Perpetual Investment Funds

PERPETUAL INCOME SHARE FUND

October 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

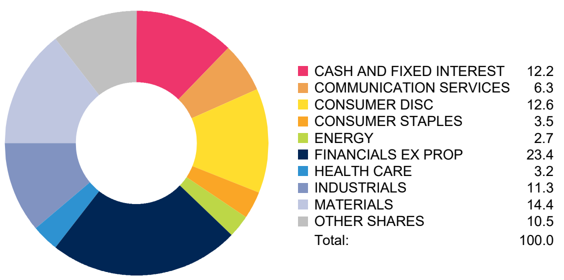
To provide investors with regular income through investment in quality securities.

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:	$5.85 million as at 30 Sep 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
Washington H. Soul Patt.	8.9%
BHP Group Ltd	8.0%
Deterra Royalties Ltd	6.4%
GWA Group Limited	5.9%
ANZ Group Holdings Limited	5.5%
GPT Group	4.4%
Eagers Automotive Limited	4.1%
Premier Investments Limited	3.5%
Origin Energy Limited	3.5%
a2 Milk Company Limited	3.1%

NET PERFORMANCE - periods ending 31 October 2025

	Fund	Benchmark	Excess
1 month	1.27	0.39	+0.88
3 months	4.03	2.70	+1.34
1 year	16.81	12.46	+4.34
2 year p.a.	18.72	18.51	+0.20
3 year p.a.	13.77	13.08	+0.69
4 year p.a.	10.65	9.10	+1.55
5 year p.a.	14.73	12.64	+2.09
7 year p.a.	10.11	10.30	-0.19
10 year p.a.	8.69	9.68	-0.99
Since incep. p.a.	9.18	9.21	-0.03

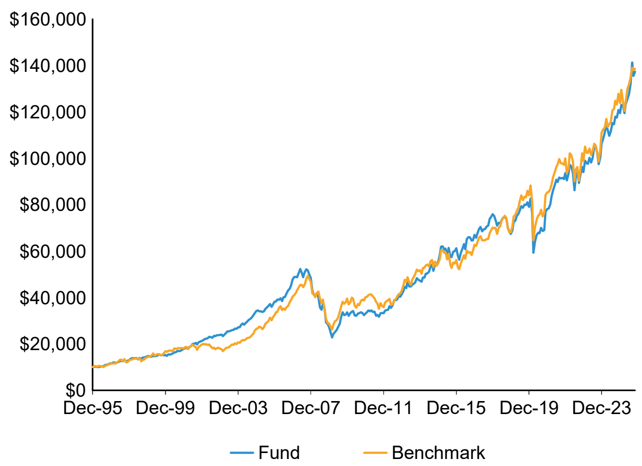
Past performance is not indicative of future performance. Returns may differ due to different tax treatments.

PORTFOLIO FUNDAMENTALS^

	Portfolio	Benchmark
Price / Earnings*	17.5	19.2
Dividend Yield*	4.0%	3.4%
Price / Book	2.0	2.4
Debt / Equity	42.0%	38.9%
Return on Equity*	11.7%	12.5%

^ 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 rose +0.4% in October but retreated from mid-month record highs as hotter-than-expected inflation erased hopes of near-term RBA rate cuts. Volatility picked up after renewed US–China trade tensions, though this eased following a one-year truce. Materials outperformed, supported by strong gains in lithium, rare earths and critical minerals after the US and Australia signed a funding framework; Pilbara, Liontown and Mineral Resources all rallied. Gold miners gave back earlier gains as bullion prices eased. Tech was the weakest sector amid governance issues at WiseTech and leadership changes at Nuix, while Consumer Discretionary lagged on softer trading updates and fading policy support. Banks were broadly flat, with ANZ outperforming. Macro data highlighted sticky inflation, with monthly CPI rising to 3.2% y/y and trimmed mean lifting to 3.0%, pushing rate-cut expectations out to 2026. Corporate news was mixed: Domino's surged on takeover speculation, while CSL and Bapcor fell on weaker outlooks.

PORTFOLIO COMMENTARY

The portfolio's largest overweight positions include Washington H. Soul Pattinson, Deterra Royalties Ltd and GWA Group. 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 continued to deliver a strong performance in October, rallying 23. 6% for the month following its announcement of a strategic acquisition of 65% equity in CanadaOne Auto. The asset was secured at an attractive entry price represents an expansion into Canada's dealership market which is 50% larger than Australia's and structurally more profitable. CanadaOne has 42 dealerships and generated $5.5 billion in revenue and $221 million in pre-tax profits last financial year. Eagers will raise $452 million through an equity offering, including a $50 million strategic placement to partially fund the $1,043 million transaction. This comes on top of Eager's release of 1H25 earnings, where the company recorded a 18.9% jump in revenue and 8.3% more profit from vs the prior year. This includes a 0.7% increase in October vehicle sales, which beat expectations and the company is now on track to set a new company record for the year. With its expanding market position in global automotive retail, diversified earnings base and growth momentum, Eagers remains well-positioned to benefit from the anticipated margin expansion and operational leverage as market conditions continue to normalise and management executes on its strategic initiatives.

EVT Limited contributed to portfolio performance in October, finishing the month up 10. 9%. The company's Q1 trading performance and results delivery, released during the period, showed the Group's EBIDTA was 61.8 million, up $10.6 million, representing a 20.7% increase. All operating divisions achieving growth on prior year, Entertainment Group's earnings increased by 53. 1% for the quarter, where Germany was the standout market due to strong performance of local film Das Kanu des Manitu, resulting in the best September month market admissions since 2015. Thredbo enjoyed improved winter conditions relative to prior year as earnings jumped 28.6% for the quarter. The Hotels division delivered a record Q1 result as earnings lifted 10.0% for the quarter. Overall, 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. EVT is well positioned to achieve another full year record result as we continue to see scope for earnings growth across all divisions.

Beacon Lighting detracted from portfolio performance in October as the stock fell - 13.9% following its Annual General Meeting. Sales growth accelerated through FY25, however trading momentum softened leading into FY26 with weakness emerging through late August and into September in line with ongoing headwinds in the home improvement sector. The company also announced its store closure in Springvale (VIC), which raised concerns about near-term earnings growth and dampened investor confidence. However, Beacon Lighting reiterated its guidance of two new store openings in FY 26, adding Auburn (NSW) and Altona (VIC) to its portfolio, with other stores under consideration. The company has also successfully launched its plans to expand into international markets the Australian-designed fan and lighting product range. This transformation initiative coupled with management's disciplined cost control approach makes BLX a key market leader in the retail distribution of lighting and fan products, with a growing footprint in the trade distribution space, especially during challenging market conditions. Looking ahead, improved consumer confidence and the potential for a housing activity recovery, reinforces the company's capacity to benefit from anticipated market improvements while executing on its long-term expansion strategy.

GWA Group detracted from performance in October, declining 2.8% following its Annual General Meeting where management presented first quarter FY26 results. Australian trading came in slightly softer than consensus as volume outcomes weakened without meaningful price contribution, though sales still rose 1.2% on pcp. This was offset by stronger performances in New Zealand and the UK, where volumes lifted 8% and 14.6% respectively, with UK growth at double the expected level. Despite the challenging Australian backdrop, GWA has demonstrated operational resilience through disciplined cost management and strong cash generation in a soft macro environment. We maintain our overweight position given the company 's diversified geographic footprint, particularly its growing UK presence, which positions it well for long-term growth as it navigates near-term domestic headwinds while capitalising on stronger international momentum. The company's ability to maintain pricing discipline and generate cash while investing in higher-growth regions at the bottom of the cycle supports the longevity of its business model.

OUTLOOK

Markets enter the second quarter of the financial year 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.

MORE INFORMATION

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