

Lazard Global Equity Franchise Fund

April 2026

The Lazard Global Equity Franchise Fund ('Fund') is an actively managed portfolio that seeks long-term, defensive returns by investing globally in a range of economic franchises. The Fund's objective is to achieve total returns (including income and capital appreciation and before the deduction of fees and taxes) in excess of the MSCI World Index with lower risk over the long term. It invests in listed companies which we consider have an "economic franchise", meaning companies which possess a combination of high degree of earnings forecastability and large competitive advantages. The investment team employs a valuation driven investment process that leverages a unique scoring methodology to rank investable companies by expected returns.

Fund Facts

Inception Date	1 Oct 2013
Total Fund Size (AUD)	A\$140.1m
Number of Holdings	26
Total Management Costs	1.25% p.a.
Minimum Investment	A\$20,000
Buy/Sell Spread	+0.20%/-0.20%
Distributions	Annually
APIR Code	LAZ0025AU
Benchmark	MSCI World Index

Strategy Highlights

Concentrated and Active

High conviction global equity portfolio.

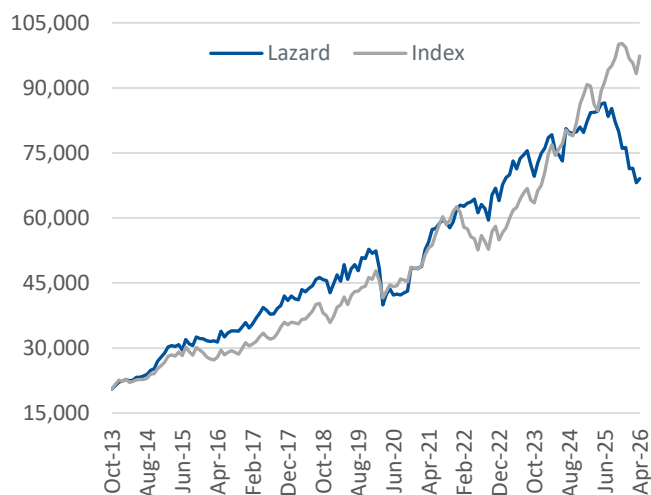
Companies with an Economic Franchise

Large economic moats with a history of stable forecastable earnings

Strict Valuation Discipline

Benefits of Economic Franchises at a Discount to Intrinsic Value.

Growth of \$20,000¹



Performance¹

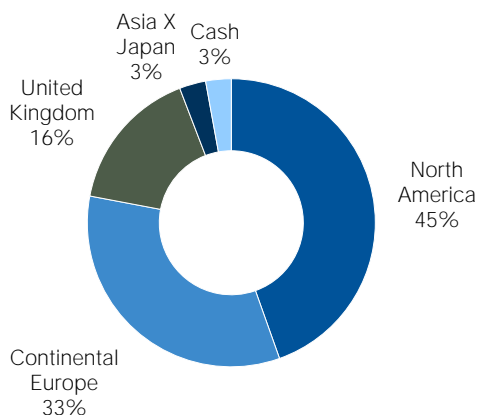
(% net of fees. As of 30 April 2026)

	Annualised						Since Inception
	1M	3M	1Y	3Y	5Y	10Y	
Fund	1.5	-3.2	-18.3	-1.9	4.9	8.2	10.4
Benchmark	4.4	0.7	14.9	16.4	12.9	13.3	13.4
Excess Return	-2.9	-3.9	-33.3	-18.3	-8.0	-5.1	-3.0

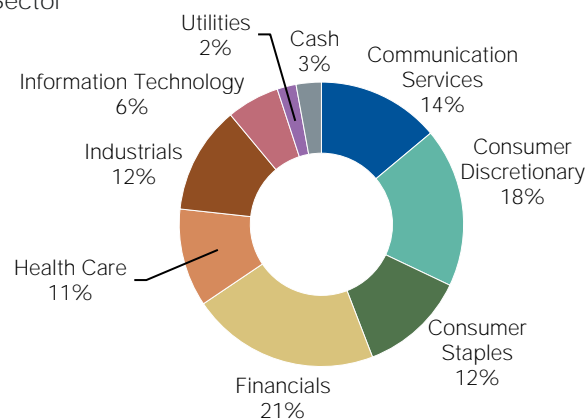
¹Investments can go up and down. Past performance is not necessarily indicative of future performance. Fund returns are quoted after the deduction of Management Costs. Performance assumes reinvestment of all distributions.

Allocations (%)

Region



Sector

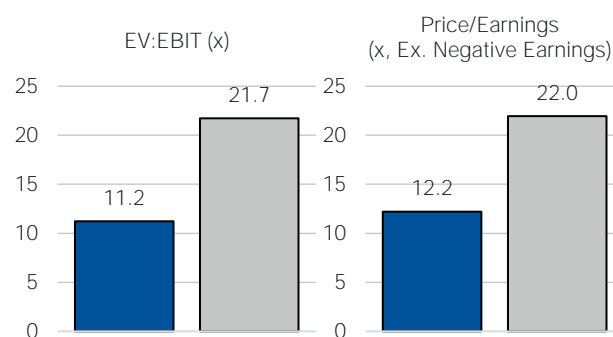


Top Holdings (%)

	Lazard
Nexi	7.1
Fiserv	6.5
Edenred	6.4
Brightstar Lottery	6.3
Omnicom	6.0

Portfolio Characteristics²

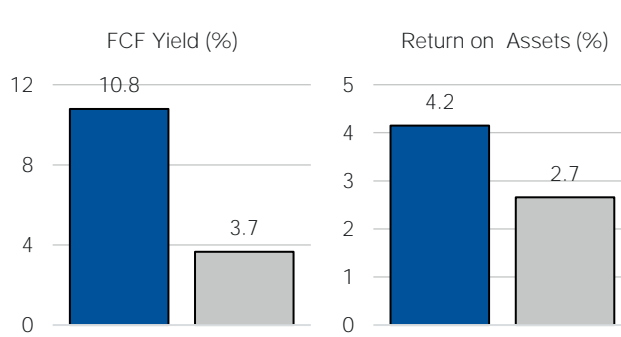
Discounted valuations



48% Discount

44% Discount

Superior portfolio characteristics



195% Premium

56% Premium

■ Lazard Global Equity Franchise

■ MSCI World Index

Allocations and securities mentioned are based upon a portfolio which represents the proposed investments for a fully discretionary account. Allocations and security selection are subject to change. Total may not add to 100% due to rounding. Please note that cash is not viewed as a strategic asset class. The information provided in this material should not be considered a recommendation or solicitation to purchase or sell any security. There is no assurance that any securities referenced herein will remain in the account's portfolio or that securities sold have not been repurchased. The securities discussed may not represent the account's entire portfolio.

² As at 31 March, 2026. Lazard estimates based on historical financial accounts of companies held in the Lazard Global Equity Franchise strategy. All estimates are based on current information and are subject to change.

Source: Lazard, Factset, MSCI

Commentary

Despite growing uncertainty about the path ahead to end the war, stock markets around the world surged in April during the pauses in hostilities between the US and Iran would ease enough to restore stability to global oil supplies and avoid long term lasting damage to the world economy. The US Federal Reserve held interest rates steady, marking the third consecutive policy meeting in which it had done so. European markets rallied, largely helped by company earnings which have yet to fully reflect the surge in oil prices. Inflation concerns, due to the Iran war, remained elevated but the European Central Bank and Bank of England both held interest rates steady, acknowledging a weaker growth outlook

The Lazard Global Equity Franchise Fund returned 1.46% (net of fees) in April 2026, underperforming the MSCI World Index, which returned 4.40% during the same period.

Equity markets had a challenging start to 2026, entering the year in negative territory amid heightened macroeconomic and geopolitical uncertainty. Markets appear to be severely de-rating companies facing near-term earnings pressure, which we believe reflects growing investor nervousness around elevated valuations. As a result, we expect market volatility to remain elevated.

In our view, those trading at a discount typically face identifiable challenges. These include perceived risks from AI disruption, competitive pressure from new market entrants, macroeconomic headwinds, or industry-specific issues such as vaccine scepticism and cyclically elevated plasma prices. In many cases, delays in resolving these company-specific issues have led to further valuation de-rating.

In response, we have increased the frequency of valuation reviews and heightened scrutiny around the sustainability of business franchises. This process has resulted in several valuation downgrades and the removal of certain companies from both the portfolio and the broader investment universe.

Following these adjustments, our disciplined trading framework allows us to selectively increase positions in holdings that have experienced further share-price weakness while maintaining firm underlying value. Overall, we continue to believe the portfolio is materially undervalued and relatively insulated from AI-related disruption and inflationary pressures.

Key Contributors

Nexi, **Europe's** largest merchant acquirer and payment processing business, contributed to performance in April. **Nexi's** share price continues to be volatile, rising 27% in April. The Italian **government's** ownership stake in Nexi reflects its view that some of the **company's** businesses are nationally strategic assets, which may present obstacle to any bids.

Leading workplace benefits provider Edenred performed well during April, both leading up to and following its Q1 results. Results were slightly ahead of expectations with underlying growth excluding regulatory impacts was strong and FY26 guidance was reaffirmed. The recent Italian anti-competition

investigation remains ongoing but represents only ~5% of group EBITDA.

SES, a leading satellite company, performed well during the period, driven by a group of high-impact commercial milestones announced in mid-April, which validated the **company's "multi-orbit"** strategy following its consolidation of Intelsat. Investors viewed the JAL and Boeing contract wins as evidence that the Intelsat acquisition is successfully positioning SES as the preferred partner for complex, multi-constellation enterprise contracts.

Key Detractors

Global IT services and consulting firm **Cognizant's** share price fell during the month after reporting 1Q results in line with market expectations but guiding slightly softer for 2Q. Overall, the company appears to be performing well, with seven deals greater than US\$100m and one greater than US\$500m signed during the quarter. TTM bookings rose 11% year-on-year, representing a healthy 1.4x book-to-bill ratio.

Global biotechnology leader CSL detracted from performance during the period, driven by a continued short-term oversupply of immunoglobulin in the US and albumin in China, making near-term guidance more challenging to achieve. Both markets remain underpenetrated, however, and we expect pricing to revert to more normal levels over time. During the month, the US government confirmed that plasma-derived products and generics are exempt from tariffs, removing a sentiment overhang from the stock.

FDJ **United's** core business is the offline and online lottery concession in France, which runs until 2044. In April, the company reported its Q1 2026 results, which showed a 3% decline in revenue. As a result, FDJ adjusted its FY26 revenue guidance lower. At the current share price, FDJ offers an attractive 11.8% free-cash-flow yield and is trading on 10.6x EBIT and 9.6x P/E (both based on 2026 consensus estimates), which is well below its lottery concession peer group.

Outlook

The Global Equity Franchise portfolio currently holds market leaders and monopolies with more predictable long-term earnings than the market and reasonable valuations. At present, our portfolio is trading at a sizable discount to intrinsic value as well as the broader MSCI World Index on a number of valuation measures. Despite the disappointing performance, we believe the economic franchise characteristics we seek in all our investments will continue to serve our investors well over the long run. In our view, the current portfolio offers value on both an absolute and relative basis.

For more information, call us on 1800 825 287
or visit www.lazardassetmanagement.com

Important Information

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