Key Features

Name	Alpha Balanced Fund
APIR Code	ETL4308AU
Inception Date	30 December 2021
Perf Benchmark	Morningstar AUS Balanced Tgt Alloc NR $A
Peer Group	Australia Fund Multisector Balanced
Mgmt Costs	0.74% p.a.
Buy/sell Spread	0.20% / 0.20%
Platforms	PlatformplusWRAP
Fund Size	$12.1m

Monthly Commentary

The Alpha Balanced Fund delivered a return of 1.42% versus the Morningstar Target Return Balanced Index of 2.20%. The relative performance reflected defensive positioning as risk appetite returned to markets.

Markets continued to push higher in May despite a more fragile macroeconomic backdrop. US shares again led global markets, supported by exceptionally strong AI-driven earnings from large technology companies, while Australian shares delivered modest gains. Bond markets also recovered, with Australian fixed income returning +1.6%. Oil remained the key macro variable. Although oil prices have eased over the past two months, they remain high enough to keep inflation and supply-chain risks elevated, particularly while the ceasefire between Iran and the US remains fragile and the Strait of Hormuz remains closed. A prolonged disruption would represent a genuine global supply shock and could quickly shift market focus from AI earnings momentum to stagflation risk.

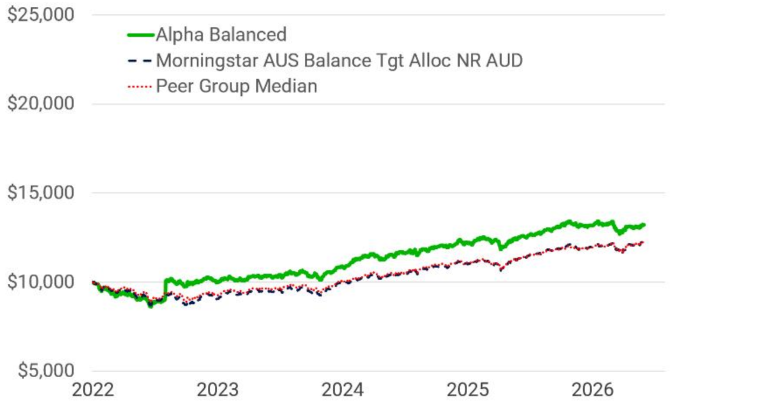
The main positive contributors during May were Australian resources companies, including BHP, Rio Tinto and South32. Semiconductor companies also contributed strongly, with holdings in Murata Manufacturing, Lam Research, TSMC, NVIDIA and ASML adding value. However, technology was a relative detractor versus the broader market because the Fund remained underweight semiconductors. Fixed income also contributed.

The main detractors were Energy Infrastructure holdings, including Cheniere Energy and Williams Companies, which fell as oil prices declined despite ongoing Middle East tensions. CSL also detracted following another disappointing market update, while some Australian technology positions, including REA and WiseTech, lagged. The decision to reduce currency hedging was positive, as the Australian dollar softened over the month.

Overall, markets remain supported by AI earnings strength, but risks around geopolitics, inflation, interest rates and credit stress have increased. We remain more defensively positioned given the risks. Recent portfolio activity included buying some more attractively valued large cap names (CBA, Alphabet, Microsoft, Meta Platforms and NVIDIA), trimming BHP after recent gains, and exiting Indian bank ICICI Bank and Healthcare giant GSK.

Your financial adviser will take the time to discuss this report with you and answer any questions you may have.

Performance



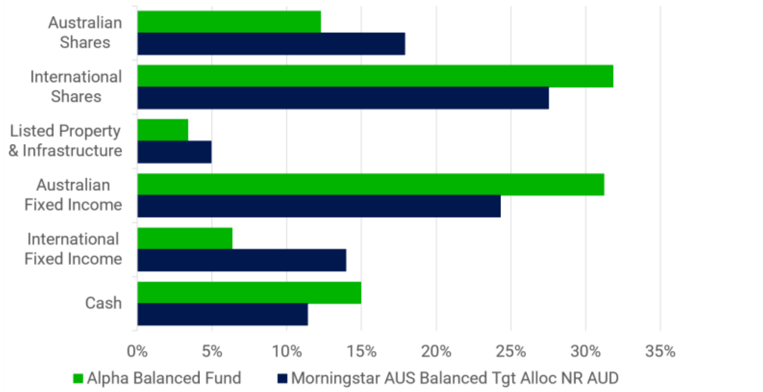
Performance	1mth	3mth	1yr	2yr	3yr	Inc
Alpha Balanced	1.42%	-1.34%	5.63%	7.52%	8.51%	6.52%
Perf Benchmark	2.20%	1.14%	8.60%	9.28%	9.19%	4.83%
Peer Median	1.94%	0.71%	7.72%	8.49%	8.59%	4.77%

Disclaimer: Net performance figures are shown after all fees and expenses. Past performance is not an indicator of future performance. Returns for periods 1 year or greater are calculated on an annualised basis.

Peer Median: Morningstar Category: Australian Multisector – Balanced

Source: Morningstar Direct (to 31 May 2026)

Asset Class Exposures



Top 10 Holdings

Security	Ticker	Country	Weight
BHP Group	BHP	Australia	2.2%
Microsoft Corp	MSFT	United States	1.8%
Alphabet	GOOGL	United States	1.7%
Goodman Group	GMG	Australia	1.6%
Cheniere Energy	LNG	United States	1.3%
NVIDIA	NVDA	United States	1.3%
TSMC ADR	TSM	United States	1.2%
Westpac	WBC	Australia	1.1%
Williams Companies	WMB	United States	1.1%
National Australia Bank	NAB	Australia	1.0%

alphainvestmentmanagement.com.au

Alpha Investment Management Pty Ltd

AFS Licence 307379
ABN: 13 122 381 908