

WEALTHFOCUS PERPETUAL GLOBAL ALLOCATION ALPHA

March 2026

FUND FACTS

Investment objective: Aims to provide long-term capital growth and outperform the MSCI World ex Australia Net Total Return Index (AUD) with lower risk (before fees and taxes) over rolling three-year periods.

FUND BENEFITS

Provides investors with long-term growth opportunities across global equities. The fund is run by high quality investment teams.

FUND RISKS

All investments carry risk and different strategies may carry different levels of risk. The relevant product disclosure statement or offer document for a fund should be considered before deciding whether to acquire or hold units in that fund. Your financial adviser can assist you in determining whether a fund is suited to your financial needs.

Benchmark: MSCI World Ex Australia Net Total Return Index (AUD) - since 1st October 2022

Inception Date: September 2000

Size of Portfolio: \$0.87 million as at 31 Dec 2025

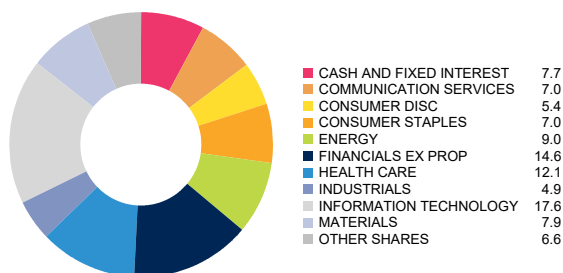
APIR: PER0108AU

Management Fee: 0.55%*

Investment style: Active, fundamental, disciplined, value

Suggested minimum investment period: Five years or longer

PORTFOLIO SECTORS



TOP 10 STOCK HOLDINGS

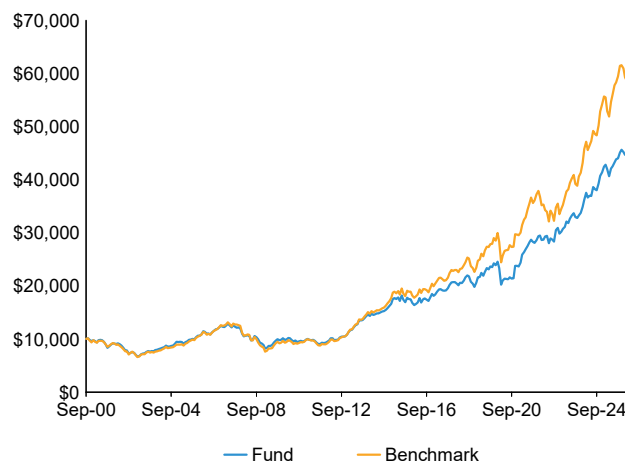
Stock Holding	% of Portfolio
Apple Inc.	2.9%
Microsoft Corporation	2.8%
NVIDIA Corporation	2.1%
Broadcom Inc.	1.4%
Chevron Corporation	1.3%
Merck & Co., Inc.	1.1%
Alphabet Inc.	1.1%
Exxon Mobil Corporation	1.0%
AbbVie, Inc.	1.0%
Alphabet Inc.	1.0%

PERFORMANCE- periods ending 31 March 2026

Period	Fund	Historical ¹ Performance	Benchmark	Excess
1 month	-1.53	-	-2.51	+0.98
3 months	-2.21	-	-6.22	+4.02
1 year	5.34	-	8.14	-2.80
2 year p.a.	8.55	-	10.17	-1.62
3 year p.a.	12.42	-	16.04	-3.62
4 year p.a.	-	11.42	12.82	-1.40
5 year p.a.	-	11.34	12.71	-1.37
7 year p.a.	-	10.75	12.56	-1.81
10 year p.a.	-	10.32	12.26	-1.94

¹Effective 1 October 2022 the Fund Investment strategy has changed; including the investment objective, investment approach and benchmark of the Fund. Past performance is not indicative of future performance. Returns may differ due to different tax treatments.

GROWTH OF \$10,000 SINCE INCEPTION



*Information on Management Costs (including estimated indirect costs) is set out in the Fund's PDS.

MARKET COMMENTARY

The dominant theme for markets was the Middle East conflict, which sent oil prices surging and shifted investor focus firmly toward inflation, growth and monetary policy risks with equities and bonds selling off in tandem. The early months of the quarter also saw a broadening of investment market returns as large cap US tech and software providers faced increased scrutiny. After US military strikes began, several crowded trades began to reverse including gold and emerging market equities sold off and the US dollar strengthened on safe-haven flows.

- Global shares (-3.2%) declined in the March quarter as markets reacted sharply to the commencement of strikes in Iran and the US market (-4.3%) underperformed given its rich starting valuation and high sensitivity to rising bond yields.
- The March quarter saw a broadening of investment market returns with the MSCI World Value (+1.8%) outperforming the growth index (-8.0%) as markets repriced expectations for software companies in the face of disruption from agentic AI.
- Japanese equities (+3.6%) remained positive, reflecting Yen weakness and anticipated pro-growth policies following the landslide victory of the LDP in the February election.
- UK equities (+3.4%) were also resilient as the FTSE100 composition is largely defensive and this tailwind was supported by a depreciating Sterling which increased the attractiveness of dividends, 55% of which are paid in USD.
- Emerging markets (+2.1%) advanced, supported by strong performance from technology hardware driven markets Taiwan and Korea alongside energy sensitive economies, while Chinese equities declined reflecting global growth concerns.
- Australian shares (-2.0%) declined while outperforming the broader developed market as investors fretted over elevated valuations and the impact of slowing growth being amplified by higher oil prices and recent rate hikes (with the risk of more). While Australia is a net energy exporter, the composition of these exports is skewed to coal and LNG. Reliance on offshore oil means that the supply shock remains a threat to economic activity.
- Short and long-duration global bond yields rose in March as investors priced a potential stagflationary environment where growth slows, inflation rises, monetary policy tightens to combat higher prices, and fiscal policy is used to address growth concerns.
- Commodity markets were dominated by the sharp increase and elevated volatility of energy prices in March. Precious metals continued their advance in January and February before declining in March as investors raised liquidity, and the rally in the USD reversed capital flows.

Geopolitical uncertainty was the key focus for markets throughout the March quarter, culminating in the commencement of US & Israeli strikes on Iran and the closure of the strait of Hormuz. Earlier in the quarter, the US's capture of Venezuelan President Maduro, increased US tensions with NATO allies over Greenland, and civil unrest in Iran shaped market sentiment. While the Middle East situation remains highly fluid, market sentiment and economic risks are currently centred on traffic of oil tankers and the impact of damage to energy infrastructure in the region. The key driver is not how high energy prices go, but rather where they stay, but prices sustained over \$120 per barrel for an extended period would be expected to trigger a material decline in consensus global growth and a rise in global inflation expectations. The inflation rise would be much stronger in headline price gauges than the core inflation basket which is what central bank's target and history indicates that the price increase here is about one-quarter of the rise recorded in the headline index. The US Federal Reserve is well placed to be able to wait and see given the continued disinflationary process currently underway in the services sector, whereas their Australian, European and UK counterparts have fewer degrees of freedom, and their most recent guidance was clearly hawkish.

The US Federal reserve kept interest rates steady at their January and March FOMC meetings and maintained their one rate cut outlook in 2026. However, the FOMC January meeting minutes (released in February) signalled a more hawkish tilt, with several policymakers indicating that further rate increases may be warranted if inflation does not ease. This was prior to the spike in oil prices as a result of the conflict in Iran. The shift reflects internal forecasts showing unemployment falling below its long run sustainable level by year end while inflation remains above the Federal Reserve's 2% target. Elsewhere, the Bank of Japan also signalled that they are more concerned about inflation risks as opposed to growth risks arising from rising energy costs, and this suggests that rates will be tightened possibly in the June quarter.

The bear case for risk markets would be if oil prices were to remain elevated for the remainder of the year, thereby threatening the duration of the business cycle. However, the bar for an oil spike threatening the business cycle is high given the development of large services industries, the world's reduced energy intensity, the strong state of global corporate balance sheets and more diversified energy supply across regions and energy types. The two 1970s oil shocks saw oil prices at least doubled with high prices persisting for over a year, but the global economy is today less oil price sensitive than it was 50 years ago.

While events in the Middle East dominated headlines and market sentiment during March, there were also material developments on the US trade policy front during the quarter. The US Supreme Court ruled against the use of the International Economic Emergency Powers Act to justify the April 2025 "liberation day" tariffs. The decision has potential fiscal implications with reduced receipts and ~US\$175 billion in duties potentially subject to refunds contingent on litigation. While the administration has used Section 122 to reinstate a 10% across the board tariff for 150 days, the Supreme Court's ruling has complicated the Trump administration trade policy strategy, although several avenues remain open for the Administration to implement import taxes.

The March quarter also saw increased stress in US private credit markets reflecting rising concerns around loan quality and liquidity terms. A private credit manager was forced to change redemption terms on one of its retail funds prompting a wider run on private credit funds, and a selloff in listed managers. Meanwhile in the UK a specialist property finance lender MFS entered administration amid allegations of fraud with creditors and administrators citing double pledging of assets as collateral to secure financing. This highlights liquidity and transparency risks within the industry and raises questions about poorly vetted security in other parts of the ecosystem. Contagion risk exists between private credit markets and the regulated banking sector, as poor collateral means banks are potentially levered in their private credit exposure. The Fund currently has no exposure to illiquid assets including private credit. While illiquids can provide diversification when return drivers are truly distinct, private markets are currently characterised by heavy capital inflows, elevated valuations, high transaction and implementation costs, and low visibility and transparency.

Meanwhile, concerns around software as a service (SAAS) exposures in private credit were also reflected in equity markets where a dichotomy emerged between strong performing supply chain and hardware companies and weakening SAAS and platform names. Market weakness during January and February reflected a shift in leadership as expectations for long duration themes such as digital transformation and AI were reassessed after years of strong price gains, prompting capital to rotate toward companies, sectors and markets with more reasonable valuations and which are under-owned and have beatable EPS expectations. Notwithstanding a rebound for large cap tech stocks in March, we continue to have concerns around the quality and expected rates of return from the trillions of dollar currently being pledged for capital expenditure in the AI sector, considering the sector is characterised by broad competition. While AI technology itself is transformative, we see some parallels to the first tech boom and question how AI service companies will be able to meet the egregious profit expectations which are baked into forward looking valuations. We look for opportunities outside this cohort.

PORTFOLIO COMMENTARY

Permian Resources Corporation Class A positively contributed to relative performance during the quarter as the company delivered stronger than expected fourth quarter results and provided a 2026 outlook that reinforced confidence in its free cash flow profile. The company benefited from solid operational execution, disciplined capital spending, and improved pricing realizations, particularly through reduced exposure to local gas pricing constraints. Quarterly results showed production and earnings coming in ahead of expectations, supported by steady well performance and continued efficiency gains in drilling and completion activity. Looking ahead, the company's deep, high quality inventory, improving cost structure, and flexibility to pursue accretive acquisitions were seen as key reasons to remain constructive on the stock, even amid commodity price volatility.

Equinor ASA is the largest Norwegian E&P company and operates a global exploration and production business. The stock is classified as an integrated oil

company because it has some small midstream and trading operations but more than 90% of its revenue comes from upstream production. Equinor is seen as the most liquid play on European gas despite its production mix being 50 /50 oil and gas because the company (and Norway) are viewed as strategically important to Europe as they export roughly 30% of European gas demand. Investors have expected demand to remain muted or stable however we believed the consensus view on demand was too conservative due to European gas storage levels falling to 30% from 90% from a harsher winter along with the influx of data centres in the region that should drive higher demand for gas going forward given that builders are taking a more pragmatic view on utilizing gas power due to prolonged grid connection queues throughout Europe. The recent large supply shock from the Iran conflict has led European oil and gas prices to spike meaningfully at a time when the consensus view was bearish which has translated to strong price appreciation for Equinor.

Western Alliance Bancorp detracted from relative performance during the quarter as investor concerns around regional banks persisted, particularly for institutions with more complex balance sheets and funding profiles. As a diversified commercial bank with meaningful exposure to specialized lending and mortgage related activities, Western Alliance reported quarterly results that were generally better than expectations, supported by solid loan growth, resilient fee income, and stable core deposit trends, but these positives were overshadowed by higher credit provisioning and elevated charge offs. Market sentiment remained cautious due to the bank's history of rapid balance sheet growth and the difficulty investors have in fully underwriting its mix of technology, asset based, and other nontraditional lending. While management has highlighted strong capital levels and potential regulatory relief that could benefit earnings over time, skepticism around credit quality and transparency continued to weigh on the stock. The stock was sold during the quarter.

Northern Star Resources Ltd. is a large Australian gold producer with a portfolio of long life, low cost assets. Despite relatively stable operating performance, the shares detracted over the period, primarily due to operational disruptions and cost pressures at key assets, including its flagship Kalgoorlie operations. In addition, industry wide inflation in labour, energy, and consumables has weighed on margins, limiting the company's ability to fully benefit from elevated gold prices. The market has also become more cautious on capital intensity and execution risk associated with expansion projects. While the long-term asset quality remains intact, near term earnings uncertainty and cost inflation have led to weaker share performance.

OUTLOOK

Notwithstanding the nascent rotation in equity markets, valuations are expensive relative to history in most regions and elevated market concentration, and the preponderance of value-agnostic passive funds, have made regional equity markets increasingly vulnerable to geopolitical, economic and monetary policy shocks.

We continue to manage downside risks by maintaining little or no exposure to the most expensive parts of the global equity market. The Fund complements this with option protection where it has been attractively priced to implement. These include cost-effective S &P 500 put options, risking only premiums if markets rise, while protecting against downturns without predicting timing.

Cash levels have not been calculated on a look-through basis. The underlying investments of the fund will also have a proportion of their assets invested in liquid assets. The publication has been prepared and issued by Perpetual Investment Management Limited (PIML) ABN 18 000 866 535 AFSL No 234426, as promoter for the Perpetual WealthFocus Superannuation Fund. The information contained in this document is general information only and is not intended to provide you with financial advice or take into account your objectives, financial situation or needs. You should consider, with a financial adviser, whether the information is suitable for your circumstances. To the extent permitted by law, no liability is accepted for any loss or damage as a result of any reliance on this information. The information contained in this document is in addition to and does not form part of the product disclosure statement (PDS) for the Perpetual WealthFocus Superannuation Fund. The PDS for the Perpetual WealthFocus Superannuation Fund ABN 41 772 007 500, issued by Equity Trustees Superannuation Limited (ETSL) ABN 50 055 641 757, AFSL 229757, RSE L0001458, should be considered before deciding whether to acquire or hold units. The PDS and Target Market Determination can be obtained by calling 1800 011 022 or visiting www.perpetual.com.au. Neither PIML, ETSL nor any of their related parties guarantee the performance of any fund or the return of an investor's capital. Total returns shown for the Perpetual WealthFocus Superannuation Fund have been calculated using exit prices after taking into account all of Perpetual's ongoing fees and assuming reinvestment of distributions. No allowance has been made for taxation. Past performance is not indicative of future performance.

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