

Pro-D High Growth Fund

Fund Update
31 March 2026

The Pro-D High Growth Fund is a cost-effective and diversified investment solution with a strategic asset allocation of 95% Growth assets and 5% Defensive assets. Combining the expertise of Delta Portfolios (Previously Farrelly Research & Management) and Australian Unity, the Fund seeks to improve the tax-effectiveness of returns by investing across a range of active and indexed investment strategies. The Fund aims to deliver post-fee returns in excess of inflation plus 4.25% per annum over rolling five-year periods.

Performance as at 31 March 2026

	1 mth %	3 mths %	1 yr %	3 yrs % p.a.	5 yrs % p.a.	7 yrs % p.a.	10 yrs % p.a.	Since inception % p.a.
Distribution return	0.00	0.00	30.21	14.20	11.82	9.66	9.83	8.82
Growth return	(5.08)	(1.93)	(20.14)	(3.45)	(3.53)	(1.12)	(0.59)	0.25
Fund total return	(5.08)	(1.93)	10.07	10.75	8.29	8.54	9.24	9.07
Target return	0.53	1.61	7.53	7.34	8.52	7.88	7.54	7.37
Excess return	(5.61)	(3.54)	2.54	3.41	(0.23)	0.66	1.70	1.70

Returns are calculated after fees and expenses and assume the reinvestment of distributions.

The target return objective is the Consumer Price Index, all groups, weighted average of 8 capital cities plus 5% p.a., until 31 March 2020 and 4.25% p.a. from 1 April 2020, and is an estimate only. It is based on the most recently released quarterly data from the Australian Bureau of Statistics, which typically lags by up to three months. No guarantee or assurance is provided as to the achievement of this target. Past performance is not a reliable indicator of future performance. Inception date for performance calculations is 31 December 2012.

Fund returns

Share markets fell sharply during March. The ASX300 declined (-7.3%), A-REITs fell (-11.2%) and small caps declined (-11.0%). Currency-hedged global shares lost (-5.8%) while unhedged global shares lost (-2.5%), aided by the weaker AUD vs the US dollar and other key peers. The Australian 10-year bond yield rose 32 basis points, resulting in a loss of (-1.4%) for the Australian bond index.

In Australia, the RBA delivered a second consecutive hike, raising the cash rate by 0.25% to 4.10%. Australia's February YoY inflation print reduced slightly to 3.7% while unemployment increased to 4.3%. In the US, the Federal Reserve kept rates on hold and the February US YoY inflation print remained steady while the unemployment rate ticked modestly higher to 4.4%. In Europe, the ECB held its main refinancing rate steady while the February YoY inflation print increased to 1.9% and the unemployment rate held at 6.2%.

The month was dominated by geopolitical events as the US and Israel launched joint strikes on Iranian targets (key leadership and military infrastructure) and Iran retaliated with missile strikes against US bases in the Middle East and civilian targets in both Israel and neighbouring Middle Eastern nations. Iran blocked access to the Strait of Hormuz for most crude oil ships and threatened to destroy oil and other infrastructure assets in neighbouring nations. Crude oil prices surged over \$100 USD per barrel and concerns mounted regarding global oil shortages and the flow-on impacts to economic growth and inflation.

Against this backdrop, the Fund fell (-5.1%) for the month. The Fund's share and duration-sensitive bond exposures declined while its healthcare direct property, mortgage and cash holdings saw gains. The Fund's one-year return sits at 10.1%, reflecting robust returns on most growth asset holdings.

The Fund's return since inception is comfortably above its objective (currently inflation + 4.25% pa), reflecting strong market and manager

returns for much of the Fund's history, albeit impacted by COVID's emergence in 2020, the share and bond market losses in calendar 2022, and more recently the sharp market volatility associated with the March 2026 escalation of the Iran conflict and accompanying oil-price shock. Over the past five years, international shares have delivered double-digit returns.

Fund portfolio management

The Fund trimmed its mortgage allocation modestly.

Australian shares – The Fund expects to achieve a modest return premium versus risk-free assets over the medium-to-long term, bolstered by franking credits. The Fund is positioned somewhat underweight Australian shares and holds a blend of underlying managers that provide diversification across company size, industry exposure and investment styles, to improve the consistency of returns.

International shares – In many markets, the pace of share price gains has outpaced profit growth, reducing our expectation for future returns. Most global share markets appear either fully valued or expensive and U.S. equity valuations are of particular concern (driven by elevated valuations in the largest technology-focused companies). The Fund is broadly underweight international shares in aggregate and significantly underweight U.S. equities.

Real assets – We believe real assets offer solid prospective returns for the risk being undertaken and hold a corresponding overweight position, with a preference toward global listed property and global listed infrastructure, relative to domestic holdings.

Defensive assets – Credit spreads offer adequate but not outstanding compensation for the risk being assumed. Accordingly, the Fund holds moderate exposures to domestic and international credit managers.

Outlook

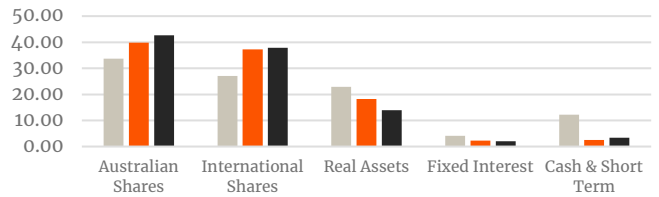
Investors remain focused on policy shifts under President Trump's second term, including sweeping tariffs and increasingly unorthodox geopolitical manoeuvres. The recent escalation of the conflict involving Iran raises the risk of a prolonged energy price shock, reinforcing upside risks to inflation and the prospect of broad market volatility. In recent years, U.S. equity markets have been largely driven by a narrow group of tech and AI companies, where valuations appear stretched and sentiment is split between productivity optimism and concerns about speculative excess. Global markets no longer anticipate significant rate cuts and the path to further monetary easing is becoming increasingly uncertain.

Fund snapshot

APIR code	AUS0064AU
Funds under management	\$11.08m
Distribution frequency	Half yearly
Minimum initial investment	\$5,000
Entry/exit fee	Nil
Management fee*	0.75%
Buy/Sell spread	0.10%/0.10%
Advice fee	Available

*Refer to the Fund's Product Disclosure Statement for more details on the Fund's management costs which also include recoverable expenses and indirect costs. Total management costs may vary.

Asset allocation over time



■ Current Allocation ■ Allocation 1 year ago ■ Allocation 2 years ago

Manager allocation

Fund Manager	Range %	Approach	100%
Growth	0-80		83.71
Australian Shares	0-80		33.75
iShares		Index	20.82
Platypus		Large/Mid Growth	3.42
Vanguard		Value/High Yield	3.34
Investors Mutual		Small Caps	3.15
Lennox		Small Caps	3.02
International Shares	0-80		27.11
iShares		Index Global	7.95
Vanguard		Index excl. USA Unhedged	6.59
iShares		Index Japan Unhedged	3.29
Vanguard		Index Europe Unhedged	3.26
Antipodes		Concentrated	2.50
State Street		Value / Quality	2.48
iShares		Index USA Unhedged	1.04
Real Assets	0-80		22.85
iShares		Index Global Infra	10.62
Australian Unity		Healthcare Property	7.65
iShares		Index Global Property	4.58
Defensive	20-100		16.29
Fixed Interest	0-100		4.11
Australian Unity		Mortgages	1.76
PIMCO		Global Non-Govt IG	1.03
Barings		Global Non-Govt IG	0.79
Australian Ethical		Enhanced Cash	0.53
Cash & Short Term	0-100		12.18
Australian Ethical and Australian Unity		Cash & Receivables	12.18

Contact us

australianunity.com.au/wealth/
australianunitywealth@unitregistry.com.au

Investor Services
 T 1300 997 774

Adviser Services
 T 1300 997 774

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