

Yarra Ex-20 Australian Equities Fund

Gross returns as at 30 April 2026

	From 25 June 2018 ^A	1 month %	3 months %	1 year %	3 years % p.a.	5 years % p.a.	10 years % p.a.	Since inception % p.a.*
Yarra Ex-20 Australian Equities Fund	6.08	5.40	-7.28	4.02	5.79	7.46	7.49	7.65
S&P/ASX 300 ex S&P/ASX 20 Accumulation Index [#]	6.46	2.67	-9.49	4.69	6.85	5.86	N/A	N/A
Excess return (before fees) [‡]	-0.38	2.73	2.20	-0.67	-1.06	1.60	N/A	N/A

Past performance is not a reliable indicator of future performance. Taxes payable by investors have not been taken into account. The figures shown have been provided for illustrative purposes – they are unaudited and subject to change. The total returns shown are gross of all fees, meaning they do not reflect the deduction of any investment management fees which would reduce returns and assume reinvestment of all distributions. Investment in the fund is not available on a fee free basis and this should be factored into any analysis of past performance.

Net returns as at 30 April 2026

	From 25 June 2018 ^A	1 month %	3 months %	1 year %	3 years % p.a.	5 years % p.a.	10 years % p.a.	Since inception % p.a.*
Yarra Ex-20 Australian Equities Fund	5.13	5.33	-7.49	3.10	4.85	6.50	6.43	6.48
S&P/ASX 300 ex S&P/ASX 20 Accumulation Index [#]	6.46	2.67	-9.49	4.69	6.85	5.86	N/A	N/A
Excess return (after fees) [‡]	-1.34	2.65	2.00	-1.60	-2.01	0.65	N/A	N/A

Past performance is not a reliable indicator of future performance. Taxes payable by investors have not been taken into account. The figures shown have been provided for illustrative purposes – they are unaudited and subject to change. The total returns shown are prepared on an exit to exit basis – they include all ongoing fees and expenses and assume reinvestment of all distributions.

^A Effective 25 June 2018 the Fund's investment strategy, name and benchmark was changed. Performance prior to 25 July 2018 is provided here for consistency purposes only – the historical performance data shown relates to the previous strategy and should not be used to assess past or future performance of the Fund. Performance data relating to the previous strategy is available upon request. Past performance is not a reliable indicator of future performance. Taxes payable by investors have not been taken into account. The figures shown have been provided for illustrative purposes – they are unaudited and subject to change. The total returns shown are prepared on an exit to exit basis – they include all ongoing fees and expenses and assume reinvestment of all distributions.

* Inception date Yarra Ex-20 Australian Equities Fund: August 2010.

[#] The benchmark for the Yarra Ex-20 Australian Equities Fund has been amended since the Fund's inception. Effective 25 July 2018, the benchmark is the S&P/ASX 300 ex S&P/ASX 20 Accumulation Index, replacing the S&P/ASX 300 Accumulation Index.

[‡] Excess return: The difference between the Fund's return and the benchmark return.

Market review

The Australian Ex-20 equities rose during the month of April. Markets rebounded in April as renewed AI related optimism outweighed concerns around the closure of the Strait of Hormuz and broader impact of the Iran conflict. However returns towards the latter end of the month were subdued by concerns around sustained inflation and a possible rate hike by the Reserve Bank of Australia.

The S&P/ASX 300 Ex-20 Accumulation Index returned +2.7% for the month, taking its 12-month return to +4.7. The broader S&P/ASX 300 Accumulation Index returned +2.2%, whilst globally, the MSCI World Index delivered +8.9% for the month.

Materials (+3.8%) was the largest contributor, supported by broad-based strength across metals and mining. PLS Group (PLS, +17.6%), Mineral Resources (MIN, +18.8%) and BlueScope (BSL, +15.8%) performed strongly, partly offset by weakness in Evolution Mining (EVN, -5.7%) and South32 (S32, -5.6%).

Financials (+6.0%) also contributed meaningfully, led by capital markets, consumer finance and insurance. ASX (ASX, +16.3%), Zip Co (ZIP, +56.8%) and Macquarie Group (MQG, +16.4%) were key drivers.

Information Technology (+12.3%) delivered strong gains, with AI enthusiasm driven strength in data centres and software. NEXTDC (NXT, +27.8%), Codan (CDA, +33.3%) and WiseTech Global (WTC, +12.4%) were standout performers. NextDC rose following a large contract win while Codan rose on another update to guidance.

Health Care (-6.1%) was the largest detractor during the period driven by a sharp drop in Cochlear (COH, -44.4%) following a guidance cut. ResMed Inc. (RMD, -7.4%) also declined partly offset by gains in Pro Medicus (PME, +15.0%) and Telix Pharmaceuticals (TLX, +9.8%).

Consumer Staples (-5.8%) detracted, led by a2 Milk Company (A2M, -26.0%), while Treasury Wine Estates (TWE, +16.7%) provided some offset.

Energy (-1.0%) eased modestly, as weakness in Whitehaven Coal (WHC, -9.1%) and Yancoal (YAL, -7.8%) outweighed gains in Ampol (ALD, +4.4%).

Portfolio review

Key Contributors

NEXTDC (NXT, overweight) – leading Australian data centre owner and developer NXT outperformed during the month after announcing its largest ever contract – a 250 Megawatt contract anchoring its S4 data centre with a AAA credit rated hyperscaler. NXT has now grown contracted capacity to 667MW, a 172% increase this financial year, with contracted EBITDA now reaching \$2b. The scale of the growth has caused funding challenges for NXT, however multiple sub debt deals and a \$1.5b equity raising now see them well placed to deliver the rapid build out.

Tabcorp Holdings (TAH, overweight) – the wagering operator outperformed during the period following a positive readthrough from its listed competitor Entain and confirmation of in-play betting approval from the VGCCC. Lead indicators of TAH's growth strategy have been encouraging as the company captured market share, with progress on its in-venue, tote unification and media strategies evident. In our view TAH has continued to execute on its turnaround, leaving the company well placed to benefit from an improvement in the domestic wagering market and operating leverage.

Cochlear (COH, underweight) – the share price of the global leader in implantable hearing solutions came under significant pressure following an earnings downgrade release. The downgrade was primarily driven by a rapid slowdown in developed market demand for cochlear implants, causing a deceleration in group sales to around 4% in 2H26, compared to an expectation of appropriately 10% (2H26 group NPAT expectations cut around 50%). The headwinds are unlikely to be all cyclical, creating doubt around the pathway for COH to return to a DD growth company, and subsequently saw a material PE de-rate occur along with the lower earnings.

Key Detractors

ResMed (RMD, overweight) – shares in the global leader of sleep apnea treatment softened over the period. The driver of this performance is more likely to be linked to the growth in weight loss drugs (GLP-1's) and the prospect of a return of one of their competitors in the US marketplace. While growth in GLP-1 adoption to-date has been associated with accelerating RMD sales, the market continues to view this trend as a risk, rather than an opportunity to accelerate market penetration. Given the substantial market potential, operational leverage, and compelling valuation (less than 18x next twelve months price-earnings ratio), we maintain our overweight recommendation.

PLS Group (PLS, underweight) – the lithium miner outperformed during the month as lithium prices rose 6% (Platts SC6 spodumene) to remain at elevated levels around US\$2,600/t on increased optimism in the battery metals sector. We remain underweight the lithium sector as we view

the market as well supplied for the remainder of the decade with mine restarts likely place a cap on further upside to lithium prices in the near term, while incremental supply from new provinces including Nigeria, Mali and Zimbabwe will adequately balance markets in the longer term.

Pexa Group (PXA, overweight) – the residential property exchange underperformed during the month following the release of a proposed regulated pricing methodology paper from the Independent Pricing and Regulatory Tribunal (IPART). Whilst this is only a methodology paper, the proposal to establish an initial asset base, against which a regulated building blocks return model would be applied carries material risk for PXA with a wide range of outcomes. This risk was quickly priced into the stock and we now believe is fairly reflected.

Market outlook

Australian equity markets rebounded in April 2026, stabilising after March's sharp sell-off as investors looked through ongoing volatility in the Middle East and refocused on earnings delivery and the AI capex cycle. The S&P/ASX 200 Index rose 2.2% over the month, recouping a portion of March's losses, with leadership concentrated in growth/technology and domestically-oriented defensives while energy and parts of resources lagged as oil price volatility eased from early-month extremes.

Global equities staged a powerful recovery in April as strong US corporate results and renewed enthusiasm for AI-related investment outweighed lingering geopolitical concerns. The S&P 500 Index surged 10.5% for the month, with broader risk appetite improving across developed and emerging markets. For Australian-based unhedged investors, currency moves again mattered: the Australian dollar strengthened versus the US dollar over April (reducing the translation benefit from offshore equities), partially offsetting the strong increase in global equity prices within unhedged return outcomes.

Bond markets steadied in April as the inflation impulse from the Middle East energy shock became better understood and risk sentiment improved. Global fixed income posted a modestly positive month (the Bloomberg Global Aggregate was up around 1.2%), supported by tighter credit spreads even as headline inflation risks remained elevated. Commodity performance remained energy-led: Brent crude was highly volatile but stayed elevated on continued disruption risk around the Strait of Hormuz, while gold eased modestly over the month (down ~1.1%) after March's sharp drawdown.

Looking forward, the trajectory of the Iran conflict and the path of oil and freight markets remain the key swing factors for near-term risk pricing. April's rally highlighted markets' willingness to look through uncertainty when earnings and liquidity conditions are supportive; however, with the Strait of Hormuz still a focal point for supply disruption risk, the probability of renewed inflation volatility remains material.

Domestically, the Reserve Bank of Australia's (RBA) May decision delivered a further 25bp increase in the cash rate target to 4.35%, with the Board emphasising that inflation risks

remain tilted to the upside, and a further rate hike cannot be ruled out. The Statement on Monetary Policy placed particular weight on the inflation impulse from higher fuel and related commodity prices and the risk of second-round pass-through into broader goods and services prices, especially given underlying inflation had already picked up around the start of 2026 amid ongoing capacity pressures. The Board also noted that short-term measures of inflation expectations have risen and judged that inflation is likely to remain above target for some time, warranting a tighter policy stance despite heightened uncertainty around the growth outlook. However, the RBA also observed that financial conditions have tightened further via higher wholesale rates, bond yields and a firmer exchange rate, and noted that financial conditions are now likely restrictive. As demand slows (as we expect in coming months) we expect the RBA will likely remain on hold for the balance of 2026 before easing policy in mid-2027.

For markets, the June quarter is likely to remain volatile as investors weigh geopolitics against earnings delivery and the evolving path of global policy, with currency moves continuing to play an outsized role in unhedged returns. Our base case remains gradual de-escalation in Iran and near term earnings downgrades in Australia. Against that backdrop, we see scope for further volatility for equity markets through the remainder of the June quarter and September quarter of 2026. More positive sentiment is likely following the end of the earnings downgrade cycle, lower energy prices and the prospect of easier policy in 2027 coming to fruition.

We are most overweight stocks within the Communication Services, Utilities and Materials sectors and underweight Real Estate, Industrials and Energy.

Sector allocation

	Portfolio %	Benchmark %	Active %
Communication Services	14.54	3.74	10.80
Consumer Discretionary	5.96	5.99	-0.03
Consumer Staples	2.04	2.45	-0.41
Energy	2.00	6.24	-4.24
Financials	8.38	13.87	-5.49
Health Care	8.82	8.69	0.13
Industrials	0.00	11.82	-11.82
Information Technology	9.53	6.12	3.42
Materials	27.77	27.40	0.37
Real Estate	7.18	9.82	-2.64
Utilities	10.04	3.87	6.17

Top 3 holdings

	Portfolio %	Benchmark %	Active %
Origin Energy	6.49	2.01	4.49
NEXTDC	5.75	1.04	4.71
ResMed	4.75	1.63	3.12

Key active positions

Overweights	Portfolio %	Benchmark %	Active %
NEXTDC	5.75	1.04	4.71
Origin Energy	6.49	2.01	4.49
Northern Star	4.00	0.00	4.00
Underweights			
Scentre Group	0.00	1.86	-1.86
Suncorp Group	0.00	1.78	-1.78
PLS Group	0.00	1.77	-1.77

Portfolio holdings may not be representative of current or future investments. The securities discussed may not represent all of the portfolio's holdings and may represent only a small percentage of the strategy's portfolio holdings. Future portfolio holdings may not be profitable.

Income and growth

	1 year %	3 years % p.a.	5 years % p.a.	10 years % p.a.
Growth return	0.30	2.95	4.33	3.98
Distribution return	2.80	1.90	2.18	2.45

The Growth Return is measured by the movement in the Fund's unit price, ex-distribution, and can be positive or negative as the unit price can fluctuate with changes in the underlying market value of the Fund's assets. The Distribution Return is the amount that is paid to unitholders by way of income distribution in a 12-month period. It does not include capital distributions.

Features

Investment objective	To achieve medium-to-long term capital growth through exposure to Australian Securities Exchange listed securities excluding the largest 20 by market capitalisation (as defined by the S&P/ASX 20 Index). In doing so, the aim is to outperform the S&P/ASX 300 ex S&P/ASX 20 Accumulation Index over rolling 3-year periods.	
Recommended investment time frame	5 - 7 + years	
Fund inception	August 2010	
Fund size	A\$120.7 mn as at 30 April 2026	
APIR code	JBW0052AU	
Estimated management cost	0.90% p.a	
Buy/sell spread	+/- 0.15%	
Platform availability	BT Panorama Hub24	Praemium

Applications and contacts

Investment into the Yarra Ex-20 Australian Equities Fund can be made by Australian resident investors only.

Website www.yarracm.com

Investor Services Team 1800 034 494 (Australia) +61 3 9002 1980 (Overseas) IST@yarracm.com

Disclaimers

Yarra Funds Management Limited (ABN 63 005 885 567, AFSL 230 251) ("YFM") is the issuer and responsible entity of a range of registered managed investment schemes, which includes those named in this document ("Funds"). YFM is not licensed to provide personal financial product advice to retail clients. The information provided contains general financial product advice only. The advice has been prepared without taking into account your personal objectives, financial situation or particular needs. Therefore, before acting on any advice, you should consider the appropriateness of the advice in light of your own or your client's objectives, financial situation or needs. Prior to investing in any of the Funds, you should obtain and consider the product disclosure statement ("PDS") and target market determination ("TMD") for the relevant Fund by contacting our Investor Services team on 1800 034 494 or from our website at www.yarracm.com/pdsupdates/. The information set out has been prepared in good faith and while Yarra Funds Management Limited and its related bodies corporate (together, the "Yarra Capital Management Group") reasonably believe the information and opinions to be current, accurate, or reasonably held at the time of publication, to the maximum extent permitted by law, the Yarra Capital Management Group: (a) makes no warranty as to the content's accuracy or reliability; and (b) accepts no liability for any direct or indirect loss or damage arising from any errors, omissions, or information that is not up to date. No part of this material may, without the Yarra Capital Management Group's prior written consent be copied, photocopied, duplicated, adapted, linked to or used to create derivative works in any form by any means.

YFM manages each of the Funds and will receive fees as set out in each PDS. To the extent that any content set out in this document discusses market activity, macroeconomic views, industry or sector trends, such statements should be construed as general advice only. Any references to specific securities are not intended to be a recommendation to buy, sell, or hold such securities. Past performance is not an indication of, and does not guarantee, future performance. Information about the Funds, including the relevant PDSs, should not be construed as an offer to any jurisdiction other than in Australia. With the exception of some Funds that may be offered in New Zealand from time to time (as disclosed in the relevant PDS), we will not accept applications from any person who is not resident in Australia or New Zealand. The Funds are not intended to be sold to any US Persons as defined in Regulation S of the US federal securities laws and have not been registered under the U.S. Securities Act of 1933, as amended.

References to indices, benchmarks or other measures of relative market performance over a specified period of time are provided for your information only and do not imply that the portfolio will achieve similar results. Holdings may change by the time you receive this report. Future portfolio holdings may not be profitable. The information should not be deemed representative of future characteristics for the strategy. There can be no assurance that any targets stated in this document can be achieved. Please be advised that any targets shown are subject to change at any time and are current as of the date of this document only. Targets are objectives and should not be construed as providing any assurance or guarantee as to the results that may be realized in the future from investments in any asset or asset class described herein. If any of the assumptions used do not prove to be true, results may vary substantially. These targets are being shown for informational purposes only.

© Yarra Capital Management, 2026.