

Perpetual Investment Funds

PERPETUAL CONCENTRATED EQUITY FUND

September 2025

FUND FACTS

Investment objective: Aims to provide long-term capital growth and income through investment predominantly in quality Australian industrial and resource shares.

FUND BENEFITS

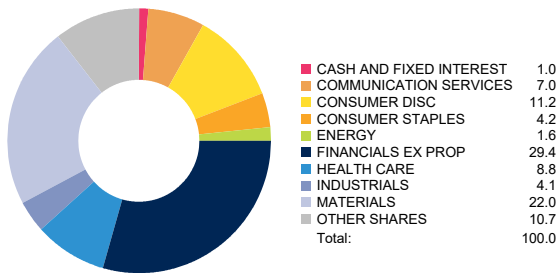
Provides investors with higher potential returns, through the active management of a portfolio of fewer stocks but with higher conviction, than our core Australian equity funds. This concentration may lead to increased short term volatility.

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 300 Accum. Index
Inception Date:	August 1999
Size of Portfolio:	\$287.27 million as at 30 Jun 2025
APIR:	PER0102AU
Management Fee:	1.10%*
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	9.7%
Commonwealth Bank of Australia	8.4%
Washington H. Soul Patt.	8.2%
News Corporation	4.7%
Newmont Corporation	3.9%
ANZ Group Holdings Limited	3.7%
Goodman Group	3.7%
Rio Tinto Limited	3.4%
GPT Group	2.8%
Reliance Worldwide Corp. Ltd.	2.7%

NET PERFORMANCE - periods ending 30 September 2025

	Fund	Benchmark #	Excess
1 month	-2.35	-0.65	-1.70
3 months	2.45	4.99	-2.54
1 year	3.30	10.76	-7.46
2 year p.a.	9.01	16.09	-7.09
3 year p.a.	10.00	15.03	-5.03
4 year p.a.	6.95	8.78	-1.83
5 year p.a.	13.08	12.88	+0.21
7 year p.a.	7.08	9.25	-2.17
10 year p.a.	8.17	10.11	-1.94
Since incep. p.a.	10.07	8.56	+1.52

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

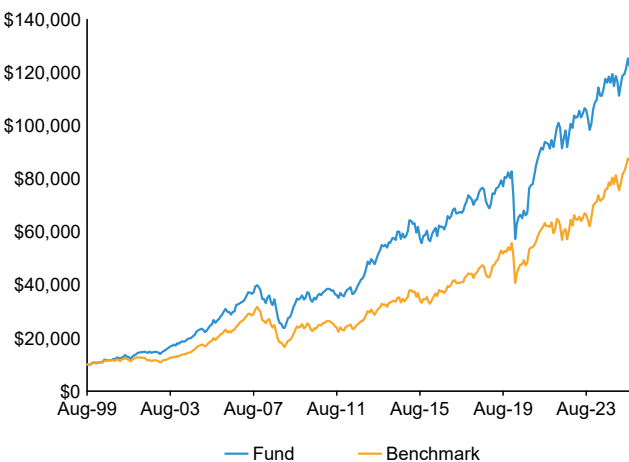
PORTFOLIO FUNDAMENTALS^

	Portfolio	Benchmark
Price / Earnings*	19.5	19.7
Dividend Yield*	2.5%	3.3%
Price / Book	2.4	2.4
Debt / Equity	29.4%	39.4%
Return on Equity*	11.7%	12.3%

^ 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

Australian equities navigated a turbulent quarter marked by shifting policy expectations and stark performance divergence, ultimately rising almost 5% through the period. The market's resilience was tested through one of the most volatile reporting seasons in recent memory, where sharp swings in heavyweight stocks underscored the risks inherent in a top-heavy market structure. The domestic economy proved more resilient than anticipated, with stronger consumption and household spending challenging forecasts for an extended easing cycle, while inflation data exceeded expectations and prompted markets to narrow rate cut assumptions. Sector performance reflected these cross-currents, with Materials rising over 20% while Financials gained only 1.3%, marking a significant rotation in market leadership. Healthcare endured one of its sharpest falls on record following CSL's high-profile disappointment. Consumer sectors delivered resilient performance supported by retail earnings beats, while gold producers posted exceptional gains as safe-haven demand surged amid concerns over fiscal sustainability and central bank independence.

PORTFOLIO COMMENTARY

The portfolio's largest overweight positions include Washington H. Soul Pattinson, News Corporation and Newmont Corporation. Conversely, the portfolio's largest relative underweight positions include Macquarie Group Ltd (not held), National Australia Bank Limited and CSL Limited.

Newmont Corporation contributed positively to performance over the quarter (+48.5%) as the gold rally continues. Newmont's last earnings results exceeded market expectations, with higher production volumes and disciplined cost control driving robust free cash flow generation. Operational efficiency gains across the portfolio supported improved margins, while management's capital allocation framework continues to prioritise shareholder returns through a combination of dividends and buybacks. The company's strengthened balance sheet with modest net debt levels provides financial flexibility as it executes on its operational improvement plan. With the gold price remaining elevated and macro conditions including heightened political volatility and a weakening US dollar remaining constructive for the precious metal, Newmont remains well-positioned to deliver strong earnings while offering investors leveraged exposure to further gold price appreciation.

Aspen Group outperformed the broader market over the quarter (+7.8%) with the quality of management recently highlighted by the opportunistic acquisition of a greenfield master plan community site in Wallaroo, South Australia. The asset which was secured out of administration at an attractive entry price, represents a strategic expansion into a coastal location with significant council infrastructure investment already in place. The development plan encompasses land lease sites, build-to-rent dwellings, and traditional land lots, with early-stage engagement from local council suggesting a constructive approval pathway. While income generation remains several years out, the transaction demonstrates Aspen's ability to source accretive off-market opportunities in supply-constrained regional markets. With gearing remaining conservative post-acquisition and a healthy pipeline of similar deals emerging, Aspen continues to execute on its strategy of delivering affordable housing solutions in areas of acute undersupply. The company's disciplined capital allocation and focus on scalable developments across key growth corridors positions it well to capitalise on sustained structural tailwinds in the residential accommodation sector.

Myer underperformed the market over the quarter with the stock down -20.7%. The company is currently in the midst of undertaking an ambitious turnaround to regain relevance with consumers in apparel and beauty following many years of stagnating revenue growth and weak profitability. This requires significant upfront investment in management capability, brands and marketing, internal technology support systems and logistics. The scale of the investment surprised the market at the recent FY25 results, and the shares reacted negatively. There is significant operating leverage to be gained if Myer can execute on its plan over the next 2-3 years which would see a material improvement in earnings and cash flow. Importantly it has a strong net cash balance sheet to support it through this turnaround period.

Premier underperformed the market over the quarter with the stock down -4.8%. Premier is undergoing a transition post divestment of Apparel Brands to Myer in January 2025. The continuing operations of Premier Retail are Peter Alexander and Smiggle. Peter Alexander is growing very strongly with sales more than double that generated six years ago. It is impressive to see no pull back in sales momentum post COVID, unlike many retailers that experienced a temporary spike in demand followed by a large retreat. It likely indicates the Peter Alexander brand is yet to mature, with a number of new and larger footprint stores planned in coming years to capture growth in new categories such as women's, men's, children's and plus size as well as international market opportunities. Smiggle by contrast has experienced a decline in sales since COVID, along with several store closures in the UK. Weaker Smiggle sales offset Peter Alexander strength in FY25, leaving Premier's retail sales growth relatively flat.

OUTLOOK

Markets enter the final quarter with gains intact but underlying tensions building. Recent months have revealed sharp sector rotation and elevated post-result volatility, as resilient consumer demand collides with margin pressures and persistent inflation. Australian household spending has proved surprisingly robust, challenging expectations for an extended easing cycle, while globally, leadership remains concentrated in technology names despite growing fragility in sentiment. Political risks have intensified as questions around central bank independence drive gold near record highs and weigh on the US dollar. Valuations now sit near historical extremes, suggesting asymmetric downside risk at a time when policy uncertainty, tariff disruptions, and moderating earnings momentum argue for caution. Looking ahead, markets face a more complex growth backdrop. The US commands attention given elevated equity valuations and deficit concerns. Europe confronts weak business conditions and tariff headwinds, while China's stabilisation depends on sustained policy support amid cooling consumption. Domestically, growth is expected to remain subdued as the economy absorbs tighter policy settings. Navigating this environment requires discipline and patience as investors assess shifting market leadership and an increasingly uneven path forward.

The Ordinaries benchmark prior to 1/4/2000 was the ASX All Ordinaries Accumulation Index. From 1/4/2000 to current the benchmark is S&P/ASX 300 Accumulation Index. 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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Investor Services 1800 022 033
Email PerpetualUTqueries@cm.pmms.mufig.com
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