Perpetual Investment Funds

PERPETUAL INCOME SHARE FUND

August 2025

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

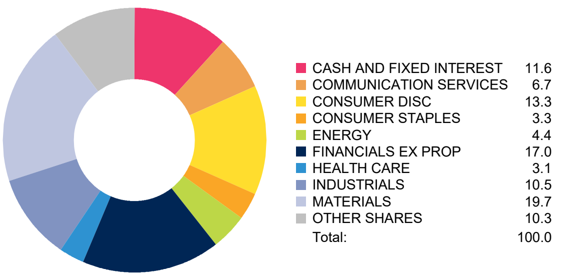
To provide investors with regular income through investment in quality securities.

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:	$5.04 million as at 30 Jun 2025
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	8.0%
Deterra Royalties Ltd	6.1%
GWA Group Limited	5.6%
Brickworks Ltd	5.6%
ANZ Group Holdings Limited	4.7%
GPT Group	4.3%
Premier Investments Limited	4.1%
Origin Energy Limited	3.4%
Eagers Automotive Limited	3.3%
National Australia Bank Limited	3.3%

NET PERFORMANCE - periods ending 31 August 2025

	Fund	Benchmark	Excess
1 month	7.01	3.10	+3.91
3 months	12.58	7.03	+5.55
1 year	23.18	14.74	+8.44
2 year p.a.	15.63	14.82	+0.81
3 year p.a.	14.38	13.04	+1.33
4 year p.a.	11.42	8.68	+2.74
5 year p.a.	15.07	12.32	+2.75
7 year p.a.	9.52	9.19	+0.34
10 year p.a.	9.35	9.87	-0.52
Since incep. p.a.	9.33	9.28	+0.06

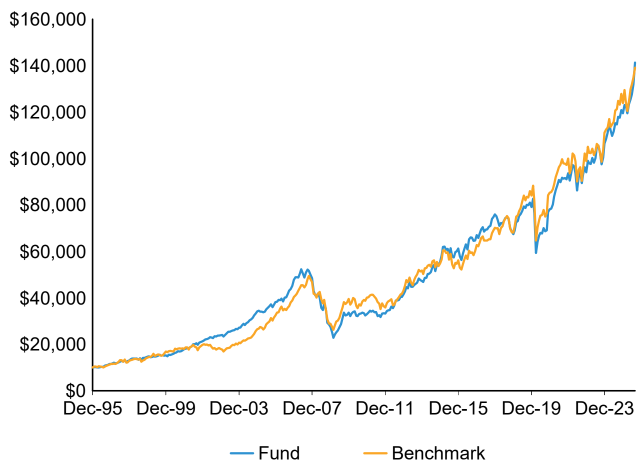
Past performance is not indicative of future performance. Returns may differ due to different tax treatments.

PORTFOLIO FUNDAMENTALS^

	Portfolio	Benchmark
Price / Earnings*	17.9	20.2
Dividend Yield*	3.9%	3.2%
Price / Book	2.1	2.4
Debt / Equity	43.2%	39.2%
Return on Equity*	11.8%	12.1%

^ 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

Australian equities advanced in August, with the ASX 300 gaining 3.16% to 9,019, its fifth consecutive monthly rise. The index briefly cracked the 9,000 mark for the first time on record before finishing the month just shy of that milestone. The gains came despite one of the most volatile reporting seasons in memory, where sharp swings in heavyweight stocks amplified market moves. High-profile downgrades at CSL, Woolworths, and James Hardie wiped billions from the index, while standout beats in retailers and select industrial names helped offset the gloom. Sector performance reflected these cross-currents. Materials (+9.4%) led the market, supported by diversified miners even as iron ore softened late in the month. Consumer Discretionary (+7.5%) and Staples (+2.5%) rallied on resilient retail earnings, while Real Estate (+4.7%) was buoyed by firm housing activity. Financials (+ 3.8%) remained a steady anchor, but Health Care (-12.9%) endured one of its sharpest reporting-season falls on record, with CSL's result triggering its steepest one-day decline since 1999. Communication Services (-7.7%) and Industrials (-4.5%) also lagged as earnings disappointed. Globally, sentiment was tested by U. S. policy developments. President Trump's renewed push for steep Federal Reserve rate cuts - and his attempts to dismiss a sitting governor - sparked concerns over central bank independence. Gold surged toward record highs, driving local producers sharply higher into month-end. While the broader market remained near all-time highs, the breadth of results underscored the risks of Australia's top-heavy index, where outsized moves in a handful of blue chips can shape overall performance. Dispersion in results underscored a market increasingly sensitive to earnings momentum and policy signals, leaving selective positioning critical heading into September.

PORTFOLIO COMMENTARY

The portfolio's largest overweight positions include Deterra Royalties Ltd, GWA Group Limited and Brickworks Ltd. Conversely, the portfolio's largest underweight positions include Commonwealth Bank of Australia, Wesfarmers Limited and CSL Limited, all of which are not held in the portfolio.

Eagers Automotive delivered a solid performance in August (+40. 9%) with the stock advancing following the release of encouraging half-year results that surpassed market expectations. The company demonstrated operational resilience with underlying profit exceeding forecasts, driven by stronger-than-anticipated revenue growth though margin pressures persisted in line with broader industry conditions. Particularly impressive was the significant improvement in operating cash flow generation, which enabled meaningful debt reduction and reinforced the company 's robust financial foundation. Management's guidance that the first half represents trough margins, with expectations for progressive improvement through enhanced productivity initiatives and industry recovery, supports our constructive outlook. With its commanding market position in Australian automotive retail and diversified earnings base, Eagers remains well-positioned to benefit from the anticipated margin expansion and operational leverage as market conditions continue to normalise and the company executes on its strategic initiatives.

Nick Scali delivered strong performance for investors in August (+ 26.3%) following the release of results that highlighted the divergent fortunes of its geographic segments. The company's Australian and New Zealand operations demonstrated exceptional quality with order growth accelerating and gross margins exceeding expectations, reinforcing the strength of its core franchise. However, the UK expansion continued to face headwinds with sales performance falling short of expectations due to refurbishment disruptions and operational challenges in newly converted stores. While management remains confident in the UK opportunity citing early signs of conversion success in select locations, the timeline to profitability has been extended with break-even now pushed further out. Despite the geographic mixed results, the underlying resilience of the ANZ business and management 's disciplined approach to cost control and inventory management positions the company well to navigate the current retail environment while pursuing its longer-term growth strategy across both established and emerging markets.

EVT Limited detracted from portfolio performance in August, finishing the month down -17.4%. The company's full-year results, released during the period, showed Group revenue and EBITDA growth but highlighted continued softness across its cinema operations. Entertainment admissions have been slower to recover than expected, and Australian and German Media revenues were weaker, reflecting variability in the blockbuster film pipeline and the timing of releases. While Hotels and Resorts delivered solid results - benefiting from higher occupancy rates and improved revenue per room - these gains were insufficient to offset the drag from entertainment. Investor sentiment was also impacted by the limited visibility on near-term catalysts, with the box office recovery proving uneven and management cautious on the timing of further asset divestments. Despite these headwinds, EVT's property and hotel portfolio remains a source of embedded value, and its strong balance sheet provides flexibility through periods of softer cinema trading. We continue to see scope for earnings recovery over time as the film slate normalises and operating leverage in the cinema business becomes more evident, though near-term performance is likely to remain influenced by the volatility of entertainment revenues.

Beacon Lighting demonstrated financial resilience in August yet detracted from portfolio performance following the release of results that showcased the company's ability to navigate challenging market conditions while maintaining its strategic positioning. The company delivered modest revenue growth despite ongoing headwinds in the home improvement sector, with trade sales continuing to be a standout performer and supporting the company 's strategic shift toward serving professional customers. While margin pressures from increased employee costs slightly impacted profitability, management 's disciplined approach to cost control and the successful launch of its strategic transformation initiative position the company well for future growth. Looking ahead, the continuation of positive trading momentum into the new financial year, combined with expectations for improved consumer confidence and housing activity recovery, reinforces the company's capacity to benefit from anticipated market improvements while executing on its long-term expansion strategy.

OUTLOOK

Markets approach September with gains intact but vulnerabilities rising. Reporting season underscored resilient consumer demand yet highlighted stretched margins and record earnings volatility, leaving investors quick to rotate across sectors. Globally, leadership remains narrow, with U. S. technology names still driving indices even as profit-taking shows sentiment is fragile. Political risks have grown, with President Trump's push for steep rate cuts unsettling confidence in the Federal Reserve's independence and sending gold to near record highs. Meanwhile, the U. S. dollar has softened and the Australian dollar found support from firmer inflation prints. Valuations remain near historical extremes, suggesting asymmetric downside risk. Past cycles indicate such peaks often coincide with turning points in capital flows, with investors rotating toward regions and styles offering better value. Against this backdrop, policy uncertainty, tariffs, and slowing earnings momentum argue for caution, but also create dispersion. For active managers, this widening opportunity set reinforces the importance of valuation discipline and selective positioning as leadership broadens beyond the narrow cohort that has dominated much of 2025.

MORE INFORMATION

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