

Perpetual Investment Funds

PERPETUAL INCOME SHARE FUND

April 2026

FUND FACTS

Investment objective: To provide investors with exposure to a diversified portfolio of tax-effective, high income yielding Australian securities that are also expected to produce some long-term capital growth. To provide above market dividend yield as measured by the S&P/ASX 200 Accumulation Index.

FUND BENEFITS

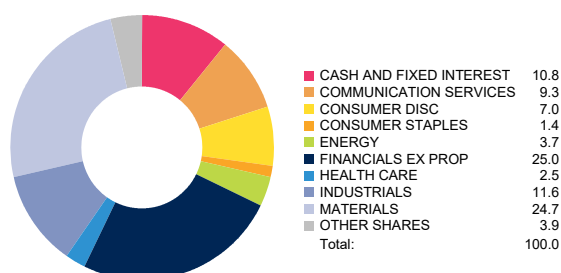
To provide investors with regular income through investment in quality securities.

FUND RISKS

All investments carry risk and different strategies may carry different levels of risk. The relevant product disclosure statement or offer document for a fund should be considered before deciding whether to acquire or hold units in that fund. Your financial adviser can assist you in determining whether a fund is suited to your financial needs.

Benchmark:	S&P/ASX 200 Accum. Index
Inception Date:	December 1995
Size of Portfolio:	\$5.87 million as at 31 Mar 2026
APIR:	PTC0002AU
Management Fee:	0.89%*
Investment style:	Active, fundamental, bottom-up, value
Suggested minimum investment period:	Five years or longer

PORTFOLIO SECTORS



TOP 10 STOCK HOLDINGS

	% of Portfolio
BHP Group Ltd	9.4%
Deterra Royalties Ltd	7.4%
EVT Limited	5.8%
GWA Group Limited	5.3%
Washington H. Soul Patt.	5.1%
Reliance Worldwide Corp. Ltd.	5.0%
GPT Group	3.9%
Suncorp Group Limited	3.6%
Commonwealth Bank of Australia	3.3%
oOh media Ltd	2.9%

NET PERFORMANCE - periods ending 30 April 2026

	Fund	Benchmark	Excess
1 month	2.43	2.18	+0.25
3 months	0.50	-1.22	+1.72
1 year	11.23	10.12	+1.10
2 year p.a.	10.56	9.95	+0.61
3 year p.a.	11.03	9.66	+1.37
4 year p.a.	9.21	7.91	+1.30
5 year p.a.	9.70	8.36	+1.34
7 year p.a.	8.96	8.55	+0.41
10 year p.a.	8.45	9.31	-0.86
Since incep. p.a.	9.02	9.02	--

Past performance is not indicative of future performance. Returns may differ due to different tax treatments.

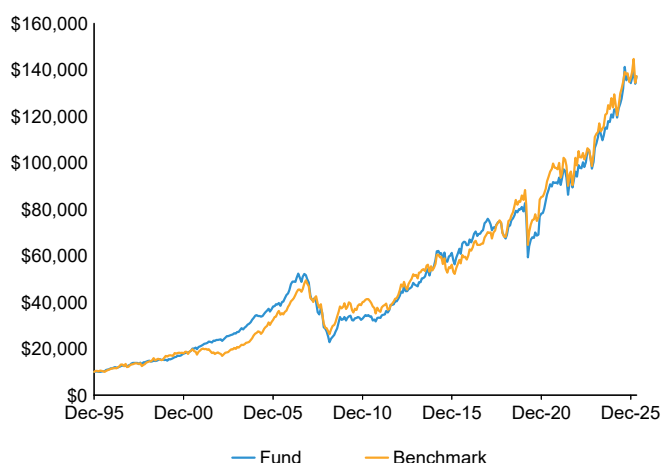
PORTFOLIO FUNDAMENTALS[^]

	Portfolio	Benchmark
Price / Earnings*	14.3	16.7
Dividend Yield*	4.6%	3.7%
Price / Book	1.7	2.3
Debt / Equity	34.5%	37.3%
Return on Equity*	11.5%	14.3%

[^] Portfolio Fundamentals are compiled using our methodology and provided only for the purpose of illustrating the Fund's investment style in action. These figures are forecast estimates, calculated based on consensus broker estimates where available, and should not be relied upon. Dividend Yield is a dividend forecast of underlying securities for the portfolio and does not reflect the distributions to be determined for the fund.

* Forward looking 12-month estimate.

GROWTH OF \$10,000 SINCE INCEPTION



*Information on Management Costs (including estimated indirect costs) is set out in the Fund's PDS.

MARKET COMMENTARY

The ASX 300 closed April up 2.2%, though well off its highs after eight consecutive falls into month end. Markets were volatile throughout, caught between an early recovery from March's correction and mounting pressure from intensifying geopolitical risk. The dominant macro theme was the US Iran conflict and Iran's closure of the Strait of Hormuz, which the IEA described as the largest oil supply disruption in market history. Fuel prices surged 32.8% year on year, lifting goods inflation and stoking stagflation concerns globally. Domestically, the RBA stayed on hold in April, but hawkish momentum continued to build, with markets pricing a roughly 75% probability of a further hike at the May meeting. The labour market remained tight, with 52,500 full time jobs added in March. Sector performance was mixed. Information Technology and Materials advanced, while Health Care fell to eight year lows and Consumer Staples weakened late on a cautious outlook from Woolworths.

PORTFOLIO COMMENTARY

The portfolio's largest overweight positions include Deterra Royalties, EVT and GWA Group. Conversely, the portfolio's largest relative underweight positions include Macquarie Group (not held), Wesfarmers (not held) and Commonwealth Bank.

BlueScope Steel (BSL) was a strong contributor to portfolio performance, finishing the month 15.8% higher. Performance was driven by US steel spreads remaining at recent peaks, supported by trade policy tailwinds, while Australian spreads also rallied despite Chinese production and exports remaining at historically elevated levels. Furthermore, we believe BSL has a compelling standalone earnings growth runway. The North Star debottlenecking program is expected to add 300kt of incremental capacity by FY28, while at the last update management reiterated a targeted A\$500m EBIT improvement from growth initiatives by FY30, complemented by a A\$350m cost out program by FY27. The combination of volume growth, premium product mix and cost discipline underpins meaningful medium term earnings uplift. This earnings trajectory is supported by several value unlock initiatives: accelerated realisation from BSL's 1,200 hectare surplus land portfolio, a shareholder distribution target of 75% of free cash flow, and a commitment to return approximately A\$3.00 per share during the current calendar year.

Pacific Current Group (PAC) was a positive contributor in April, returning 11.5%. Whilst there were no trading updates during the month, share price momentum was supported by the company's ongoing on market buyback program. PAC closed the month at approximately \$11, which we believe represents a significant discount to estimated net asset value per share. Our NAV estimate is roughly split equally between cash and liquid investments on one hand, and estimated fair value attributable to PAC's ownership stakes in boutique fund managers on the other. We believe this discount to NAV will close over time, with potential catalysts including further capital returns via buybacks or dividends. At current levels, we view the risk/reward as highly attractive and skewed materially to the upside. We remain patient holders and will continue to be vocal in encouraging the Board to accelerate capital returns to shareholders.

The a2 Milk Company was a significant detractor in April, declining nearly 25% after management cut full year FY2026 guidance. The company now projects EBITDA margins of 14-14.5% (down from 15.5-16%) with net profit after tax expected to be flat or below FY2025 levels. The downgrade reflected a confluence of operational headwinds: production backlogs stemming from Synlait's capacity constraints following the sale of its North Island factory, new testing standards lengthening product release times, additional customs sampling requirements in the wake of the ARA recall, and higher freight costs partly attributable to US Iran conflict. Despite the near term challenges, the investment case remains intact. Underlying demand is robust across both domestic and Chinese markets and across all product stages. The challenges noted above are supply related, which we expect to be corrected over time. The full commissioning of the Pokeno facility in FY27 should materially ease supply constraints and drive increased contingency in the supply chain, while the pace of product innovation continues to impress. This is evidenced by the launches of Gentle Gold, Genesis, and an expanding nutritionals range spanning kids, adults, seniors, vitamins and supplements. Ongoing investment in supply chain infrastructure and further China Label licences provide a credible longer term growth runway, supporting confidence in the company's earnings recovery trajectory.

EVT fell 9.3% in April, giving back a strong rebound from mid March as the stock sold off sharply following an FY26 trading update. The primary disappointment was Hotels, where management guided FY26 EBITDA to be only "marginally up" on the prior year \$106.112m base. The downgrade reflected softening forward demand from international inbound guests, corporate travel and conferences/events, with Easter weakness in "drive destinations" such as the Snowy Mountains emerging as an early warning sign. Ongoing disruptions at QT Queenstown and QT Gold Coast added a further headwind for the year. Despite the near term softness, we retain a positive view on the stock. The new hotel construction pipeline across Sydney and Melbourne CBDs remains constrained, with the structural undersupply expected to support favourable supply/demand dynamics over the medium term. We believe this will underpin both earnings growth and asset valuation uplift from current levels, which will ultimately reward patient investors.

OUTLOOK

Markets are at an impasse. Equity markets have recovered from late March lows, yet emerging risks continue to "hide in plain sight". Beyond the direct disruption to oil and gas, second order commodity shocks – ammonia, helium, aluminium and fertilisers – threaten global growth in ways equity markets have yet to fully price. US equities remain the most resilient, supported by strong AI driven earnings growth, though this masks underlying fragility. Bond markets and commodity prices are the more honest signal, with yields rising and strategic reserve releases providing only temporary relief against an unresolved US Iran standoff. The confluence of inflation, stagnation risk and AI driven disruption reinforces the case for real assets and businesses with genuine pricing power and low financial complexity. With mortgage stress rising and the RBA likely to hike again on 5 May, we remain deliberate in avoiding leveraged and rate sensitive exposures.

The Perpetual Wholesale Income Fund was known as the Trust Company Income Fund until 21 August 2016. Perpetual was appointed as Fund Manager effective 28 July 2014. The previous Fund Manager invested under a different investment strategy using a different investment approach. Therefore performance information before 28 July 2014 is not directly comparable. The publication has been prepared and issued by Perpetual Investment Management Limited (PIML) ABN 18 000 866 535 AFSL No 234426, as promoter for the Perpetual WealthFocus Superannuation Fund. The information contained in this document 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 for your circumstances. To the extent permitted by law, no liability is accepted for any loss or damage as a result of any reliance on this information. The information contained in this document is in addition to and does not form part of the product disclosure statement (PDS) for the Perpetual WealthFocus Superannuation Fund. The PDS for the Perpetual WealthFocus Superannuation Fund ABN 41 772 007 500, issued by Equity Trustees Superannuation Limited (ETSL) ABN 50 055 641 757, AFSL 229757, RSE L0001458, should be considered before deciding whether to acquire or hold units. The PDS and Target Market Determination can be obtained by calling 1800 011 022 or visiting www.perpetual.com.au. Neither PIML, ETSL nor any of their related parties guarantee the performance of any fund or the return of an investor's capital. Total returns shown for the Perpetual WealthFocus Superannuation 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. Past performance is not indicative of future performance.

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