

INVESTMENT UPDATE AND NTA REPORT

JULY 2025

PORTFOLIO SNAPSHOT

NET TANGIBLE ASSET (NTA) BACKING PER SHARE

AS AT 31 JULY 2025	AMOUNT
NTA after tax	\$1.262
NTA before tax	\$1.302

Daily NTA is available at www.perpetualequity.com.au

All figures are unaudited and approximate.

The before and after tax numbers relate to provisions for deferred tax on unrealised gains and losses of the Company's investment portfolio.

NTA figures are calculated as at the end of day on the last business day of the month.

KEY ASX INFORMATION

AS AT 31 JULY 2025

ASX Code:	PIC
Structure:	Listed Investment Company
Listing Date:	18 December 2014
Market Capitalisation:	\$490 million
Share Price:	\$1.28
Shares on Issue:	383,088,501
Dividends:	Half-yearly
Management Fee	1.00% p.a.*
Manager	Perpetual Investment Management Limited

* exclusive of GST

INVESTMENT PERFORMANCE

AS AT 31 JULY 2025	1 MTH	3 MTHS	6 MTHS	1 YR	3 YRS p.a.	5 YRS p.a.	7 YRS p.a.	10 YRS p.a.	SINCE INCEP p.a.
PIC Investment Portfolio <small>Net of fees, expenses and before tax paid</small>	1.9%	8.1%	4.4%	5.5%	9.8%	12.4%	9.1%	9.3%	9.4%
S&P/ASX 300 Acc Index	2.4%	8.2%	4.3%	11.9%	12.1%	12.2%	8.9%	8.7%	9.3%
Excess Returns	-0.5%	-0.2%	0.1%	-6.4%	-2.2%	0.2%	0.2%	0.6%	0.1%

Returns have been calculated on the growth of Net Tangible Assets (NTA) after taking into account all operating expenses (including management fees) and assuming reinvestment of dividends and excluding tax paid. Any provisions for deferred tax on unrealised gains and losses are excluded. Past performance is not indicative of future performance. Inception date is 18 December 2014. Portfolio and Index return may not sum to Excess Return due to rounding.

TOP 10 STOCK HOLDINGS

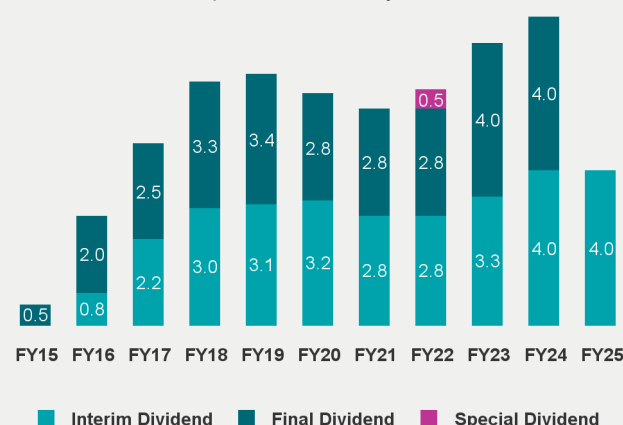
COMPANY	PORTFOLIO WEIGHT
BHP Group Ltd	7.4%
Flutter Entertainment Plc	5.9%
GPT Group	5.2%
Goodman Group	4.9%
GWA Group Limited	3.7%
Aspen Group Limited	3.3%
ANZ Group Holdings Limited	3.3%
Mainfreight Limited	3.1%
Howden Joinery Group PLC	3.1%
Sigma Healthcare Ltd	2.9%

Portfolio weight based on direct investments in securities and does not include any derivative exposure

DIVIDENDS IN CENTS PER SHARE

Annual dividend yield: 6.3%

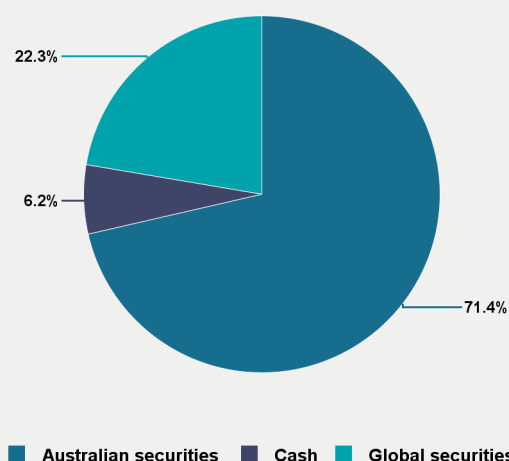
Grossed up annual dividend yield: 8.9%



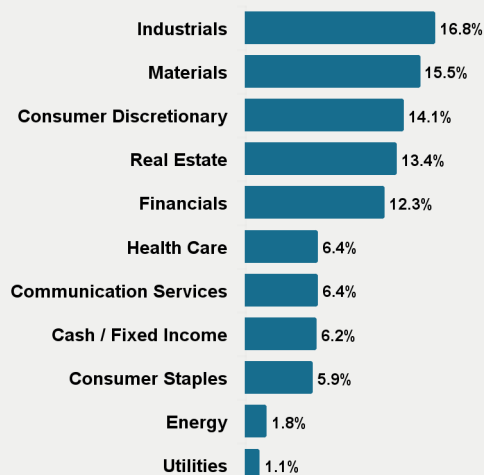
Yield is calculated based on the total dividends of 8.0 cents per share and the closing share price of \$1.280 as at 31 July 2025. Grossed up yield takes into account franking credits at a tax rate of 30%.

ALLOCATION OF INVESTMENTS[^]

93.8% of capital invested in securities



PORTFOLIO SECTORS[^]



[^]Weightings calculated based on direct investments in securities and any indirect exposure via S&P /ASX 200 related derivatives. All figures are unaudited and approximate. Allocations may not sum to 100% due to rounding.

PORTFOLIO COMMENTARY

Market Commentary

Australian equities extended their winning streak in July, with the ASX 200 gaining 2.3%, its fourth straight monthly advance. The index set a fresh all-time high on 7 July before momentum stalled, trading sideways for the remainder of the month.

Markets balanced optimism over prospective RBA rate cuts with caution around looming US tariff deadlines. Sector rotation was evident, with an unwind in overbought bank positions – ongoing since late June – weighing on Financials (-1.0%), while Materials (+4.1%) benefited from stronger iron ore prices. Gold miners lagged as safe-haven demand faded, marking a second month of underperformance. Healthcare was the standout (+9.05%), driven by a 74.8% surge in Clarity Pharmaceuticals, robust gains in CSL, and a 43.8% rally in Mesoblast. Consumer Discretionary (+3.2%) outperformed on positioning ahead of potential rate cuts.

The RBA held the cash rate at 3.85%, deferring a widely expected 25 basis point cut. Governor Bullock emphasised timing over direction, with the 6-3 vote split highlighting internal debate. Q2 CPI which was released late in the month showed inflation easing to 2.1% year-on-year, below forecasts, firming expectations for an August cut.

Corporate news was active, with Johns Lyng Group jumping 23% on a \$1.1 billion takeover offer, while Origin Energy gained 8.2% on value-unlocking news relating to its investment in Octopus Energy. Lifestyle Communities plunged 36.6% on an adverse VCAT ruling, and Botanix fell 53.1% on softer sales momentum. Earnings revisions skewed slightly negative, with 82 upgrades versus 104 downgrades, suggesting selective positioning remains key in the months ahead.

Portfolio

The portfolio's largest overweight positions include Flutter Entertainment PLC, GPT Group and GWA Group Limited. Conversely, the portfolio's largest relative underweight positions include Commonwealth Bank of Australia, National Australia Bank Limited and Westpac Banking Corporation, all of which are not held in the portfolio.

Contributors

Cobram Estate delivered a positive update during July as the company announced a successful 2025 Australian harvest of 15.3 million litres and strong EBITDA guidance of approximately \$115 million for FY25. This earnings outcome was at the upper end of market expectations and reflected the company's ability to maintain firm pricing points and sales volumes despite reduced on-shelf pricing from imported peers. The strong second-half sales performance across both Australian and US markets highlighted the underlying strength of Cobram's branded product strategy, while commentary around the 2026 harvest outlook was especially positive – with expectations for only modest declines despite the anticipated "off-year" in the biennial cycle. The growth in volumes will remain a consistent theme over the medium term as recently planted groves continue to mature. Strategic developments, including the relocation of co-CEO Leandro Ravetti to California, underscored management's commitment to capturing growth opportunities in the underserved US market. With the recent capital investment program now complete in Australia, free cash flow should materially increase – funding increased returns to shareholders and further investment in the US business, which continues to show very promising signs.

Contributors (cont'd)

Whitehaven Coal was a strong performer during July, rising in response to a positive quarterly update. The company showcased strong execution across its operations. Production volumes reached the upper end of guidance, while unit costs were better than expected – highlighting management's ability to optimise performance amid subdued thermal and metallurgical coal pricing. The successful first-year integration of the Queensland coal assets purchased off BHP proved particularly impressive, with production exceeding original targets despite weather disruptions and operational transitions. This validated both the quality of the acquired assets and management's execution capabilities. While global coal markets remained under pressure from trade uncertainties and softening Chinese demand dynamics, the company's strategic inventory build during the quarter demonstrated prudent market timing and positioned Whitehaven to capitalise on future price recovery – all while continuing to maintain operational momentum. The investment case remains centred on ongoing improvements to mining productivity and volumes and the potential for significant free cash generation in an improved pricing environment. Given the constrained supply outlook for both thermal and metallurgical coal pricing, we expect the commodities to react favourably to any global supply outage or improvement in demand.

Detractors

Persimmon was weak during July as various data points and peer results pointed to a slower-than-expected UK housing market recovery. Peer results have reflected challenging conditions in London and ongoing provision increases related to fire safety. Persimmon is well placed relative to peers on the fire safety remediation program and, with a geographical skew to the North, should be better placed to deliver resilient results in the short term. Lead indicators, including interest rate reductions and Government commitments to ease planning approval processes, continue to support the view of a medium-term recovery. Persimmon offers an attractive investment opportunity as one of Britain's top three housebuilders by volume. The company has a strong nationwide presence and owns its entire production process, including timber frame facilities and building materials operations. Its track record of maintaining profit margins during difficult periods, combined with a large land bank that provides years of future development opportunities and flexible bulk sales partnerships, puts it in a strong position to benefit from any housing market recovery. On a mid-cycle volume basis, the stock screens extremely cheaply at current levels.

Select Harvests' share price fell in July on the back of a sharp decline in the spot almond price, driven by a better-than-expected USDA objective crop estimate. Industry experts have questioned the accuracy of the 3 billion pounds estimate; various players have called for a 2.65-2.8 billion pounds crop due to the extensive degree of tree removal and orchard abandonments after multiple years of weak almond prices. We see the company as best positioned for an extended period of stronger almond prices and supported by tariff-favoured access to the Chinese market. Post-capital raise, the balance sheet is fixed and management is focused on improving business operating efficiency.

Outlook

Markets stand at a critical crossroads. Concerns over the US debt and deficit continue to mount following the passage of the “big, beautiful bill”. Yet, risk appetite has proven resilient. Global equities, led by growth and technology names, have extended the rebound that began in mid-April – erasing much of the sell-off during the tariff turmoil. Investor enthusiasm has been underpinned by strong corporate earnings in parts of the tech sector (for example, Nvidia again delivered revenue growth well ahead of expectations) and by signs that central banks remain ready to ease policy if growth slows.

Beneath the surface, however, a deeper rotation could be in the offing.

The US equity market is still trading near peak valuations and near peak profit margins. And though the US dollar continues to roll over, much to Trump's delight it continues to be not far off generational highs. Historical precedents in 1985 and 2000 suggest such peaks often coincide with turning points in global capital flows, with investors shifting toward regions offering more compelling valuations, including select emerging markets.

Policy currents are also in flux. The Trump administration is pressing for broader global market access while also challenging the use of currency and regulatory tools as forms of trade suppression. Banking deregulation initiatives in both the US and UK aim to boost credit creation, while Germany is pursuing economic reflation through structural reforms and a €500 billion defence and infrastructure investment program. The Australian and US equity markets are trading in the 96th or 97th percentile of valuation relative to the past 20 years.

Asymmetric risks are clearly skewed to the downside. Together, these forces point toward an inevitable inflection point for market levels and leadership. The next phase may be characterised by greater regional divergence, more frequent rotations in sector leadership, and a heightened need for valuation discipline.

REMINDER: TAX CERTIFICATION COMPLETION

Under the Australian Government's participation in Automatic Exchange of Information (AEOI) regimes, PIC is required to collect CRS certification information and an investor's tax residency from shareholders. The information in certain circumstances may be reported to the Australian Taxation Office (ATO) which in turn reports to various global tax authorities.

Please check that you have completed your CRS certification by logging into the Link investor portal [here](#).

From there, under the Payments & Tax tab you will find 'CRS', where you can fill in the Self Certification. Completing this information online is straightforward as the questions will guide you, and in some instances, it is only a couple of steps.

If you do not certify, PIC may be required to provide information about your account to the ATO. For more information on the self-certification process via Link please click [here](#). For further information on FATCA and CRS, please visit [here](#).

WHY CHOOSE THE PERPETUAL EQUITY INVESTMENT COMPANY?

- Designed to deliver investors an income stream of **fully franked dividends**.
- **Active management** to vary the portfolio's exposure to equity market risk, and to enhance the value of the portfolio when opportunities arise both domestically and globally.
- **Flexibility** to invest up to 35% in global securities and up to 25% in cash for diversification with the intention to add returns above the benchmark, or to manage downside risk.
- Access to Perpetual's tried and tested **quality and value** investment process that assesses companies on 4 key quality criteria: quality of business, conservative debt, sound management and recurring earnings.
- **Depth and breadth** of Perpetual's investment team enables it to conduct extensive company visits each year and make decisions to invest in high quality and attractively valued securities based on fundamental, in-depth, bottom-up research.
- **Ease of access** as you can buy and sell PIC on the ASX.
- **Daily NTA published on the ASX** to provide transparency of the portfolio.

KEY FEATURES

INVESTMENT OBJECTIVE

The investment objective of the Company is to provide investors with an income stream and long-term capital growth in excess of its benchmark (the S&P/ASX 300 Accumulation Index) over minimum 5 year investment periods.

INVESTMENT STRATEGY

The Company's investment strategy is to create a concentrated and actively managed portfolio of Australian securities with typically a mid-cap focus and global listed securities. The Company will typically hold 20 to 40 securities.

50% - 100%	Australian listed securities
0% - 35%	Global listed securities
0% - 25%	Cash

Currency exposures may be hedged defensively, but no attempt is made to add value to the portfolio by actively managing currency. Derivatives are permitted.

ABOUT THE MANAGER

The Company's investment portfolio is managed by Perpetual Investment Management Limited, part of the Perpetual Group, who has a longstanding commitment to deliver superior outcomes over the long-term for clients. This is underpinned by its proven investment process that focuses on value and quality.



Vince Pezzullo
Co-Portfolio Manager
Head of Australia Equities,
Perpetual Asset Management Australia



Sean Roger
Co-Portfolio Manager

All investments are subject to risk which means the value of investments may rise or fall, which means that you may receive back less than your original investment or you may not receive income over a given time frame. Refer to announcements and other information for the Company lodged with the ASX, which is available at www.asx.com.au. A financial adviser can assist you in determining whether an investment in the Company is suited to your objectives, financial situation or needs.

CONTACT DETAILS

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This report was prepared by Perpetual Investment Management Limited (PIML) ABN 18 000 866 535, AFSL 234426. PIML is the Manager for the Perpetual Equity Investment Company Limited (Company) (ASX: PIC) ACN 601 406 419. This report is in summary form and is not necessarily complete. It should be read together with other announcements for the Company lodged with the ASX, which are available at www.asx.com.au.

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