Perpetual Private

Fund Profile - 31 March 2026

Implemented Real Estate Portfolio

Fund facts

APIR code	PER0712AU
Inception date	9 December 2013
Asset class	Australian & Global Property Securities
Investment style	Multi Manager Blend
Benchmark	Real Estate Composite Benchmark#
Suggested length of investment	5 years or more
Unit pricing frequency	Daily
Distribution frequency	Quarterly
Legal type	Unit Trust
Product type	Wholesale Managed Investment Scheme
Status	Open
Management fee*	0.70%
Buy/Sell spread	0.24% / 0.00% as at September 2025
Issuer	Perpetual Investment Management Limited

*Additional fees and costs generally apply. Please refer to the Product Disclosure Statement for further details.

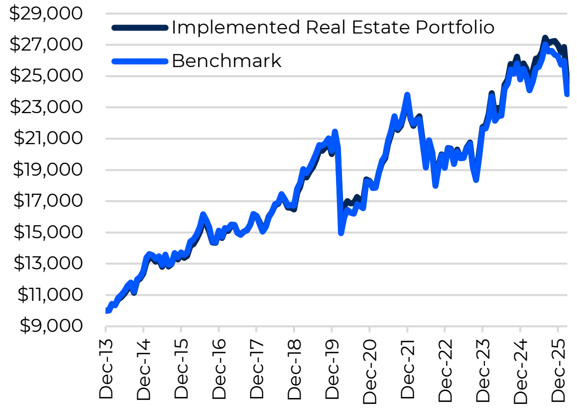
Investment objective

To provide investors with income and long-term capital growth through investment in a diversified portfolio of Australian and international real estate investment trusts, aiming to outperform the stated benchmark over rolling three-year periods.

Benefits

Provides investors with the potential for maximising income and capital growth, with broad market exposure.

Growth of $10,000 since inception



Source: State Street. Performance shown is net of all fees and transaction costs. Past performance is not indicative of future performance.

Net performance

As at March 2026

Returns	1M	3M	1YR	3YR	5YR	S/I*
Total return	-8.5%	-8.9%	-0.2%	8.0%	5.5%	7.7%
Growth return	-8.9%	-9.3%	-8.3%	3.3%	1.0%	4.3%
Distribution return	0.5%	0.5%	8.2%	4.7%	4.5%	3.4%
Benchmark	-8.2%	-9.2%	-1.1%	7.2%	4.8%	7.5%
Excess Return	-0.2%	0.3%	0.9%	0.9%	0.7%	0.3%

Source: State Street. Performance shown is net of all fees and transaction costs. Past performance is not indicative of future performance. *Since Inception.

Top 10 stock holdings

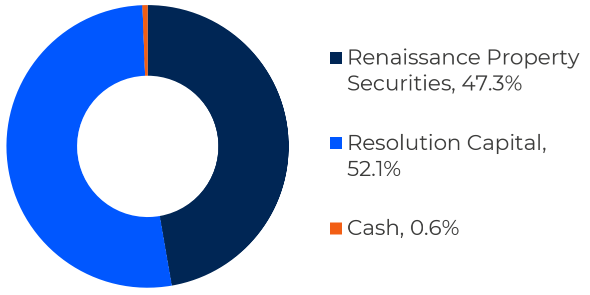
As at March 2026

Stock	Weight	Country
Goodman Group	16.6%	Australia
Scentre Group	5.6%	Australia
Welltower Inc.	4.9%	United States
Equinix	4.3%	United States
Unibail-Rodamco-Westfield	4.1%	France
Stockland	3.6%	Australia
Charter Hall Group	3.1%	Australia
Dexus Group	2.8%	Australia
Federal Realty	2.7%	United States
Simon Property Group	2.5%	United States
Total Top 10 Holdings %	**50.1%**	

Source(s): State Street, FactSet.

Portfolio exposure by manager

As at March 2026



Source(s): State Street, FactSet.

Investment approach

A multi-manager framework is utilised, where specialist investment managers are selected to form a diverse and complementary mix of investment strategies and styles. This can help reduce volatility by avoiding over exposure to a particular specialist investment manager. Derivatives may be used in managing the portfolio.

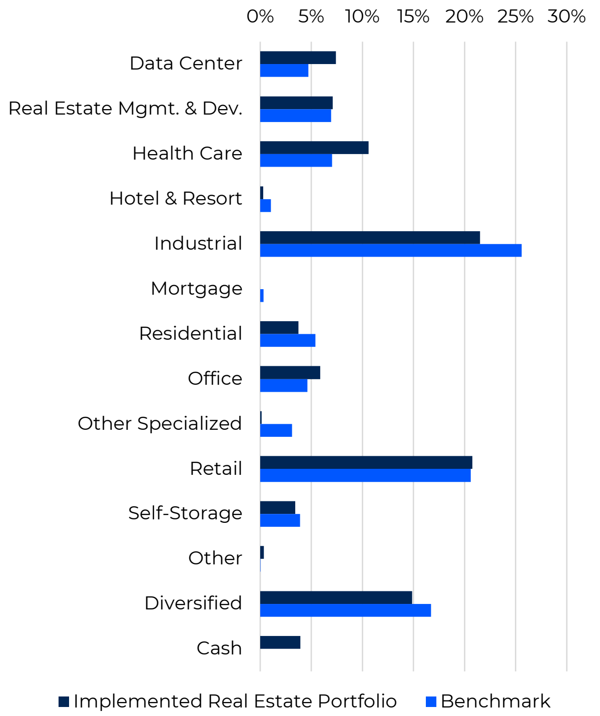
Investment strategy

The strategy is biased towards utilising managers who are fundamental bottom-up stock pickers, have a repeatable investment process, operate within an appropriate risk management framework, and operate in an aligned and stable organisational structure. We believe these factors best deliver a stable outcome of returns within a multi-manager framework.

The Implemented Real Estate Portfolio uses two broad market managers that respectively invest across the entire market capitalisation spectrum of the domestic and global Real Estate Investment Trust (REIT) markets. That includes large, mid and small REITs by market capitalisation.

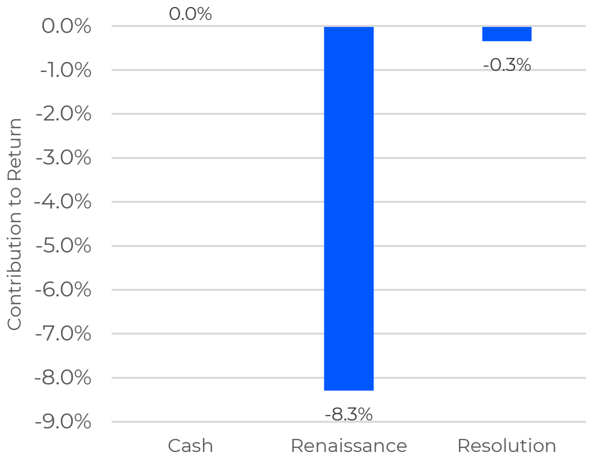
The portfolio managed by the domestic REIT manager will tend to be diversified in nature as it relates to the domestic benchmark and typically hold anywhere between 15-25 Australian REITs. The portfolio managed by the global REIT manager will typically be concentrated in nature as it relates to the global benchmark, holding anywhere between 30-50 global REITs. This allows for the Implemented Real Estate Portfolio to access the managers' high conviction stock picking decisions across what is a broader global REIT universe when compared to the domestic REIT universe. The portfolio blends the above-mentioned managers, targeting managers who have a long term and consistent track record, are expected to continue to deliver on this track record, and whose investment styles complement each other well. Consistency of return profiles are of paramount importance such that we can comfortably blend managers who we believe will continue to complement each other well. The end result is the creation of a portfolio that aims to have an overall volatility below that of the composite benchmark.

Sector exposures
As at March 2026



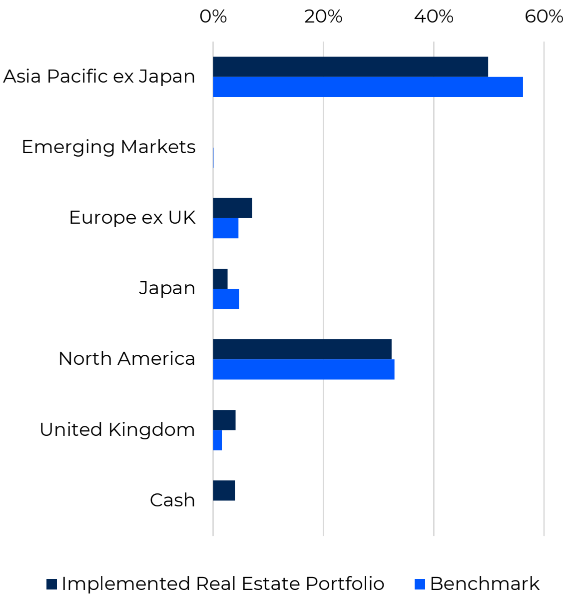
Source(s): State Street, FactSet.

Contribution by manager
Quarter to March 2026



Source(s): State Street, FactSet.

Region Exposures
As at March 2026



Source(s): State Street, FactSet.

Manager line-up and approach
As at March 2026

Manager	Approach
Renaissance Property Securities	Diversified A-REIT portfolio, fundamental bottom-up stock selection.
Resolution Capital	Concentrated G-REIT portfolio, fundamental bottom-up stock selection.

Market Commentary

The first quarter of 2026 proved challenging for listed real estate, as heightened macro uncertainty, persistent interest rate pressures, and sector-specific headwinds weighed on returns across most regions. In Australia, A-REITs endured a particularly difficult period, with the S&P/ASX 300 A-REIT index declining 16.4%[1] for the three months to 31 March 2026. This sharp pullback eroded what had been a strong prior year, bringing the 12-month return to -1.9%. The RBA's hawkish pivot was a key driver of domestic underperformance. Having been one of the first major central banks to move from rate cuts back to rate hikes following the post-COVID inflation spike, the RBA raised the cash rate unanimously in February from 3.60% to 3.85% in response to a pick-up in underlying inflation in the second half of 2025. A second increase followed in March, this time via a narrow 5:4 decision, lifting the cash rate to 4.10%. The Board flagged that the Middle East conflict and rising fuel prices posed additional near-term inflationary risks, prompting futures markets to price in a further two to three rate increases by year end and creating a materially more restrictive backdrop for rate-sensitive property valuations. Index performance was further amplified by the outsized weight of Goodman Group, which represents over 40% of the benchmark and declined 17.6% over the quarter.

Globally, listed real estate fared better in relative terms, with the FTSE EPRA Nareit Global Index declining 2.1%[2] in AUD terms over the quarter, though performance varied sharply by region. Hong Kong was the standout, rising 11.3%[3] over the quarter as improving economic sentiment across both Hong Kong and mainland China drove a meaningful re-rating. Japan declined 5.4%[4] over the period, a modest pullback given supportive domestic policy setting, contained inflation, and a recovering consumer backdrop that continues to underpin Japanese real estate fundamentals. Germany extended its difficult run, falling 14.3%[5] for the quarter as elevated geopolitical uncertainty compounded existing pressures from trade disruption, higher energy costs, and subdued industrial activity. The broader European region was not spared, with the Europe index declining 9.0%[6] over the period as weaker growth expectations and inflation uncertainty weighed on sentiment. In contrast, the US REIT market was a relative bright spot, increasing 1.8%[7] in AUD terms for the quarter. Performance leadership was concentrated in sectors where fundamentals remain resilient or improving, including data centres, senior housing, self-storage, and retail shopping centres. These gains offset continued weakness in apartments, single-family rentals, and office REITs, where investors remained cautious amid supply overhangs, slower rent growth, and longer-term demand uncertainty.

Portfolio Commentary

The Perpetual Implemented Real Estate Portfolio outperformed its benchmark over the March quarter.

Resolution Capital, the portfolio's sole exposure to Global REITs, outperformed its benchmark over the quarter, net of fees. From a regional perspective, being overweight the UK and underweight the US was a detractor, whereas sector allocation and stock selection were both positive contributors. Key stock contributors were their data centre exposure via Equinix (+28%), and some of their Asian property development companies, with Hong Kong based Sun Hung Kai Properties (+37%) and Japan based Sumitomo Realty & Development (+12%).

Renaissance Asset Management, the portfolio's sole exposure to Australian REITs, marginally underperformed its benchmark over the quarter, net of fees. While their sector positioning was additive to returns, this was offset by stock selection to deliver a broadly neutral return relative to benchmark. It was a tougher period for the fund manager exposures within the Diversified REITs segment, with Renaissance holding marginal overweights to Stockland, Charter Hall, Centuria and Aspen, which were

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[1] As measured by the S&P/ASX 300 A-REIT index
[2] As measured by the FTSE EPRA Nareit Global index in AUD hedged terms
[3] As measured by the FTSE EPRA Nareit Hong Kong index in AUD unhedged terms
[4] As measured by the FTSE EPRA Nareit Japan index in AUD unhedged terms
[5] As measured by the FTSE EPRA Nareit Germany index in AUD unheeded terms
[6] As measured by the FTSE EPRA Nareit Europe index in AUD unhedged terms
[7] As measured by the FTSE EPRA Nareit USA index in AUD unhedged terms

all down over 20%. Another key detractor was their position in Digico Infrastructure REIT, which fell 37% following an earnings miss and some leadership concerns.

There were no manager additions or terminations to the Implemented Real Estate Portfolio during the quarter. We remain comfortable with our manager selection.

Manager Insights and Outlook

Heading into the March quarter, we were already conscious that REIT markets had become increasingly volatile, driven by unstable and generally higher interest rate expectations. While underlying real estate fundamentals remained broadly supportive, our positioning was deliberately risk-aware, reflecting concerns around further monetary tightening, potential slowing in economic momentum, and a fragile geopolitical backdrop. Over the quarter, events unfolded largely as anticipated but were materially amplified by the US-Israeli strikes on Iran and the subsequent closure of the Strait of Hormuz. Developments that reignited inflation concerns and placed renewed upward pressure on global interest rate expectations. This broadly validated our more cautious stance entering the period.

Locally, the sharp tightening in domestic monetary policy weighed heavily on A-REIT valuations and sentiment, with the RBA's cumulative 50 basis points of hikes across February and March - and markets pricing further increases - creating a materially more restrictive backdrop for rate-sensitive property assets. Performance was further dragged by weakness in Goodman Group, which despite solid underlying fundamentals de-rated as sentiment toward AI-exposed and data centre-related earnings softened. Against this backdrop, our A-REITs manager took a disciplined approach to capitalising on market dislocations, selectively adding to higher-quality exposures at improved valuations, including reducing an underweight in Goodman as multiples compressed versus historical levels, and initiating a position in DigiCo Infrastructure REIT following what was assessed as an indiscriminate sell-off rather than a fundamental deterioration. Global REITs proved more resilient, as discounted starting valuations and demand for stable, cash-generative assets drove resilience amid broader equity volatility. Our G-REITs manager faced a headwind from being underweight the stronger-performing US region. Despite this drag, strong stock selection more than offset the regional positioning. Our aggregate portfolio held a modestly higher allocation to G-REITs and residual cash holdings, which was additive. G-REITs contributed the majority of alpha and were the primary driver of overall portfolio outperformance for the quarter.

Looking ahead, the outlook for both A-REITs and G-REITs appears more balanced. While elevated interest rates and geopolitical uncertainty remain near-term headwinds, fundamentals are increasingly supportive of medium-term return potential. For A-REITs, key themes will centre on the peak in domestic rate expectations, the timing of an RBA policy pivot and ongoing valuation recovery as borrowing costs stabilise, alongside continued divergence between structurally supported sectors, such as industrial, infrastructure and selected retail, and more cyclical exposures like office. Globally, G-REITs appear better positioned, underpinned by attractive starting valuations, constrained supply pipelines and ongoing rental growth across data centres, logistics, senior housing and residential assets. Across both markets, returns are likely to be increasingly selective, with balance-sheet strength, cashflow durability and exposure to structural demand drivers shaping outcomes as volatility gives way to a more earnings-driven phase for listed real estate.

More information

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#The Real Estate Composite benchmark consists of 50% S&P/ASX 300 A-REIT Accumulation Index & 50% FTSE EPRA/NAREIT Developed Index – Net Return (Unhedged in AUD), reflecting the portfolio's investment strategy.

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