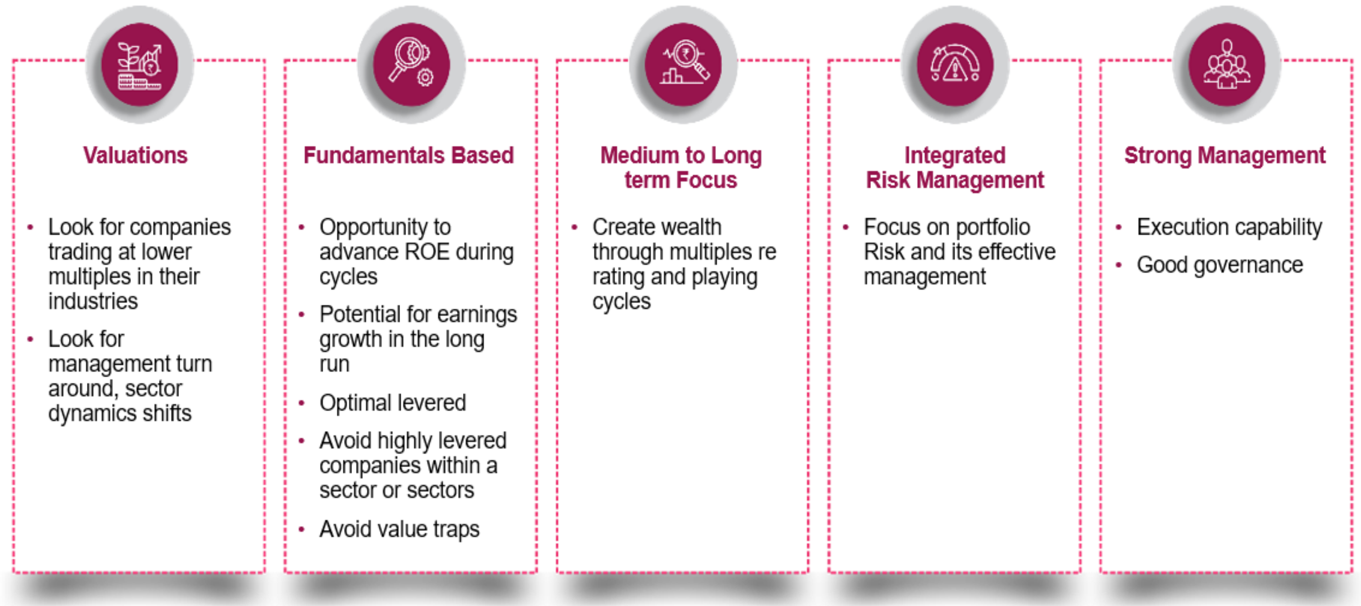
While market valuations have corrected meaningfully over the past year, opportunities that can be truly classified as value remain limited. Large-cap stocks today offer relatively better valuation comfort, but earnings growth across several segments remains moderate. Conversely, many mid- and small-cap companies continue to trade at elevated valuations despite stronger earnings growth prospects. In such an environment, investing solely based on low valuations may not be sufficient to generate attractive returns. Axis Value Fund adopts a broader approach to value investing by looking beyond traditional valuation metrics. The fund seeks opportunities where attractive valuations are supported by earnings growth potential, improving business fundamentals, and potential turnaround stories. By focusing on companies where the market may not fully appreciate future growth or recovery prospects, the fund aims to identify mispriced opportunities across sectors and market capitalizations.

This balanced approach enables the fund to capitalize on select pockets of opportunity in the current market environment, combining valuation discipline with a forward-looking assessment of earnings potential and business improvement.

Investment Philosophy:

Value investing for the fund means identifying quality businesses, long-term growth opportunities, and turnaround companies trading below intrinsic value, while maintaining a disciplined focus on risk and valuation.

The chart below outlines the fund's core investment philosophy:



Portfolio:

Over the last six months, the fund has continued to hold high-conviction investment ideas, while making selective portfolio adjustments to capitalize on improving earnings visibility and enhance the overall risk-reward profile. During this period, the number of holdings reduced from **91 stocks to 86 stocks**, reflecting higher conviction in existing ideas and a more focused allocation approach.

The fund remains constructive on domestic-facing sectors supported by improved macros and focus on investment cycles. Key areas of preference include automobiles and the EV ecosystem, platform businesses, retail, hospitals, pharmaceutical CDMOs, and power-capex-linked industrials. At the same time, the Fund moderated exposure to Information Technology, select banking and capital goods names reflecting a more selective approach. This provides flexibility to capitalise on opportunities that may emerge amid increasing dispersion in earnings and valuations across the market.

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Industries	Jul-26	Jan-26	Change	Rationale
Electrical Equipment	6.65%	4.93%	1.72%	> Rising electricity demand, renewable energy integration, grid modernization, and transmission network expansion > Strong order books and revenue visibility
Auto Components	6.48%	4.94%	1.54%	Strong adoption of EVs, driven by lower operating costs and pent-up demand in 2W EVs and increasing penetration across segments.
Retailing	2.02%	0.58%	1.44%	The fund has increased its exposure post the correction, creating an opportunity to invest at reasonable valuations.
Banks	21.85%	24.51%	-2.66%	The fund has reduced large cap banks, however, remain selective on mid and small cap banks.
IT – Software	5.77%	7.37%	-1.60%	The sector currently offers attractive valuation but limited earnings upgrade in the near term.
Realty	0.54%	1.59%	-1.05%	Broader Real Estate demand at Pan-India level has remained muted and has been restricted to mid-premium and luxury segments.

Source: ACEMF, Axis Internal, as on 31st July 2026. Current Portfolio Allocation and rationale are based on the prevailing market conditions and are 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. For viewing complete portfolio, please refer website www.axismf.com

Fund Positioning and Focus Themes

Our sector positioning is driven by stock selection rather than top-down allocation targets. As a result, active sector weights reflect areas where we continue to find the most compelling opportunities from a risk-reward and valuation perspective.

Hospitals

- India's long-term healthcare demand, increasing insurance penetration, bed-capacity expansion, and industry consolidation can support sustained revenue and earnings growth for quality hospital chains over the next several years
- **CDMO Segment** under pharma - The CDMO (Contract Development and Manufacturing Organization) companies are well positioned for strong long-term growth amid recent tariff developments.

Consumer discretionary

- **EV adoption** and penetration

Automobiles

- **India's OEM and EMS industry** is currently attractive due to its robust growth, Government incentives, export diversification, technology adoption, etc.

Power

- Companies with **high capex and capacity expansion** likely to deliver better returns over the long run
- Focus on renewable energy integration

Active Bets

Sectors	Portfolio weight (Jul-26)	Overweight / Underweight
Automobile And Auto Components	12.56	5.02
Capital Goods	10.79	3.80
Healthcare	10.35	3.06
Fast Moving Consumer Goods	3.19	-2.23
Chemicals	0.00	-2.01
Metals & Mining	2.09	-1.85

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Key Portfolio Changes – 6 Months (Jul 2026 v/s Jan 2026)

Company In	% of NAV	Company Out	% of NAV
Cyient DLM Limited	0.56	Vedanta Limited	-
Swiggy Limited	0.54	Tata Motors Limited	-
PG Electroplast Limited	0.53	Tata Capital Limited	-
Increased allocation	**Change in %**	**Decreased allocation**	**Change in %**
Torrent Pharmaceuticals Limited	1.17	HDFC Bank Limited	-1.62
Bajaj Finance Limited	1.15	State Bank of India	-1.24
Bharat Heavy Electricals Limited	1.12	Infosys Limited	-1.21

Source: ACEMF, Axis Internal, 31st July 2026. 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. For viewing complete portfolio, please refer website www.axismf.com

Portfolio Valuation and Growth:

The fund uses bottom-up stock selection process and invest in high quality and high ROE businesses with steady earnings (large caps) and with a blend of niche companies as well as scalable business models backed by strong fundamentals (mid & small caps).

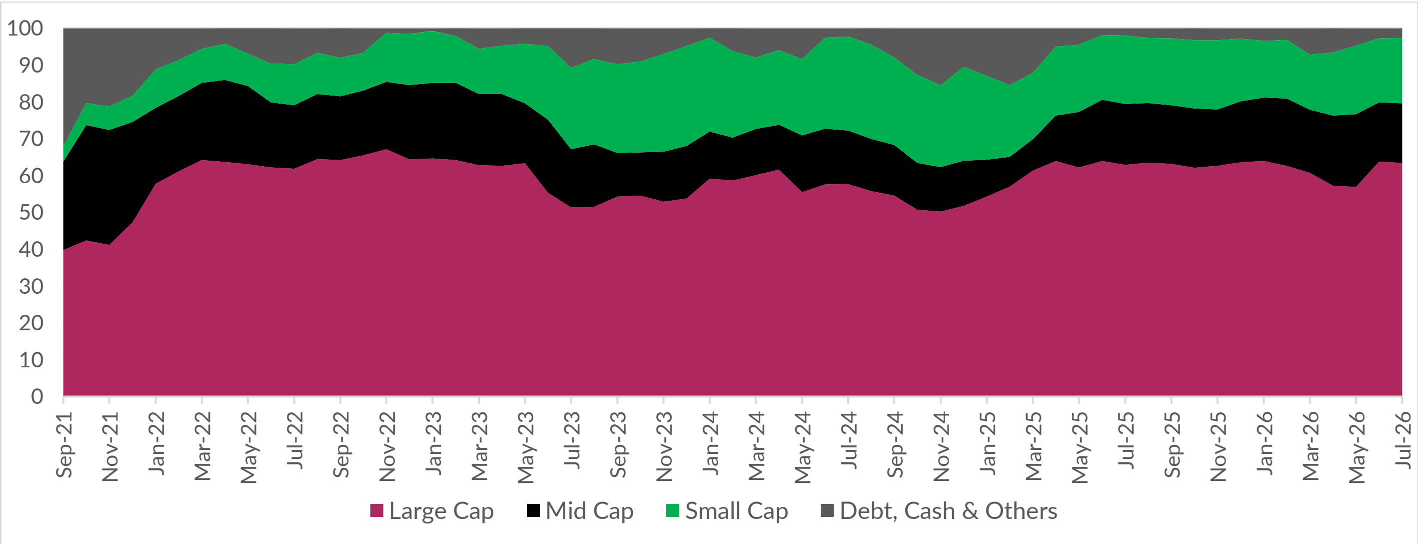
The fund's portfolio PE ratio is optically higher than the benchmark, this is largely attributable to select holdings such as MTAR Technologies, CG Power, Eternal and Laurus Labs, which currently trade at higher earnings multiples.

Parameter	Fund	Nifty 500
PE (FY28E)	19.8	18.7
PB (FY28E)	3.0	3.00
ROE (FY28E)	15.4%	15.8%
EPS Growth (FY28E)	20.8%	18.3%

Source: Axis MF Internal and Bloomberg, data as on 31st July 2026. Past performance may or may not be sustained in future.

Market Cap Allocation:

The Fund invests across the market-cap spectrum and allocates capital where the balance between earnings and valuation appears most favourable. As of July 2026, the portfolio was positioned with 63% in Large Caps, 16% in Mid-Caps and 18% in Small Caps. The Fund increased its large-cap allocation from 54% in January 2025 to 63% in July 2026, reflecting the availability of attractive valuations in the large-cap segment. The fund also raised its mid-cap allocation from 10% in January 2025 to 16% in July 2026, taking advantage of the meaningful correction in the mid-cap space while selectively moderating exposure to parts of the small-cap universe.



Source: ACEMF, Data as on 31st July 2026. 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. 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. For detailed asset allocation please refer to the Scheme Information Document (SID).

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Way Forward:

The fund remains constructive on India's domestic growth and investment cycle with a focus on companies with potential for earnings upgrades and positive surprises. Although opportunities are becoming more selective in the current market environment, Investment decisions continue to be driven by favourable risk-reward opportunities and bottom-up stock selection. We remain positive on the outlook and aims to deliver favourable risk-adjusted returns over the long term.

Performance:

		1 Year		3 Years		5 Years		Since Inception	
Fund Name	Date of 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 Value Fund - Regular Plan - Growth	22-Sep-2021	8.52%	10,852	16.99%	16,019	NA	NA	15.20%	19,880
Nifty 500 TRI (Benchmark)		3.37%	10,337	12.29%	14,163	NA	NA	10.77%	16,436
Nifty 50 TRI (Additional Benchmark)		-0.43%	9,957	8.56%	12,798	NA	NA	8.29%	14,722

Data as of 31st July 2026. **Past performance may or may not be sustained in future.** Different plans have different expense structure. Nitin Arora is managing the scheme since 26th May 2023, and he manages 4 schemes of Axis Mutual Fund & Krishnaa N is managing the scheme since 1st March 2024 and she manages 25 schemes of Axis Mutual Fund. Returns greater than 1 year period is compounded annualised (CAGR). Please click on link https://www.axismf.com/1/5/464/627/WDP_Annexure_Jul_2026.pdf to view the performance of other schemes currently managed by the fund manager.

Product Labelling & Disclaimers:

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Benchmark: NIFTY 500 TRI

This product is suitable for investors who are seeking*

- Capital appreciation over long term
- Investment predominantly in a portfolio of equity and equity related securities by following a value investment strategy.

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

Riskometer

Fund	NIFTY 500 TRI