

Pendal Pure Alpha Fixed Income Fund

ARSN: 161 859 936

Income & Fixed Interest

31 March 2024

About the Fund

The Pendal Pure Alpha Fixed Income Fund (**Fund**) aims to generate positive returns across a range of market conditions, with a low correlation to equity and bond markets by investing in fixed interest, credit and foreign exchange markets.

Investment Return Objective

The Fund aims to provide a total return (after fees, costs and taxes applicable to the Fund) that exceeds the Bloomberg AusBond Bank Bill Index by 2 – 4% per annum, over the medium term. The suggested investment period is 3 years or more.

How the Fund is managed

The Fund is intended for investors who want the potential for positive returns across a range of market conditions, with a low correlation to equity and bond markets. The Fund aims to generate its returns by investing in fixed interest, credit and foreign exchange markets in Australia and globally.

The Fund invests primarily in Australia and New Zealand but may also invest in other countries and currencies. The Fund predominantly uses derivatives including swaps, options, futures and forwards to achieve its investment exposures.

Pendal's investment philosophy for the Fund aims to identify and exploit inefficiencies through an active investment approach. The Fund takes advantage of investment opportunities based on our assessment of major economic themes and/or financial markets which we consider to be mispriced.

The Fund's portfolio is constructed using the following three step approach:

1. Generate investment views through quantitative models
2. Reaffirm investment view with qualitative research
3. Active risk management.

Investment Team

Pendal's Income & Fixed Interest team is a large team of dedicated investment professionals. The portfolio manager of the Fund is Amy Xie Patrick who has more than 19 years industry experience.

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 ¹	0.70% pa
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¹ 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.

Changes to key service providers of the Fund

The Fund has changed its custodian and administrator to the Northern Trust Company on 3 October 2022.

Performance

(%)	Total Returns		Benchmark Return
	(post-fee)	(pre-fee)	
1 month	0.55	0.60	0.37
3 months	1.69	1.86	1.09
6 months	3.69	4.05	2.15
1 year	2.22	2.94	4.19
2 years (p.a)	1.40	2.11	3.11
3 years (p.a)	0.95	1.66	2.07
5 years (p.a)	0.61	1.32	1.51
Since Inception (p.a)	0.60	1.31	1.93

Source: Pendal as at 31 March 2024

"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: December 2012.

Past performance is not a reliable indicator of future performance.

Other Information

Fund size (as at 31 March 2024)	\$37 million
Date of inception	December 2012
Minimum investment	\$500,000
Buy-sell spread ²	For the Fund's current buy-sell spread information, visit www.pendalgroup.com
Distribution frequency	Quarterly
APIR code	BTA0441AU

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.

Risks

An investment in the Fund involves risk, including:

- **Market risk** - The risk associated with factors that can influence the direction and volatility of an overall market, as opposed to security-specific risks. These factors can affect one country or a number of countries.
- **International investments risk** – The risk arising from political and economic uncertainties, interest rate movements and differences in regulatory supervision associated with international investments.
- **Currency risk** - Currency exchange rate fluctuation risk arising from investing across multiple countries.
- **Interest rate risk** - The risk associated with adverse changes in asset prices as a result of interest rate movements.
- **Credit risk** - The risk of an issuing entity defaulting on its obligation to pay interest/principal when due.
- **Derivative risk** – The risk arising from use of derivatives to manage exposures to investment markets.
- **Counterparty risk** – The risk of another party to a transaction failing to meet its obligations.
- **Leverage risk** - The risk arising from the Fund borrowing (where permitted) or using derivatives which can magnify potential gains and losses.
- **Key person risk** - The risk that the Fund's investment performance or ability to remain open to investors is adversely impacted due to the loss of key individuals who are integral to the Fund's operation.
- **Strategy risk** - The risk that the strategies employed by the Fund may prove to be incorrect or ill-timed resulting in losses in the Fund.
- **Regulatory risk** - The risk that a change in laws and regulations governing an investment or financial markets could have an adverse impact on an investment.

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

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 Pure Alpha Fixed Income Fund (**Fund**) ARSN: 161 859 936. 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. 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.

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