

Perpetual Investment Funds

PERPETUAL CONCENTRATED EQUITY FUND

October 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.

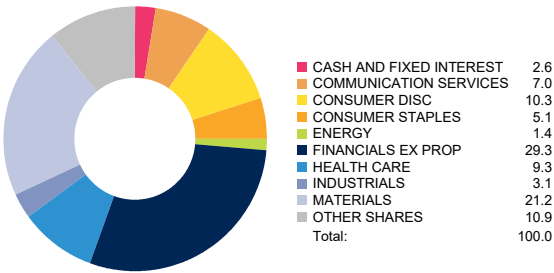
FUND RISKS

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:
Inception Date:
Size of Portfolio:
APIR:
Management Fee:
Investment style:
Suggested minimum investment period:

S&P/ASX 300 Accum. Index
August 1999
\$271.70 million as at 30 Sep 2025
PER0102AU
1.10%*
Active, fundamental, bottom-up, value
Five years or longer

PORTFOLIO SECTORS



TOP 10 STOCK HOLDINGS

	% of Portfolio
Commonwealth Bank of Australia	9.1%
BHP Group Ltd	8.7%
Washington H. Soul Patt.	7.1%
Rio Tinto Limited	4.5%
ANZ Group Holdings Limited	4.4%
Goodman Group	3.9%
News Corporation	3.9%
National Australia Bank Limited	2.7%
EVT Limited	2.6%
CSL Limited	2.6%

NET PERFORMANCE - periods ending 31 October 2025

	Fund	Benchmark #	Excess
1 month	0.96	0.42	+0.54
3 months	1.64	2.92	-1.29
1 year	6.33	12.68	-6.35
2 year p.a.	12.07	18.61	-6.55
3 year p.a.	8.50	12.98	-4.48
4 year p.a.	7.33	8.87	-1.54
5 year p.a.	12.99	12.55	+0.44
7 year p.a.	8.10	10.31	-2.21
10 year p.a.	7.76	9.68	-1.92
Since incep. p.a.	10.08	8.55	+1.53

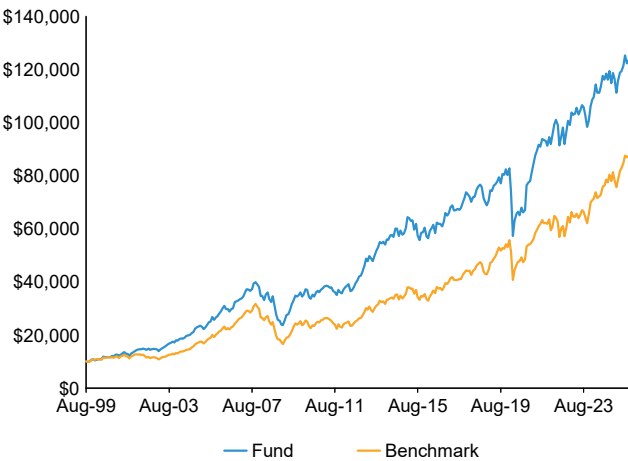
Past performance is not indicative of future performance. Returns may differ due to different tax treatments.

PORTFOLIO FUNDAMENTALS^

	Portfolio	Benchmark
Price / Earnings*	19.2	19.2
Dividend Yield*	2.8%	3.4%
Price / Book	2.1	2.3
Debt / Equity	32.8%	39.0%
Return on Equity*	11.3%	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, News Corporation and Rio Tinto. Conversely, the portfolio's largest relative underweight positions include Macquarie Group Ltd (not held), Westpac Banking Corporation and National Australia Bank Limited.

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 EBITDA 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.

News Corporation detracted from performance in October, declining -10.9% over the month. Investor sentiment was weighed down by the company's 61% stake in REA Group, which fell nearly 8% during the period. Mixed market appetite ahead of the first quarter FY2026 earnings report prompted cautious profit-taking in the lead-up to results. However, at the time of writing the company has reported results to which the market has responded positively. News Corporation delivered a solid start to the financial year with revenue rising 2% to US\$2.1 billion and EBITDA climbing 5% to US\$340 million. News Corp's digital expansion continues to drive its core profit engines, most notably within the Dow Jones segment, where the WSJ and Barron's now generate 84% of sales through digital channels. We believe REA Group, the company's digital real estate services platform, is well-positioned for expansion and presents significant growth opportunities that will further diversify News Corp's revenue base. This ongoing shift toward digital services and the strength of its high-quality assets make News Corp a compelling fit for long-term growth as the company continues to capitalise on structural trends in a rapidly changing consumer market.

CSL detracted from portfolio performance in October as the stock fell -9.9% following the Annual General Meeting where management materially downgraded guidance. US influenza vaccination rates deteriorated beyond expectations, with double-digit declines driven by the politicisation of vaccination, a shift from physician-led to retail pharmacy administration diminishing clinical influence, and concentrated procurement power. Management tempered medium-term growth expectations from double-digit to high single-digit expansion, while indefinitely deferring the Seqirus demerger pending improved market conditions. The confluence of operational setbacks, margin uncertainty, and a more competitive landscape has fundamentally reassessed the company's growth trajectory, with the business now exhibiting a materially weaker earnings profile than its historical double-digit growth performance. While the core plasma franchise remains exceptionally high quality, the market is now reassessing whether CSL should be valued as an industrial business driven by plasma supply vs demand, rather than the growth company it once was, which previously commanded a significantly higher multiple.

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.

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.

MORE INFORMATION

Investor Services 1800 022 033

Email PerpetualUTqueries@cm.mpm.mufig.com

www.perpetual.com.au

