PENDAL

Factsheet

Pendal Imputation Fund

Equity Strategies

ARSN: 089 614 693

30 September 2025

About the Fund

The Pendal Imputation Fund (**Fund**) is an actively managed portfolio of Australian shares. The Fund invests in a portfolio which we believe will provide a higher yield than the market average. It is intended that the portfolio will-be well diversified across sectors and not biased structurally to invest only in traditional 'yield stocks'.

Investment Return Objective

The Fund aims to provide a return (before fees, costs and taxes) that exceeds the S&P/ASX 300 (TR) Index over the medium to long term. The suggested timeframe for holding the investment 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, diversification across a broad range of Australian companies and industries and are prepared to accept higher variability of returns. The Fund will primarily invest in Australian shares, including Australian listed property securities and convertible preference shares, that offer above average income returns. The Fund may also 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).

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 nineteen member Equity team is one of the largest in the Australian funds management industry. The portfolio manager for the Fund is Jim Taylor.

Performance

Total Returns (%)	1 mth	3 mths	6 mths	1 Year (p.a.)	3 Years (p.a.)	5 Years (p.a.)	10 Years (p.a.)	Since Inception (p.a.)
Fund (Pre-Fee)	-1.45	3.14	12.55	10.60	15.03	14.55	10.03	10.27
Fund (Post-Fee)	-1.52	2.91	12.05	9.61	14.01	13.52	9.05	9.26
Benchmark	-0.65	4.99	14.94	10.76	15.03	12.88	10.11	8.90
Excess return (Post-Fee)	-0.87	-2.08	-2.89	-1.15	-1.02	0.65	-1.07	0.36

"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: October 1999.

Past performance is not a reliable indicator of future performance.

Franking Credits Returns[1]							
(%)	1 mth	3 mths	6 mths	1 Year (p.a.)	3 Years (p.a.)	5 Years (p.a.)	10 Years (p.a.)
Fund	0.36	0.55	0.68	1.25	1.26	1.45	1.76
Returns Grossed Up For Franking Credits[1]							
Fund (Post-Fee)	-1.16	3.46	12.73	10.86	15.27	14.98	10.80

Fund Returns (%) As at 30 June 2025	3 Years (p.a.)	5 Years (p.a.)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Post-Fee	12.70	12.60	29.43	-2.31	11.62	11.56	14.95
After Tax[2] (Superannuation tax rate)							
Pre-Liquidation[3]	12.58	12.90	30.14	-1.21	12.51	12.12	13.13
Post-Liquidation[3]	12.62	12.71	27.39	-0.52	11.75	11.39	14.48
After Tax[2] (highest marginal tax rate)							
Pre-Liquidation[3]	9.65	10.44	28.34	-3.27	10.56	10.43	7.99
Post-Liquidation[3]	9.72	9.91	22.39	-1.68	8.78	8.72	11.14

[1] Franking credit returns reflect the value, expressed as a percentage of the Fund's net asset value, of franking credits earned, directly or indirectly, by the Fund on the dividends it has accrued. Returns grossed up for franking are calculated by adding the franking credit returns to the total returns after-fees. The Fund's actual entitlement to franking credits is only known at 30 June each year and therefore amounts during the year are estimates only, subject to revision. Franking credit returns, and returns grossed up for franking, for the Benchmark are calculated on an equivalent basis.

[2] After-tax returns should only be viewed as a guide to the after-tax position of an investor in the Fund. The after-tax returns of the Fund will depend on an investor's individual tax situation and may differ from those shown. There have been a number of assumptions made in the calculation of after-tax returns, which include: investors are Australian resident taxpayers; investors hold their units on capital account; returns assume reinvestment of after-tax distributions on the distribution period end date; returns are calculated using applicable income tax rates at the time of each distribution; capital gains concessions (CGT discount) are always available to the investor; tax credits distributed by the Fund can be fully utilised by the investor; investors will be able to immediately offset any loss made on their units against capital gains from other sources. FY Stands for Financial Year, which runs from July 1 to June 30.

[3] The pre-liquidation returns refer to the after-tax returns assuming a continuing investment in the Fund. It is calculated using the actual discounts that applied to the fund on any realised capital gains and assuming the distributions are reinvested on an after-tax basis. Post-liquidation returns refer to the after-tax returns assuming a full redemption of an investor's units. It is calculated by including, in addition to the reinvestment of after-tax distributions, the unrealised gains, based on the assumption that the asset has been held for more than 12 months and that the CGT discount rate is applied to the unrealised gains and, in the case of unrealised losses, that those losses would be immediately available to the investor.

Sector allocation (as at 30 September 2025)

Energy	5.4%
Materials	20.1%
Industrials	3.0%
Consumer Discretionary	3.2%
Consumer Staples	3.5%
Health Care	10.3%
Information Technology	3.7%
Telecommunication Services	9.1%
Utilities	0.0%
Financials ex Property Trusts	30.2%
Property Trusts	6.7%
Cash & other	4.6%

Top 10 holdings (as at 30 September 2025)

	Weight	12 Mnth Fwd Div. Yield^
Commonwealth Bank of Australia	9.1%	3.0%
BHP Group Ltd	7.4%	3.8%
CSL Limited	5.9%	2.5%
National Australia Bank Limited	5.3%	3.9%
Telstra Group Limited	4.8%	4.2%
Westpac Banking Corporation	4.4%	3.9%
ANZ Group Holdings Limited	4.2%	4.7%
Goodman Group	3.5%	0.9%
Seek Limited	3.3%	2.0%
Qantas Airways Limited	3.0%	4.5%

^Derived from the consensus broker forecast for dividends from FactSet and the stock price as at the end of the fact sheet period.

Investment Guidelines

Ex-ante (forward looking) tracking error	2.0% - 5.0%
Min/max stock position	+/-4%[4]
Min/max sector position	+/-8%[4]

[4] Compared to benchmark

Other Information

Fund size (as at 30 September 2025)	$92 million
Date of inception	October 1999
Minimum investment	$25,000
Buy-sell spread[5] For the Fund's current buy-sell spread information, visit www.pendalgroup.com	
Distribution frequency	Quarterly
APIR code	RFA0103AU

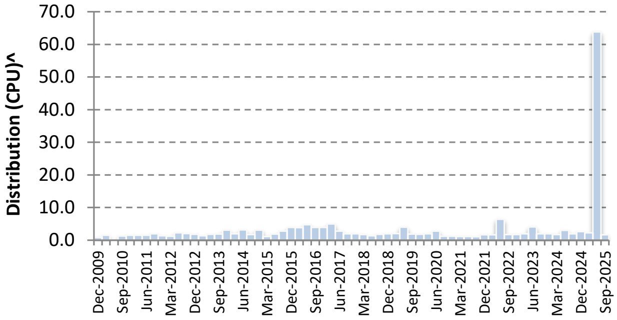
[5] The buy-sell spread represents a contribution to the transaction costs incurred by the Fund, when the Fund is purchasing and selling assets. The buy-sell spread is generally incurred whenever you invest or withdraw funds, and may vary from time to time without notice.

Fees and cost

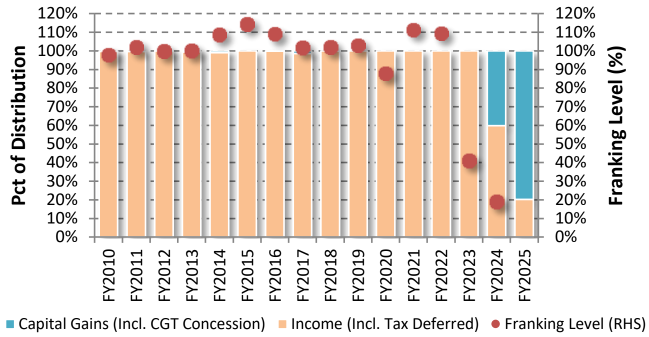
You should refer to the latest Product Disclosure Statement for full details of the ongoing fees and costs that you may be charged.

Management fee[6]	0.90% pa

[6] 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.



^Historic distributions are not representative of future distributions.



Market review

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%. Weakness was broad-based, with all sectors bar Materials and Utilities finishing down.

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 (+6.5%) did best, fuelled by strong gains from gold miners Northern Star (NST, +27.5%), Evolution (EVN, +26.9%) and Newmont (NEM, +15.9%). Among the majors, BHP (BHP, +0.6%), Rio Tinto (RIO, +5.7%) and Fortescue (FMG, -0.1%) benefited from iron ore prices which remain relatively resilient.

Utilities (+0.7%) also outperformed, largely on the back of AGL Energy (AGL, +7.5%) which partially rebounded following its -12.7% fall in August.

Energy (-9.1%) was the weakest sector, as sentiment on oil soured as OPEC+ continues to talk about increasing supply. Woodside Energy (WDS) fell -12.8%, while Santos (STO) was down -13.9%. The latter was also hit by the news that its potential takeover deal had been withdrawn.

Health Care (-4.7%) also underperformed. The sector has been taking its lead from the US, where uncertainty around the impact of tariffs and pricing has been a headwind, although there have been some company-specific issues at play as well. CSL (CSL, -5.8%), ResMed (RMD, -2.5%) Cochlear (COH, -6.7%) and Sigma

Healthcare (SIG, -4.4%) all gave up ground among the larger index-weights.

Fund performance

The Fund underperformed the benchmark over the month of September.

Key contributors

Overweight Northern Star Resources (NST, +27.5%)

Gold miner Northern Star made strong gains on the back of a continued surge in the gold price, helped in turn by a weaker US dollar. Its most recent earnings update came in ahead of expectations, while the outlook for production growth remains solid, with the mill expansion at its KCGM asset remains on-track. This remains key to NST's production growth (along with the Hemi project), with the mill expanding from its current 13 million tonnes per annum (Mtpa) to 27Mtpa.

Underweight Woodside Energy (WDS, -12.8%)

Further commentary from OPEC+ that they would continue to increase supply is driving a cautious market outlook around the oil price and energy sector. We continue to prefer Santos to Woodside within the space, with the former reaching an inflection point in terms of cash flow as capex declines and production from the newly-developed Barossa field start to ramp up, underpinning the outlook for capital return.

Key detractors

Overweight Santos (STO, -13.9%)

Santos weakened in response to the news that the proposed takeover by the ADNOC consortium had fallen through after the parties could not reach agreement on binding terms for the Scheme of Arrangement. We maintain a positive outlook for STO, which produced the first gas flows from its Barossa field in September. This underpins the outlook for increased cash flow which, combined with a reduction in capex, should see increased scope for capital return. The underweight in Woodside Energy largely offset the detraction from holding Santos.

Overweight Viva Energy (VEA, -14.8%)

VEA weakened in part on the news that the CEO of the Convenience & Mobility (C&M) division announced that he is resigning, for personal reasons. He had been instrumental in the deals that C&M have been doing such as Liberty, Coles Express and OTR, the integration of which has been intense work against a backdrop of cost of living pressures and the rise of illicit tobacco. There were signs of stabilisation in the C&M business in the second quarter. The company intends to bringing in a well credentialed and experienced retailer, which should benefit the organisation as a lot of the transformation/systems activity has been done.

Outlook

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**

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