

Fund Profile - 31 March 2025

Perpetual Growth Opportunities Fund

Fund Facts

APIR code	PER0437AU
Inception date¹	March 2008
Benchmark	Bloomberg Ausbond Bank Bill Index +3% p.a.
Size of Fund:	\$667 million
Distribution frequency	Annually as at 30 June 2024
Liquidity	Quarterly withdrawals subject to restrictions, refer to PDS
Management fee*(%)	0.90% as at 30 June 2024
Buy/Sell spread	0.05% / 0.00% as at 9 October 2024
Risk Level²	6 - High

*Additional fees and costs generally apply. Please refer to the Product Disclosure Statement for further details.

Investment Objective

To provide long-term capital growth through investment in a diversified portfolio of private equity funds, infrastructure funds, opportunistic property funds, absolute return funds and other investments consistent with the fund's investment approach.

To outperform the Bloomberg Ausbond Bank Bill Index over rolling five-to-seven-year periods by 3% per annum.

Strategy

Build a diversified portfolio that includes infrastructure, private equity, opportunistic property, and absolute return (hedge fund) investments. Subject to our investment opportunities to detailed research, screening them for expected return, risk, downside protection properties and portfolio fit. Select the highest ranked investment managers that have passed our Quality Filters.

Perpetual Growth Opportunities Fund

Market Opportunity

The opportunity set remains particularly strong for providers of private equity and debt capital. The current portfolio will aim to take advantage of the short-term market dislocation in Europe and the USA, particularly, in areas where we believe the downside is protected and the potential returns are commensurate with the risks.

We plan to take advantage of the broader market dislocation resulting from volatility and continued uncertainty across the globe, applying the same principles of downside protection.

We continue to see a broader and deeper opportunity set in Europe and North America, particularly, in areas where we believe the downside is protected and the potential returns are commensurate with the risks.

We plan to take advantage of the broader market dislocation resulting from volatility and continued uncertainty across the globe, which have risen as a result of regulatory / legislative change, structural and valuation changes or are thematic in nature.

Net Performance

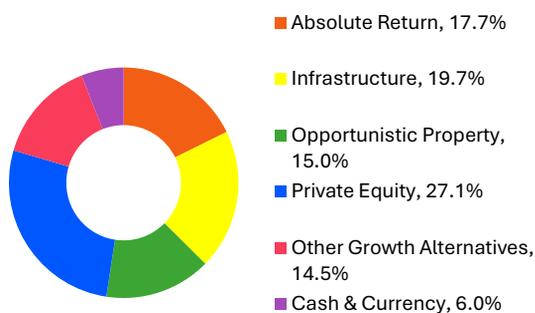
As at 31 March 2025

Returns ³	1M	3M	1YR	3YR	5YR	S/I*
Total return	0.5%	0.8%	5.6%	5.5%	6.7%	6.2%
Growth return	0.5%	0.8%	4.5%	4.5%	4.3%	2.4%
Distribution return	0.0%	0.0%	1.1%	1.0%	2.5%	3.8%
Benchmark	0.6%	1.8%	7.6%	6.7%	5.2%	5.9%
Excess Return	-0.1%	-1.0%	-2.0%	-1.2%	1.5%	0.3%

Source: State Street. Past performance is not indicative of future performance. *Since Inception

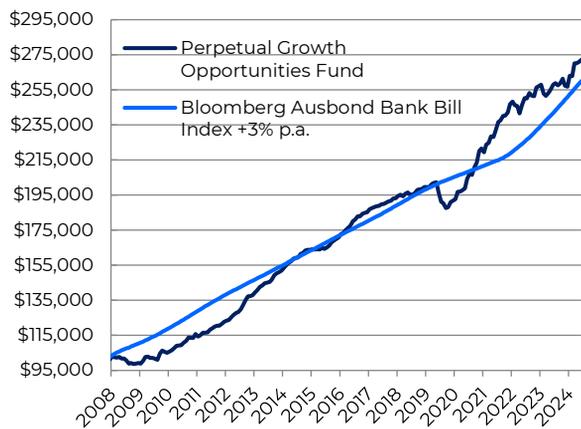
Portfolio Exposure By Manager

As at 31 March 2025



Source: State Street, PPIRT

Growth Of \$100,000 Since Inception (Net Of Fees)³



Source: State Street.

Investment Characteristics

As at 31 March 2025

SECTOR	GEOGRAPHIC LOCATION		MARKET TYPE ⁷		
	ONSHORE	OFFSHORE	LISTED	TRADED	PRIVATE
Absolute Return	12%	88%	0%	100%	0%
Infrastructure	48%	52%	15%	0%	85%
Opportunistic Property	26%	74%	0%	0%	100%
Private Equity	0%	100%	0%	0%	100%
Other Growth Alternatives	2%	98%	0%	0%	100%
Total	17%	83%	3%	19%	78%
FX Hedge Level	60%				

Source: State Street, PPIRT.

Holding Information

As at 31 March 2025

Top 10 Exposures ⁴	Asset Class	Weight
Utilities Trust of Australia	Infrastructure	8.5%
Redding Ridge Holdings	Other Growth Alternatives	8.4%
Angelo Gordon Mortgage Value Partners	Absolute Return	8.3%
Oaktree Real Estate Income Fund	Opportunistic Property	7.8%
Hamilton Lane Equity Opportunities Fund V	Private Equity	4.1%
Arrowstreet Capital Global Equity Long/Short Fund	Absolute Return	3.9%
Brookfield Premier Real Estate Partners Australia	Opportunistic Property	3.8%
Graham Quant Macro	Absolute Return	3.5%
Lazard Global Listed Infrastructure Fund	Infrastructure	3.0%
Oaktree European Principal Fund IV	Private Equity	2.9%
Total Top 10 Holdings %		54.3%

Source: State Street, PPIRT.

Cash level & leverage	Weight
Cash(AUD) ⁵	5.19%
Leverage ratio ⁶	1.32
Maturity profile: As at 31 January 2025 the Fund has no direct gearing liabilities. Liabilities are generally paid within 30 days of the invoice date.	

Market Commentary

Growth alternatives delivered positive absolute returns in the March quarter, providing a cushion for diversified multi-asset portfolios at a time when traditional growth assets declined.

Infrastructure markets continued to face softer demand, with transactions taking longer to complete and pricing becoming less aggressive due to the ongoing impact of higher debt costs. That said, infrastructure remains a core holding in our portfolios, offering stable and inflation-linked cash flows. We remain comfortable with our allocation to regulated assets and are actively seeking to increase exposure to volume-linked opportunities that exhibit strong, recurring cash flow in today's environment.

While there was optimism entering 2025 around an increase in M&A activity, escalating geopolitical uncertainty - particularly around US tariffs - has tempered near-term deal flow. Survey-based data indicates rising corporate uncertainty in the face of changing trade rules, which may delay transactions in the short term. Over time, however, these dynamics could catalyse a new wave of activity as companies reconfigure their operating models in response to tariff regimes. In parallel, recent equity market weakness may create openings for 'take private' transactions, given the significant amount of undeployed capital ('dry powder') in Private Equity.

Regionally, Europe presents relative value, with more attractive valuations than North America and the potential for fiscal stimulus to boost demand. In particular, German industrials — under pressure from energy costs — are seeking to divest non-core assets, creating carveout opportunities for private equity. Despite a fluid market environment, we remain steadfast in our approach to Private Equity to our due diligence process, with continued focus on valuation discipline, financing structures, and the operational capability of managers. Encouragingly, sponsors continue to invest in internal operating teams to drive operating performance in investee companies.

Real Estate markets continued to exhibit turbulence, with transaction volumes remaining weak despite a modest pickup. Political uncertainty and a cautious outlook on rates are weighing on institutional appetite. However, we expect that cap rate expansion has hit its cyclical peak. No different to corporate M&A activity, we expect political uncertainty to inhibit deal flow in coming quarters. We are particularly focused on opportunities arising from the current market dynamics. As some investors seek liquidity, we are seeing real estate funds being offered at attractive discounts to their prevailing net asset value (NAV). The breadth of our relationships with real estate managers positions us well to understand the underlying pool of assets and underwrite these opportunities at attractive valuations/entry points.

Across traded markets, we continue to observe dispersion in equity and credit pricing, reflecting the divergence in macroeconomic and political conditions. While our existing credit-based exposures have performed well, tightening spreads have reduced the attractiveness of new opportunities. As a result, we've begun reallocating capital toward hedge fund strategies that offer convexity and may benefit in risk-off scenarios.

While we were optimistic about the potential for increased corporate deal flow this year, we were not confident it would materialise — a view that has proven increasingly prescient in recent weeks. To manage through this environment, where realisations across private equity are likely to remain modest, we added exposure to high total return, high cash flow equity investments. Specifically, we see GP Stakes — minority equity investments in private market investment managers — as a compelling opportunity, given allocator appetite for alternatives and the capital needs of managers to support business growth and team retention.

The evolving market dynamics — including shifts in inflation, interest rates, and broader economic indicators — require us to continually reassess our outlook and portfolio positioning. During the quarter, we focused on refining our pipeline of potential investments over the next 6–9 months, with a particular emphasis on private equity. We are currently conducting due diligence on managers in Europe, where we see opportunities arising from corporates looking to simplify their operations (through corporate carveouts), alongside more attractive entry valuations compared to the North American market.

More information

1800 631 381

pcresearch@perpetual.com.au

perpetual.com.au/managed-accounts

1) Fund commenced in March 2008 with performance reporting from 30 June 2008 once the fund had made an investment. The fund was opened to external investors in June 2009. 2) Negative annual returns expected in 4 to less than 6 years over any 20 year period. 3) Total returns have been calculated using exit prices after taking into account Perpetual's ongoing fees and assuming reinvestment of distributions (where applicable). No allowance has been made for contribution fees, withdrawal fees or taxation. 4) Top 10 externally managed exposures. 5) The difference between 'Cash (AUD)' and 'Cash & Currency' (as per the sector asset allocation pie chart) represents offshore currencies held for transactional purposes. 6) The leverage ratio is provided as required by ASIC Regulatory Guide 240. Please note that this is look-through leverage of the Fund based on the leverage of the underlying absolute return managers. The Fund itself will not borrow or apply gearing in the ordinary course of business. 7) Market type data is estimation only, provided by the Perpetual Private research team.

Perpetual Private advice and services are provided by Perpetual Trustee Company Limited (PTCo) ABN 42 000 001 007, AFSL 236643. This information has been prepared by PTCo and Perpetual Investment Management Limited (PIML) ABN 1800 866 535, AFSL 234426 and issued by PTCo. 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 whether the information is suitable for your circumstances and we recommend that you seek professional advice. The product disclosure statement (PDS) for the fund, issued by PIML, should be considered before deciding whether to acquire, dispose, or hold units in the fund. The PDS and Target Market Determination are available on our website at www.perpetual.com.au. Total returns shown for the fund have been calculated using exit prices after taking into account all of Perpetual's ongoing fees and assuming reinvestment of distributions. No allowance has been made for taxation. To the extent permitted by law, no liability is accepted for any loss or damage as a result of any reliance on this information. No company in the Perpetual Group (Perpetual Limited ABN 86 000 431 827 and its subsidiaries) guarantees the performance of any fund or the return of an investor's capital. Past performance is not indicative of future performance.