

Bentham High Yield Fund

December 2024

Fund Aim

To provide investors with a diversified exposure to the US high yield bond market with active allocation between individual securities and industries.

Fund Performance as at 31 December 2024 (%) Since 1 3 10 years 20 years 3 years 5 years 7 years 15 years 1 year inception month months months (p.a.) (p.a.) (p.a.) (p.a.) (p.a.) (p.a.) (p.a.) Gross return (before fees) -0.19 0.43 4.28 7.30 3.16 3.37 4.04 5.39 8.04 7.81 7.94 Growth return (after fees) -1.35 -4.38 -4.68 -3.95 -1.37 -1.24 0.61 -0.34-2.18 -1.25Distribution return 1.63 1.64 3.35 6.98 6.88 7.38 7.27 6.84 8.51 8.42 8.46 Total return (after fees)1 -0.24 0.29 3.96 6.63 2.50 2.70 3.32 4.66 7.27 7.05 7.21 Benchmark -0.47-0.03 4.93 6.91 1.32 2.58 3.25 4.55 7.00 7.03 7.42 Active return (after fees)2 0.22 0.32 -0.97 -0.27 1.18 0.12 0.07 0.11 0.27 0.02 -0.20

Source: Fidante Partners. Past performance is not indicative of future performance. Returns may be volatile and may vary from year to year.

Portfolio and Market Returns

The Bentham High Yield Fund had a total return (after fees) of -0.24% in the month of December, outperforming the benchmark ICE BofAML US Cash Pay High Yield Constrained Index³ (hedged into AUD) by 0.22%. On a before fees basis the fund returned -0.19% for the month, outperforming the benchmark by 0.28%.

High Yield Market

For the month, 3 of the 23 industries had positive returns. The top performing industries in December were Broadcasting, Forest Prod/Containers and Transportation with returns (sector performance in USD terms) of 0.86%, 0.15% and 0.02% respectively. The worst performing industries were Cable/Wireless Video, Utility and Housing with returns of -0.84%, -0.77% and -0.74% respectively.

Portfolio Exposures

The Fund's three largest industry exposures are 9.3% in Diversified/Conglomerate Service, 9.1% in Electronics and 8.3% in Buildings and Real Estate. The Fund's top three company exposures are 1.2% in Cqp Holdco Lp / Bip-v Chinook Holdco Llc, 1.2% in Jane Street Group LLC and 1.0% in Arcosa Inc. During the month, the Fund increased its exposure to Focus Financial Partners, Tronox and Speedway Motorsports LLC; with decreased exposures to Sonic Automotive, Camelot Return Merger Sub and GFL Environmental.

Portfolio Summary Statistics			
7.17%			
5.92%			
+298bps			
247			
3.69 years			
3.52 years			
B+			
A\$621,711,353			

Risk Characteristics	
5 Year Volatility[) ⁶	9.22
5 Year Sharpe Ratio[) ⁷	0.15
5 Year Tracking Error[) ⁸	1.65
5 Year Information Ratio[) ⁹	0.48

Fund Distributions			
Distribution frequency	Quarterly		
Quarterly distribution[) ¹⁰	1.63% (Dec 2024)		

¹ Total Return (after fees) is calculated using pre-distribution month end withdrawal unit prices, and assumes all income is reinvested in additional units. Total Return equals Growth return (after fees) plus Distribution return (after fees).

² Active Return of the Fund is the difference between the Total Return and the return of the Benchmark. Gross Returns (before fees) are calculated by adding back the fees and expenses deducted. Please refer to the PDS for more information on fees and expenses.

³ Previously known as Merrill Lynch High Yield Cash Pay Constrained Index

⁴ Spread to worst over the swap rate.

⁵ The average credit quality is calculated using a duration adjusted Moody's Weighted Average Rating Factor (WARF) for both the S&P and Moody's security credit ratings within a portfolio.

⁶ Volatility is Standard Deviation

⁷ Sharpe Ratio is the excess return over the Bloomberg AusBond Bank Bill Index (before fees) divided by Standard Deviation.

⁸ Tracking Error is the Standard Deviation of the Active Return (before fees).

⁹ Information Ratio is the Active Return (before fees) divided by the Tracking Error.

¹⁰ Calculated as the cents per unit (CPU) distribution at the month end divided by the ex-distribution unit price at the start of the month.



Bentham High Yield Fund

December 2024

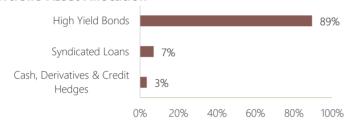
Quarterly Distribution Returns History (%) ¹					
Financial Year	Sep	Dec	Mar	Jun	YTD[) ²
2025	1.62	1.63	-	-	3.35
2024	1.74	1.74	1.75	1.75	7.36
2023	2.04	2.04	2.06	2.05	8.69
2022	1.12	1.13	1.11	1.10	3.91
2021	1.36	1.35	1.32	0.00	10.78
2020	1.22	1.22	1.85	2.08	6.20

Source: Fidante Partners

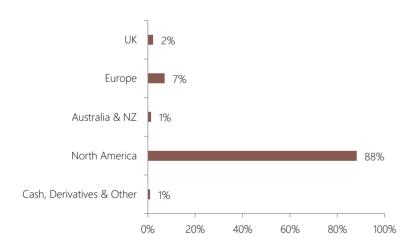
Past distributions are no indication of future distributions.

- ¹ Calculated as the cents per unit (CPU) distribution at month end divided by the ex-distribution unit price at the start of the month.
- ² Annual distribution return (Year-to-Date) is calculated as the Total Return (after fees) minus Growth Return. Total Return (after fees) is calculated using pre-distribution month end withdrawal unit price, and assumes distributions are reinvested. Growth Return equals the percentage change in unit price.

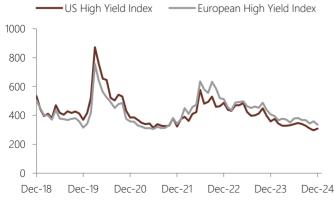
Portfolio Asset Allocation



Regional Breakdown

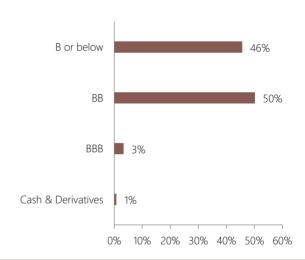


High Yield Spread to Worst (bps)



Source: ICE Bank of America Merrill Lynch

Credit Rating Breakdown



Top 5 Industry Exposures (Moody's SIC)			
Diversified/Conglomerate Service	9.3%		
Electronics	9.1%		
Buildings and Real Estate	8.3%		
Finance	7.5%		
Oil and Gas	7.4%		

Pricing and Fees	
Unit frequency pricing	Daily
Management fee	0.60%
Recoverable expenses	0.07% (Dec 2024)
Buy/sell spread[) ³	+0.150%/-0.150%
Entry and exit fees	Nil
Minimum initial investment	A\$10,000

³ Buy/sell spread is retained in the Fund to cover transaction costs. It is not paid to the Investment Manager. The buy/sell spread is reviewed on a monthly basis to ensure it fairly reflects market transaction costs.



Bentham High Yield Fund

December 2024

Fund Overview		Platform Availabili	ty & mFu	ınd Code
Inception date	15 October 1998	BT Wrap	✓	Oasis ✓
APIR code	CSA0102AU	HUB24	✓	uXchange ✓
Benchmark	ICE BofAML US Cash Pay High Yield Constrained Index (hedged into Australian dollars)	Netwealth - Private	✓	ASX mFund Settlement Service BAM03
Return objective	The investment objective of the Fund is to outperform the Benchmark over the suggested minimum investment timeframe			
Suggested investment time frame	Medium to long term, 3 years+			
Fund aim	To provide investors with a diversified exposure to the US high yield bond market with active allocation between individual securities and industries			
Currency	Hedged into Australian dollars			
Fund features	 Access to a diversified global high yield credit portfolio Regular quarterly distributions Daily unit pricing Australian domiciled trust with a 20+ year track record – one of Australia's longest running high yield funds Investments not generally available to direct retail investors 			

More information:

Retail Investors: Fidante Partners Investor Services on 13 51 53 or info@fidante.com.au

<u>Advisers</u>: Please contact <u>funds@benthamam.com</u> or call 02 9994 7929 <u>Institutional Investors / Consultants</u>: <u>institutional@benthamam.com</u>

Website: www.benthamam.com
PDS: Bentham High Yield Fund PDS

This material has been prepared by Bentham Asset Management ABN 92 140 833 674 AFSL 356199 (Bentham), the investment manager of Bentham High Yield Fund (Fund). Fidante Partners Services Limited ABN 44 119 605 373 AFSL 320505 (Fidante) is a member of the Challenger Limited group of companies (**Challenger Group**) and is the responsible entity of the Fund. Other than information which is identified as sourced from Fidante in relation to the Fund, Fidante is not responsible for the information in this material, including any statements of opinion.

It is general information only and is not intended to provide you with financial advice or take into account your objectives, financial situation or needs. You should consider, with a financial adviser, whether the information is suitable to your circumstances. The Fund's Target Market Determination and Product Disclosure Statement (PDS) available at www.fidante.com should be considered before making a decision about whether to buy or hold units in the Fund. To the extent permitted by law, no liability is accepted for any loss or damage as a result of any reliance on this information.

Past performance is not a reliable indicator of future performance.

Bentham and Fidante have entered into arrangements in connection with the distribution and administration of financial products to which this material relates. In connection with those arrangements, Bentham and Fidante may receive remuneration or other benefits in respect of financial services provided by the parties.

Fidante is not an authorised deposit-taking institution (ADI) for the purpose of the Banking Act 1959 (Cth), and its obligations do not represent deposits or liabilities of an ADI in the Challenger Group (**Challenger ADI**) and no Challenger ADI provides a guarantee or otherwise provides assurance in respect of the obligations of Fidante. Investments in the Fund are subject to investment risk, including possible delays in repayment and loss of income or principal invested. Accordingly, the performance, the repayment of capital or any particular rate of return on your investments are not guaranteed by any member of the Challenger Group.