

## Perpetual Investment Funds

# PERPETUAL CONCENTRATED EQUITY FUND

August 2026

### 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

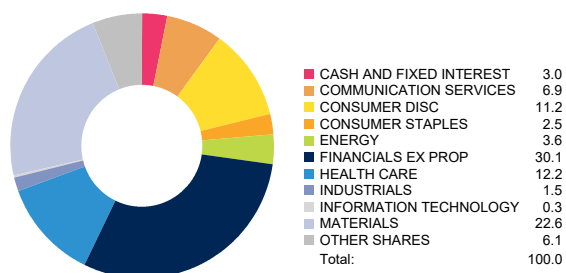
Provides investors with higher potential returns, through the active management of a portfolio of fewer stocks but with higher conviction, than our core Australian equity funds. This concentration may lead to increased short term volatility.

### 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:** \$243.49 million as at 30 Jun 2026  
**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 |
|---------------------------------|----------------|
| BHP Group Ltd                   | 10.4%          |
| Commonwealth Bank of Australia  | 8.0%           |
| CSL Limited                     | 4.3%           |
| Ramsay Health Care Limited      | 4.0%           |
| ANZ Group Holdings Limited      | 3.8%           |
| Washington H. Soul Patt.        | 3.8%           |
| National Australia Bank Limited | 3.4%           |
| EVT Limited                     | 3.3%           |
| Rio Tinto Limited               | 3.0%           |
| Lottery Corporation Limited     | 2.7%           |

### NET PERFORMANCE - periods ending 31 August 2026

|                   | Fund | Benchmark # | Excess |
|-------------------|------|-------------|--------|
| 1 month           | 2.10 | 1.62        | +0.48  |
| 3 months          | 6.44 | 4.40        | +2.04  |
| 1 year            | 3.97 | 4.25        | -0.29  |
| 2 year p.a.       | 5.86 | 9.45        | -3.59  |
| 3 year p.a.       | 7.14 | 11.16       | -4.01  |
| 4 year p.a.       | 7.33 | 10.60       | -3.27  |
| 5 year p.a.       | 6.78 | 7.59        | -0.81  |
| 7 year p.a.       | 7.77 | 8.45        | -0.68  |
| 10 year p.a.      | 7.74 | 9.31        | -1.57  |
| Since incep. p.a. | 9.97 | 8.45        | +1.52  |

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

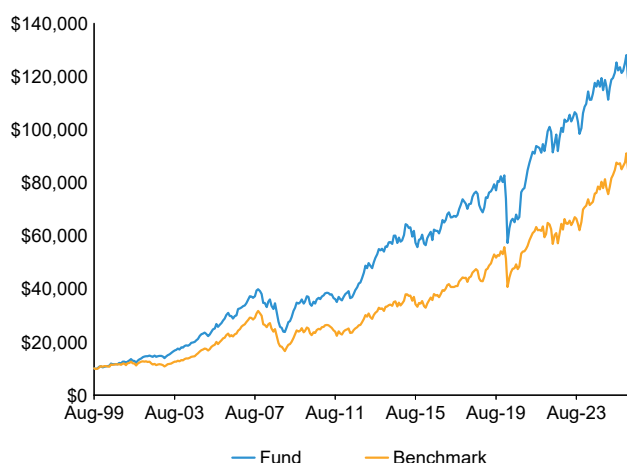
### PORTFOLIO FUNDAMENTALS^

|                   | Portfolio | Benchmark |
|-------------------|-----------|-----------|
| Price / Earnings* | 19.0      | 18.1      |
| Dividend Yield*   | 3.2%      | 3.5%      |
| Price / Book      | 2.6       | 2.4       |
| Debt / Equity     | 42.8%     | 38.1%     |
| Return on Equity* | 13.6%     | 13.8%     |

^ 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 returned 1.62% in August 2026, extending its run of monthly gains. The market printed a fresh all-time high on 6 August before easing into month end, as earnings replaced geopolitics and macroeconomic factors as the primary driver of share prices. Health Care was the strongest sector (+ 18.13%), led by earnings-driven rallies in CSL and Ansell, with Ramsay, ResMed and Cochlear also posting double-digit returns. Materials (+ 12.33%) followed, as gold and copper miners rallied on rising bullion prices. Utilities (+7.42%) and Information Technology (+5.56%) also outperformed. Consumer Discretionary was the weakest sector (-7.34%) as retailers disappointed on earnings, followed by Real Estate (- 6.41%) and Financials (-5.31%), with major banks reporting softer mortgage applications. On the macro front, the RBA held the cash rate at 4.35% while retaining a tightening bias, and July CPI eased to 3.5% but beat consensus, lifting market pricing for a rate hike to 78%. Employment fell 15.8K against expectations for a rise and unemployment ticked up to 4.5%.

## PORTFOLIO COMMENTARY

The portfolio's largest overweight positions include Washington H Soul Pattinson, Ramsay Health Care and EVT Limited. Conversely, the portfolio's largest relative underweight positions include Macquarie Group, Wesfarmers, and Woodside Energy, which was not held.

EVT delivered a solid FY26 result which saw the share price rise 8.8% on the day and close +18.2% for the month. The cinema division was strong with 2H26 ANZ Cinema EBITDA up 76% vs prior corresponding period. Hotels were marginally soft, but we remain positive on the outlook for the division as the company has been increasingly weighting the hotels business toward managed agreements, where EVT earns high-margin fees on hotels it operates but does not own. Because these arrangements require minimal invested capital, incremental returns on growth are high and the overall mix shift away from the more volatile segments (cinemas and Thredbo) towards hotels should lift earnings quality over time. Two updates at the FY26 result, which taken together, provided further evidence that management are increasingly focused on improving returns across the company and closing the material gap between the share price and the intrinsic value of the company. Firstly, approximately \$800m of non-core property assets (32% of market cap) have been identified for divestment, a step that would reduce EVT's exposure to capital-intensive owned real estate and free up significant funds for redeployment. Secondly, management has engaged Rothschild & Co to assess the group structure, with EVT confirming "everything is genuinely on the table". While the end outcome of the asset sales and review remain uncertain in terms of both timing and substance, overall we believe these announcements provide a positive signal for future shareholder value realisation.

The Ramsay Health Care (RHC) share price was range-bound for most of August but finished up 15.65% for the month driven by a strong FY26 result. The result confirms the transformation program is gaining further momentum, with improving EBIT margins and cash generation across the group. Australian EBIT margin expanded 30bps to 9.4%, despite a A\$26m funding headwind from the new Joondalup arrangement. The improvement was driven by 3.3% activity growth, a richer acuity mix, increased theatre utilisation (+90bps to ~70%) and PHI indexation. Operating cash flow rose 46% to \$869m, confirming the quality of the result, and gearing fell to 1.8x from 2.2x at June 2025. RHC's ROCE rose to 14.8% in FY26, up from 13.3% the prior year. On the demerger front, the in-specie distribution of RHC's stake in Ramsay Santé remains on track, with a shareholder vote scheduled for 24 November 2026. We expect further FY27 margin expansion, supported by dynamic PHI indexation now covering approximately 48% of private revenue, evidence that insurers are absorbing more of the labour cost inflation than in prior years. Together with continued capacity utilisation gains and portfolio optimisation, we see this supporting the path toward improving ROIC and continued share price momentum.

Charter Hall Group (CHC) finished the month down 17.2%, with broader weakness across the A-REIT sector (-7.1%) a headwind. The stock fell 6.3% on the day of its result, despite delivering an in-line earnings print of 103.2cps in operating earnings per share against consensus of 103.3cps. This sell-off likely reflected softer 2H26 equity inflows, unsurprising given prevailing geopolitical tensions and the broader macro environment, alongside market disappointment that no EPS upgrade materialised. Management guided to 10.5% EPS growth for FY27, below consensus of 12%, which the market was underwhelmed by but historically they have been conservative with their guidance. Sentiment of the overall sector is very poor as interest rate expectations continue to increase. While Charter Hall is not immune to this, we believe that the company has a good history of being able to take advantage of weak property cycles. As an active manager with a strong balance sheet and a well-regarded management team, we expect them to accumulate assets at depressed valuations, something we believe is not well understood by the market. CEO David Harrison has a good track record of making these countercyclical moves and we view him as one of the best property operators in Australia. Following this pullback, CHC ended the month trading at an attractive valuation of under 17x NTM P/E.

IRESS (IRE) had a strong run leading into the result, climbing more than 40% from its mid-May low, but finished the month down 14.7% on a mixed FY26 result. Management lowered CY26 revenue guidance, disappointing the market given it had already guided to the low end at the May AGM. CY26 EBITDA guidance was lifted, however, on stronger-than-expected cost-out, despite negative FX impacts outside the company's control. We believe the market's response to the result is overdone and that our underlying thesis remains intact. Iress holds significant market share across its core APAC Financial Advice, Trading and Market Data segments, and its software products are complex to develop and carry high switching costs, providing a strong competitive moat. The business has also recently seen a change in leadership, which we view positively. As a result, IRE is looking to use efficiency gains from AI to invest in product and improve margins, supporting solid earnings growth ahead.

## OUTLOOK

Looking ahead, risks to the domestic and global outlook are building on several fronts. Inflation remains stickier than policymakers would like, with trimmed mean measures still running above target and central banks – including the RBA – retaining a tightening bias. This raises the risk of policy staying restrictive for longer, weighing on growth and corporate margins. Geopolitical tension also continues to cloud the outlook, with trade and diplomatic frictions adding volatility to commodity markets and supply chains and prompting periodic risk-off moves across equities. Domestically, house prices are showing signs of softening as budget changes to taxation of investment property and higher-for-longer rates bite, with early signs of stress emerging in rental deferrals and developer distress. A sustained downturn would pressure household balance sheets and consumer spending, with flow-on effects for retail and financials. Amid this uncertainty, we remain committed stock-pickers, not macro investors, seeking out companies with good prospects, strong balance sheets, recurring earnings and sound management teams.

# 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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Total returns shown for the 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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## MORE INFORMATION

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