

AORIS

Quarterly Report



Aoris Investment Management

Aoris is a specialist international equity manager founded in 2017. We are a focused business and manage a single international equity portfolio. Our investment approach is conservative, fundamental and evidence-based.

The Aoris International Fund

We own a concentrated portfolio of high-quality, wealth-creating businesses run by prudent and capable management. Owning a maximum of 15 companies allows our quality criteria to be unusually demanding and permits us to be discerning on the price we pay. We aim to deliver a return of 8–12% p.a. after fees over a 5–7-year market cycle.

Aoris International Fund

Performance to 31 December 2025

Class A (Unhedged – base fee option) Inception 26 March 2018

	December Quarter	1 Year p.a.	5 Years p.a.	Since Inception p.a.*
Portfolio return (AUD)	–0.5%	4.0%	15.7%	14.9%
MSCI AC World Accum Index ex-Australia (AUD)	2.7%	13.7%	14.6%	13.4%
Excess return	–3.3%	–9.7%	1.1%	1.5%

Class C (Hedged – base fee option) Inception 28 September 2018

	December Quarter	1 Year p.a.	5 Years p.a.	Since Inception p.a.*
Portfolio return (AUD)	0.1%	6.8%	10.9%	11.8%
MSCI AC World Accum Index ex-Australia (AUD)	3.7%	19.9%	11.2%	10.6%
Excess return	–3.6%	–13.1%	–0.3%	1.2%

*Past performance should not be taken as an indication of future performance.

Market and portfolio performance

International equity markets, as measured by the MSCI AC World Accumulation Index ex-Australia, rose by 2.7% for the December quarter (all returns are in AUD unless stated otherwise). Equity markets rose by 3.7% in local currency terms, while changes in currency values detracted 1.0% from the AUD return.

As shown in the table on the previous page, the Aoris International Fund (Class A – Unhedged) returned –0.5% for the quarter, 3.3% behind that of its benchmark. The Aoris International Fund (Class C – Hedged) gained 0.1%, 3.6% less than its benchmark.

There were four notable positive contributors to returns for the quarter. **Jack Henry** rose by 22%, adding 1.2% to the Fund's return. **IHG Group** appreciated by 16%, adding 0.6% to performance, while **Amphenol** and **Accenture** both gained 9%, each contributing 0.6%.

Jack Henry

Jack Henry is a leading provider of software to banks and credit unions in the US. Its software is used to record customer transactions, complete payments, facilitate online banking, ensure regulatory compliance and mitigate fraud. Jack Henry has always placed great emphasis on customer service and has consistently ranked at or near the top of its peer group in customer satisfaction. Fiserv, its largest competitor, has consistently ranked at or near the bottom.

Fiserv had a year of significant management changes, a material earnings shortfall and a 70% decline in its share price in 2025. It recently announced it will be consolidating many of its duplicated software offerings. This is an opportunity for Jack Henry to accelerate its rate of customer wins, as many of Fiserv's customers will be faced with the choice of moving to a different Fiserv offering, or moving to Jack Henry. Based on its industry-leading customer satisfaction, as well as its organisational stability, we expect many will choose Jack Henry. This gives us and the market increased confidence in the rate and durability of Jack Henry's earnings growth.

IHG Group is a franchisor of hotels globally across brands such as Holiday Inn, Crowne Plaza and Intercontinental. Franchised hotel groups such as IHG have been gaining share at the expense of independent hotels in most parts of the world for many years. Hotel guests like the reward programs, such as IHG One, as well as the consistency of service that hotel chains offer. Hotel owners benefit from the recognised brands and quality IT infrastructure such as reservation systems, which often make operating under a franchised brand economically more attractive than being independent. IHG reported strong results for its September quarter, with impressive growth in both current earnings and the pipeline of new hotels that will be opened in the coming years.

Amphenol supplies electronic connectors and sensors to a broad range of end markets, including cars, consumer electronics, aerospace, industrial products and data centres. The company had an exceptional year in 2025. Its earnings for the September quarter increased by more than 50%, with strength across all its end markets – particularly data centres.

Accenture

Accenture is the world's leading IT outsourcing and consulting group. For much of the last year many investors have been concerned that AI tools will automate much of the services Accenture currently provides its clients. While its share price materially underperformed for the full year, Accenture performed well in the December quarter.

Our belief is that large corporate and government organisations need external help to implement and manage AI tools, and that Accenture is well placed to benefit. We saw positive signs of that last year, as the company announced large contracts with the likes of Telstra, Qatar Airways, and Bristol-Myers Squibb, where in each case AI at the core of the engagement. We expect to see an acceleration in Accenture's earnings growth over the next couple of years as these contracts go live.

The major detractors from returns in the quarter were **RELX**, **Experian** and **Microsoft**. RELX declined by 16%, reducing performance by 1.2%. Microsoft fell by 8.6%, while Experian was down 8%, reducing the portfolio return by 0.7% and 0.8% respectively.

RELX and **Experian** are both providers of data, software and analytics to professional users. In the case of RELX these customers include lawyers, academics and insurance underwriters, while Experian serves banks and other providers of credit. Some investors have been concerned that AI tools will be able to extract data from the internet, displacing the services provided by RELX and Experian.

We believe these concerns are misplaced. The data at the core of both RELX and Experian is proprietary and not available to AI models. Rather than eroding the value of what RELX and Experian provide, AI is in fact enhancing it. We've seen this particularly in the case of RELX, where premium AI tools have driven a notable acceleration in its business serving legal practitioners. Both companies reported strong earnings growth last year and we are confident about their prospects for the coming years.

Microsoft
















Microsoft saw a pullback in its share price in the December quarter over concerns about the magnitude of its capital expenditure on data centres, which supports its cloud computing and AI services, as well as increasing competition in AI tools from the likes of Google and Anthropic.

While Microsoft's investment in data centre infrastructure has indeed increased significantly in the last few years, we believe this is supported by strong end customer demand, such that Microsoft will earn an attractive return on this investment. It's true that competition in the rapidly growing market for AI tools has increased. However, Microsoft is seeing strong growth for its own AI tools and also benefits from growth in demand for alternatives via the computing infrastructure Microsoft provides them.

Portfolio Changes

None

Portfolio companies

Get in touch

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Important Information This report has been prepared by Aoris Investment Management Pty Ltd ABN 11 621 586 552, AFSL No 507281 (Aoris), the investment manager of Aoris International Fund (Fund). The issuer of units in Aoris International Fund is the Fund's responsible entity The Trust Company (RE Services) Limited ABN 45 003 278 831, AFSL Licence No 235150. The Product Disclosure Statement (PDS) contains all of the details of the offer. Copies of the PDS and target market determination are available at auris.com.au or can be obtained by contacting Aoris directly. Before making any decision to make or hold any investment in the Fund, you should consider the PDS in full. The information provided does not take into account your investment objectives, financial situation or particular needs. You should consider your own investment objectives, financial situation and particular needs before acting upon any information provided and consider seeking advice from a financial adviser if necessary. You should not base an investment decision simply on past performance. Past performance is not an indicator of future performance. Returns are not guaranteed and so the value of an investment may rise or fall.