Perpetual Investment Funds

# PERPETUAL CONCENTRATED EQUITY FUND

November 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

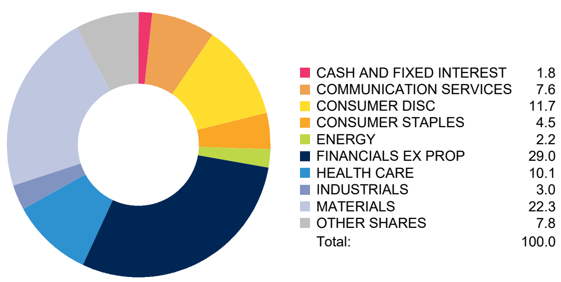
Provides investors with higher potential returns, through the active management of a portfolio of fewer stocks but with higher conviction, than our core Australian equity funds. This concentration may lead to increased short term volatility.

## 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:** | S&P/ASX 300 Accum. Index |
| **Inception Date:** | August 1999 |
| **Size of Portfolio:** | $271.70 million as at 30 Sep 2025 |
| **APIR:** | PER0102AU |
| **Management Fee:** | 1.10%* |
| **Investment style:** | Active, fundamental, bottom-up, value |
| **Suggested minimum investment period:** | Five years or longer |

## PORTFOLIO SECTORS




## TOP 10 STOCK HOLDINGS

| | % of Portfolio |
|---|---|
| Commonwealth Bank of Australia | 8.0% |
| Washington H. Soul Patt. | 7.4% |
| BHP Group Ltd | 6.7% |
| Rio Tinto Limited | 4.6% |
| ANZ Group Holdings Limited | 4.1% |
| News Corporation | 3.8% |
| Goodman Group | 3.6% |
| Bluescope Steel Limited | 3.1% |
| GPT Group | 3.1% |
| CSL Limited | 2.9% |

## NET PERFORMANCE - periods ending 30 November 2025

| | Fund | Benchmark # | Excess |
|---|---|---|---|
| 1 month | -1.75 | -2.64 | +0.88 |
| 3 months | -3.14 | -2.86 | -0.28 |
| 1 year | 1.62 | 5.81 | -4.20 |
| 2 year p.a. | 9.84 | 14.18 | -4.35 |
| 3 year p.a. | 6.41 | 9.66 | -3.25 |
| 4 year p.a. | 7.37 | 8.29 | -0.91 |
| 5 year p.a. | 9.68 | 9.79 | -0.11 |
| 7 year p.a. | 8.18 | 10.23 | -2.06 |
| 10 year p.a. | 7.52 | 9.47 | -1.94 |
| Since incep. p.a. | 9.97 | 8.41 | +1.56 |

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

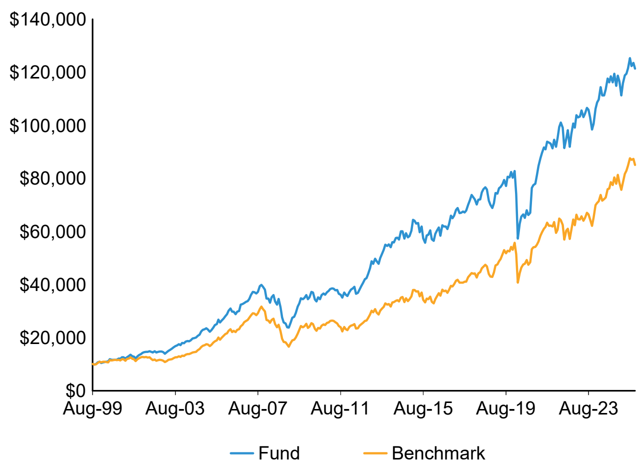
## PORTFOLIO FUNDAMENTALS^

| | Portfolio | Benchmark |
|---|---|---|
| Price / Earnings* | 19.1 | 18.4 |
| Dividend Yield* | 2.8% | 3.5% |
| Price / Book | 2.1 | 2.3 |
| Debt / Equity | 30.3% | 38.2% |
| Return on Equity* | 11.3% | 12.7% |

^ 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/ASX300 experienced its worst month since March, declining 2.64% in November as investors grappled with a disappointing AGM season and weak bank earnings amid rising macro uncertainty. Defensive sectors offered rare relief: Health Care (+ 1.72%) and Consumer Staples (+1.42%) gained on solid updates from Ramsay, Sonic Healthcare and CSL, while Materials (+ 1.66%) benefited from lithium's rebound after Ganfeng flagged 30–40% demand growth for 2026. Conversely, Information Technology plunged 10.79% on global AI valuation concerns and earnings weakness across Catapult, Life360, Xero and NextDC. Financials (-6.48%) weighed heavily after major banks delivered underwhelming results, while Real Estate, Communication Services, Consumer Discretionary and Energy all declined. The RBA held rates but upgraded inflation forecasts, with a stronger labour market (unemployment down to 4.3%) and higher-than-expected October CPI data (3.8% YoY) pushing rate-cut expectations into mid-2026. Overall, November reflected rising macro tension, mixed corporate performance and renewed valuation pressure across growth sectors.

## 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 Westpac Banking Corporation, Macquarie Group Ltd (not held) and Telstra Group Limited.

The portfolio's overweight position in Light & Wonder contributed strongly to November performance, with the stock rebounding 39.8% after a weak performance in October. During the month the company released its 3Q earnings update which was ahead of market expectations. Of note was the outperformance in the US gaming operations division, with strong fee per day and unit growth outcomes well received. As evidenced in the performance of key peer Aristocrat over many years, a strong and growing gaming operations business is a powerful driver of margins, free cash flow and ultimately shareholder value. The outlook for Light and Wonders gaming operations division is positive with ongoing strong new game performance underpinning confidence in growth looking forward. With these developments, the company's fundamentals remain strong, supported by disciplined capital management, solid balance sheet strength, and continued growth in its high-margin iGaming division and its integrated Grover Gaming platform. The company also completed its transition to sole ASX listing during the month. Whilst the move was a driver of share price volatility in the lead up, with index and transition related selling now complete, we expect LNW to benefit from increased passive flows and local investor attention moving forward. Whilst some uncertainty remains regarding the court case with Aristocrat, valuation relative to the earnings growth potential continues to screen attractively.

Ramsay Health Care was a strong contributor to portfolio performance in November, rallying +14. 8% after the company's first-quarter results demonstrated meaningful operational recovery across its Australian operations. Domestic performance showed notable improvement from earlier volume softness and wage pressures, with EBIT margins expanding materially and revenue growth of 6.5%, lifting investor sentiment following softer full-year results that had weighed on the stock. We view this as an encouraging sign that management is taking meaningful steps in improving the operations of the business, we continue to see upside from here as management builds on momentum and executes on their strategic objectives. While operating cost headwinds from wage inflation persist across the sector, Ramsay's extensive hospital network, targeted transformation initiatives aimed at improving operational efficiency, and exposure to rising structural healthcare demand provide a solid foundation for sustained long-term earnings growth.

Eagers Automotive detracted from performance in November, finishing the month down - 16.35% driven by profit-taking after an exceptional YTD performance run. Market sentiment tightened from softer industry volumes in the month and rising borrowing costs compressing margins from its recent CanadaOne acquisition, adding near-term pressure. However, the selloff appears sentiment driven rather than reflective of operational weakness as the company continues to demonstrate strong cash generation, solid revenue growth and overall operational resilience. With its commanding market position in Australian automotive retail, recent expansion into North America through CanadaOne, and diversified earnings base across new vehicles, aftersales, and finance & insurance, Eagers remains well-positioned to navigate near-term headwinds and deliver long-term value as margin pressures normalise.

Goodman Group detracted from portfolio performance in November, declining -10. 2% over the month. The company's earnings update showed limited new news flow on leasing or capital partnership deals for the data centre projects. Given the size of these projects and the significant growth in balance sheet exposure to this pipeline, the market is eagerly awaiting progress on leasing and capital partnerships, both of which materially de-risk earnings associated with the development division. Management continue to highlight strong progress and ultimately, we think the share price reaction is a reflection of the short-term nature of current markets as opposed to any fundamental change in the outlook for the companies' data centre development opportunity or earnings growth potential. A hotter-than-expected local CPI data also likely contributed to the share price the pullback, with rising local treasury yields weighing. We continue to see GMG as well positioned to maximise value from its portfolio of assets and remain confident that the strength of the company's management team and balance sheet will shine through over the months and years ahead.

## OUTLOOK

Equity markets enter the coming months on increasingly fragile footing as the global economy faces a heady combination of trade uncertainty, slowing growth, rising debt, geopolitical tensions and low consumer confidence. Global equity indices, including the S &P/ASX300, continue to trade at elevated multiples relative to long-term averages, leaving risk premiums compressed and markets sensitive to negative surprises. Several global fault lines are widening. Bond yield spikes in Japan and the UK highlight fiscal fragility and inflationary concerns. Europe grapples with the Ukraine war and political instability whilst China faces an ongoing property market decline. Whilst US growth appears strong on AI investment headlines, underlying consumer sentiment has weakened amid rising living costs. Against this backdrop, we expect markets to remain range-bound with asymmetric downside risk as investors reassess growth durability, earnings outlook and policy trajectories. Australian equities face additional headwinds from anaemic domestic growth, sticky inflation delaying rate cuts, and acute exposure to weakening Chinese commodity demand. Trading at 18x forward earnings, the S&P/ASX300 offers limited downside protection should conditions deteriorate further.

# 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.

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## MORE INFORMATION

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