

Fund Profile - 30 June 2025

Perpetual Growth Opportunities Fund

Fund Facts

APIR code	PER0437AU
Inception date ¹	March 2008
Benchmark	Bloomberg Ausbond Bank Bill Index +3% p.a.
Size of Fund:	\$647 million
Distribution frequency	Annually as at 30 June
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 12 May 2025
Risk Level ²	5 – Medium 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.

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

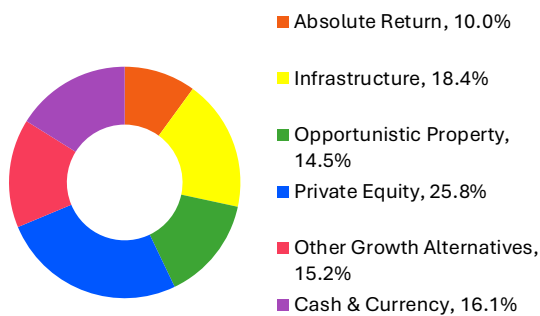
As at June 2025

Returns ³	1M	3M	1YR	3YR	5YR	S/I*
Total return	0.0%	-0.6%	4.7%	4.1%	7.6%	6.0%
Growth return	-2.9%	-3.5%	1.6%	2.1%	4.5%	2.1%
Distribution return	2.9%	2.9%	3.1%	2.0%	3.1%	3.9%
Benchmark	0.6%	1.8%	7.5%	7.0%	5.4%	5.9%
Excess Return	-0.6%	-2.3%	-2.8%	-2.9%	2.2%	0.1%

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

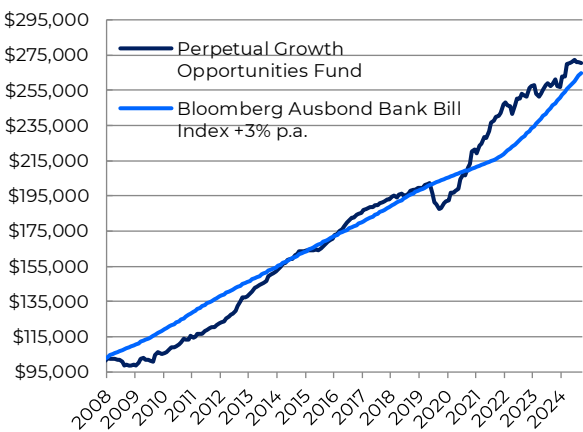
Portfolio Exposure By Manager

As at June 2025



Source: State Street, PPIRT

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



Source: State Street.

Investment Characteristics

As at June 2025

SECTOR	GEOGRAPHIC LOCATION		MARKET TYPE ⁷		
	ONSHORE	OFFSHORE	LISTED	TRADED	PRIVATE
Absolute Return	0%	100%	0%	100%	0%
Infrastructure	52%	48%	5%	0%	95%
Opportunistic Property	26%	74%	0%	0%	100%
Private Equity	0%	100%	0%	0%	100%
Other Growth Alternatives	2%	98%	0%	0%	100%
Total	16%	84%	1%	12%	87%
FX Hedge Level	62%				

Source: State Street, PPIRT.

Holding Information

As at June 2025

Top 10 Exposures ⁴	Asset Class	Weight
Utilities Trust of Australia	Infrastructure	8.6%
Redding Ridge Holdings	Other Growth Alternatives	8.4%
Oaktree Real Estate Income Fund	Opportunistic Property	7.5%
Hamilton Lane Equity Opportunities Fund V	Private Equity	4.0%
Angelo Gordon Mortgage Value Partners	Absolute Return	4.0%
Brookfield Premier Real Estate Partners Australia	Opportunistic Property	3.7%
Arrowstreet Capital Global Equity Long/Short Fund	Absolute Return	3.3%
Oaktree European Principal Fund IV	Private Equity	3.0%
Graham Quant Macro	Absolute Return	2.8%
Blue Owl GP Stakes Atlas Fund I	Other Growth Alternatives	2.8%
Total Top 10 Holdings %		47.9%

Source: State Street, PPIRT.

Cash level & leverage	Weight
Cash(AUD) ⁵	9.68%
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

Infrastructure assets continued to experience muted demand during the quarter, with deal timelines extending and pricing becoming more conservative due to the sustained impact of elevated borrowing costs. That said, infrastructure remains a core holding in our portfolios, offering stable and inflation-linked cash flows. During the quarter we closed on a co-investment in a US short line rail company, as our research gave us confidence on the company's growth prospects and expect it to be a beneficiary of the 'on-shoring' / 're-shoring' trend many US businesses are pursuing in the light of the US's trade wars.

While there was optimism entering 2025 around an increase in M&A activity, the story of the first half the year has been mixed. According to data from PwC¹, M&A volumes continue to decline, compared to 2024, however deal value has increased, implying fewer, but larger deals. Furthermore, the growing need to embed AI means that usual reasons (i.e. political uncertainty, market volatility) for putting off strategic initiatives may no longer hold, as corporates race to adapt and remain relevant. Furthermore, (and again according to PwC) the backlog of sponsor-backed companies continues to grow, with the number of portfolio companies exceeding 30,000 by the end of March 2025—47% of which have been on the books since 2020. That said, distributions to LPs have increased, primarily as a result of 'NAV financing' and 'continuation vehicles'.

From a regional perspective, Europe continues to offer compelling relative value, with more attractive entry points than North America and the potential for fiscal stimulus to support demand. In particular, German industrials — under pressure from energy costs — are seeking to divest non-core assets, creating carveout opportunities for Private Equity (PE). Despite a fluid market environment, we remain steadfast in our approach to PE and 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. We expect to close on a new primary fund investment focused on this thematic in the coming weeks.

Real Estate markets continued to exhibit turbulence, with transaction volumes remaining weak despite a modest pickup. We expect that cap rate expansion has hit its cyclical peak and are particularly focused on opportunities arising from 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. Our existing credit exposures have delivered solid performance, but tighter spreads have reduced the appeal of new investments. In response, we have begun reallocating capital toward hedge fund strategies that offer asymmetric return profiles and potential resilience in risk-off environments.

Although we entered the year with some optimism around increased corporate transaction activity, we remained cautious about the pace of realisations, particularly in private equity where we expect them to remain modest. To manage through this environment, we added exposure to high total return, high cash flow investments. In particular, we see a demand/supply imbalance in the global aviation industry, with both major manufacturers (Airbus and Boeing) struggling to deliver promised aeroplanes. To this end, we recently invested in an aeroplane leasing strategy, which can take advantage of airlines needing to keep planes on lease for longer.

The evolving market dynamics — notably during the quarter, the One Big Beautiful Bill's reciprocation of 'unfair taxes' played on investor minds. While anecdotally many investors put their 'pens down' on deals waiting certainty, our wider perspective, meant we could focus on the job at hand – allocating capital to regions and strategies where we see the best opportunities.

¹ PwC. (n.d.). *Deals industry trends*. PwC. <https://www.pwc.com/gx/en/services/deals/trends.html>
Perpetual Growth Opportunities Fund

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 3 to less than 4 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.

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