

Brandywine Global Opportunistic Equity Fund

PIE Fund

Fund Facts

Benchmark

MSCI All Country World Index in New Zealand Dollars

Issuer & Manager

FundRock NZ Limited

Delegated Investment Manager

Brandywine Global Investment Management as appointed by Franklin Templeton Australia Limited

Strategy

The Firm's Global Opportunistic Equity strategy is designed to utilize three of the Firm's areas of expertise: macroeconomic research, currency positioning, and stock selection. These proven capabilities represent a distinct competitive advantage for Global Opportunistic Equity versus other global equity managers, given Brandywine Global's long and successful track record of country and currency analysis dating back to 1995 and its experience conducting fundamental, value-oriented stock analysis since 1986.

The Global Opportunistic Equity strategy uses a differentiated process that combines top-down, macroeconomic country and currency research and rigorous, bottom-up fundamental analysis and stock selection to capture diversified sources of return. We believe taking this opportunistic approach at both the macro and security level gives us multiple ways to win. We have insights on countries' business cycles, which will not only enable us to narrow down the world to countries with tailwinds, but also help us identify attractive sectors within those countries.

The strategy seeks to earn a return (before fees and taxes) in excess of the Benchmark, the MSCI ACWI Index, Hedged to New Zealand Dollars, over rolling five-year periods.

What happened in the market?

Global shares rose in April 2026, as investors rotated back into risk assets following a fragile ceasefire in the Middle East and renewed enthusiasm for technology-led growth.

U.S. equities led the way in April, the advance was led by large-cap growth stocks, particularly in technology and communication services, as investor enthusiasm for artificial intelligence (AI) continued to shape market leadership.

Eurozone equities rose in April. The surge reflected relief from a US-Iran ceasefire and manufacturing activity tied to inventory restocking rather than genuine demand.

UK equities posted gains driven by a narrow group of sectors. Banks were a key area of strength, as they benefited from a still-supportive interest rate environment, resilient net interest margins and improved sentiment about credit quality.

Japanese equities rebounded after March's sharp correction, stock market movements were supported mainly by shifts in Middle East headlines.

Emerging markets rebounded sharply in April, more than offsetting March's losses following the fallout from the Middle Eastern conflict. The rebound was led by the technology orientated markets of Taiwan and Korea.

What happened in the Fund?

The Fund returned 2.44% (after fees) in April compared to the benchmark which returned 6.75% for the same period.

An underweight to the momentum factor detracted from performance as it reached a nearly unprecedented level in April.

An underweight to the technology sector was a source of underperformance. Semiconductor stocks up over 30% in a month. That happened once before – the month before the 2000 tech crash began.

An overweight in Financials contributed positively, led by our non-US bank holdings, including Itau Unibanco, BNP Paribas and DNB Bank.

What is the outlook?

Our favourite number is 65%, which is what the MSCI index holds in the most expensive market in the world, the United States. We have seen what one year, reversing just part of the highest valuation gap since the 1970s, could do for performance.

We continue to hold a meaningful underweight in the US and overweights in Europe, the UK, and select Emerging Markets. In addition to offering more attractive valuations, these regions are also benefiting from earlier and more decisive central bank policy support.

Momentum has returned to historically rare levels, increasing the likelihood of mean reversion in favour of valuation-driven strategies.

We remain underweight the Technology sector. We have been increasing our software weighting as this category of technology has been obliterated and currently our Technology sector weighting is at its highest in years.

Geopolitical risk elevated but we are staying the course with modest de-risking. The Iran conflict adds uncertainty, but base case remains a temporary shock; maintaining core themes while incrementally reducing risk.

Fund performance (%) as at 30 April 2026

	1 mth	3 mths	6 mths	1 yr	3 yrs p.a.
Fund (net)	2.44	-0.13	4.26	22.44	-
Benchmark	6.75	6.41	5.67	33.14	-

The performance in this fact sheet is net of fees. Investors should also refer to the quarterly Fund Update, which is available on www.fundrock.com/fundrock-new-zealand and www.business.govt.nz/disclose. Past performance is not indicative of future performance.

Key features of the Fund

High conviction

Brandywine Global's conviction levels drive the composition of the Fund, not a benchmark.

Active management

Allows investors to gain overweight exposure to countries that are likely to outperform and underweight exposure to those who are likely to underperform.

Multiple Ways to Win

Marry top-down macroeconomic observations with fundamental assessment of market dynamics and corporate Financials

Superior risk adjusted returns

Designed to capture market upside but aiming to avoid market downside, and to provide long term performance.

Meet the team

The Fund is led by an experience, long-tenured portfolio management team that includes:

James J. Clarke

Portfolio Manager & Director of Fundamental Equity Research, with firm since 1997

Sorin Roibu, CFA

Portfolio Manager & Research Analyst, with firm since 2014

Top Ten Holdings (%)

Baidu Inc.	3.70
BNP Paribas Sa	3.57
Alphabet Inc.	3.28
Aercap Holdings NV	3.08
Taiwan Semiconductor Manufacturing Co Ltd.	2.76
Constellation Software	2.58
Kimberly-Clark Corporation	2.57
Global Payments Inc.	2.23
Abercrombie & Fitch Co	2.23
Comcast Corporation	2.07

Sector Allocations (%)

Financials	18.10	Health Care	11.31
Communication Services	13.38	Real Estate	3.57
Industrials	12.93	Cash	3.16
Consumer Discretionary	12.18	Energy	1.50
Information Technology	11.69	Materials	0.67
Consumer Staples	11.52	Utilities	0

Fund statistics

Fund size (\$m) (NZD)	124.23
Price-to-Earnings	13.0
Price-to-Book	1.6
Price-to-Cash Flow	6.6
Dividend Yield (%)	2.8
Number of Securities	69

Investment manager

Brandywine Global Investment Management, LLC ("Brandywine Global"), has built up significant experience across fixed income, equity and global portfolios that invest in international markets. Founded in 1986 by a group of highly experienced portfolio managers, Brandywine Global pursues one investment approach: value investing. Through practical experience, Brandywine has determined that value-style investing — whether in fixed income markets or equity — can provide excellent risk-adjusted returns over full investment cycles, and it is a particularly important strategy in today's global markets.

