

WEALTHFOCUS PERPETUAL INDUSTRIAL SHARE

February 2026

FUND FACTS

Investment objective: Aims to provide long-term capital growth and regular income through investment predominantly in quality Australian industrial shares. The fund aims to outperform the S&P/ASX 300 Industrials Accumulation Index (before fees and taxes) over rolling three-year periods.

FUND BENEFITS

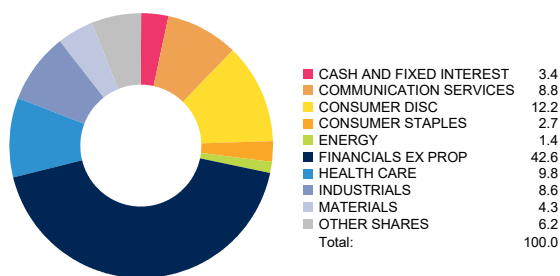
Provides investors with the potential for capital growth and consistent, tax effective income through the active management of quality industrial shares.

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: S&P/ASX 300 Industrial Accum. Index
Inception Date: May 1995
Size of Portfolio: \$472.65 million as at 31 Dec 2025
APIR: PER0028AU
Management Fee: 1.23%*
Investment style: Active, fundamental, bottom-up, value
Suggested minimum investment period: Five years or longer

PORTFOLIO SECTORS



TOP 10 STOCK HOLDINGS

Stock Holding	% of Portfolio
Commonwealth Bank of Australia	12.5%
ANZ Group Holdings Limited	7.6%
National Australia Bank Limited	5.7%
Westpac Banking Corporation	5.5%
Washington H. Soul Patt.	5.0%
Goodman Group	4.9%
James Hardie Industries	4.3%
Suncorp Group Limited	4.2%
Sigma Healthcare Ltd	3.3%
Light & Wonder, Inc.	3.2%

NET PERFORMANCE - periods ending 28 February 2026

	Fund	Benchmark #	Excess
1 month	-0.46	2.18	-2.64
3 months	-1.99	1.00	-2.98
1 year	-0.99	4.61	-5.59
2 year p.a.	6.65	9.48	-2.84
3 year p.a.	9.06	11.02	-1.96
4 year p.a.	8.95	9.37	-0.42
5 year p.a.	9.01	9.35	-0.34
7 year p.a.	7.77	8.61	-0.84
10 year p.a.	7.38	8.94	-1.57
Since incep. p.a.	9.34	9.52	-0.18

Past performance is not indicative of future performance. Returns may differ due to different tax treatments.

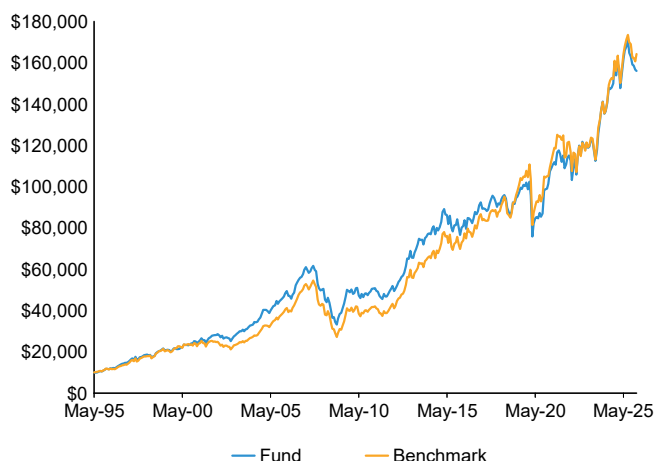
PORTFOLIO FUNDAMENTALS[^]

	Portfolio	Benchmark
Price / Earnings*	20.2	20.2
Dividend Yield*	2.8%	3.5%
Price / Book	2.6	2.5
Debt / Equity	53.1%	57.2%
Return on Equity*	12.4%	12.5%

[^] Portfolio Fundamentals are compiled using our methodology and provided only for the purpose of illustrating the Fund's investment style in action. These figures are forecast estimates, calculated based on consensus broker estimates where available, and should not be relied upon. Dividend Yield is a dividend forecast of underlying securities for the portfolio and does not reflect the distributions to be determined for the fund.

* Forward looking 12-month estimate.

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 S&P/ASX300 gained 3.9% in February, reaching new highs for a third consecutive monthly advance, leaving the market 9.7% above November lows. It was a two speed market: large cap Materials and Financials led the charge, with the major banks delivering standout returns (CBA +16.8%, NAB +15.8%), while Technology continued its painful de rating, now down 39.3% over six months as AI disruption fears lingered. Health Care lagged, dragged by CSL's weak earnings and abrupt CEO departure. The divergence between large and small cap was large, with the Top 20 stocks outperforming the Small Ordinaries Index by 10.5%, the largest cap since June 2013. Macro conditions tightened further, with the RBA hiking 25bp to 3.85% and flagging additional moves if inflation remains stubborn. January CPI surprised to the upside, with electricity costs surging as government rebates unwound. Labour markets stayed tight, keeping pressure on the board.

PORTFOLIO COMMENTARY

The portfolio's largest overweight positions include Washington H. Soul Pattinson, James Hardie Industries and Suncorp Group Limited. The portfolio's largest underweight positions include Macquarie Group Ltd (not held), Telstra Group Limited (not held) and Transurban Group Ltd.

Ramsay Health Care delivered a standout performance in February as the company rallied + 18.5% for the month. Management continued to execute effectively, announcing the much anticipated in specie distribution of the Ramsay Santé shareholding which will further highlight the quality of the Australian assets and also sends a signal to the market around the core strategy for Ramsay moving forward. Ramsay posted solid half year results, demonstrating operational momentum as earnings improved significantly with Australian EBIT margins expanding and admissions growth reflecting a deliberate shift toward higher acuity, higher margin services. Capital discipline is also improving, with full year capex tracking below guidance and the new Joondalup private facility delivered under budget. Ramsay represents an opportunity for investors to gain exposure to high quality infrastructure like assets, with the transformation initiatives which are well underway and starting to be seen in the financials, as well as the improving operational efficiencies not reflected in the current share price.

The overweight position in a2 Milk contributed to portfolio performance in February's reporting season as the company rallied strongly on the back of a compelling half year result. Revenue grew 18.8% to \$993.5 million, with broad based momentum across all segments, a result that reflects brand strength rather than any single geographic or channel tailwind. The China business remains the engine, with English label IMF delivering strong growth as premiumisation continues to support the category. Another encouraging sign is an acceleration in products beyond infant formula into adjacent categories such as kids and seniors' nutrition. The headline gross margin was marginally softer due to expected manufacturing underutilisation at the newly acquired a2 Pokeno facility, though this is transitory, with the transition of a2 Platinum production from Synlait scheduled for 1H27. The balance sheet remains strong with nearly \$900 million in net cash providing capacity for continued investment and capital returns. The company's focus on premiumisation and innovation across different life stages positions it well to capture market share in a challenging environment such as China's declining birth rate. We remain optimistic about a2 Milk's growth trajectory, supported by its strategic investments and product diversification.

Flutter was the fund's largest negative contribution in February, declining 36.8% during the month and continuing the recent run of weak performance. A key driver of the de rating has been the emergence of prediction market operators that offer event contracts on sports outcomes, operating outside operating outside the traditional state licensed online sports betting (OSB) framework and therefore not subject to the same tax and regulatory structures. This has introduced structural uncertainty around the competitive and regulatory moat that Flutter's FanDuel business has built. The more disappointing aspect of the Flutter result from our perspective, was the underperformance of FanDuel's OSB division in Q4. This was driven by operational missteps where the company mis managed the timing of its generosity offers. The company has a clear playbook to improve on this in 2026 and given the expertise and quality of the offer we expect this to be a short term aberration. Overall, the recent share price weakness has been driven by a combination of factors. In our view, the market has assumed all are structural and related to prediction markets. We expect that throughout 2026, some of the transitory drivers of recent weakness will reverse providing clarity on the actual impact of prediction markets.

Light & Wonder was a detractor to portfolio performance, falling 19.7% in February despite the month delivering a meaningful positive catalyst, the resolution of its long running intellectual property dispute with Aristocrat Leisure. The settlement removed a material legal overhang that had weighed on the stock and clouded the investment case for some time. With that cleared, market attention has shifted to the balance sheet, and specifically the company's ability to reduce leverage through CY26, a pathway well supported by the strength of its gaming systems and content business alongside an improving free cash flow profile. Notwithstanding the positive legal development, the stock was sold heavily in a manner consistent with the broader de rating of gaming and leisure stocks such as Aristocrat, a larger peer, also underperformed significantly despite strong underlying fundamentals, highlighting that the selling pressure was driven by sector level risk off sentiment rather than anything specific to Light & Wonder's outlook. We hold the position on the view that leverage reduction through CY26 represents a credible and underappreciated re rating catalyst, and that the market is yet to fully reflect the earnings durability of the underlying gaming systems and content business.

OUTLOOK

The global economic landscape in 2026 was starting to reflect a transition to broader, steady expansion. This expansion was no longer a "tech only" story; instead, a significant sector rotation is underway. Investors have been pivoting from overextended growth stocks toward cyclical sectors specifically Industrials, Materials, and Energy which are benefiting from a synchronised global manufacturing uptick. This shift is also anchored by exceptional commodity strength. Copper's climb to record highs reflected this and Gold's sustained levels above US \$5,400 signal both industrial demand for the AI driven grid build out and a strategic hedge against persistent "higher for longer" yields and persistent inflation and USD debasement fears. However, the war in Iran introduces a major new uncertainty: if the conflict proves brief these trends may quickly resume, but a prolonged escalation or disruption to energy markets could materially alter the trajectory for global growth, inflation and markets.

Benchmark prior to 1/4/2000 was the ASX All Industrials Accumulation Index. From 1/4/2000 to current the benchmark is S&P/ASX 300 Industrials Accumulation Index.

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