

PENDAL

Pendal MidCap Fund

ARSN: 130 466 581

Factsheet

Equity Strategies

31 March 2026

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		Benchmark Return
	(post-fee)	(pre-fee)	
1 month	-10.92	-10.86	-10.22
3 months	-12.19	-12.00	-8.98
6 months	-12.98	-12.60	-8.21
1 year	13.41	14.42	13.09
2 years (p.a)	7.21	8.16	7.50
3 years (p.a)	9.07	10.04	9.77
5 years (p.a)	6.82	7.79	7.70
Since Inception (p.a)	9.34	11.03	7.02

Source: Pendal as at 31 March 2026

"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 31 March 2026)

Energy	7.7%
Materials	28.7%
Industrials	15.3%
Consumer Discretionary	6.4%
Consumer Staples	4.9%
Health Care	3.9%
Information Technology	5.9%
Telecommunication Services	2.1%
Utilities	0.0%
Financials ex Property Trusts	9.5%
Property Trusts	7.2%
Cash & other	8.4%

Top 10 Holdings (as at 31 March 2026)

Charter Hall Group	3.6%
Vicinity Centres	3.6%
ALS Ltd.	3.4%
Genesis Minerals Limited	3.3%
a2 Milk Company Limited	3.3%
Orica Limited	3.2%
SGH Limited	3.0%
Capricorn Metals Ltd	2.8%
Light & Wonder, Inc.	2.8%
Challenger Limited	2.6%

Other Information

Fund size (as at 31 March 2026)	\$359 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.pendalgroup.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

The disruption to commodity production and shipping in the wake of US and Israeli attack on Iran dominated markets in March.

Iran retaliated with strikes on Gulf State energy production infrastructure and effectively closed the Strait of Hormuz.

This saw energy prices surge and prompted concern about the ultimate impact on inflation and interest rates – with the market in the US flipping from pricing rate cuts to rate hikes.

The Gulf and Strait are also important in global production of fertiliser, helium, aluminium and sulphur, among other commodities. The market also started to focus on the possible effect of a period of higher prices – or shortages – of key inputs at a macroeconomic, industry and company level.

The Trump Administration made several statements that suggested a relatively short conflict. However continued attacks and deadlines, bellicose Iranian responses, and threats of escalation to critical infrastructure, saw market sentiment oscillate and extremely volatile markets with sometimes large intra-day swings.

The net effect was the S&P/ASX 300 fell -7.3% for the month and the S&P/ASX 51-150 was down -10.2%.

Energy (+16.3%) did best. The coal miners and oil/LNG producers did well; Whitehaven Coal (WHC) rose 18.4%, Yancoal (YAL) 43.6%, and New Hope (NHC) +27.3%. Refiners Ampol (ALD, +21.9%) and Viva Energy (VEA) +48.0% also outperformed. However the uranium miners slumped, with Paladin Energy (PDN) off -17.5%.

Utilities (-0.3%) also outperformed as AGL Energy (AGL, -0.3%) held up well.

Materials (-16.3%) was the worst-performing sector, with weakness across the gold, copper and lithium miners. Alcoa (AAI, +5.7%) bucked the trend as the Middle East conflict tightened supply for aluminium.

Information technology (-16.0%) continued to feel pressure. NextDC (NXT, -18.4%) fell on concerns over funding, while AI-related fears continued to weigh on Life360 (360). Technology One (TNE, +0.2%) held up well.

The Pendal Midcap Fund returned -10.9% after fees for the month, underperforming the benchmark index.

The gold exposure dragged via positions in Capricorn Metals and Genesis Minerals as the gold price fell 11.5% in March despite heightened geopolitical risk. A rally in the US dollar was a headwind, as were reports of investors taking recent profits in gold to deploy elsewhere or cover margin calls and some commentary around central banks pausing gold purchases. There was some offset from the underweight in Regis Resources and Vault Minerals.

The underweight in coal miners also detracted, as did positions in Capstone Copper and Judo Capital.

There was a positive contribution from the holdings in fuel refiners/distributors Ampol and Viva Energy. Disruption in the energy sector saw a rapid expansion in refining margins. The Federal Government also announced an amendment to the terms of the Fuel Security Support Package, the subsidy it pays to Viva and Ampol in order to keep their oil refineries operating.

Elsewhere, positions in Telix Pharmaceuticals, A2 Milk and Technology One also helped.

The outlook remains highly uncertain. The market is highly sensitive to statements from the Trump Administration; the consensus view on the conflict's likely end could shift quickly in either direction and prompt a rapid relief rally or further drawdowns.

This underpins the case for retaining a balanced portfolio construction, not positioning the portfolio to be reliant on one pathway or outcome, and having stocks that can outperform in either scenario.

Even if the conflict is brought to swift resolution and the Strait returns to something like normal traffic, there will still likely be the "air pocket" of constricted supply to work through the system.

At the same time, the combination of war-related damage to Gulf commodity production infrastructure – and the time required to restart and ramp up shuttered capacity – is likely to further exacerbate a period of disrupted supply.

The risk for Australia is that this will be felt in a period higher prices and lower demand, against a backdrop in which the RBA is raising rates. This could weigh on the earnings outlook for companies tied to domestic consumer demand and we are incrementally more cautious on these stocks.

The counterpoint could be in areas more tied to the global growth outlook. Resource companies look relatively well placed in this regard, helped at the margin by disrupted supply in certain commodities as a result of the conflict. Companies with little exposure to a disrupted supply chains or higher input costs, but which have nevertheless been sold down on broader fears around global demand, are also looking more attractive.

There were some constructive signals from both the US and Iran at the start of April, possibly suggesting the desire to bring the conflict to an end. However this remains uncertain – as does the timeframe, the structure of any agreement, and the implications for supply chains.

As a result we continue to stay close to our companies, understanding the nature and scope of their sensitivity to issues raised by the conflict (both positive and negative), when they are likely to manifest, and what proactive strategies management are employing to deal with them.

Historically, we have been able to use episodes of market volatility to identify and add value via opportunities in individual companies, while balancing the portfolio construction to help deal with a quickly-changing environment. Single stock volatility was already elevated heading into the conflict, suggesting a high degree of mispricing that has only been exacerbated by the spike in uncertainty related to Iran. Current uncertainty is a challenge for investors, but the degree of mispricing suggest a good environment for active investors looking beyond the near-term volatility.

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

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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.

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