

PORTFOLIO UPDATE

HNW Australian Equity Income Portfolio

Monthly Report July 2026

- July 2026 was a month dominated by macroeconomic news, with the key themes driving markets being the predictable resumption of hostilities with Iran, which drove energy prices higher, and tech stocks being sold off amid concerns about AI hype.
- The **HNW Australian Equity Income Focus Portfolio** gained by 2.8%, outperforming the benchmark return of 1.4%, a pleasing outcome with macroeconomic themes dominating headlines while companies are in blackout.
- We are 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.

	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	12m rolling	Incept annual
Australian Equity Income Portfolio	3.5%	-2.6%	1.0%	-1.6%	1.1%	-0.2%	3.6%	-1.3%	2.8%	0.2%	2.2%	2.8%	11.7%	10.3%
ASX 200TR/RBA +3%	1.8%	-0.1%	0.5%	-1.1%	0.9%	1.2%	2.1%	-3.3%	1.4%	0.9%	0.6%	1.4%	6.4%	6.9%
Active return	1.6%	-2.5%	0.5%	-0.6%	0.2%	-1.4%	1.5%	2.0%	1.4%	-0.7%	1.6%	1.4%	5.3%	3.4%

Portfolio Objective

Investment decisions are determined by the ability of the companies to maintain or grow income to shareholders or that are likely to provide franking credits (including contemplation of possible off-market buybacks).

Appropriate Investors

Pensioners or otherwise low marginal tax rate investors.

Top Positions end July 2026 Yield (incl-franking)

Company	Yield
Woodside	8.1%
Macquarie Bank	4.8%
Transurban	5.0%
Commonwealth Bank	3.5%
ANZ Bank	8.0%

Portfolio Details

Index	S&P ASX 200 Total Return/RBA +3%
Number of Stocks	15 - 30
Asset Allocation	100% Equity
Inception Date	30 th November 2022
Security Target	within 5% of S&P ASX 200 weights
Sector Target	within 10% of S&P GICS sector weights

Performance Update

There was minimal company-specific news during July, as companies were in blackout mode before releasing their six month financial results in August. The key economic news over the month was the easing of inflation, which is likely to prompt the Reserve Bank to hold interest rates when it meets next week.

Energy was the standout over the month, with oil and LNG prices spiking on the resumption of hostilities with Iran. As of the end of July, according to CNN, President Trump has declared 38 times since March that the war is almost over and that Iran is close to signing a deal.

Estimated portfolio metrics for FY27

	ASX 200	HNW EI
PE (x) fwd.	18.4	16.2
Dividend yield (net)	3.3%	5.2%
Est Franking	67%	81%
Grossed Up Yield	4.5%	6.8%
Number of stocks	200	23
Avg mcap \$B	11	58
Beta (3mth rolling)	1.0	0.91

Source: Bloomberg & UBS

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Portfolio Performance

In July, the **HNW Australian Equities Income Focus Portfolio** gained 2.2%, outperforming the benchmark return in a volatile month.

Over the month, positions in Ampol (+21%), Woodside (+17%), Westpac (+8%), Sonic Healthcare (+5%), and Amcor added value.

On the negative side of the ledger, Whitehaven (-8%), Deterra (-7%) and Dyno Nobel 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.

Quarterly Updates

During July, the Portfolio received quarterly updates from six companies, with most being received positively by the market.

Ampol (+21%) provided a trading update that highlighted a 147% increase in earnings following increased refining margins, driven by impacts in the Middle East and damage to Russian refineries from Ukrainian drones.

Woodside (+17%) provided a solid update highlighting a 28% increase in revenue to \$4.2 billion following a 35% increase in the oil price over the quarter to US\$85 a barrel.

Portfolio Trading

No trading was done this month ahead of reporting season in August.

Sector Exposure July 2026

GICS Sector	ASX200	Income	ACTIVE
Consumer Disc	7.8%	10.5%	2.7%
Consumer Staples	4.8%	0.0%	-4.8%
Energy	7.0%	12.0%	5.0%
Banks	24.0%	26.0%	-2.0%
Diversified Fins	4.8%	10.0%	5.2%
Health Care	9.8%	2.0%	-7.8%
Industrials	5.6%	0.0%	-5.6%
Materials	22.8%	16.5%	-6.3%
Telco	2.5%	0.0%	-2.5%
Listed Property	5.6%	14.0%	8.4%
Utilities	1.3%	10.0%	8.7%

Performance Calculation Methodology

The following conventions have been adopted for calculating performance:

- Transaction expenses of 10bp are applied to Portfolio buy and sells. Transaction expenses are capitalised into the cost base. Rebalancing transactions incur transaction expenses.
- Cash-flow from dividends is credited on the ex-date rather than the pay date. Franking is not considered, which is consistent with the benchmark's calculation methodology. Cash-flow from dividends is assumed to be reinvested in issuer stock at the closing price on the ex-date.
- The Portfolio can participate in entitlement-based capital raisings; however, it cannot participate in institutional raisings. The Portfolio must fund the required amount by the sale of the equivalent amount of equity. In the event of a subsequent scale-back the Portfolio will also record the pro-rata amount of script issued.
- Performance does not include consideration of taxation including capital gains tax.

- Performance numbers are presented on an unaudited basis