Perpetual Pure Series Funds

# PERPETUAL PURE VALUE SHARE FUND - CLASS A

June 2026

## FUND FACTS

**Investment objective:** Aims to provide investors with long-term capital growth and income through investment in quality shares. Whilst the Fund has no formal benchmark, for reporting purposes the Fund is measured against the S&P/ASX 300 Accumulation Index.

## FUND BENEFITS

Provides investors with higher potential returns, through the active management of a concentrated portfolio of quality, high conviction stocks. Shares are selected on quality and value, without reference to indices or benchmarks.

## 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.

**Inception Date:** February 2006

**Size of Portfolio:** $169.65 million as at 31 Mar 2026

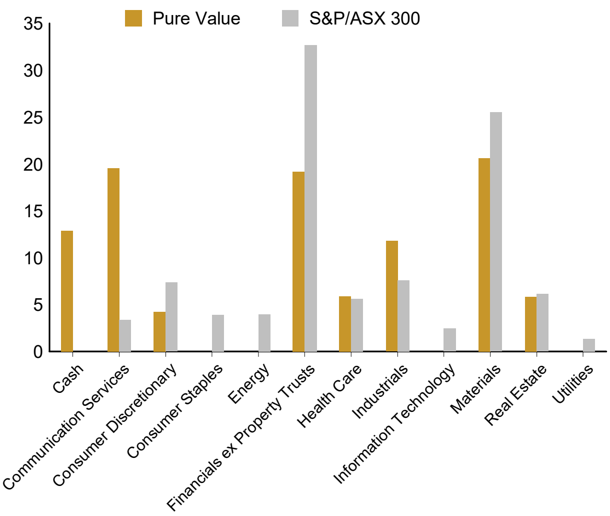
**APIR:** PER0439AU

**Management Fee:** 1.20%*

**Investment Style:** Active, fundamental, bottom-up, value

**Suggested minimum investment period:** Seven years or longer

## PORTFOLIO SECTORS




## TOP 5 STOCK HOLDINGS

| | % of Portfolio |
|---|---|
| EVT Limited | 8.1% |
| Suncorp Group Limited | 7.4% |
| Qualitas Limited | 6.9% |
| GWA Group Limited | 6.2% |
| Ramsay Health Care Limited | 5.9% |

*Information on Management Costs (including estimated indirect costs) is set out in the Fund's PDS.

## SIZE BREAKDOWN

| | % of Portfolio |
|---|---|
| % of S&P/ASX 20 | 0.0% |
| % of S&P/ASX 50 less 20 | 0.0% |
| % of S&P/ASX Mid 50 | 0.0% |
| % of S&P/ASX Small Ords | 0.0% |
| % of Ex-Index | 87.1% |
| % Cash | 12.9% |

## NET PERFORMANCE- periods ending 30 June 2026

| | Fund | S&P/ASX 300 Accumulation Index |
|---|---|---|
| 1 month | 1.27 | 0.60 |
| 3 months | 6.47 | 4.14 |
| 1 year | -2.90 | 6.16 |
| 2 year p.a. | 3.18 | 9.88 |
| 3 year p.a. | 4.05 | 10.56 |
| 4 year p.a. | 7.69 | 11.50 |
| 5 year p.a. | 6.20 | 7.58 |
| 7 year p.a. | 9.49 | 7.97 |
| 10 year p.a. | 8.00 | 9.41 |

Past performance is not indicative of future performance.
The Perpetual Pure Value Fund is constructed without reference to any benchmark and doesn't form part of the fund's investment objective. The S&P/ASX 300 Accumulation Index is used for comparison purposes only.

## PORTFOLIO FUNDAMENTALS^

| | Portfolio |
|---|---|
| Price / Earnings* | 18.3 |
| Dividend Yield* | 3.2% |
| Price / Book | 1.8 |
| Debt / Equity | 51.0% |
| Return on Equity* | 12.4% |

^Portfolio Fundamentals are compiled using our methodology and provided only for the purpose of illustrating Perpetual'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

## MARKET COMMENTARY

The S&P/ASX 300 returned 4.14% over the June quarter, a period defined by geopolitical whiplash and a domestic policy pivot. The Iran conflict drove oil volatility throughout, before the June ceasefire eased tensions and lifted risk sentiment into quarter–end. The May Federal Budget reshaped capital gains tax and negative gearing settings, unsettling property–linked exposures. The RBA hiked twice (April and May) before pausing in June as growth signals softened and unemployment rose. Consumer Discretionary (+18.02%) and Information Technology (+17.40%) led returns, aided by rate–cut optimism and a Megaport–driven tech surge. Real Estate (+12.72%) benefited from the data centre thematic via Goodman Group. Energy (–16.72%) and Utilities (–6.61%) lagged as oil eased and the dollar strengthened. Health Care (–6.08%) hit fresh multi–year lows on CSL and Cochlear downgrades. Financials were modestly positive despite banking sector caution following early post–Budget housing weakness.

## PORTFOLIO COMMENTARY

The portfolio's largest overweight positions include EVT Limited, Qualitas and Suncorp Group. Conversely, the portfolio's largest relative underweight positions include BHP, CBA and Westpac, all of which were not held.

A 53.4% return for the quarter made oOh Media (OML) a top contributor. The stock had been under pressure for much of CY26 amid concerns over softer advertising conditions driven by higher–for–longer inflation expectations. Despite this, we continued to believe that the market was not recognising the value in the name. This view was validated by Nine's subsequent $850m acquisition of rival QMS Media on 1 April and by private equity non–binding indicative offers of $1.40–$1.45 per share for OML, which sent the stock up 32.94% in a single session on 29 April. Looking ahead, we believe the Out of Home advertising market will continue to take share from traditional media formats. As the largest player in this market, OML is well positioned to benefit – and a stabilisation in contract churn suggests the business should deliver meaningful earnings growth alongside moderating development capital expenditure, supporting a re–rating toward a stronger multiple.

Ramsay Health Care delivered a strong return of 18.6% in June, its largest monthly return in over three years, to finish the quarter up 12.74%. This followed a period of weakness in March, when a broad market sell–off (approximately 49% of ASX stocks fell more than 10% that month) had interrupted a strong preceding run for RHC. Despite the US–Iran conflict, the more important driver has been company–specific. The announcement of the Ramsay Santé demerger in February drove an 18.45% return for the month and we see this as further evidence that the new Chair and CEO's clear focus on the core Australian business is accelerating the turnaround. RHC also benefited from sector rotation, as money flowed out of banks (where we have been intentionally underweight) and out of resources into healthcare stocks, with the S&P/ASX 200 Health Care Index rising 13.3% over the period. Looking ahead, we believe the Ramsay self–help story still has plenty of room to run. There is significant opportunity to improve operating performance and asset productivity in the Australian division, provided management maintain a sensible approach to capacity and utilisation that was absent in prior years of expansion. On that basis, return on invested capital should trend higher and the share price should follow.

Orora was a significant detractor for the quarter after falling 30.5% in April following an earnings downgrade. Management cut FY26 EBIT guidance for its Saverglass premium glass packaging business by mid to high double digits, driven by the shutdown of its Ras Al Khaimah facility in the UAE amid conflict–related security concerns, logistics disruptions, and constrained shipping access. Compounding the negative sentiment, the company suspended its on–market share buyback program, amplifying sell–off pressure. Beyond the operational disruption, the company put some of the downgrade down to demand softness, where customers began reducing inventories and rotating away from premium spirits towards lower–margin wine and champagne products. The downgrade and reasons provided were disappointing and highlighted the lack of visibility Orora has on its forward order book and thus earnings. Following the announcement, we made the decision to exit the position. With demand recovery difficult to forecast amid ongoing geopolitical uncertainty, global tariff unpredictability and shifting consumer preferences, we no longer viewed the risk/reward as attractive enough to maintain exposure.

Not holding Wesfarmers was a significant detractor for the quarter, especially in June where it returned 13.3%. During the month there were positive EPS revisions from sell side brokers, driven largely by the mark to market of higher Spodumene prices in Wesfarmers WesCEF division. These positive revisions, at a time of negative revisions in other key constituents of the top 20 (banks, resources, healthcare), was likely the key driver of share price outperformance. Wesfarmers is an attractive conglomerate, underpinned by two high quality businesses in Bunnings and Kmart. Despite these features, Wesfarmers is not currently held due primarily to its unattractive valuation relative to earnings growth potential. Wesfarmers is currently trading on 36x FY26 PE and a 2.4% dividend yield. Despite the attractiveness of Bunnings in particular, the implied valuation of the business when you consider the lower quality of Officeworks and WESCEF implies investors are being asked to pay a >40x PE multiple for a business delivering ~5% EBIT growth. On a fundamental basis, we see materially more attractive value elsewhere in the market.

## OUTLOOK

The federal budget was a clear negative for property markets which have now seen low auction clearance rates for several weeks in a row. Sydney and Melbourne in particular have seen clearance rates often slipping below 45%, consistent with a declining market. The risk for the broader economy is that these declines become more entrenched and have knock–on effects to the broader economy, including consumer confidence and even the banking system. Equity markets have been fairly subdued in recent months. This followed a broader rotation which saw Materials and Energy up strongly for the financial year and Healthcare hit hard, highlighting opportunities. Our portfolios remain overweight companies with real businesses and assets across various sectors of the economy that we think continue to trade at attractive multiples. We are most underweight financial leverage and expensive energy, telcos, infrastructure and other names that we believe will come under more pressure.



## MORE INFORMATION

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