

WEALTHFOCUS PERPETUAL SMALLER COMPANIES

February 2026

FUND FACTS

Investment objective: Aims to provide long-term capital growth and income through investment in quality Australian industrial and resource shares which, when first acquired, do not rank in the S&P/ASX 50 Index.

FUND BENEFITS

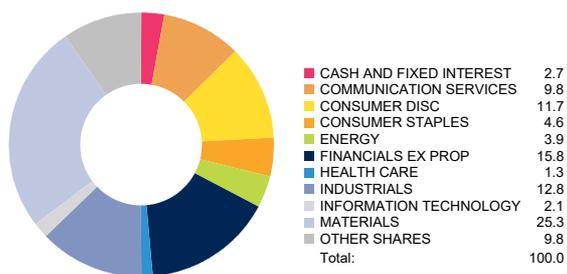
Provides investors with the potential to benefit from the growth of quality smaller or emerging companies, through active management by one of Australia's most experienced investment management teams.

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: S&P/ASX Small Ordinaries Accum. Index
Inception Date: August 1995
Size of Portfolio: \$33.85 million as at 31 Dec 2025
APIR: PER0008AU
Management Fee: 1.03%*
Investment style: Active, fundamental, bottom-up, value
Suggested minimum investment period: Five years or longer

PORTFOLIO SECTORS



TOP 5 STOCK HOLDINGS

Stock Holding	% of Portfolio
Vault Minerals Limited	4.2%
Capricorn Metals Ltd	3.9%
Centuria Capital Group	3.1%
Genesis Minerals Limited	3.0%
Paladin Energy Ltd	3.0%

NET PERFORMANCE - periods ending 28 February 2026

	Fund	Benchmark #	Excess
1 month	-2.13	-2.57	+0.44
3 months	1.36	1.53	-0.17
1 year	25.01	23.05	+1.97
2 year p.a.	15.27	14.92	+0.35
3 year p.a.	11.31	12.51	-1.20
4 year p.a.	9.49	7.00	+2.49
5 year p.a.	11.30	6.60	+4.70
7 year p.a.	12.12	7.32	+4.80
10 year p.a.	11.93	9.12	+2.81

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

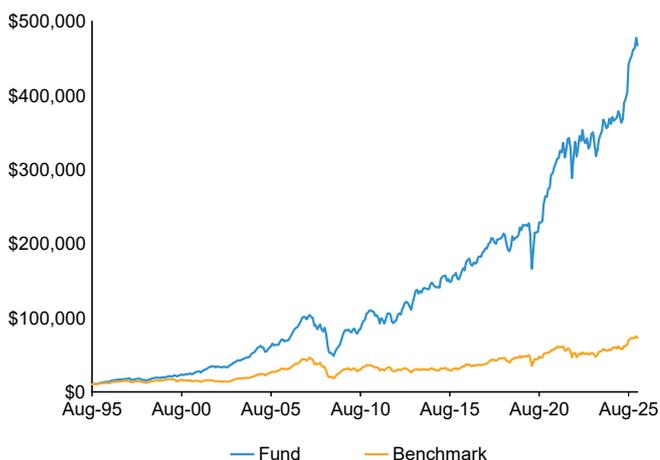
PORTFOLIO FUNDAMENTALS[^]

	Portfolio	Benchmark
Price / Earnings*	14.8	15.8
Dividend Yield*	3.8%	3.7%
Price / Book	1.8	1.8
Debt / Equity	22.0%	32.9%
Return on Equity*	13.3%	13.7%

[^] 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/ASX Small Ordinaries Index lost 2.6% in February. It was a two speed market: large cap Materials and Financials led the charge, with the major banks delivering standout returns 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 Capricorn Metals Ltd, Genesis Minerals Limited and Servorp Limited. Conversely, the portfolio's largest underweight positions include Westgold Resources Ltd, Regis Resources Ltd and Ventia Services Group Limited, all of which are not held in the portfolio.

Wagners Holding rounded off February with continued strength, climbing +29.6% for the month as the company delivered a half year result that demonstrated core operational strength. Revenue grew meaningfully, but more compelling was the 72% increase in operating EBIT. The Construction Materials segment was the primary driver, with concrete volumes up 57%, while the Composite Fibre Technology business delivered 36% revenue growth underpinned by record pole sales, validating the long term investment in that division. Wagners further announced an upgrade to its full year EBIT guidance, though flagging increased capital expenditure in the second half to expand the concrete plant network and upgrade cement facilities. The demand backdrop remains highly supportive, with the 2032 Olympics infrastructure pipeline and Queensland residential growth providing multi year earnings visibility that is rare in the construction materials sector. The company's capacity expansions and proven execution capability position it well to deliver sustained earnings growth as elevated infrastructure spending continues through the medium and long term.

Aspen Group continued to perform strongly in February's reporting season, climbing +19.2% where the company upgraded its FY26 guidance for the second time. Half year EPS beat consensus, driven by its stable net rental income (NRI) and profitable development contributions. Importantly, NRI margins expanded meaningfully during the period, a sign that portfolio optimisation is translating into sustainable earnings quality rather than one off gains. Demonstrating confidence in its pipeline and demand, management lifted development settlement targets for FY26 and established a healthy forward guidance. Aspen's positioning in affordable housing provided some insulation from the broader sector weakness, as demand fundamentals in its core markets remain robust amid ongoing supply constraints. A key driver of Aspen's resilience in a tough macroeconomic environment is its unique affordability where the average sale price of its new Lifestyle houses was \$465,000, representing a 56% discount to the Australian national average residential dwelling price. The company's disciplined capital allocation from a very capable management team and focus on scalable developments across key growth corridors positions it well to capitalise on sustained structural tailwinds in the residential accommodation sector.

News Corporation detracted from performance in February, declining 13.7% over the month. The share price was pressured by heightened market concerns that artificial intelligence could erode the competitive moat of REA Group (12.31%), in which News Corp holds a 61% stake. Additional sentiment headwinds came from ongoing structural challenges within the News Media division and softer conditions in US book publishing. The fund continues to hold News Corp as we believe REA has made targeted investments across its value chain that defend its moat against AI disruption. REA is deploying AI offensively, through natural language and visual search, automated valuations and enhanced content, to keep discovery, engagement and monetisation on platform. Furthermore, we believe the current share price implies that the market is valuing the highly profitable Dow Jones and Information Services divisions at heavily discounted multiples.

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 Small Ordinaries Accumulation Index. From 1/4/2000 to current the benchmark is S&P/ASX Small Ordinaries Accumulation Index.

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