

Sandhurst Strategic Income Fund

Class A units

Quarterly fund update - December 2025

Investment approach

The Fund aims to provide customers with regular income and may offer higher returns with a lower level of risk through the market cycle in an effort to outperform a static investment in similar assets by strategically managing its portfolio in varying market and economic conditions.

The objective of the Fund is to outperform its benchmark (after fees) over any two year period.



Foresight Analytics has assigned a SUPERIOR investment rating with a product complexity indicator designating the Fund as a Relatively Simple Product.⁴

Fund performance¹

as at 31 December 2025

	Fund return	Benchmark ²	Excess return
3 months (%)	0.92	0.90	0.02
1 year (%)	4.60	3.97	0.63
2 years (% p.a.)	5.13	4.22	0.91
3 years (% p.a.)	5.04	4.11	0.93
5 years (% p.a.)	3.24	2.71	0.53
Since inception (% p.a.)	3.15	2.43	0.72
Morningstar Rating™ Overall ³	★★★		
Morningstar category rank 3 year ³	14/30		

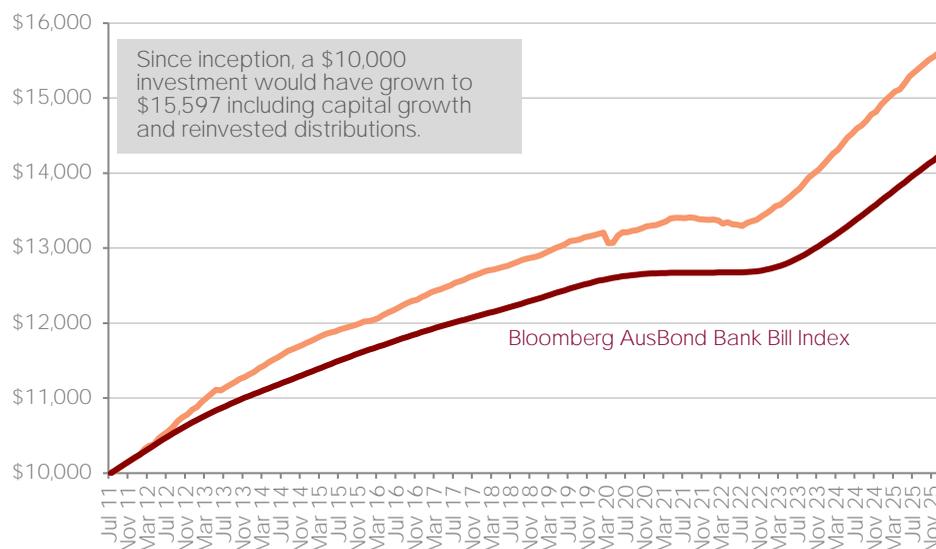
Fund facts

Fund APIR code	STL0027AU
Fund start date	30 July 2011
Management fees & costs ⁵	0.81% p.a.
Buy / Sell spread ⁵	+0.02% / -0.08%
Minimum initial investment	\$2,000
Minimum investment balance	
Recommended investment timeframe	2 years +
Risk level	Low

An example of how your investment grows

Growth of \$10,000¹

(Based on historic Fund performance since inception)



Unit price (ex distribution)

as at 31 December 2025

Application price	\$1.03197
Withdrawal price	\$1.03093

Distribution details (cents per unit)

31 Mar 25	\$0.01534
30 Jun 25	\$0.01329
30 Sep 25	\$0.01418
31 Dec 25	\$0.00834

Fund features

- ▶ regular income from quarterly distributions which can be paid to you or automatically reinvested;
- ▶ access to a diversified portfolio therefore reducing your risk exposure and potentially enhancing returns;
- ▶ low volatility core investments supplemented by strategically selected allocations to credit sectors;
- ▶ there's no requirement to rollover or lock away your investment for a fixed term; and
- ▶ a regular savings plan option from \$50 per month.

Do you have any questions?

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

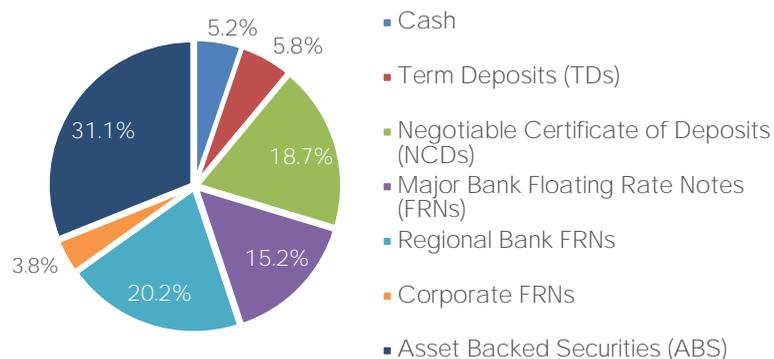
Portfolio performance

The Sandhurst Strategic Income Fund (Class A) delivered 0.92% (after fees) to investors through the quarter ending 31 December 2025. The Fund continues to outperform its benchmark and over the past 12 months has returned 4.60% (after fees). The performance over the past year corresponds to returns (after fees) for investors that have exceeded the benchmark by 0.64%.

Trade tensions and geopolitical developments persisted for another quarter albeit impacting financial markets in a less significant way than earlier in the year as familiarity has grown with policy uncertainty. It has also been recognised that the current US Administration has shown that they are prepared to de-escalate trade tensions if new deals are reached or if the reaction to the announced policy change is significantly disruptive to the general functioning of markets. Despite a tumultuous year, risk assets performed strongly with double digit returns typical for equity indices globally and credit spreads ending the year around multi-year highs. Volatility was benign at the end of the quarter and many of the market themes for 2025 (trade policy and geopolitical risk, AI valuations, commodity strength, inflation/growth dynamic) are expected to continue to dominate markets throughout 2026.

The local credit market has been notably stable amidst any spikes in volatility, proving to be largely unaffected by any negative news flow that has soured risk sentiment throughout the year. Domestic credit spreads compressed to post-COVID lows through the year and a more hawkish RBA is expected to provide support for domestic credit demand as other Central Banks continue to ease policy. There remains limited downgrade pressures on credit ratings for domestic corporates as fundamentals remain solid and consumer sentiment data has reflected an improvement in household finances across the past year which is being reflected in an improvement in arrears.

Asset allocation



The Fund was opportunistic when adding risk across the quarter amidst the uncertainty and expensive entry points (domestic credit spreads are at multi-year lows) with the key return drivers continuing to be floating rate notes and securitised assets. The team took advantage of the shifting rates curve to switch cash into NCDs at more attractive levels and participation in primary markets was concentrated on high credit quality issuers.

As at the end of December, the average credit rating for the Fund's investments is A+ with 24% of the Fund's exposures AAA rated. The allocation as at the end of December reflects the current cautious approach with exposure to bank deposits at 31% across the quarter whilst current allocation to bank/corporate bonds and asset backed securities is 39% and 30% respectively.

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 Bloomberg AusBond Bank Bill 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 Strategic Income Fund - Class A units received a 3-Star Overall Morningstar Rating™ out of 30 Australian Short Term Fixed Interest funds as of 31 December 2025. The Sandhurst Strategic Income Fund - Class A returns were ranked 14 out of 30 Morningstar Australian Short Term Fixed Interest funds for 3 years to 31 December 2025.
© 2025 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. This report or data has been prepared for clients of Morningstar Australasia Pty Ltd (ABN: 95 090 665 544, AFSL: 240892) and/or New Zealand wholesale clients of Morningstar Research Ltd, subsidiaries of Morningstar, Inc. Any general advice has been provided without reference to your financial objectives, situation or needs. For more information refer to our Financial Services Guide at www.morningstar.com.au/s/fsg.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. Morningstar's publications, ratings and products should be viewed as an additional investment resource, not as your sole source of information. Morningstar's full research reports are the source of any Morningstar Ratings and are available from Morningstar or your adviser. Past performance does not necessarily indicate a financial product's future performance. To obtain advice tailored to your situation, contact a 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. Foresight Analytics has assigned a SUPERIOR investment rating with a product complexity indicator designating the Fund as a Relatively Simple Product. This rating implies the highest level of confidence that the Fund can deliver a risk adjusted return in line with its investment objectives. Designation as a Relatively Simple Product indicates that the investment manager will seek to outperform their chosen mainstream market sector. A rating is not a recommendation to invest, retain or redeem units in the Fund. The rating may be subject to change or withdrawal at any time. A copy of Foresight Analytics Financial Services Guide can be found at www.foresight-analytics.com/financial-services-guide
5. Management fees & costs are based on fees and 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.

The Sandhurst Strategic Income Fund (Fund) is issued by Sandhurst Trustees Limited (Sandhurst) ABN 16 004 030 737 AFSL 237906 a subsidiary of Bendigo and Adelaide Bank Limited (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. Economic and outlook forecasts are not guaranteed to occur. Sandhurst has prepared this document based on information available to it. The information provided in this document has not been verified. Accordingly, no representation is made to the fairness and accuracy of the information, opinions and conclusions contained in this document. This update is provided by Sandhurst and contains general advice only. Details of applicable fees and costs are set out in the PDS. 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 December 2025 (unless stated otherwise) and is subject to change and is relevant for Class A Investors only. The Fund uses a multi-class pricing structure. Please refer to the PDS for more information.