

Pendal Imputation Fund

ARSN: 089 614 693

Factsheet

Equity Strategies

31 May 2022

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)
Fund (Pre-Fee)	-1.97	4.68	5.79	8.59	8.54	9.61	10.52
Fund (Post-Fee)	-2.05	4.45	5.32	7.62	7.57	8.63	9.53
Benchmark	-2.76	3.08	1.05	4.71	8.01	8.98	10.33
Excess return (Post-Fee)	0.71	1.37	4.27	2.90	-0.43	-0.35	-0.80

Franking Credits Returns ¹							
Fund	0.14	0.37	0.75	1.51	1.26	1.42	1.95
Benchmark	0.15	0.32	0.70	1.41	1.17	1.26	1.37

Returns Grossed Up For Franking Credits ¹							
Fund (Post-Fee)	-1.91	4.81	6.07	9.13	8.83	10.04	11.48
Benchmark	-2.61	3.39	1.75	6.12	9.17	10.24	11.70

Fund Returns (%)	3 Years (p.a)	5 Years (p.a)	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
As at 30 June 2021							
Post-Fee	7.30	10.05	15.11	13.50	8.77	-12.25	29.43

After Tax ² (Superannuation tax rate)							
Pre-Liquidation ³	8.14	11.12	17.16	14.37	9.90	-11.59	30.14
Post-Liquidation ³	7.75	10.65	16.50	13.36	9.46	-9.99	27.39

After Tax ² (highest marginal tax rate)							
Pre-Liquidation ³	6.39	8.88	12.81	12.62	7.66	-13.18	28.34
Post-Liquidation ³	5.48	7.70	11.20	10.25	6.64	-9.44	22.39

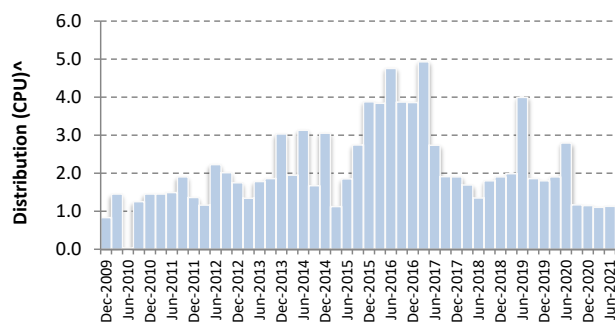
¹ Franking credit returns reflect the value, expressed as a percentage of the Fund's net asset value, of franking credits earned, directly or indirectly, by the Fund on the dividends it has accrued. Returns grossed up for franking are calculated by adding the franking credit returns to the total returns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

Asset allocation (as at 31 May 2022)

Energy	6.8%
Materials	22.7%
Industrials	7.1%
Consumer Discretionary	3.6%
Consumer Staples	3.9%
Health Care	10.5%
Information Technology	1.3%
Telecommunication Services	7.7%
Utilities	0.0%
Financials ex Property Trusts	29.9%
Property Trusts	5.3%
Cash & other	1.2%



Top 10 holdings (as at 31 May 2022)

	Weight	12 Mnth Fwd Div. Yield [^]
BHP Billiton Limited	10.0%	8.5%
Commonwealth Bank of Australia Ltd	9.4%	3.9%
CSL Limited	8.0%	1.2%
Telstra Corporation Limited	5.5%	4.1%
Macquarie Group Limited	4.7%	3.4%
Santos Limited	4.0%	4.4%
ANZ Banking Group Limited	3.9%	6.0%
Qantas Airways Limited	3.9%	0.8%
Westpac Banking Corporation	3.7%	5.4%
National Australia Bank Limited	3.5%	5.0%

[^]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 31 May 2022)	\$179 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

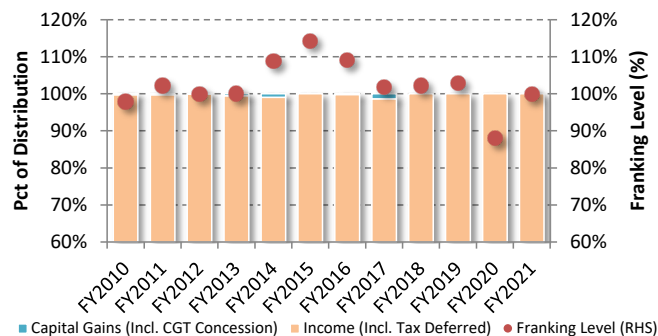
⁵ The buy-sell spread represents transaction costs incurred whenever you invest or withdraw funds, and may vary from time to time without notice.

Management Costs⁶

Issuer fee ⁷	0.90% pa
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⁶ You should refer to the latest Product Disclosure Statement for full details of fees and other costs you may be charged.

⁷ This is the fee we charge for overseeing the operations of the Fund and managing the assets of the Fund. The Issuer fee is paid from the assets of the Fund and is reflected in the unit price of your investment.



Risks

An investment in the Fund involves risk, including:

- **Market risk:** The risk that factors affecting one or more countries that can influence the direction and volatility of an overall market, as opposed to security-specific risks.
- **Security specific risk:** The risks associated with an individual security.

Please read the Fund's Product Disclosure Statement (**PDS**) for a detailed explanation of each of these risks.

About Commentary

At Pandal Group, we pride ourselves on being inquisitive, asking questions and not simply accepting the 'status quo'.

In line with this approach, we have removed commentary from this Factsheet to ensure we provide you with key product information in a timely and efficient manner.

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- Newsletters
- Bespoke thought pieces
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PENDAL

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PFSL is the responsible entity and issuer of units in the Pental Imputation Fund (Fund) ARSN: 089 614 693. 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.

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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.