Perpetual Investment Funds

PERPETUAL INCOME SHARE FUND

June 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

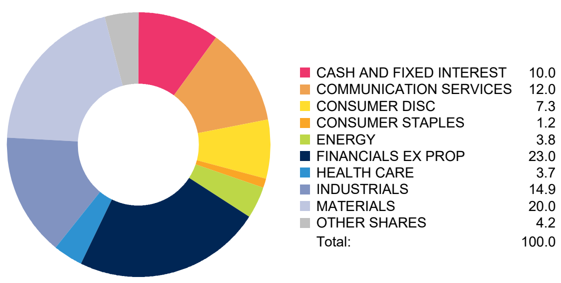
To provide investors with regular income through investment in quality securities.

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:	$5.87 million as at 31 Mar 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	7.7%
EVT Limited	7.6%
GWA Group Limited	6.3%
Reliance Worldwide Corp. Ltd.	6.2%
Deterra Royalties Ltd	6.0%
Suncorp Group Limited	5.3%
Washington H. Soul Patt.	5.1%
GPT Group	4.2%
oOh media Ltd	3.8%
Ramsay Health Care Limited	3.7%

NET PERFORMANCE - periods ending 30 June 2026

	Fund	Benchmark	Excess
1 month	5.22	0.67	+4.55
3 months	11.01	4.05	+6.97
1 year	16.67	6.11	+10.56
2 year p.a.	15.43	9.89	+5.54
3 year p.a.	14.05	10.62	+3.43
4 year p.a.	14.62	11.65	+2.97
5 year p.a.	10.40	7.76	+2.63
7 year p.a.	9.79	8.01	+1.78
10 year p.a.	9.36	9.45	-0.08
Since incep. p.a.	9.25	9.03	+0.22

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

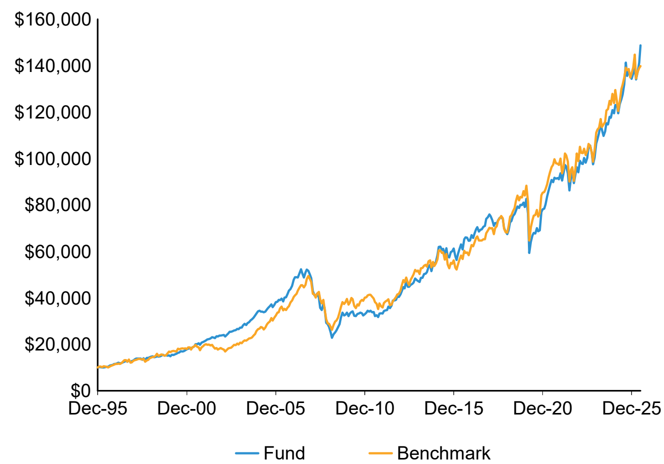
PORTFOLIO FUNDAMENTALS^

	Portfolio	Benchmark
Price / Earnings*	15.6	16.7
Dividend Yield*	4.2%	3.7%
Price / Book	1.8	2.3
Debt / Equity	42.9%	38.1%
Return on Equity*	11.7%	14.4%

^ 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/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, Reliance Worldwide Corp and GWA Group. Conversely, the portfolio 's largest relative underweight positions include Wesfarmers and CBA, which were not held, in addition to BHP.

Soul Patts (SOL) was a significant contributor for the quarter, returning 15.5% as it continued to re–rate following its 1H26 result in late March, the first reporting period since completion of the Brickworks merger. It was another strong period for SOL: pre–tax NAV rose approximately 15% on the prior corresponding period (pcp), and the portfolio returned 9.7%, outperforming the ASX 200 by 6.6%. Notably, the Brickworks merger has reset SOL's tax position, boosting post–tax NAV per share by approximately 27% in the half. A 48cps fully franked dividend was also declared, extending its track record of growing distributions to 28 consecutive years. We continue to like the SOL story for its ability to deliver long–term growth and for its diversified portfolio with a history of uncorrelated returns. On growth, SOL's move into private assets continues to gain momentum: at the interim result, the private credit portfolio grew approximately 37% on pcp to A$1.65bn and private equity grew 32% on pcp to A$1.6bn. Importantly, management report no signs of stress in this space, having avoided riskier parts of the market in favour of a focus on downside protection and value preservation. On correlation, SOL proved resilient during recent volatility, with a maximum share price drawdown of 2.25% since the onset of the US–Iran conflict.

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 meaningfully reduce our position. With demand recovery difficult to forecast amid ongoing geopolitical uncertainty, global tariff unpredictability and shifting consumer preferences, we viewed the risk /reward as less attractive.

New Hope Corporation (NHC) was a modest detractor, declining 9.0% for the quarter. The stock was sold down over June as progress in US–Iran negotiations pushed energy prices lower across the board, causing Newcastle thermal coal to fall from approximately $152/t to $130/t and dragging down both NHC and the broader ASX energy sector. Despite the pullback, NHC has been a top five contributor to 6–month portfolio performance. NHC remains one of the larger active weights in the portfolio, as the name provides low–cost thermal coal exposure with strong volume growth over the coming years. Its New Acland mine and its interest in the Maxwell mine will contribute to group saleable coal production ramping from 10.7Mt in FY25 to approximately 15Mtpa by FY29–FY30. As always, we place strong emphasis on investing in companies with strong balance sheets, and NHC is no exception, with $572m of cash at the last quarterly result.

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

Investor Services 1800 022 033
Email PerpetualUTqueries@cm.mpms.mufg.com
www.perpetual.com.au

Perpetual