

Perpetual Investment Funds

PERPETUAL INCOME SHARE FUND

September 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.

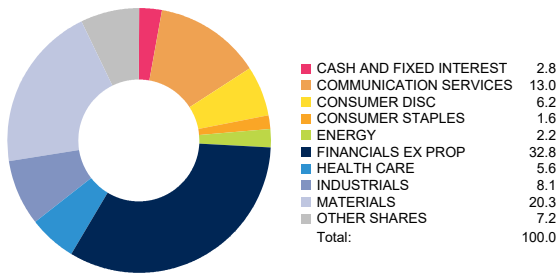
FUND RISKS

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

S&P/ASX 200 Accum. Index
December 1995
\$5.73 million as at 30 Jun 2026
PTC0002AU
0.89%*
Active, fundamental, bottom-up, value
Five years or longer

PORTFOLIO SECTORS



TOP 10 STOCK HOLDINGS

	% of Portfolio
BHP Group Ltd	8.6%
EVT Limited	6.2%
Commonwealth Bank of Australia	5.5%
Suncorp Group Limited	5.2%
GWA Group Limited	5.1%
Deterra Royalties Ltd	4.9%
ANZ Group Holdings Limited	4.8%
GPT Group	4.6%
oOh media Ltd	4.5%
Washington H. Soul Patt.	4.1%

NET PERFORMANCE - periods ending 30 September 2026

	Fund	Benchmark	Excess
1 month	-0.53	-2.42	+1.89
3 months	3.77	1.33	+2.44
1 year	13.84	2.68	+11.15
2 year p.a.	14.41	6.55	+7.86
3 year p.a.	14.64	11.40	+3.24
4 year p.a.	14.64	11.91	+2.73
5 year p.a.	11.09	7.68	+3.41
7 year p.a.	9.85	7.85	+2.00
10 year p.a.	8.89	9.04	-0.16
Since incep. p.a.	9.31	9.00	+0.30

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

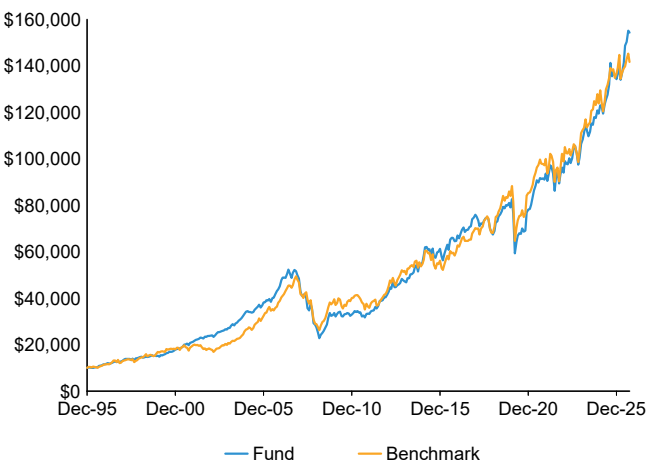
PORTFOLIO FUNDAMENTALS^

	Portfolio	Benchmark
Price / Earnings*	16.1	17.3
Dividend Yield*	4.4%	3.7%
Price / Book	2.1	2.3
Debt / Equity	44.8%	36.9%
Return on Equity*	12.9%	13.9%

^ 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 delivered a subdued +1.26% total return over September 2026 quarter, reflecting persistent headwinds from a hawkish monetary policy backdrop. Sector performance diverged sharply, with Health Care (+25.40%) and Energy (+17.34%) providing crucial support, whilst Materials (+4.77%) benefited from copper demand linked to power infrastructure and AI development. Conversely, Technology (-9.38%), Consumer Discretionary (-9.26%) and Real Estate (-8.65%) faced sustained pressure as elevated rates impacted valuations and consumer spending. The RBA's fourth rate rise of 2026, pushing the cash rate to 4.60%, remained the dominant macro driver despite CPI holding at 3.73% well above target. Strong Q2 GDP growth of 2.1% YoY reinforced tightening momentum, offsetting signs of consumer stress – confidence slumped to 84.4 by September. The AUD rallied to 0.722 mid-quarter before retreating to 0.695, signalling markets anticipated rate cycle maturation.

PORTFOLIO COMMENTARY

The portfolio's largest overweight positions include EVT Limited, Deterra Royalties and GWA Group. Conversely, the portfolio's largest relative underweight positions include Wesfarmers and Macquarie Group, which were not held, in addition to CBA.

oOh!media (OML) returned 16.2% in the September quarter, driven by competitive tension in the final stage of a sale process that began with Pacific Equity Partners' non-binding A\$1.40 per share proposal in late April. On 10 August, OML entered into a binding Scheme Implementation Agreement with I Squared Capital for total cash consideration of A\$1.70 per share. The price is double OML's share price before the initial approach, 21.4% above the initial proposal and a 6.9% premium to the last close before the announcement. The transaction remains subject to final approval, however the OML board unanimously recommends shareholders vote in favour. The board may also pay a fully franked special dividend of about 10c per share before implementation. This would be deducted from the scheme consideration, but shareholders able to use franking credits could benefit by up to about 4c per share.

Ampol rose 40.1% during the quarter, driven by its leverage to regional refining margins. In July, buoyant refining margins and volatile energy markets led to a formal 1H upgrade at the 2Q trading update, reflecting strength at the Lytton refinery and in trading within the International F & I segment. This resulted in consensus EPS upgrades of around 20%. At the 1H26 result, Ampol delivered a low single digit earnings beat against upgraded consensus, with Retail a mid-single digit beat. Beyond refining, we regard the management team as among the best in the sector, having developed the retail offer into a source of steady incremental growth. Looking forward, we believe the EG acquisition will support higher fuel volumes and further expansion of the unmanned site offering. We exited the position in September, taking profit as the stock reached all-time highs.

PMV was a modest detractor in the September quarter, having been a top contributor in June. Since the end of February, both PMV and the S &P/ASX 200 Consumer Discretionary Index have moved inversely to oil futures, as markets reacted to see-sawing escalations and de-escalations in the US-Iran conflict. PMV rallied more than 30% from its mid-May low to the end of June, as a period of de-escalation in the Middle East lowered oil prices and inflation expectations and improved risk sentiment. We began reducing our position near the ~\$15 peak and trimmed further in July, as a renewed mid-month escalation pushed oil higher and the share price fell 8.4% over the month. The stock fell a further 12.8% in August after a trading update downgraded FY26 earnings guidance. PMV's FY26 result on 24 September was well received, with the stock closing 7.1% higher on the day. A fully franked final dividend of 36c was declared, taking the FY26 total to 81c. At 30 September PMV was trading on a forward dividend yield of 6.3% vs 3.5% for the ASX 300, which is an attractive feature for the portfolio.

Deterra Royalties (DRR) returned -11.0% in Q1 FY27 as iron ore prices fell from around US\$110/t in May to around US\$96/t at the end of September, pressured by declining Chinese steel production and ample supply. DRR earns most of its income from a 1.232% royalty on revenue from BHP's Mining Area C (MAC) iron ore operation, so its earnings move closely with the iron ore price. Income remains one of DRR's primary attractions for us. At the FY26 result DRR declared a fully franked final dividend of 10.8cps, taking FY26 dividends to 23.2cps (+5% yoy) at a 75% payout ratio. At the end of September DRR was trading on a forward fully franked dividend yield of ~4.9%. While lower iron ore prices are likely to weigh on near-term dividends, MAC is a large, long-life asset with 145Mwmtpa nameplate capacity and many years of mine life remaining, which should support DRR's income over the long term.

OUTLOOK

Heading into the last quarter of 2026 the focus is shifting to the flow-on effects of tighter monetary policy. Lenders have lifted fixed mortgage rates by nearly double the RBA's move, adding to fears that the pressure on consumers will only continue to build, especially if the RBA tightens again. Capital city property prices continue to decline from their March peak. The collapse of developer Bathla Group and troubles at Metrics credit has raised the question of broader economic risks from contagion as deteriorating conditions in construction collide with concerns about private credit liquidity and defaults. China-exposed stocks have fallen sharply and doubts over AI spending, highlighted by the failed Firmus IPO, are unsettling tech-adjacent names. Meanwhile investors also have an eye on the US Fed as well as additional geopolitical risks, especially the evolving Iranian situation.

The Perpetual Wholesale Income Fund was known as the Trust Company Income Fund until 21 August 2016. Perpetual was appointed as Fund Manager effective 28 July 2014. The previous Fund Manager invested under a different investment strategy using a different investment approach. Therefore performance information before 28 July 2014 is not directly comparable. This publication has been prepared by Perpetual Investment Management Limited (PIML) ABN 18 000 866 535, AFSL 234426. It 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 whether the information is suitable for your circumstances and we recommend that you seek professional advice. The product disclosure statement (PDS) for the Fund, issued by PIML, should be considered before deciding whether to acquire, dispose, or hold units in the Fund. The PDS and Target Market Determination can be obtained by calling 1800 022 033 or visiting our website www.perpetual.com.au.

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.

To the extent permitted by law, no liability is accepted for any loss or damage as a result of any reliance on this information. No company in the Perpetual Group (Perpetual Limited ABN 86 000 431 827 and its subsidiaries) guarantees the performance of any fund or the return of an investor's capital. All investing involves risk including the possible loss of principal.

MORE INFORMATION

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