Perpetual Investment Funds

PERPETUAL INCOME SHARE FUND

August 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

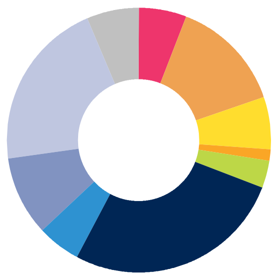
To provide investors with regular income through investment in quality securities.

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:	$5.73 million as at 30 Jun 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	9.0%
EVT Limited	8.1%
GWA Group Limited	5.1%
Deterra Royalties Ltd	4.8%
Suncorp Group Limited	4.7%
Commonwealth Bank of Australia	4.3%
GPT Group	4.2%
Ramsay Health Care Limited	4.0%
oOh media Ltd	3.9%
National Australia Bank Limited	3.6%

NET PERFORMANCE - periods ending 31 August 2026

	Fund	Benchmark	Excess
1 month	3.19	1.54	+1.65
3 months	9.77	4.54	+5.23
1 year	9.86	4.40	+5.46
2 year p.a.	16.33	9.45	+6.88
3 year p.a.	13.67	11.24	+2.43
4 year p.a.	13.23	10.82	+2.41
5 year p.a.	11.10	7.81	+3.29
7 year p.a.	10.19	8.51	+1.68
10 year p.a.	8.92	9.36	-0.44
Since incep. p.a.	9.35	9.12	+0.24

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

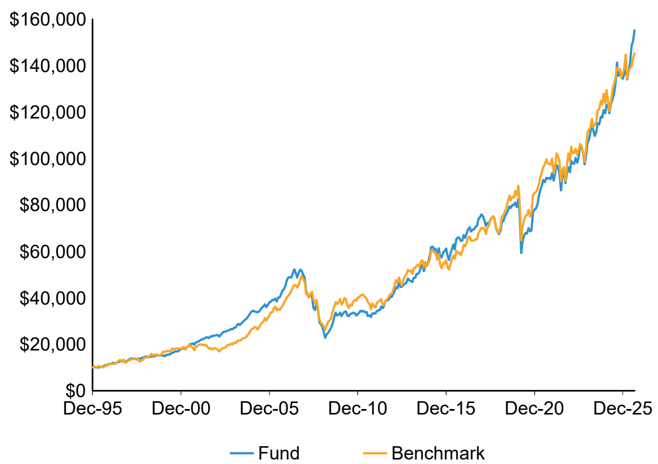
PORTFOLIO FUNDAMENTALS^

	Portfolio	Benchmark
Price / Earnings*	16.3	18.1
Dividend Yield*	4.3%	3.5%
Price / Book	2.1	2.5
Debt / Equity	46.6%	37.4%
Return on Equity*	12.5%	13.8%

^ 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 S&P/ASX300 returned 1.62% in August 2026, extending its run of monthly gains. The market printed a fresh all-time high on 6 August before easing into month end, as earnings replaced geopolitics and macroeconomic factors as the primary driver of share prices. Health Care was the strongest sector (+ 18.13%), led by earnings-driven rallies in CSL and Ansell, with Ramsay, ResMed and Cochlear also posting double-digit returns. Materials (+ 12.33%) followed, as gold and copper miners rallied on rising bullion prices. Utilities (+7.42%) and Information Technology (+5.56%) also outperformed. Consumer Discretionary was the weakest sector (-7.34%) as retailers disappointed on earnings, followed by Real Estate (- 6.41%) and Financials (-5.31%), with major banks reporting softer mortgage applications. On the macro front, the RBA held the cash rate at 4.35% while retaining a tightening bias, and July CPI eased to 3.5% but beat consensus, lifting market pricing for a rate hike to 78%. Employment fell 15. 8K against expectations for a rise and unemployment ticked up to 4.5%.

PORTFOLIO COMMENTARY

The portfolio's largest overweight positions include EVT Limited, Deterra Royalties and GWA Group. Conversely, the portfolio 's largest relative underweight positions include Wesfarmers, which was not held, in addition to BHP and CBA.

EVT delivered a solid FY26 result which saw the share price rise 8.8% on the day and close +18.2% for the month. The cinema division was strong with 2H26 ANZ Cinema EBITDA up 76% vs prior corresponding period. Hotels were marginally soft, but we remain positive on the outlook for the division as the company has been increasingly weighting the hotels business toward managed agreements, where EVT earns high-margin fees on hotels it operates but does not own. Because these arrangements require minimal invested capital, incremental returns on growth are high and the overall mix shift away from the more volatile segments (cinemas and Thredbo) towards hotels should lift earnings quality over time. Two updates at the FY26 result, which taken together, provided further evidence that management are increasingly focused on improving returns across the company and closing the material gap between the share price and the intrinsic value of the company. Firstly, approximately $800m of non-core property assets (32% of market cap) have been identified for divestment, a step that would reduce EVT's exposure to capital-intensive owned real estate and free up significant funds for redeployment. Secondly, management has engaged Rothschild & Co to assess the group structure, with EVT confirming "everything is genuinely on the table". While the end outcome of the asset sales and review remain uncertain in terms of both timing and substance, overall we believe these announcements provide a positive signal for future shareholder value realisation.

The Ramsay Health Care (RHC) share price was range-bound for most of August but finished up 15.65% for the month driven by a strong FY26 result. The result confirms the transformation program is gaining further momentum, with improving EBIT margins and cash generation across the group. Australian EBIT margin expanded 30bps to 9.4%, despite a A$26m funding headwind from the new Joondalup arrangement. The improvement was driven by 3.3% activity growth, a richer acuity mix, increased theatre utilisation (+90bps to ~70%) and PHI indexation. Operating cash flow rose 46% to $869m, confirming the quality of the result, and gearing fell to 1.8x from 2.2x at June 2025. RHC's ROCE rose to 14.8% in FY26, up from 13.3% the prior year. On the demerger front, the in-specie distribution of RHC's stake in Ramsay Santé remains on track, with a shareholder vote scheduled for 24 November 2026. We expect further FY27 margin expansion, supported by dynamic PHI indexation now covering approximately 48% of private revenue, evidence that insurers are absorbing more of the labour cost inflation than in prior years. Together with continued capacity utilisation gains and portfolio optimisation, we see this supporting the path toward improving ROIC and continued share price momentum.

GPT Group delivered a decent 1H26 result in August, with funds from operations (FFO) 0.7% ahead of consensus and adjusted funds from operations (AFFO) 4% ahead. FY26 guidance was also reaffirmed. The beat was largely driven by stronger than expected co-investment income across office (Grosvenor Place) and retail (Perron), reflecting the growing contribution of GPT's funds management and co-investment platform to earnings. Despite this, GPT fell 8.56% over the month, with broader weakness across the A-REIT sector (–7.1%) also a headwind. Downside risks from the result include a declining proportion of hedged debt heading into FY27 and a pace of office lease-up that is slower than hoped. That said, we believe GPT 's experienced management team can continue to drive positive change at the company. CEO Russell Proutt brings an impressive background from CHC and Brookfield, while the broader executive team carries strong pedigree from across the property industry, with prior roles at Blackstone, QIC and BlackRock. Furthermore, GPT 's diversified retail, office and logistics mix and lower beta make it a comparatively defensive way to hold real estate sector exposure relative to some other A-REIT stocks as interest rate expectations continue to increase.

Amid challenging market conditions, GWA Group delivered a largely in-line FY26 result, yet the stock fell 10.74% in August, selling off in the wake of the announcement. Revenue slowed in the second half against macro headwinds, weighing on the share price, and the FY27 outlook remains mixed: management expects Australian residential and multi-residential activity to improve, while renovation and repair (R&R) and commercial demand to remain soft. There were, however, some encouraging takeaways from the result. Another year of volume growth (+ 2.3%) and disciplined cost control drove EBIT growth of around 5%, and EBIT margin improved by 29bps to 18.5%. Importantly, recent price rises of around 5% are expected to largely offset higher freight and raw material costs in FY27. GWA has been a long-term holding in the fund, and from a portfolio construction perspective it continues to contribute a reliable stream of fully franked income, underpinned by disciplined margin management even through a soft revenue period. Fully franked dividends per share grew 6.5% to 16.5 cents in FY26, and at month end the stock traded on a ~8% dividend yield, which made it one of the highest-yielding stocks in the ASX300.

OUTLOOK

Looking ahead, risks to the domestic and global outlook are building on several fronts. Inflation remains stickier than policymakers would like, with trimmed mean measures still running above target and central banks – including the RBA – retaining a tightening bias. This raises the risk of policy staying restrictive for longer, weighing on growth and corporate margins. Geopolitical tension also continues to cloud the outlook, with trade and diplomatic frictions adding volatility to commodity markets and supply chains and prompting periodic risk-off moves across equities. Domestically, house prices are showing signs of softening as budget changes to taxation of investment property and higher-for-longer rates bite, with early signs of stress emerging in rental deferrals and developer distress. A sustained downturn would pressure household balance sheets and consumer spending, with flow-on effects for retail and financials. Amid this uncertainty, we remain committed stock-pickers, not macro investors, seeking out companies with good prospects, strong balance sheets, recurring earnings and sound management teams.

MORE INFORMATION

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