Class A

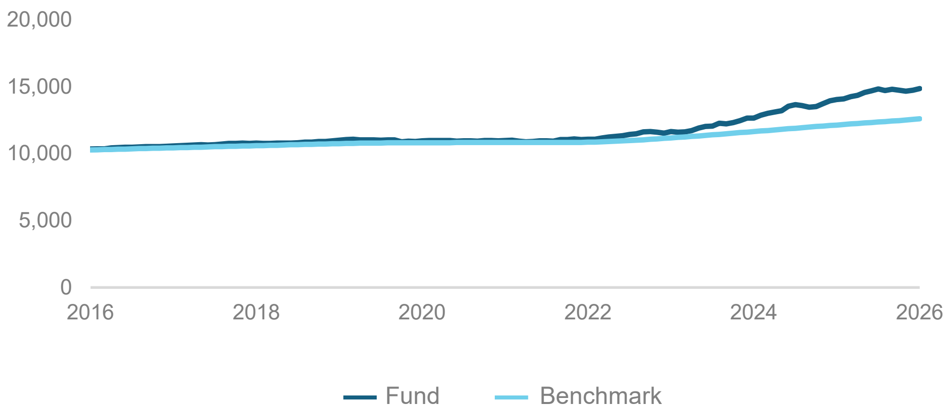
# Acadian Defensive Income Fund

Quarterly Factsheet | **June 2026**

## Features of the strategy

- The strategy aims to outperform the RBA cash rate over rolling three-year periods, with a relatively low level of volatility.
- The investment manager, Acadian Asset Management, combines cash and fixed income investments with long and short equity holdings (market neutral), selected using Acadian Australia's equity investment process.
- Acadian dynamically manage the exposure of the long/short component of the portfolio, with the net market exposure typically maintained close to 0%. The long/short structure isdesigned to minimise equity market risk while benefiting from franking credits and leveraging Acadian Australia's sophisticated analytical models for stock selection.

## Growth of $10,000 over 10 years




Fund return is net of fees and taxes and assumes reinvestment of distributions in the 10 year period.

## Investment returns as at June 30, 2026 (%)
(Returns beyond 1 year are annualised)

| | 1 Mth | 3 Mth | 6 Mth | 1 Yr | 3 Yr | 5 Yr | 10 Yr | Inception |
|---|---|---|---|---|---|---|---|---|
| Fund (Gross) | 0.9 | 1.0 | 0.5 | 6.5 | 9.1 | 6.8 | 4.2 | 4.6 |
| Fund (Net) | 0.8 | 0.8 | 0.2 | 5.8 | 8.4 | 6.2 | 3.6 | 3.9 |
| Benchmark Index | 0.4 | 1.0 | 2.0 | 3.8 | 4.1 | 3.1 | 2.1 | 2.7 |
| Excess (Net - Index) | 0.5 | -0.2 | -1.8 | 2.0 | 4.3 | 3.1 | 1.5 | 1.2 |

*Past performance is not a reliable indicator of future performance. Inception date is 19 December 2008.*

## Key Facts

### Strategy Snapshot

A portfolio designed to outperform the RBA cash rate with a relatively low degree of volatility. The portfolio may invest in cash, fixed income investments and long and short equity holdings with net market exposure typically being close to 0%.

### Investment Objective

To outperform the RBA cash rate over rolling three-year periods before fees and taxes.

### Benchmark Index[1]

RBA Cash Rate

### Inception Date

19 December 2008

### Number of Stocks

250 - 300

### Fund Size

$170 million

### Management Fee

0.47%

### Buy/Sell Spread

0.10%

### Distribution Frequency

Quarterly

### Minimum Investment

$25,000 or platform minimum

### APIR

FSF0973AU

### Research Ratings

Zenith “Recommended”[2]

Lonsec “Recommended”[3]

## Performance Commentary

The portfolio underperformed its benchmark, the RBA Cash Rate, by -0.17% for the quarter ending June 30, 2026. Key sources of negative returns within market neutral included exposures to information technology and real estate.

## Key Holdings[4]

Positive

Our long exposure to Pro Medicus Ltd. was rewarded with 57 basis points of active return as share prices rose 44.8% over the quarter. The company continued to benefit from strong commercial execution, highlighted by several significant contract wins and renewals across leading U.S. healthcare networks. Visage Imaging secured key agreements with Allegheny Health Network, TidalHealth, and Ohio State University Wexner Medical Center. Investor confidence remained underpinned by Pro Medicus' industry-leading profitability, scalable business model, and accelerating penetration of the attractive North American healthcare market.

Negative

Our short exposure to Megaport Ltd. cost the portfolio 60 basis points of active return as its share price rose more than 100% over the quarter. The surge was fueled by growing investor confidence in the company's AI infrastructure strategy, highlighted by a series of significant contract wins and the successful integration of Latitude.sh. Strong growth in both compute and network recurring revenue, coupled with new AI-related contracts exceeding A$700 million in aggregate value and robust backing for an A$827 million capital raise, reinforced expectations for accelerated growth and strengthened market sentiment.

| Top 10 Stocks | Industry | % |
|---|---|---|
| PRO MEDICUS LTD | Health Care Equip & Servcs | 1.1 |
| COMPUTERSHARE LTD | Comm & Prof Services | 1.0 |
| CHALLENGER LTD | Financial Services | 1.0 |
| ORICA LTD | Materials | 1.0 |
| ARISTOCRAT LEISURE LTD | Consumer Services | 1.0 |
| BHP GROUP LTD | Materials | 1.0 |
| COLES GROUP LTD | Consumer Staples Distr, Retail | 1.0 |
| DALRYMPLE BAY INFRASTRUCTURE LTD | Transportation | 1.0 |
| CHARTER HALL GROUP | Equity (REITs) | 1.0 |
| MONADELPHOUS GROUP LTD | Capital Goods | 0.9 |
| Total | | 9.9 |

| Industry Sectors | % |
|---|---|
| Materials | 18.4 |
| Industrials | 16.8 |
| Financials | 14.0 |
| Consumer Discretionary | 10.8 |
| Real Estate | 10.1 |
| Health Care | 8.7 |
| Consumer Staples | 6.0 |
| Information Technology | 5.6 |
| Energy | 4.1 |
| Communication Services | 4.0 |
| Utilities | 1.7 |

## Market Review

Australian equities (S&P/ASX 300 Accumulation Index) rose 4.1% in the second quarter of 2026 as improving investor sentiment, resilient domestic economic conditions and ongoing enthusiasm for AI-related investment more than offset geopolitical uncertainty and a restrictive monetary policy environment.

Market performance was underpinned by confidence in the global AI investment cycle, with Australian resources, capital goods and selected technology-related companies benefiting from expectations of sustained spending on digital and infrastructure buildouts. While geopolitical tensions in the Middle East and concerns around potential disruptions to the Strait of Hormuz generated periods of volatility, sentiment improved as the quarter progressed, aided by signs of de-escalation and an interim agreement between the United States and Iran that eased concerns over global energy supply.

Inflation continued to moderate gradually, encouraging markets to scale back expectations for further policy tightening despite the Reserve Bank of Australia delivering an additional 25 basis point rate increase in May before leaving the cash rate unchanged at 4.35% in June. Persistent inflationary pressures, elevated energy costs and higher borrowing costs remained key risks, although falling oil prices later in the quarter provided some relief to households and businesses.

Domestic economic data reflected an economy that was slowing but remained relatively resilient. Labour market conditions softened modestly, household consumption was subdued and consumer confidence remained weak by historical standards. However, stronger-than-expected spending activity and ongoing investment in digital infrastructure helped support growth expectations.

From a sector-wise perspective, consumer discretionary (up 18.0%) was the biggest contributor, followed by information technology (up 17.4%). Energy (down 16.7%) was the largest detractor.

## Outlook and Strategy

Global equities showed resilience during a volatile Q2 2026. A sharp energy shock resulting from the closure of the Strait of Hormuz in the midst of the U.S.-Iran war drove Brent crude above $110, reviving inflation concerns and disrupting the disinflation trend. Conditions improved toward quarter-end as diplomacy eased tensions, inventories rose, and peace talks progressed, lowering oil prices. Central banks diverged: the ECB tightened policy again, the Bank of Japan advanced normalization, and the Fed paused amid sticky inflation and slowing growth. Mid-June geopolitical easing triggered a relief rally, especially in Asia, though a late AI-led selloff exposed concentration risks. Regionally, US gains were steady, Europe held firm, Japan advanced on reforms, and South Korea’s strong run turned volatile.

The OECD’s latest outlook highlights weakening global growth prospects, driven largely by Middle East tensions and their impact on energy markets. The U.S.-Iran war has become a major macroeconomic shock, disrupting production and trade across key energy-exporting regions while driving higher oil, gas, and input costs. These pressures are fueling inflation while reducing household purchasing power and corporate margins.

Under the OECD’s baseline scenario, global GDP growth is projected to slow from 3.4% in 2025 to about 2.8% in 2026 before recovering to 3.1% in 2027. Risks remain firmly to the downside: a prolonged conflict could reduce growth to 2.1% in 2026 and 1.8% in 2027, increasing recession risks across several economies. G20 inflation is expected to rise to around 4.0% in 2026 from 3.4% in 2025 before easing as supply conditions normalize.

Global oil markets face constrained supply and weakening demand. Severe shipping disruptions through the Strait of Hormuz are keeping substantial Middle Eastern production offline, tightening markets despite softer consumption. Inventories are projected to fall to multi-decade lows across OECD countries, supporting Brent prices around $105 per barrel during peak disruption. High prices, supply constraints, and policy measures are expected to reduce global oil demand by about 1.1 million barrels per day in 2026 before demand rebounds as supply recovers in 2027.

The OECD projects Australia’s economic growth to strengthen, with GDP rising from 1.8% in 2025 to 2.3% in 2026-27, supporting low unemployment and stable inflation. Limited monetary easing and modest fiscal tightening are expected, while reforms target deficits and housing. The RBA expects inflation to stay elevated before returning to target.

## Platform Availability

- BT Panorama
- Colonial First State Edge
- Colonial First State FirstChoice
- Dash
- HUB24
- Netwealth

## Fund Ratings

- Zenith “Recommended”[2]
- Lonsec “Recommended”[3]

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# Disclaimer and disclosures

1 RBA Cash Rate. 2 The Zenith Investment Partners (ABN 27 103 132 672, AFS Licence 226872) (“Zenith”) rating (assigned APIR FSF0973AU 20 February 2026) referred to in this piece is limited to “General Advice” (s766B Corporations Act 2001) for Wholesale clients only. This advice has been prepared without taking into account the objectives, financial situation or needs of any individual, including target markets of financial products, where applicable, and is subject to change at any time without prior notice. It is not a specific recommendation to purchase, sell or hold the relevant product(s). Investors should seek independent financial advice before making an investment decision and should consider the appropriateness of this advice in light of their own objectives, financial situation and needs. Investors should obtain a copy of, and consider the PDS or offer document before making any decision and refer to the full Zenith Product Assessment available on the Zenith website. Past performance is not an indication of future performance. Zenith usually charges the product issuer, fund manager or related party to conduct Product Assessments. Full details regarding Zenith’s methodology, ratings definitions and regulatory compliance are available on our Product Assessments and at http://www.zenithpartners.com.au/RegulatoryGuidelines 3 The rating issued 24 September 2025 FSF0973AU is published by Lonsec Research Pty Ltd ABN 11 151 658 561 AFSL 421 445 (Lonsec). Ratings are general advice only,and have been prepared without taking account of your objectives, financial situation or needs. Consider your personal circumstances, read the product disclosure statement and seek independent financial advice before investing. The rating is not a recommendation to purchase, sell or hold any product. Past performance information is not indicative of future performance. Ratings are subject to change without notice and Lonsec assumes no obligation to update. Lonsec uses objective criteria and receives a fee from the Fund Manager. Visit lonsec.com.au for ratings information and to access the full report. © 2026 Lonsec. All rights reserved. 4 Top contributing/detracting individual positions over the period as measured by basis point impact. For illustrative purposes only. *This should not be considered a recommendation to buy or sell any specific security. This material has been prepared by and is issued by Acadian Asset Management LLC and Acadian Asset Management (Australia) Limited, collective referred to in this material as Acadian. This material is directed at persons who are professional, sophisticated or wholesale clients and has not been prepared for and is not intended for persons who are retail clients and must not be reproduced or transmitted in any form without the prior written consent of Acadian. This material contains general information only. It is not intended to provide you with financial product advice and does not take into account your objectives, financial situation or needs.

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