

Monthly fund update - March 2022

Investment approach

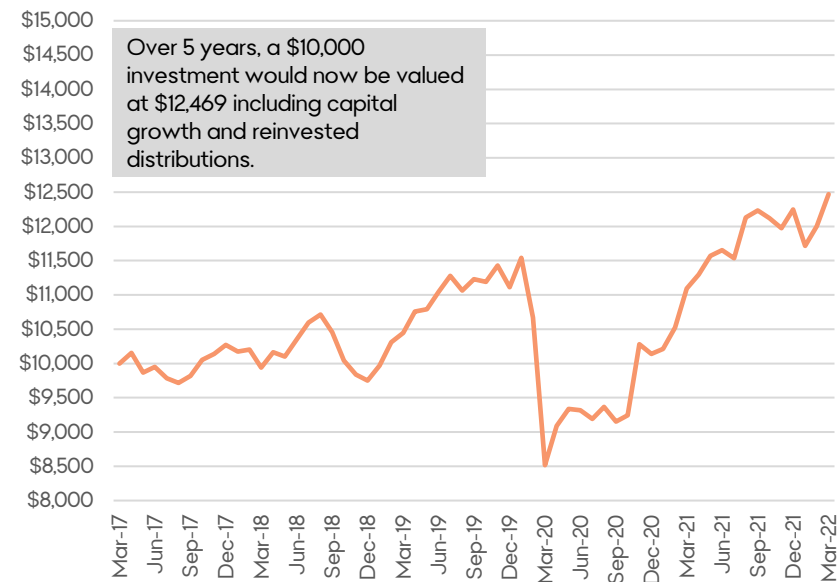
The Fund aims to deliver capital growth with regular income over the long term by investing in a diversified portfolio of quality ASX listed industrial shares (excluding resource shares) where these assets are identified by Investors Mutual Limited (IML) as being undervalued. The Fund expects to invest predominantly in the Sandhurst Industrial Share Fund for which IML is currently the investment manager.

| Fund performance ¹ as at 31 March 2022 | Morningstar Rating™ Overall ³ | Morningstar Category Rank 5 Year ³ | 1 month % | 3 months % | 1 year % | 3 years %p.a. | 5 years %p.a. |
|--|--|---|-----------|------------|----------|---------------|---------------|
| Sandhurst IML Industrial Share Fund | ★ ★ ★ | 77/83 | 3.88 | 1.82 | 12.40 | 6.07 | 4.51 |
| Benchmark ² | | | 5.70 | -2.80 | 11.00 | 9.50 | 7.30 |

An example of how your investment grows

Growth of \$10,000¹

(Based on historic Fund performance over 5 years)



Fund facts

| | |
|--------------------------------------|-----------------|
| Fund APIR code | STL01 01 AU |
| Fund inception date | 11 January 2001 |
| Fund size | \$66.34 m |
| Distribution frequency | Half yearly |
| Management costs ⁴ | 0.95% p.a. |
| Buy / Sell spread ⁴ | +0.25% / -0.25% |
| Minimum investment / minimum balance | \$50,000 |
| Recommended investment timeframe | 5 years + |
| Risk level | High |

Unit price

as at 31 March 2022

| | |
|-------------------|-----------|
| Application price | \$1.24771 |
| Withdrawal price | \$1.24149 |

Distribution details (cents per unit)

| | |
|------------------|-----------|
| 30 June 2021 | \$0.01237 |
| 31 December 2021 | \$0.02000 |

Make the most of your investment

► The power of compounding

Compounding can be a powerful tool in wealth creation. Reinvesting distributions can be one of the easiest and cheapest ways to increase your holdings over time. You're compounding your investment's growth by continually adding more units which, in turn, will generate distributions of their own.

Why not reinvest your half yearly distributions?

► The benefits of making it regular

Making regular contributions to your investment can both grow your investment and smooth the effects of market highs and lows. **Why not add a Regular Savings Plan to your investment? Establish one from as little as \$50 per month.** You can also use BPAY® to add to your investment at any time with as little as \$100. See your statement for your BPAY reference number.

Do you have any questions?

For further information contact us on 1800 634 969 or visit our website: www.bendigobank.com.au/managedfunds

® Registered to BPAY Pty Ltd ABN 69 079 137 518

Refer to the next page for footnotes

Fund Performance⁵

The Fund had a very good quarter, returning +1.8%, well ahead of its ASX 300 Industrials benchmark, which was down -2.8%.

Most sectors within the Industrials index struggled amid a broad market sell-off over the quarter as investors faced a series of geopolitical and inflation risks. On the positive side, the major Banks performed well on expectations of interest rate rises and the positive flow on effect this could have on their net interest margins, albeit with competition amongst lenders remaining fierce.

The Fund benefited from solid performances from holdings in companies such as NAB, Westpac, Orica and Incitec Pivot. Origin Energy rose strongly over the quarter given the company's exposure to LNG and the commencement of an on-market buyback. Tabcorp also rose as investors responded to positive news in relation to the demerger of its lotteries business.

Outlook⁵

IML expect volatility to continue for some time with ongoing geopolitical and inflation risks affecting global and local economies.

The Fund continues to invest in well-established companies that IML believe represent sound value and which are in industry leading positions. IML's focus is on companies that they believe can maintain margins in the long term by passing on higher input prices to customers, while continuing to generate good cashflows and dividends in the short to medium term. In their view, these companies should continue to do well over the next 3-to-5 years despite increasing economic uncertainties.

Top 10 holdings

| |
|-------------------------|
| National Australia Bank |
| Westpac |
| Telstra |
| CSL |
| Brambles |
| Orica |
| Aurizon Holdings |
| Tabcorp |
| Suncorp Group |
| Amcor |

Sector active weights

| | |
|------------------------|--------|
| Communication Services | 7.20% |
| Materials | 5.90% |
| Industrials | 3.10% |
| Consumer Staples | 0.20% |
| Consumer Discretionary | -0.70% |
| Utilities | -0.80% |
| Information Technology | -2.80% |
| Health Care | -4.50% |
| Financials | -6.20% |
| Real Estate | -7.50% |

Please note the portfolio information and sector active weights supplied above is based on the underlying managed investment scheme, in addition, the Fund may directly hold small amounts of cash.

Footnotes

1. Fund performance figures are calculated before tax and after fees and costs; using withdrawal prices and assumes distributions are reinvested. Past performance is not an indication of future performance.
2. The benchmark for the Fund is the S&P/ASX 300 Industrial Accumulation Index.
3. Morningstar rates managed funds from one to five stars based on how well they've performed (after adjusting for risk) in comparison to similar funds. Within each Morningstar Category, the top 10% of funds receive five stars, the next 22.5% four stars, the middle 35% three stars, the next 22.5% two stars, and the bottom 10% receive one star. Funds are rated for up to three time periods - three, five, and 10 years - and these ratings are combined to produce an overall rating. Funds with less than three years of history are not rated. Ratings are objective, based entirely on a mathematical evaluation of past performance. They're a useful tool for identifying funds worthy of further research, but shouldn't be considered buy or sell recommendations. Sandhurst IML Industrial Share Fund received a 3-Star Overall Morningstar Rating™ out of 92 Equity Australia Large Value funds as of 31 March 2022. In the Morningstar Equity Australia Large Value Category, the Sandhurst IML Industrial Share Fund 5 year return was ranked 77 out of 83 funds as of 31 March 2022. 'Morningstar Category Rank' is the Fund's performance rank relative to all funds in the same Morningstar Category. Investments are placed into Morningstar Categories based on their compositions and portfolio statistics so that investors can make meaningful comparisons. Source: www.morningstar.com.au/Funds/FundReport/7045
© 2022 Morningstar, Inc. All rights reserved. Neither Morningstar, its affiliates, nor the content providers guarantee the data or content contained herein to be accurate, complete or timely nor will they have any liability for its use or distribution. Any general advice or 'regulated financial advice' under New Zealand law has been prepared by Morningstar Australasia Pty Ltd (ABN: 95 090 665 544, AFSL: 240892) and/or Morningstar Research Ltd, subsidiaries of Morningstar, Inc, without reference to your objectives, financial situation or needs. For more information refer to our Financial Services Guide (AU) or Financial Advice Provider Disclosure Statement (NZ) at www.morningstar.com.au/s/fsg.pdf and www.morningstar.com.au/s/fapds.pdf. You should consider the advice in light of these matters and if applicable, the relevant Product Disclosure Statement before making any decision to invest. Our publications, ratings and products should be viewed as an additional investment resource, not as your sole source of information. Past performance does not necessarily indicate a financial product's future performance. To obtain advice tailored to your situation, contact a professional financial adviser. The Morningstar Rating is an assessment of a fund's past performance - based on both return and risk - which shows how similar investments compare with their competitors. A high rating alone is insufficient basis for an investment decision.
4. Management costs are based on costs incurred by the Fund in the past financial year and may be different in the current and future financial years. Other fees and costs may apply. See the Product Disclosure Statement for full details.
5. The commentary is provided by Investors Mutual Limited (IML) and has not been verified by Sandhurst Trustees Limited. Economic and outlook forecasts are not guaranteed to occur.

The Sandhurst IML Industrial Share (Fund) is issued by Sandhurst Trustees Limited (Sandhurst) ABN 16 004 030 737 AFSL 237906 a subsidiary of Bendigo and Adelaide Bank Limited (the Bank) ABN 11 068 049 178 AFSL 237879. Sandhurst and the Bank receive remuneration on the issue of the Fund or the service they provide, full details of which are contained in the Product Disclosure Statement (PDS). Investments in the Fund are not deposits with, guaranteed by, or liabilities of the Bank or any of its related entities. This update is provided by Sandhurst and contains general advice only. Please consider your situation and read the PDS available at www.bendigobank.com.au/managedfundsforms, any Bendigo Bank branch or by phoning 1800 634 969 before making an investment decision. For target market determination: www.bendigobank.com.au/TMD

This information is current as at 31 March 2022 (unless stated otherwise) and is subject to change without notice.