PORTFOLIO UPDATE

Atlas Australian Core Equity Portfolio

Monthly Report June 2026

ATLAS FUNDS MANAGEMENT

- June 2026 was a quiet month in which the Australian market benefited from global optimism for equities following the SpaceX IPO at the start of the month. Despite this, the ASX 200 lagged global markets due to its limited exposure to global AI technology companies.
- The **Atlas Australian Core Equity Portfolio** gained by 1.5%, outperforming the benchmark return of 0.6%. This marks the end of a satisfactory twelve months for the Portfolio. There was minimal stock-specific news in June, with companies in blackout before releasing their results in August.
- Atlas is looking forward to the upcoming reporting season. We expect the reporting season to continue to show the resilience of company earnings from the companies held in the Portfolio, and that management will guide to higher profits and dividends over the coming year.

	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	12m rolling	Inception % p.a.
Atlas Atlas Aust. Equity Portfolio	2.7%	1.6%	-2.5%	1.2%	-1.2%	1.2%	0.7%	2.8%	-2.6%	2.3%	0.5%	1.5%	8.4%	9.0%
ASX 200 TR (ex LPT)	2.3%	3.0%	-0.7%	0.4%	-2.7%	1.3%	1.8%	4.1%	-7.1%	2.2%	1.0%	0.6%	5.8%	8.1%
Active return	0.5%	-1.4%	-1.8%	0.9%	1.5%	0.0%	-1.1%	-1.3%	4.5%	0.1%	-0.6%	0.9%	2.6%	0.9%

Portfolio Objective

Our approach to investing in Australian shares is founded on fundamental company analysis, earnings quality, and sensible risk management principles. The objective is to build a portfolio of high-quality companies that deliver consistent and growing dividends with easily forecastable earnings. The Portfolio focuses on companies with strong profit and dividend growth.

Portfolio Details

Index	S&P ASX 200 Total Return (ex LPT)
Number of Stocks	18 - 30
Asset Allocation	100% Equity
Inception Date	March 2016
Security Target	within 5% of S&P ASX 200 weights
Sector Target	within 10% of S&P GICS sector weights
Management Fee	0.44% per annum (GST included)
Platform	Hub24/Netwealth/Macquarie Wrap
Code	ATL001

Market Update

There was minimal company-specific news, with companies entering blackout periods ahead of their profit results releases in August.

During the month, the dominant event was SpaceX's US$1.8 trillion IPO on NASDAQ. The IPO saw volatility in global markets increase as AI companies respond to the increased debt-fueled investment to keep up with cutting-edge technologies.

Domestically, the RBA kept the interest rate on hold at 4.35% after raising it at the last three meetings.

Top Ten Active Positions as of June 2026

Positive	Negative
Mineral Resources	BHP
Transurban	NAB
ANZ	Rio Tinto
Ampol	Commonwealth Bank
Macquarie Group	Telstra

Estimated portfolio metrics for FY27

	ASX 200	ACEP
PE (x) fwd.	17.0	15.6
Dividend yield net	3.7%	4.9%
Est Franking	67%	82%
Grossed Up Yield	**4.5%**	**6.5%**
Number of stocks	200	23
Avg mcap $bn	11	65
Beta (3-month rolling)	1.0	0.96

Source: Bloomberg & UBS

Portfolio Update

Atlas Australian Core Equity Portfolio

June 2026

ATLAS FUNDS MANAGEMENT

Portfolio Performance

In June, the **Atlas Australian Core Equity Portfolio** gained 1.5%, outperforming the benchmark return of 0.6%, in a volatile month.

Over the month, positions in CSL (19%), Amcor (+14%), QBE Insurance (+11%), Suncorp Insurance (+11%), and JB Hi-Fi (+8%) added value.

On the negative side of the ledger, Mineral Resources (-16%), Whitehaven (-13%) and Woodside (-8%) hurt performance.

Atlas remains happy to have a large weight on energy, as we see that the full impacts of restricted energy flows are yet to be felt in global economies, and that a lasting peace process is unlikely to be achieved quickly.

Year in Review

The 2026 financial year was quite volatile, with falls in the market across November and March offset by stronger months in July and April. Global inflation has proved stickier than anticipated this time last year, prompting global reserve banks to keep interest rates higher, with the RBA having to increase interest rates in the first half of 2026.

Despite what feels like a bruising twelve months for investors, the Portfolio has enjoyed a pretty good year, up 8.4% over the period and ahead of the benchmark. Across the Portfolio, we have seen significant gains from positions in Mineral Resources (+188%), Dyno Nobel (+51%), Whitehaven Coal (+42%) and Dalrymple Bay (41%). Additionally, every stock in the Portfolio paid a dividend, except Mineral Resources, which is expected to resume dividends in the next 12 months. While the market is a voting machine over the short term, it is a weighing machine over the long term, rewarding companies that increase cash flows to their investors.

Portfolio Trading

Over the month, the Portfolio exited its position in Atlas Arteria following IFM Investors' takeover offer. IFM had amassed over a 50% stake in Atlas Arteria by buying shares on the market before the takeover was completed, with Atlas unwilling to be left as a minority shareholder. The Portfolio added to positions in Amcor and CSL mid-month, both of which rallied toward the end of June and into July.

Sector Exposure June 2026

GICS Sector	ASX200	ATLAS	ACTIVE
Consumer Discretionary	8.1%	7.0%	-1.1%
Consumer Staples	3.8%	0.0%	-3.8%
Energy	3.7%	9.4%	5.8%
Banks	26.7%	33.3%	6.5%
Diversified Fins	6.2%	10.2%	3.9%
Health Care	5.6%	8.1%	2.5%
Industrials	4.9%	2.3%	-2.6%
Materials	25.1%	19.6%	-5.5%
Telecos	4.4%	0.0%	-4.4%
Listed Property	5.8%	0.0%	-5.8%
Utilities	3.5%	8.1%	4.6%