Investment Update – March 2026

PPF Diversified Growth Fund

A.R.S.N. 099 838 016

PPF FINANCIAL

The PPF Diversified Growth Fund has been setup to actively manage a portfolio of direct Australian equities and private equity. While target exposures to international equities and absolute return strategies are anticipated to be accessed through specialist funds.

The Fund seeks value in under-appreciated and mispriced sectors. The focus is on thematic investment opportunities where the Manager believes outsized returns can be delivered over a 3-5 year period.

PERFORMANCE AS AT 31 MARCH 2026

	3 month	1 year	3 year p.a.	5 year p.a.	7 year p.a.	10 year p.a.
PPF Diversified Growth Fund	6.06%	79.50%	18.20%	20.52%	20.15%	12.59%
Benchmark	-2.67%	8.14%	5.72%	4.55%	4.62%	5.25%
Value Add (net)	8.73%	71.36%	12.48%	15.97%	15.53%	7.34%

Actual performance will differ for clients due to timing of their investment. Returns are calculated net of fees. Benchmark is the S&P/ASX 200 Index. Past performance is not an indicator of future returns.

KEY INFORMATION

Portfolio Manager:	Eugene Ferla
Investment Objective:	To outperform the S&P/ASX200 Index (Benchmark) measured over rolling 3 year periods.
Liquidity:	Monthly
Minimum Investment:	$20,000
Unit Price:	$1.9028 (at 31 Mar 2026)
Management fee:	0.77% p.a.
Performance fee:	20% > benchmark
Manager & Responsible Entity:	PPF Asset Management Limited
Auditor:	RSM Australia
Custodian:	Sandhurst Trustees Limited
APIR Code:	PPF0178AU

Management fee excludes some fees including expense recovery. Refer to PDS for details.

Top Fund Contributors (Qtr) (by contribution)	Eq Resources Limited Telix Pharmaceuticals Limited Beach Energy Limited

COMMENTARY

For the March quarter, the Fund returned 6.06% net of fees, outperforming the S&P/ASX200 Index which returned -2.67%. The Fund's financial year-to-date return to 31 March 2026 was positive 65.81% net of fees.

In a quarter marred by the commencement of war in the Middle East, the portfolio delivered solidly, and like the December quarter, it was the exposure to industrial metals which helped the Fund outperform its benchmark for the third straight quarter.

We covered the Fund's high conviction exposure to tungsten in the December quarter update. The Fund retains its position in Eq Resources which rose 286% over the quarter.

Other strong portfolio performers in the quarter included the Fund's newly initiated position in Telix Pharmaceuticals which began a recovery from deeply oversold levels. The Energy sector got a boost from the Middle East fracas, with the Fund's overweight positions in oil and gas, led by Beach Energy, boosting returns.

The main detractors from performance were the Fund's exposures to tech, uranium and lithium. The portfolio was invested in 35 positions at the end of the quarter, the highest number for some time.

Much has been written about the "Saaspocalypse" and the selloff in the broad technology sector due to fears around the impact of AI. Many technology companies have fallen to levels that would be considered "cheap".

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The market continues to severely punish revenue and profit misses. Indicating that confidence in the sector remains weak and any recovery will need time. The Manager held the view that a cycle unwind was underway and positioned accordingly, largely sidestepping the significant declines in the sector and helping to insulate the broader portfolio. We can now afford to be patient and will focus on quality once prices stabilize.

The events in the Middle East may have brought forward the food-related commodity thesis and positions have been initiated in select agriculture and soft commodity-linked companies.

Despite the increase in volatility, the Manager continues to balance the portfolio risk and return profile to deliver for our investors.