

Ironbark Paladin Property Securities Fund

Quarterly Report / As at 31 March 2026

Fund facts

Objective: Seeks to outperform its Benchmark, after fees, over rolling three-year periods.
Benchmark: S&P/ASX 300 A-REIT Accumulation Index
APIR: PAL0002AU
ARSN: 087 897 667
Inception date: 28 February 1995
Fund size: \$179.9m
Exit price: \$1.1812

Net performance (%)

	1 month	3 months	1 year	3 years (p.a.)	5 years (p.a.)	7 years (p.a.)	10 years (p.a.)	Since inception (p.a.)
Fund	-10.81	-14.57	-1.77	7.48	4.33	3.95	5.85	7.28
Benchmark ¹	-11.16	-16.42	-1.90	7.91	5.18	3.65	5.57	7.53
Active	0.35	1.85	0.13	-0.43	-0.85	0.30	0.28	-0.25

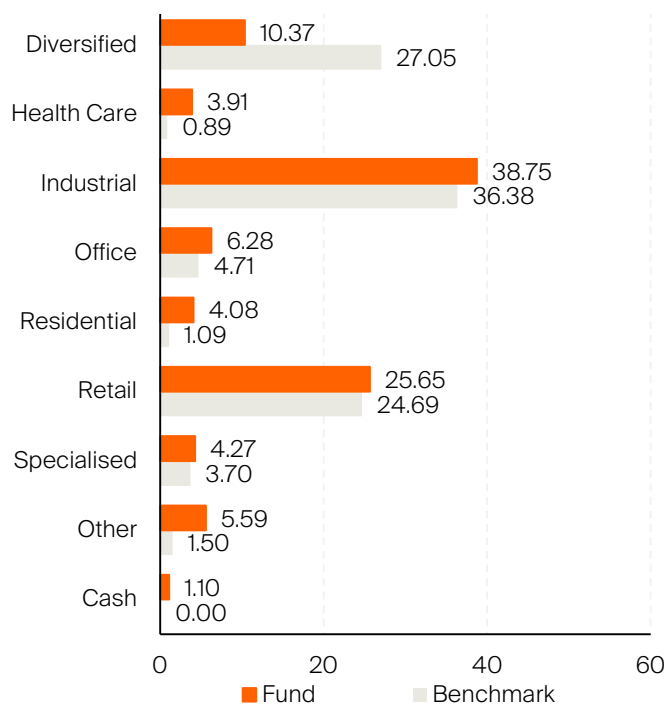
Top 5 holdings¹

Stock	Fund	Benchmark
Goodman Group	38.75	34.97
Scentre Group	14.46	11.60
Vicinity Centres	8.65	6.13
Dexus	6.28	4.26
Mirvac Group	5.49	4.68
Other	25.27	38.36
Cash	1.10	0.00

¹ Totals may not equal due to rounding.

Past performance is not indicative of future performance. Net performance figures are calculated using exit prices, net of fees and reflect the annual reinvestment of distribution. Returns are rounded to two decimal places. Slight variations to actual calculations may occur. Significant investor activity can impact performance returns in a fund or of a class of a fund.

Sector asset allocation (%)²



² Totals may not equal due to rounding.

Investment manager commentary

Market review

The S&P/ASX 300 Property Accumulation Index returned -16.4% for the quarter (in local currency terms), underperforming the broader equity market (as measured by the S&P ASX 300 Index which returned -1.7%).

Australian equities were resilient through much of the quarter, supported early by strength in materials and broader outperformance from value and real-economy sectors as global style rotation favoured Australia's resource-heavy market; however, that strength reversed sharply in March as the Middle East energy shock triggered a broad risk-off sell-off and renewed rate fears, with energy the main relative bright spot.

Property stocks struggled throughout the quarter, pressured first by rising bond yields and firmer RBA expectations, then by ongoing central bank uncertainty through earnings season, and finally by a sharp March derating as higher yields, macro uncertainty and concerns over the cash rate path hit rate-sensitive REITs hardest especially office, fund managers and residential-linked names while more defensive property exposures held up relatively better.

Performance review

The Ironbark Paladin Property Securities Fund (the 'Fund') returned -14.57% net for the quarter, an outperformance of 1.85% when compared to the S&P/ASX 300 Property Accumulation Index's return of -16.42%.

Holdings that were major contributors to performance include the average overweight to outperforming Centurion Accommodation REIT, and the average underweights to underperforming Stockland and Charter Hall Group. The major detractors from performance were the average underweight position to outperforming Region Group and Charter Hall Retail REIT, along with the average overweight position to underperforming Scentre Group.

Key contributors over the quarter (%)

Stock	ASX Code	Index Return	Average weight	Attribution Impact	Explanation
Stockland	SGP	-24.78	1.83	0.50	Following a strong performance in 2025, Stockland underperformed over the first quarter of 2026. This was likely driven by an element of reversion, a strong second half weighting flagged at their first half of 2026 results and two recent rate rise weighing on residential developers more than the index overall.
Centurion Accommodation REIT³	CAREIT	-4.67	1.95	0.36	Since listing, the REIT has performed strongly: units were recently trading at around SGD\$1.10 on 8 April 2026, implying roughly 25% capital appreciation from IPO, and it has performed relatively defensively through the first quarter of 2026.
Charter Hall Group	CHC	-23.80	1.60	0.30	High beta, high growth names, including CHC, underperformed over the first quarter, given the impact of two interest rate increases and long bond yields moving higher.
Unibail-Rodamco-Westfield	URW	-5.16	1.56	0.27	Unibail-Rodamco is an international name the investment manager held through first quarter, which traded quite defensively through a period of heightened volatility, higher rates and higher bond yields, which saw the AREITs sold down more aggressively.
Vicinity Centres	VCX	-6.30	8.09	0.23	Vicinity performed defensively through first quarter and outperformed the benchmark. Lower relative gearing and strong operating fundamentals saw the market prefer this name.

³ Denotes off benchmark position, portfolio return shown

Key detractors over the quarter (%)

Stock	ASX Code	Index Return	Average weight	Attribution Impact	Explanation
Region Group	RGN	-3.40	-	-0.19	Region Group outperformed during first quarter, given its supermarket anchored neighbourhood retail exposure. Higher inflation going forward may challenge their operating margins, given the lower relative cost recovery rebates vs. convenience retail peers.
Scentre Group	SCG	-19.07	16.35	-0.15	Scentre Group underperformed the index during first quarter. The investment manager puts this down to it having higher gearing than the AREIT sector on average, and a slightly lower earnings guidance than the market expected for the 2026 calendar year (at least 4% growth).
Charter Hall Retail REIT	CQR	-4.82	-	-0.13	Charter Hall Retail outperformed the index over the first quarter, as defensive neighbourhood retail names were preferred over some of the higher beta names, given the increased market volatility and higher rates.
Waypoint REIT	WPR	-6.19	-	-0.09	Waypoint REIT outperformed the index over the first quarter, as net lease names were preferred over some of the higher beta names, given the increased market volatility and higher rates.
Qualitas Real Estate Income	QRI	-2.05	-	-0.08	Qualitas Real Estate Income Fund outperformed the index over the first quarter, as a mortgage REIT a were preferred over some of the higher beta names, given the increased market volatility and higher rates.

Market outlook

2026 is a year to focus on income as valuation multiples in rate-sensitive names could wobble. Many economists see a mixed interest rate outlook with rates expected to rise by 0.50% by August 2026. This will dampen cap rate outlook and financing costs. Whilst AREITs typically have a minimum of 50% hedging reducing impact, refinancing windows bear monitoring, especially when low in place interest rate debt is expiring. The investment manager prefers names with 70–90% hedge ratios and staggered maturities to cushion earnings. Across retail, industrial, and residential, low new supply against population growth remains the engine of rent growth and income resilience.

Retail

Retail remains one of the healthiest subsectors heading into 2026, supported by population growth, increased household wealth following the 2025 rise in house prices, and limited new supply. Operational metrics continue to indicate strong landlord pricing power and persistently low vacancy rates.

Residential

House prices are expected to remain elevated; however, affordability constraints will dampen transaction volumes. The investment manager sees land-lease communities as the most attractive way to capture the current residential upcycle, driven by baby boomer downsizers and tight supply conditions.

Industrial

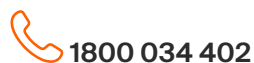
Industrial values should be underpinned by constrained supply, with rental growth anticipated to resume. In 2025, higher vacancy and a more conservative tenant market weakened effective rents (face rents held while incentives increased). Industrial supply fell by 20% in 2025 and is forecast to decline further in 2026. This tightening pipeline should stabilise prime vacancy and support rental growth. While global trade dynamics remain a risk, domestic-facing logistics demand offers stability.

Office

The office sector continues to face structural challenges. Shifts in work patterns and backfill risk in non-prime assets remain a drag, so the investment manager maintains a focus on core, well-let properties. Recovery is uneven, with Sydney and Brisbane showing firmer trends, while Melbourne remains challenged. The investment manager expects stabilisation rather than a sharp rebound.

Data Centres

Australia's data centre market is entering a transformative phase, characterised by an increase in mega-campus developments and strategic partnerships. The sector is maturing, with global capital inflows and more sophisticated financing structures driving scale. In 2026, the investment manager anticipates consolidation and accelerated growth, underpinned by AI and hyperscale workloads. Whilst macro drivers and sector preferences are a part of the Fund's positioning, the investment manager is mainly driven by stock level relative value and upside opportunities. The portfolio is positioned in REITs with high quality balance sheets, experienced management teams and high-quality assets.



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