

PORTFOLIO UPDATE

HNW Australian Equity Income Concentrated Portfolio

Monthly Report April 2026

- April was a volatile month, with the dominant theme being the confusion over the status of the Iran conflict. Energy prices gyrated wildly amid conflicting reports on whether the Strait of Hormuz was open or a peace deal was imminent. Despite periodic bouts of hopeful optimism, the NACHO trade (Not A Chance Hormuz Opens) continues to win.
- The **HNW Australian Equity Income Focus Portfolio** gained by 1.34%, a pleasing outcome given the volatility in markets during the month.
- The last 12 months have seen a high degree of market volatility, with both the Trump tariffs, potential recessions and the war in the Middle East contributing to it. While sometimes exasperating, the Portfolio is populated with companies positioned to navigate changing market conditions. The companies we own have 1) low levels of gearing or, in the case of several portfolio companies, no debt, 2) pricing power to pass on inflation and critically, 3) are established companies offering largely non discretionary goods and services that have navigated and survived through weak market conditions.

	May	June	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	12m rolling	Incept annual
HNW Equity Income Concentrated Portfolio	3.9%	0.4%	3.8%	3.8%	-2.8%	1.8%	0.4%	0.9%	0.4%	3.7%	-1.4%	1.3%	17.3%	6.0%

Portfolio Objective

Investment decisions are determined by the ability of the companies to maintain or grow income to shareholders or that are likely to provide franking credits (including contemplation of possible off-market buybacks).

Appropriate Investors

Pensioners or otherwise low marginal tax rate investors who might have more limited resources or otherwise use other investments as a diversifier.

Portfolio Details

Benchmark	Not Aware
Number of Stocks	10-15
Asset Allocation	100% Equity
Inception Date	30 th November 2022
Security Target	within 5% of S&P ASX 200 weights

Market Update

Over the month, the news has continued to be dominated by macroeconomic events in the Middle East and the US military operation in Iran. These events saw oil prices remain elevated above US\$110 per barrel. Global markets rebounded from the March lows, driven primarily by large US technology stocks following their Q3 reporting season.

Domestically, the war in the Middle East has added pressure on consumers, with more discretionary spending shifting towards fuel payments. This was evident in the Australian inflation print, which rose from 3.7% to 4.6% in March.

Top Positions April 2026 Yield (incl-franking)

Position	Yield
Woodside	9.1%
ANZ Bank	8.2%
Transurban	5.0%
Westpac	6.2%
Ampol	6.2%

Estimated portfolio metrics for FY26

	ASX 200	HNW Con
PE (x) fwd.	17.6	15.0
Dividend yield (net)	3.5%	5.2%
Est Franking	67%	81%
Grossed Up Yield	4.4%	6.8%
Number of stocks	200	15
Avg mcap \$B	11	55
Beta (3mth rolling)	1.0	0.91

Source: Bloomberg & UBS

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Portfolio Performance

In April, the **HNW Australian Equities Income Concentrated Portfolio** gained by 1.35%.

Over the month, positions in Atlas Arteria (+12%), Dexus Industria (+7%), Dalrymple Bay (+7%), and QBE Insurance (+5%) added value.

On the negative side of the ledger, Whitehaven Coal (-9%), Amcor (-5%) and Woodside (-4%) gave back some of March's gains.

Atlas remains happy to have a large weight on energy, as we see that the full impacts of restricted energy flows are yet to be felt in global economies, and that a lasting peace process is unlikely to be achieved quickly.

Trading Updates

Over the month of April, the portfolio saw trading updates from companies indicating that the war in the Middle East is not having a significant impact on day-to-day operations.

Many of the energy companies in the Portfolio provided very supportive updates, with both Ampol and Woodside benefiting from the higher energy prices. Ampol saw its refining margins increase from US\$6.07 to US\$25.45 per barrel, driven by limited fuel supply across Australia.

Pleasingly, the miner in the portfolio, Whitehaven Coal, reported that they are having no issues locating and acquiring diesel across their respective operations.

Portfolio Trading

No trading was done over the month.

Performance Calculation Methodology

The following conventions have been adopted for calculating performance:

- Transaction expenses of 10bp are applied to Portfolio buy and sell. Transaction expenses are capitalised into the cost base. Rebalancing transactions incur transaction expenses.
- Cash-flow from dividends is credited on the ex-date rather than the pay date. Franking is not considered which is consistent with the calculation methodology of the benchmark. Cash flow from dividends is assumed to be reinvested in issuer stock at the closing price on the ex-date.
- The Portfolio can participate in entitlement-based capital raisings, however, cannot participate in institutional raisings. The Portfolio must fund the required amount by the sale of the equivalent amount of equity. In the event of a subsequent scale-back the Portfolio will also record the pro-rata amount of script issued.
- Performance does not include consideration of taxation including capital gains tax.

- Performance numbers are presented on an unaudited basis

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