

### Pendal Imputation Fund

Equity Strategies

ARSN: 089 614 693

30 April 2026

#### 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)	1.59	-2.89	-3.37	6.25	8.75	8.40	9.28	9.88
Fund (Post-Fee)	1.51	-3.11	-3.79	5.31	7.78	7.44	8.31	8.88
Benchmark	2.25	-1.52	-1.14	10.14	9.57	8.16	9.27	8.67
Excess return (Post-Fee)	-0.74	-1.58	-2.65	-4.84	-1.79	-0.72	-0.96	0.21

"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<sup>1</sup>

(%)	1 mth	3 mths	6 mths	1 Year (p.a.)	3 Years (p.a.)	5 Years (p.a.)	10 Years (p.a.)
Fund	0.00	0.35	0.50	1.18	1.19	1.44	1.63

#### Returns Grossed Up For Franking Credits<sup>1</sup>

Fund (Post-Fee)	1.51	-2.75	-3.30	6.49	8.97	8.87	9.94
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Fund Returns (%)	3 Years (p.a.)	5 Years (p.a.)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
As at 30 June 2025							
Post-Fee	12.70	12.60	29.43	-2.31	11.62	11.56	14.95

#### After Tax<sup>2</sup> (Superannuation tax rate)

Pre-Liquidation <sup>3</sup>	12.58	12.90	30.14	-1.21	12.51	12.12	13.13
Post-Liquidation <sup>3</sup>	12.62	12.71	27.39	-0.52	11.75	11.39	14.48

#### After Tax<sup>2</sup> (highest marginal tax rate)

Pre-Liquidation <sup>3</sup>	9.65	10.44	28.34	-3.27	10.56	10.43	7.99
Post-Liquidation <sup>3</sup>	9.72	9.91	22.39	-1.68	8.78	8.72	11.14

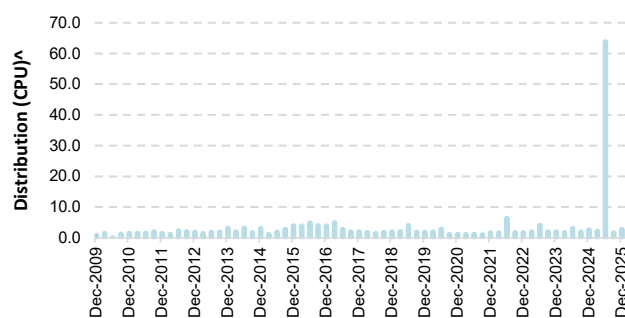
<sup>1</sup> Franking credit returns reflect the value, expressed as a percentage of the Fund's net asset value, of franking credits earned, directly or indirectly, by the Fund on the dividends it has accrued. Returns grossed up for franking are calculated by adding the franking credit returns to the 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.

<sup>2</sup> 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.

<sup>3</sup> 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 April 2026)

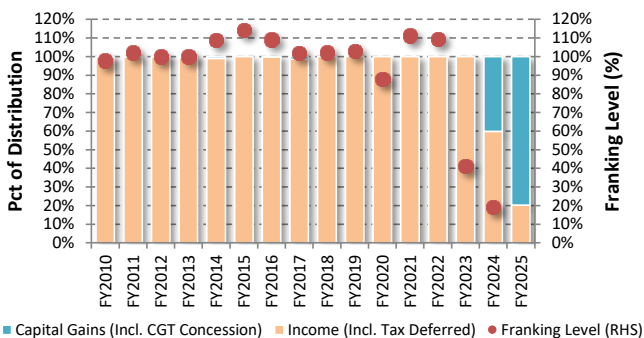
Energy	8.0%
Materials	25.5%
Industrials	4.4%
Consumer Discretionary	4.4%
Consumer Staples	2.8%
Health Care	6.4%
Information Technology	2.2%
Telecommunication Services	4.6%
Utilities	0.0%
Financials ex Property Trusts	34.0%
Property Trusts	5.3%
Cash & other	2.4%



## Top 10 holdings (as at 30 April 2026)

	Weight	12 Mnth Fwd Div. Yield <sup>^</sup>
Commonwealth Bank of Australia	10.3%	3.0%
BHP Group Ltd	10.2%	3.6%
National Australia Bank Limited	5.0%	4.3%
ANZ Group Holdings Limited	4.8%	4.6%
Rio Tinto Limited	4.5%	4.2%
CSL Limited	4.4%	3.5%
Telstra Group Limited	4.3%	4.1%
Westpac Banking Corporation	4.0%	4.2%
Santos Limited	3.9%	7.3%
Goodman Group	3.8%	1.0%

<sup>^</sup>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% <sup>4</sup>
Min/max sector position	+/-8% <sup>4</sup>

<sup>4</sup> Compared to benchmark

## Other Information

Fund size (as at 30 April 2026)	\$81 million
Date of inception	October 1999
Minimum investment	\$25,000
Buy-sell spread <sup>5</sup>	
For the Fund's current buy-sell spread information, visit <a href="http://www.pendalgroup.com">www.pendalgroup.com</a>	
Distribution frequency	Quarterly
APIR code	RFA0103AU

<sup>5</sup> 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 <sup>6</sup>	0.90% pa
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<sup>6</sup> 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.

## Market review

The Australian equity market continued the rebound from late March into early April as a ceasefire in the Iran conflict saw hopes rise of a peace deal and a re-opening of the Strait of Hormuz.

However these hopes faded over the course of the month. While the ceasefire has largely held, the Strait remained effectively shut, exacerbating the disrupted supply of oil, LNG and other commodities.

The S&P/ASX 300 pared its earlier gains, to finish up +2.3%. This was well below the +10.4% return from the S&P 500, which was further bolstered by a strong quarterly earnings season and strength in the tech sector on the AP capex theme.

The Q1 consumer price index (CPI) rose 1.4% quarter/quarter and the trimmed mean was 3.5% year/year, which saw underpinned rising expectations of another interest rate hike from the RBA in May.

The oil price oscillated along with sentiment around the likelihood of a peace deal. Brent crude finished down -3.7% for the month, at US\$114 a barrel, which is up 87.4% for the calendar year to date. Iron ore (+1.2%) and aluminium (+0.6%) were steady, while Copper gained +5.4%. Gold slipped another -1.1%.

Information technology (+12.1%) enjoyed some relief after several months of heavy selling, with data centre-related names particularly strong. Xero (XRO) gained 6.6%, NextDC (NXT) +27.8%, and Wisetech (WTC)+12.4% among the larger index weights.

Real Estate (+8.1%) also outperformed, although much of this was due to a 15.8% gained in sector heavyweight Goodman Group (GMG), on the data centre theme. Scentre Group (SCG, +11.8%) was also strong, on a well-received quarterly update.

Health Care (-8.4%) was the weakest sector. A downgrade by Cochlear (COH, -44.4%) made a major contribution, but several of the larger companies were weaker, such as CSL (CSL, -11.7%) and ResMed (RMD, -7.4%), in part due to a stronger Australian dollar.

Consumer Staples (-3.8%) also underperformed. Woolworths (WOW, -5.6%) downgraded its outlook, as did A2 Milk (A2M, -26.0%). The latter has been hit by supply chain disruption as the product testing process in China has been expanded.

#### **Fund performance**

The Fund underperformed the benchmark over the month of April.

#### **Key contributors**

##### **Underweight Cochlear (COH, -44.4%)**

COH issued a large downgrade on weaker expected revenue growth. In emerging markets, there are impacts from the Middle East as well as reimbursement challenges in China. In developed markets there are issues in Europe while the US was blamed on a weak consumer. On the cost side there may be some receivables issues in Middle East and the company has taken the opportunity to re-shape the cost base to be better positioned for future.

Looking forward, growth appears difficult to come by in our view and COH may need to spend to try and invigorate it.

##### **Overweight Goodman Group (GMG, +15.8%)**

GMG benefited from positive sentiment in the data centre space. Additionally it announced the establishment of a 50/50 joint venture with DataBank for its 32 megawatt (MW) data centre in Los Angeles. DataBank is an established platform providing data centre services with a portfolio of 70+ facilities mostly across the US. The JV will see 6MW of capacity delivered by December 26 with the residual progressively activated through September 27.

#### **Key detractors**

##### **Overweight CSL (CSL, -11.7%)**

CSL drifted lower in March, with the market moving to the low end of management's guidance – or just below it – for FY26 earnings, with uncertainty over the near-term level of Chinese demand for albumin a key factor. The stock is now at a material valuation discount to the market, reflecting fears over structural issues in the key plasma market and the market's desire to see proof of better performance. We believe these fears are overdone.

##### **Overweight Orora (ORA, -30.5%)**

Orora announced that production at its bottlemaking facility in the UAE will be shifted to a closed loop "hot" operation – where the furnace is kept warm, but no bottle making production takes place. At the same time, management downgraded FY26 EBIT, citing weaker volumes and a mix shift away from premium spirits to lower-margin wine and champagne, with the indirect impact of the Middle East playing a role in crimping demand. The company also paused the buyback.

#### **Outlook**

Financial markets continue to suggest the Iranian conflict will not trigger a further significant rise in energy prices, suggesting some form of resolution is close.

Its worst fears around supply shortages have not eventuated, yet, due to the availability of more inventory and higher-than-expected demand reduction.

When the crisis started the market would have expected that a nine-week closure of the Strait, with only 4% of product getting through, would lead to far higher oil prices than we have seen.

Reasons for the more benign reaction include 1) reserve / inventory drawdowns have been more significant than expected, 2) demand has fallen more than expected at a given oil price, and 3) higher crude exports from other regions – notably the Americas – running at around 3m barrels per day.

The market seems to have been quite efficient in adapting to the shock and this has given confidence to broader financial markets.

However, a large part of this reflects the ability to draw on stockpiles, both visible and invisible. We do not know where the tipping point may be which, if hit, would require far more material demand destruction.

The US economic backdrop remains supportive, evidenced by a strong quarterly reporting season.

Employment data shows that the flow on effects of the fuel shock, while affecting confidence, is not impacting the economy. Nor is AI leading to meaningful labour shedding. It is currently in the sweet spot of not being strong enough for the Fed to worry about wages responding to the energy shock, but also not weak enough to put pressure on the central bank to cut rates.

Combined with strong corporate earnings, this has given the market confidence to look through the short-term input cost issues.

Australian interest rates have returned to the previous cycle high, with the RBA driven by concerns of firms passing on costs given the tight labour market, the strength of the economy's momentum prior to the Iran war, and domestic industry structures which gives corporates pricing power.

Governor Bullock did indicate that the board now sees policy as slightly restrictive and having risen three times in a row - and given the uncertainty - we would expect a pause. The market is still expecting one further rise, potentially in August.

Corporate results and updates domestically suggest that the Australian economy and earnings continue to hold up. Everyone is looking for signs of weakness, but very few have emerged to date - and those tend to be in more structurally-challenged franchises.

For more information please call 1300 346 821, contact your key account manager or visit [pendalgroup.com](http://pendalgroup.com)

**PENDAL**

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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, except where returns are shown as "Grossed up for franking" or "Post-tax". Post-tax returns are explained in the footnotes to the relevant performance tables. 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.