

Pendal MidCap Fund

ARSN: 130 466 581

Factsheet

Equity Strategies

30 September 2025

About the Fund

The Pendal MidCap Fund (**Fund**) is an actively managed portfolio of Australian mid cap shares.

Investment Return Objective

The Fund aims to provide a return (before fees, costs and taxes) that exceeds the Pendal MidCap Custom Index over the medium to long term. The suggested investment timeframe is five years or more.

Description of Fund

This Fund is designed for investors who want the potential for long term capital growth and tax effective income from a portfolio of primarily 40-60 Australian mid cap shares and are prepared to accept higher variability of returns. Pendal defines the mid cap universe to include companies ranked between 51 and 150 of the S&P/ASX 200 Index. The Fund may also invest in equivalent companies listed on the New Zealand Stock Exchange, hold cash and may use derivatives.

Pendal's investment process for Australian shares is based on our core investment style and aims to add value through active stock selection and fundamental company research. Pendal's core investment style is to select stocks based on our assessment of their long term worth and ability to outperform the market, without being restricted by a growth or value bias. Our fundamental company research focuses on valuation, franchise, management quality and risk factors (both financial and non-financial risk).

The Fund may have assets denominated in foreign currencies. This means that changes in the value of the Australian dollar relative to foreign currencies may affect the value of the assets of the Fund. The Fund's foreign currency exposure may be hedged from time to time, in whole or part.

Derivatives may be used to reduce risk and can act as a hedge against adverse movements in a particular market and/or in the underlying assets. Derivatives can also be used to gain exposure to assets and markets.

Investment Team

Pendal's Equity team is headed up by Crispin Murray who has extensive experience and a strong record in equities research. The Fund is managed by Brenton Saunders.

A combination of the Australian equities large cap and small cap teams' research is used to construct the Pendal MidCap Fund.

Investment Guidelines

Investable universe	ASX and NZX listed and soon to be listed companies; derivatives; cash
Investment ranges	Australian shares 80 - 100% New Zealand shares 0 - 10% Cash 0 - 20%
Ex-ante tracking error	3 – 8%
Number of stocks	Typically 40 – 60
Absolute stock position	15%
Maximum active stock position	+/- 5% ¹
Maximum active sector position relative to index	+/- 10% ¹

¹ compared to benchmark.

Performance

(%)	Total Returns (post-fee)	(pre-fee)	Benchmark Return
1 month	2.61	2.69	1.53
3 months	14.10	14.36	12.31
6 months	30.34	30.92	23.21
1 year	27.68	28.82	20.00
2 years (p.a)	21.53	22.62	19.59
3 years (p.a)	17.89	18.95	16.56
5 years (p.a)	13.56	14.58	13.13
Since Inception (p.a)	10.51	12.23	7.76

Source: Pendal as at 30 September 2025

"Post-fee" returns assume reinvestment of distributions and is calculated using exit prices. "Pre-fee" returns exclude the effects of management costs and any taxes. Returns for periods greater than one year are annualised. Fund inception: June 2008.

Past performance is not a reliable indicator of future performance.

Sector Allocation (as at 30 September 2025)

Energy	4.1%
Materials	24.7%
Industrials	14.1%
Consumer Discretionary	8.0%
Consumer Staples	4.2%
Health Care	4.5%
Information Technology	9.9%
Telecommunication Services	4.7%
Utilities	0.0%
Financials ex Property Trusts	14.1%
Property Trusts	7.4%
Cash & other	4.1%

Top 10 Holdings (as at 30 September 2025)

Charter Hall Group	4.2%
Life360, Inc.	4.2%
Orica Limited	3.5%
SGH Limited	3.4%
Nextdc Limited	3.3%
Vicinity Centres	3.2%
Genesis Minerals Limited	3.2%
ALS Ltd.	3.2%
Zip Co Ltd.	3.1%
Capricorn Metals Ltd	3.1%

Other Information

Fund size (as at 30 September 2025)	\$395 million
Date of inception	June 2008
Minimum investment	\$25,000
Buy-sell spread ² For the Fund's current buy-sell spread information, visit www.pendalgroupp.com	
Distribution frequency	Quarterly
APIR code	BTA0313AU

² The buy-sell spread represents a contribution to the transaction costs incurred by the Fund, when the Fund is purchasing and selling assets. The buy-sell spread is generally incurred whenever you invest or withdraw funds, and may vary from time to time without notice.

Fees and costs

You should refer to the latest Product Disclosure Statement for full details of the ongoing fees and costs that you may be charged.

Management fee ³	0.90% p.a.
Performance fee ⁴	20% of the Fund's performance (before fees) in excess of the performance hurdle

³ This is the fee we charge for managing the assets and overseeing the operations of the Fund. The management fee is deducted from the Fund's assets and reflected in its unit price.

⁴ This is the fee we charge if the Fund's investment performance exceeds its performance hurdle, and any performance deficit has been recouped. The Fund's performance fee is 20% of the Fund's performance in excess of the performance return hurdle. The performance hurdle is the performance of the Fund's benchmark (Pendal MidCap Custom Index) plus the management fee of 0.90% pa. If a performance fee is payable, it is charged in addition to the management fee. The performance fee is calculated in dollar terms each Business Day based on the investment performance and value of the Fund on that day. If we are entitled to a performance fee, it is paid to us as at 30 June each year.

Fund manager commentary

Offshore equity markets generally defied concerns around seasonal weakness in September to end the month up.

In the US, the S&P 500 gained 3.5% as data painted a picture of an economy which is slowing, but not tipping into recession. The Fed cut interest rates and are expected to do so again twice more before the year's end.

The S&P/ASX 300 bucked the broader trend, to finish down -0.7%, however midcap stocks continue to do better than the broader index, with the S&P/ASX51-150 gaining 1.5%.

Stronger-than-expected Australian GDP data early in the month reflected observations in reporting season around resilient consumer spending. However it also dampened the market's expectations around further rate cuts. This was reinforced by inflation coming in stronger than expected later in September.

Gold continued to surge, up 11.9% for the month, with silver (+17.4%) also joining the party, while Brent crude oil was down -1.6%.

Materials (+13.3%) did best, fuelled by strong gains from Lynas Rare Earths (LYC, +21.2%) as well as gold miners Ramelius Resources (RMS, +24.1%), Genesis Minerals (GMD, +30.6%) and Perseus Mining (PRU, +31.2%).

Utilities (+7.5%) also outperformed, largely on the back of AGL Energy (AGL, +7.5%) which partially rebounded following its -12.7% fall in August.

Consumer Staples (-6.4%) fared worst, with A2 Milk (A2M, -9.1%), Endeavour (EDV, -3.4%), Metcash (MTS, -9.5%) and Treasury Wine (TWE, -4.2%) all down.

Communication Services (-5.5%) was also weak almost across the board. REA (REA, -8.0%), Chorus (CNU, -2.6%) and TPG

Telecom (TPG, -3.4%) all gave ground, with only Nine Entertainment (NEC, +1.2%) bucking the trend.

The Pendal Midcap Fund returned 2.61% after fees for the month, outperforming the benchmark index.

The gold miner exposure made a positive net contribution, courtesy of strength in Capricorn Metals (CMM, +29.3%) and Genesis Minerals and Ramelius Resources.

Capstone Copper (CCS, +20.5%) also made a notable contribution as the copper price rallied on supply disruption for Freeport's Grasberg mine following a tragic landslide in Indonesia. This will further tighten the copper market, which was already forecast to be in deficit next year.

Outside of resources, positions in software company Life360 (360, +14.5%), IDP Education (IEL, +18.0%) and testing company ALS (ALQ, +7.2%) made positive contributions.

Viva Energy (VEA, -14.8%) detracted in part on the news that the CEO of the Convenience & Mobility (C&M) division announced that he is resigning, for personal reasons. The company intends to bring in a well credentialed and experienced retailer, which should benefit the organisation as a lot of the transformation/systems activity has been done.

Liquidity is one of the four factors we are watching to see if the market can sustain current levels, with the others being growth, long-end bonds and AI.

Liquidity barometers continue to look supportive for markets, with ETF flows picking up and bitcoin reaching new all-time highs and entering a seasonally strong period.

In aggregate, survey data continues to indicate that while growth in the US remains sluggish, it is not yet at a tipping point.

Our view remains that the US economy begins to re-accelerate in Q2 2026, on the back of the fiscal stimulus from the Big Budget Bill (which is expected to contribute ~0.9% to growth in CY26) plus rate cuts.

Consumption is set to slow from the recent strong pace - which has probably been driven a greater wealth effect than most economists expected - but should remain reasonably supportive of growth.

Investment spending - particularly AI-related - will also slow, but again provides a base level of support for the economy.

At this point demand for AI-related hardware – particularly chips – remains strong and sentiment towards the sector remains bullish. However we do note that some of the recent announcements have been “circular” in nature, with Nvidia's decision to invest \$100bn in OpenAI to build AI data centres a case in point. This will be a factor to watch.

Australia's economy is holding up well, reflected in both a better-than-expected GDP data, but also inflation slightly above consensus expectations. RBA Governor Bullock noted that the upside in inflation was broadly in line with expectations, suggesting inflation will settle around the midpoint of the target band.

Markets are now pricing in no more RBA rate cuts this year. This perspective is in-line with our views coming out of reporting season; that the domestic economy is performing pretty well and does not require a significant cutting cycle to juice it up.

Australian equity valuations remain at the top end of its historic range, leaving the market largely reliant on earnings for further support and potential vulnerable to pullback in the event of an economic shock.

However the earnings outlook is supportive – with consensus expectations of mid-single digit earnings growth in FY26 following several years of declines. This is supported in turn by a relatively benign economic outlook.

For more information please call 1300 346 821,
contact your key account manager or visit pendalgroup.com

PENDAL

This factsheet has been prepared by Pental Fund Services Limited (PFSL) ABN 13 161 249 332, AFSL No 431426 and the information contained within is current as at the date of this factsheet. It is not to be published, or otherwise made available to any person other than the party to whom it is provided.

PFSL is the responsible entity and issuer of units in the Pental MidCap Fund (Fund) ARSN: 130 466 581. A product disclosure statement (PDS) is available for the Fund and can be obtained by calling 1300 346 821 or visiting www.pentalgroup.com. The Target Market Determination (TMD) for the Fund is available at www.pentalgroup.com/ddo. You should obtain and consider the PDS and TMD before deciding whether to acquire, continue to hold or dispose of units in the Fund. An investment in the Fund is subject to investment risk, including possible delays in repayment of withdrawal proceeds and loss of income and principal invested.

This factsheet is for general information purposes only, should not be considered as a comprehensive statement on any matter and should not be relied upon as such. It has been prepared without taking into account any recipient's personal objectives, financial situation or needs. Because of this, recipients should, before acting on this information, consider its appropriateness having regard to their individual objectives, financial situation and needs. This information is not to be regarded as a securities recommendation.

The information in this factsheet may contain material provided by third parties, is given in good faith and has been derived from sources believed to be accurate as at its issue date. While such material is published with necessary permission, and while all reasonable care has been taken to ensure that the information in this factsheet is complete and correct, to the maximum extent permitted by law neither PFSL nor any company in the Pental group accepts any responsibility or liability for the accuracy or completeness of this information.

Performance figures are calculated in accordance with the Financial Services Council (FSC) standards. Where performance returns are quoted "Post fees" then this assumes reinvestment of distributions and is calculated using exit prices which take into account management costs but not tax you may pay as an investor. Where performance returns are quoted "Pre fees and tax", they exclude the effects of management costs and any taxes. Past performance is not a reliable indicator of future performance.

If market movements, cash flows or changes in the nature of an investment (e.g. a change in credit rating) cause the Fund to exceed any of the investment ranges or limits specified, this will be rectified by PFSL as soon as reasonably practicable after becoming aware of it. If PFSL does so, it will have no other obligations in relation to these circumstances. The procedures, investment ranges, benchmarks and limits specified are accurate as at the date of this factsheet and PFSL reserves the right to vary these from time to time.

Pental MidCap Index (the "Index") is the property of Pental Fund Services Limited (PFSL), which has contracted with S&P Opco, LLC (a subsidiary of S&P Dow Jones Indices LLC) to calculate and maintain the Index. The Index is not sponsored by S&P Dow Jones Indices or its affiliates or its third party licensors (collectively, "S&P Dow Jones Indices"). S&P Dow Jones Indices will not be liable for any errors or omissions in calculating the Index. "Calculated by S&P Dow Jones Indices" and the related stylized mark(s) are service marks of S&P Dow Jones Indices and have been licensed for use by PFSL. S&P® is a registered trademark of Standard & Poor's Financial Services LLC ("SPFS"), and Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones").