

Specialist Australian Small Companies Fund

On-platform Class A
Quarterly Update for 31 March 2026



Description

The Fund primarily invests in small companies listed on the Australian Securities Exchange (ASX). Small companies are considered to be those outside the top 100 companies, by market value. The Fund may be invested in unlisted companies that are believed to be likely to be listed in the next 12 months on the ASX. The Fund may also invest up to 10% in cash. However, in certain market conditions the Fund may hold higher levels of cash.

Investment Objective

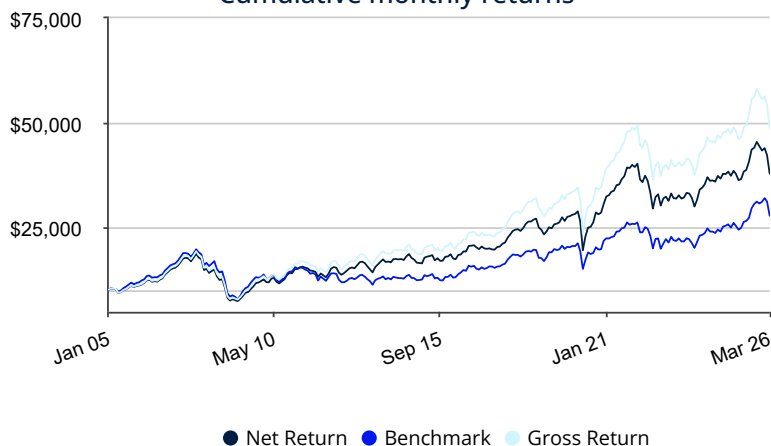
The Fund aims to provide total returns (income and capital growth) after costs and before tax, above the S&P/ASX Small Ordinaries Accumulation Index on a rolling 3 year basis. The Fund may be suitable for investors who are seeking capital growth through exposure to a portfolio of Australian small companies. Due to the inherent volatility of share prices of listed companies, and particularly the share prices of small company shares, investment returns will fluctuate. The Fund aims to pay distributions half-yearly. You should be aware that although the Fund aims to pay distributions, the amount of each distribution may vary, or no distribution may be payable in a distribution period.

Key Information

APIR code	AMP0973AU
Manager name	AMP Investments (National Mutual Funds Management Ltd)
Portfolio managers	Trent Loi Senior Portfolio Manager
Inception date	10 January 2005
Distribution frequency	Half-yearly
Minimum investment horizon	7 years
Investment management fee	1.13% pa
Total indirect costs	0.05% pa
Performance fee	0.36% pa
Buy/Sell spread	0.20% / 0.20%
Risk level (1-7)	7. Very High
Total fund size (millions)	\$139.1m

Refer to the current PDS or other offer document for the relevant Fund available at amp.com.au/investments for the latest ongoing annual fees and costs.

Growth of \$10,000 invested Cumulative monthly returns



Performance Summary (%)

	3m	6m	1yr	3yr*	5yr*	10yr*	SI*
Gross Return	-12.61	-13.67	5.34	7.09	3.43	8.71	7.73
Net Return	-12.85	-14.14	4.26	5.89	2.29	7.50	6.46
Benchmark	-10.87	-9.26	13.65	8.50	3.99	7.29	4.92
Excess Return (Net)	-1.98	-4.88	-9.39	-2.61	-1.70	0.21	1.54

*Performance for periods greater than one year is annualised

Net returns are calculated before tax and after all fees and costs, with all distributions reinvested. Past performance is not a reliable indicator of future performance. For further details, please refer to the 'What you need to know' section below.

Global Industry Classification Standard

Asset Class	Actual Allocation (%)
Materials	17.7
Consumer Discretionary	15.8
Industrials	13.7
Energy	12.3
Financials	11.4
Cash	7.1
Real Estate	6.9
Information Technology	6.8
Communication Services	5.1
Health Care	2.3
Consumer Staples	0.8

Note: Asset Allocation may not add up to 100% due to rounding.

Top 10 Holdings

	Weight (%)
Supply Network Ltd	4.1
Dalrymple Bay Infrastructure L	3.5
New Hope Corp Ltd	3.4
Codan Ltd	2.6
Region Group	2.6
Breville Group Ltd	2.5
Karoon Energy Ltd	2.3
Fletcher Building Ltd	2.3
Viva Energy Group Ltd	2.2
Bellevue Gold Ltd	2.2

Fund Commentary

The Fund produced a negative return in the March quarter as well as underperforming the benchmark, as underlying managers suffered amid market weakness.

Australian shares fell overall over the March quarter, with smaller companies underperforming their larger counterparts in particular during the latter part of the quarter. The pullback was driven by fears of economic fallout from the Iran war, such as a growing domestic fuel shortage, combined with already-elevated inflation and two additional hikes to the cash rate by the RBA over the period. February corporate earnings season reports were generally positive, with a strong rise in mining and bank profits, though significant falls were reported in energy sector profits. Regarding sector returns, energy was the clear standout, surging higher along with commodity prices due to the conflict in the Middle East. This was reflected in Fund returns where energy holdings such as Karoon Energy and Horizon Oil added value, whereas positions in such companies as Zip Co and Life360 detracted on company-specific news and as technology stocks generally sold off (respectively).

Looking ahead, despite pessimistic sentiment related to war in the Middle East, resilience in Australian corporate earnings and moderate economic growth leads us to believe the backdrop for Australian shares remains reasonable. Broader domestic issues however remain such as cost of living, housing affordability, immigration, energy usage and an apparent lack of political will for significant structural reforms. Inflation and a hawkish RBA are near-term headwinds, not helped by high petrol prices. Higher commodity prices in general, however, are likely to significantly increase profits for resource companies and improve our national terms of trade. Over on the longer-term, the stability of Australian earnings and dividends, and their ability to generate a growing, tax effective income stream, should underpin Australian shares, with volatility being a natural part of the journey.

We're here to support you

If you have any questions about this update, please contact your Account Manager (if you are an adviser) or our Investor Services team via email at ampinvestments@amp.com.au or on 133 267, Monday to Friday between 8.30am and 5.30pm (Sydney time).

What you need to know

This document is issued by National Mutual Funds Management Ltd (ABN 32 006 787 720, AFSL 234 652) and provides general information only, without taking account of any particular investor's objectives, financial situation or needs. Investors should consider the information in light of their own circumstances and seek professional financial advice before making investment decisions. ipac Asset Management Limited (ABN 22 003 257 225, AFSL 234 655) is the responsible entity of the fund(s) and the issuer of units and Product Disclosure Statements (PDSs). Investors must obtain and consider the current PDS for the relevant fund (available at amp.com.au/investments-pds) and read the target market determination (TMD) at amp.com.au/investments-tmd before investing.

All reasonable care has been taken in preparing this document; however, NMFM and IAML make no representation or warranty as to the accuracy or completeness of the information. Any forward-looking statements (including forecasts) are based on assumptions and are subject to change without notice. Actual results may differ from forecasts. Neither IAML, NMFM nor any other company in the AMP Group guarantees the performance of any fund, the repayment of capital, or any particular rate of return.