

# WEALTHFOCUS PERPETUAL GEARED AUSTRALIAN

June 2025

## FUND FACTS

**Investment objective:** Aims to enhance long-term capital growth through borrowing (gearing) to invest predominantly in quality Australian industrial and resource shares.

## FUND BENEFITS

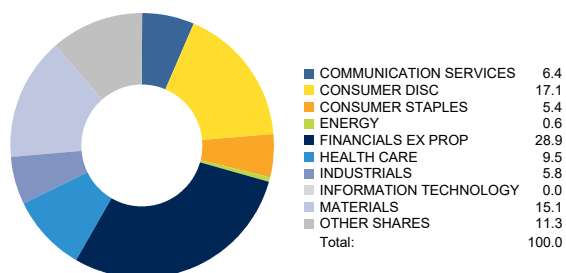
Provides investors with broad market exposure with the potential for higher returns through the use of gearing (borrowing within the fund) and actively managed by one of Australia's most experienced investment management teams.

## 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:** May 2004  
**Size of Portfolio:** \$2.78 million as at 31 Mar 2025  
**APIR:** PER0147AU  
**Management Fee:** 0.98%\*  
**Investment style:** Active, fundamental, bottom-up, value  
**Suggested minimum investment period:** Seven years or longer

## PORTFOLIO SECTORS



## TOP 10 STOCK HOLDINGS

|                                | % of Portfolio |
|--------------------------------|----------------|
| Commonwealth Bank of Australia | 10.2%          |
| BHP Group Ltd                  | 7.2%           |
| Flutter Entertainment Plc      | 6.2%           |
| Washington H. Soul Patt.       | 5.0%           |
| ANZ Group Holdings Limited     | 4.6%           |
| GPT Group                      | 4.5%           |
| News Corporation               | 4.1%           |
| Wesfarmers Limited             | 3.8%           |
| CSL Limited                    | 3.6%           |
| Goodman Group                  | 3.5%           |

## NET PERFORMANCE - periods ending 30 June 2025

|              | Fund  | Benchmark # | Excess |
|--------------|-------|-------------|--------|
| 1 month      | 2.13  | 1.42        | +0.71  |
| 3 months     | 15.35 | 9.48        | +5.87  |
| 1 year       | 8.51  | 13.74       | -5.23  |
| 2 year p.a.  | 7.58  | 12.83       | -5.25  |
| 3 year p.a.  | 15.36 | 13.35       | +2.01  |
| 4 year p.a.  | 9.02  | 7.94        | +1.07  |
| 5 year p.a.  | 22.84 | 11.77       | +11.07 |
| 7 year p.a.  | 10.54 | 8.72        | +1.82  |
| 10 year p.a. | 11.13 | 8.85        | +2.28  |

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

## PORTFOLIO FUNDAMENTALS^

|                   | Portfolio | Benchmark |
|-------------------|-----------|-----------|
| Price / Earnings* | 19.6      | 19.1      |
| Dividend Yield*   | 2.9%      | 3.4%      |
| Price / Book      | 2.2       | 2.3       |
| Debt / Equity     | 32.0%     | 39.1%     |
| Return on Equity* | 10.7%     | 12.5%     |
| Gearing Level     | 51.3%     |           |

^ 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.

## GROWTH OF \$10,000 SINCE INCEPTION

S&P/ASX Small Ordinaries  
Accumulation Index

## MARKET COMMENTARY

The S&P/ASX 300 Accumulation Index staged a strong recovery over the June quarter, rising 9.48%. The rally came as fears of extreme tariff scenarios continued to recede, helping restore market confidence after a volatile start to the year. While geopolitical risks and global growth concerns lingered, sentiment improved as it became increasingly clear that the most aggressive US tariff proposals were unlikely to materialise. Markets have coined the term ‘TACO trade’- ‘Trump Always Chickens Out’- to describe the pattern of tariff escalation followed by policy reversals, which has contributed to easing market volatility. Financials (+15.67%) supported gains as investor sentiment improved, while Communication Services (+14.08%) and Real Estate (+12.88%) outperformed amid rotation into resilient sectors. In contrast, defensives lagged with Health Care (+2.37%), Utilities (+2.03%) and Consumer Staples (+3.93%) underperforming as risk appetite returned. Materials (-0.36%) was the weakest sector, weighed down by softer commodity prices and concerns over Chinese steel demand. While investors have enjoyed solid gains, often driven by narrow pockets of the market, the outlook highlights the importance of finding value beyond the obvious leaders.

## PORTFOLIO COMMENTARY

The portfolio’s largest overweight positions include BHP Group Ltd, Flutter Entertainment PLC and Commonwealth Bank of Australia. Conversely, the portfolio’s largest underweight positions include Woodside Energy Group Ltd, Telstra Group Limited and Transurban Group Ltd, all of which are not held in the portfolio.

The portfolio’s overweight to EVT Limited contributed positively to relative performance over the June quarter (+25.1%), with the stock continuing to re-rate as the market narrows the disconnect between asset value and share price. The recent announcement of a sale process for the company’s prime 525 George Street property marks a significant milestone, unlocking value from its high-quality real estate portfolio. This follows a period of improving operating momentum, with a recovery in cinema earnings underway and spend per visitor continuing to grow. We remain constructive on EVT’s outlook, with ongoing earnings recovery, embedded property value, and potential capital management acting as catalysts for further upside.

The portfolio’s overweight to Washington H. Soul Pattinson (SOL) contributed positively to relative performance over the June quarter (+22.6%), with shares benefiting from ongoing strength in the investment portfolio and the announced sale of its strategic stake in Brickworks. The \$2.7 billion deal brings an end to over four decades of cross-ownership between the two groups and was well-received by the market, with proceeds expected to enhance capital flexibility and simplify the group structure. Importantly, SOL retains its significant property exposure through its Brickworks holding, providing a cleaner investment structure while preserving access to high-quality assets. With a diversified portfolio and a proven track record of disciplined capital management, we believe SOL remains well-placed to deliver long-term value.

Myer detracted from performance over the June quarter (-6.9%) as recent sales updates highlighted a more challenging retail backdrop, with softer consumer demand and higher costs weighing on sentiment. Operationally, setbacks at the new national distribution centre in Ravenhall have delayed expected efficiencies and added to short-term strain. To mitigate these issues ahead of peak trading periods, Myer has implemented an interim logistics strategy, with third-party provider Toll now managing up to 40% of online volumes, while Ravenhall processes 10–15%. Despite these near-term challenges, underlying trends within the business remain encouraging. Growth in online sales, continued expansion of the MyerOne loyalty program, and early progress on cost savings from the Apparel Brands integration are helping to offset external pressures. Notably, recent upgraded profit guidance and progress on cost savings demonstrate management’s ability to execute in a difficult environment, providing a more positive foundation for earnings in the year ahead.

Premier Investments lagged the benchmark over the June quarter (+1.51%), with shares struggling to gain meaningful traction despite the group’s strong balance sheet, disciplined capital management, and ongoing brand resilience. While demand across the apparel sector remains subdued, Premier’s control over its vertically integrated brand portfolio, including Peter Alexander and Smiggle, positions it well to navigate near-term headwinds. The company continues to explore international expansion opportunities, providing a longer-term growth pathway, while its high level of online penetration offers flexibility in a shifting retail landscape. Despite a challenging discretionary environment, Premier’s strong cash position and capital discipline leave it well-placed to pursue strategic growth while continuing to deliver shareholder returns.

## OUTLOOK

Looking ahead, we expect financial markets to grapple with a more complex and uneven growth backdrop. While recession fears have eased for now, the underlying risks - from geopolitical tensions to persistent fiscal imbalances - are yet to be resolved. The U.S. remains at the centre of global market attention, with high equity valuations, growing deficit concerns, and trade policy uncertainty likely to be key drivers of volatility in the second half of the year. In Europe, weak business conditions and rising tariff risks point to subdued growth. China’s ability to stabilise growth will depend heavily on further policy support, particularly as consumer demand shows signs of fatigue. Closer to home, the near-term picture remains challenging. Growth is expected to remain below trend as the economy works through the lagged impacts of tighter policy, a weaker household sector, and slowing public sector spending. However, with inflation moderating and interest rates likely to ease further, policy settings are shifting toward support. In this environment, we see greater dispersion in market outcomes, reinforcing the importance of selectivity and discipline across portfolios as investors navigate the next phase of the cycle.

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# 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](http://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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