BT Investment Solutions

# Pendal Wholesale Plus Australian Share Fund

Quarterly report – 30 September 2025

## Fund overview[1]

| | |
|---|---|
| **Inception date** | 4 November 2014 |
| **APIR code** | BTA0476AU |
| **Fund size (AUD millions)** | $52.62 |
| **Investment objective** | To provide a return (before fees, costs and taxes) that exceeds the benchmark over the medium to long term. |
| **Recommended investment timeframe** | 6 years |
| **Distribution frequency** | Quarterly |
| **Management fees and costs (%) pa[2]** | 0.71 |
| **Performance fees (%) pa[3]** | Not applicable |
| **Buy/sell spread (%)** | 0.44 / 0.00 |

## Performance review[4]

| Period ending 30 September 2025 | 1 month | 3 months | 1 year | 3 years | 5 years | Since inception |
|---|---|---|---|---|---|---|
| | % | % | % | %pa | %pa | %pa |
| Total Net return | (0.92) | 3.07 | 9.18 | 15.00 | 12.94 | 8.93 |
| Growth return | (0.92) | 3.07 | (8.67) | (0.56) | 0.26 | (1.51) |
| Distribution return | 0.00 | 0.00 | 17.85 | 15.56 | 12.68 | 10.44 |
| Benchmark return~ | (0.65) | 4.99 | 10.76 | 15.03 | 12.88 | 8.76 |

~ Benchmark: S&P/ASX 300 Accumulation Index.

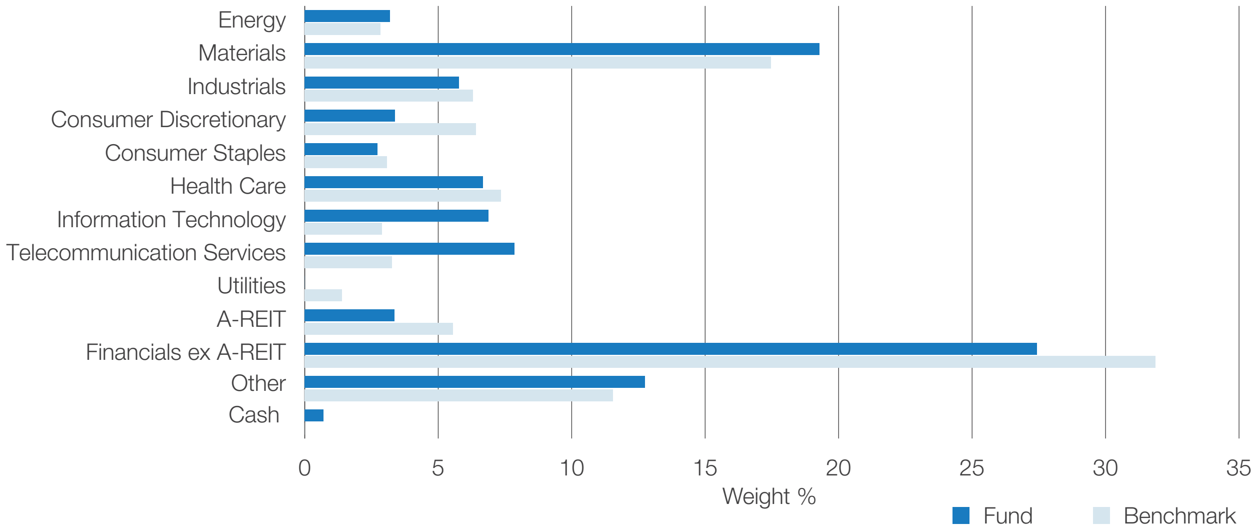
## Top 10 holdings[5]

| Holding | Fund % | Benchmark % |
|---|---|---|
| BHP Group Ltd | 8.99 | 7.80 |
| Commonwealth Bank of Australia | 7.86 | 10.09 |
| National Australia Bank Limited | 6.68 | 4.89 |
| CSL Limited | 6.67 | 3.47 |
| Telstra Group Limited | 5.18 | 1.98 |
| Xero Limited | 4.03 | 0.94 |
| Aristocrat Leisure Limited | 3.39 | 1.57 |
| QBE Insurance Group Limited | 3.26 | 1.12 |
| Qantas Airways Limited | 3.23 | 0.60 |
| Goodman Group | 3.09 | 2.41 |



**Please refer to the end of this report for the footnotes**

## Sector allocations[5,6]




## Fund update[5]

The Pendal Wholesale Plus Australian Share Fund returned -0.92% over the month, underperforming against the benchmark which returned -0.65% over the same period.

### Key contributors

**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.

**Overweight Evolution Mining (EVN, +26.8%)**

A stronger gold price – helped by a weaker US dollar – continues to boost gains in the miners. Evolution's most recent earnings result was well-received, beating FY25 underlying NPAT consensus expectations by 4%. Free cash flow was a touch under $800m, the majority of which went towards deleveraging. The dividend also stepped up, worth an additional $260m. Operationally, EVN continues to track well and deleveraging should continue to be a tailwind, with a further $1bn of net debt to unwind. At spot gold prices free cash flow is due to step up to ~$1bn this year, implying a free cash flow yield of 6%, which remains high relative to most of the mining sector.

### 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 CSL (CSL, -5.8%)**

CSL continued to drift off after a poorly-received earnings result in August, with further uncertainty over the impact of tariffs and pricing in the US continuing to weigh. We see CSL as relatively well placed in this regard, given it already has a material production presence in the US. Management have moved to calm market fears about the structural outlook for the key plasma market, while a new licencing deal demonstrates the more prudent approach it is taking to R&D investment. We see valuation as compelling for a company which should grow earnings in low double-digit compound annual growth rates for the next three years.

## 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.

### Footnotes

1. Generally, the Wholesale Plus Funds are not open to direct investors. The Fund is only accessible through an Investor Directed Portfolio Service (IDPS), IDPS-like scheme or a nominee or custody service, a managed account or any other service or platform approved by us, or through a superannuation fund. Refer to the Product Disclosure Statement for the Fund which is available at bt.com.au/wholesaleplus or contact 1300 881 716 for more information.
2. The management costs identified in this fact sheet comprise the management fee, indirect costs and include the effect of GST (net of reduced income tax credit (RITC). Refer to the Product Disclosure Statement of the Fund and online disclosures for further information.
3. Performance fees are prescribed by legislation to be calculated based on the average of the performance fees incurred by the Fund or Underlying Fund (as relevant) over the previous 5 financial years.
4. Past performance is not a reliable indicator of future performance. Performance figures are calculated net of all fees and costs and before taxes, other than any fees and costs deducted through an investment platform. Growth and distribution returns may not equal the total net return received due to rounding.
5. Information shown has been provided by the underlying manager.
6. Allocations may not equal 100% due to rounding.

## For more information

bt.com.au/wholesaleplus | 1300 881 716
Wholesale Plus Funds, GPO Box 2861, Adelaide, SA 5001



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