PERPETUAL
EQUITY
INVESTMENT
COMPANY
LIMITED

ACN 601 406 419

INVESTMENT UPDATE AND NTA REPORT
SEPTEMBER 2026

PORTFOLIO SNAPSHOT

NET TANGIBLE ASSET (NTA) BACKING PER SHARE

AS AT 30 SEPTEMBER 2026	AMOUNT
NTA after tax	$1.144
NTA before tax	$1.136

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. The NTA figures above have been reduced by a provision for the 4.0 cents per share final dividend with ex date 8 September 2026 and payment date 1 October 2026.
NTA figures are calculated as at the end of day on the last business day of the month.

KEY ASX INFORMATION

AS AT 30 SEPTEMBER 2026

ASX Code:	PIC
Structure:	Listed Investment Company
Listing Date:	18 December 2014
Market Capitalisation:	$439 million
Share Price:	$1.14
Shares on Issue:	385,264,407
Dividends:	Half-yearly ^
Management Fee	1.00% p.a.*
Manager	Perpetual Investment Management Limited

* exclusive of GST
^ PIC is transitioning to monthly dividend payments.
Refer to the ASX announcement on 10/08/2026.

INVESTMENT PERFORMANCE

AS AT 30 SEPTEMBER 2026	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 Net of fees, expenses and before tax paid	-4.0%	-2.6%	4.1%	-3.4%	6.2%	3.4%	8.2%	8.4%	8.2%
S&P/ASX 300 Acc Index	-2.4%	1.3%	5.5%	2.4%	11.3%	7.5%	7.8%	9.0%	8.8%
Excess Returns	-1.5%	-3.8%	-1.4%	-5.8%	-5.1%	-4.1%	0.5%	-0.5%	-0.5%

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.

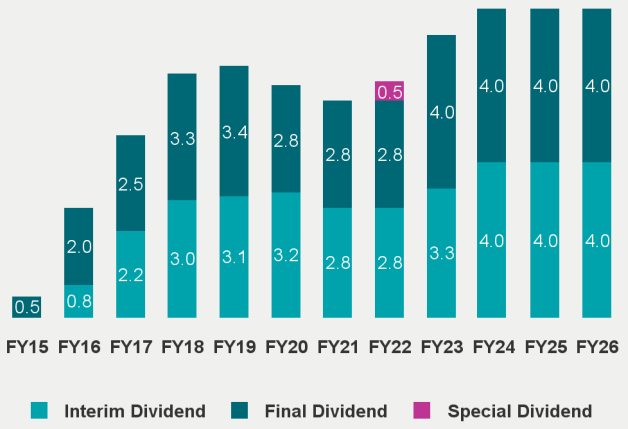
TOP 10 STOCK HOLDINGS

COMPANY	PORTFOLIO WEIGHT
Rio Tinto Limited	8.4%
Washington H. Soul Patt.	6.8%
Goodman Group	4.4%
BHP Group Ltd	4.1%
Suncorp Group Limited	4.0%
News Corporation	3.9%
Ramsay Health Care Limited	3.8%
Glencore plc	3.5%
Aspen Group Limited	3.5%
Cobram Estate Olives Ltd.	3.0%

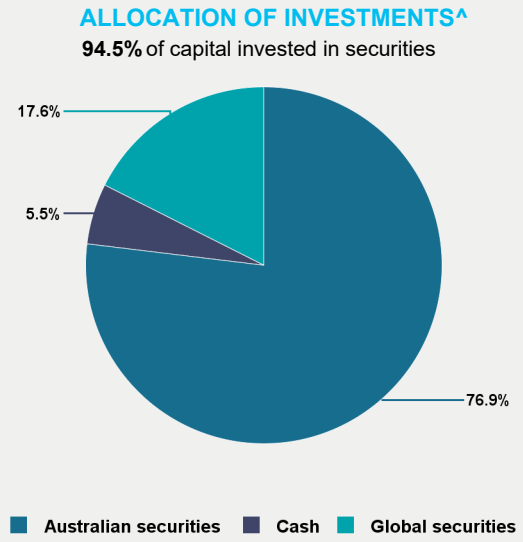
Portfolio weight based on direct investments in securities and does not include any derivative exposure

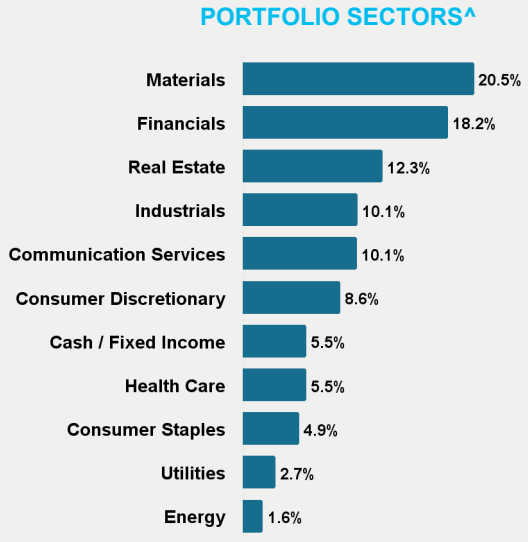
DIVIDENDS IN CENTS PER SHARE

Annual dividend yield: 7.0%
Grossed up annual dividend yield: 10.0%



Yield is calculated based on the total dividends of 8.0 cents per share and the closing share price of $1.140 as at 30 September 2026. Grossed up yield takes into account franking credits at a tax rate of 30%.





^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.

COMPANY NEWS

Annual General Meeting and Investment Manager Update

The AGM and Investment Manager Update will be held on Thursday, 15 October 2026, 2pm (Sydney time) online and in-person at MUFG Corporate Markets, Liberty Place (within the ANZ Tower), Level 41, 161 Castlereagh Street, Sydney.

Details of the AGM are available here.

PORTFOLIO COMMENTARY

Market Commentary

The S&P/ASX 300 Accumulation Index fell 2.43% in September, snapping a five-month winning streak in the weakest month since March. A global bond rout dominated, with Australian 10-year yields climbing to 15-year highs. Renewed US Iran tensions pushed oil higher, adding to inflation concerns. The RBA raised the cash rate 25 basis points to 4.60%, its fourth hike this year, citing persistent inflation, higher energy costs and weak productivity. Headline CPI rose to 4.0% in August, driven by fuel and electricity, although trimmed mean inflation held at 3.6%. Q2 GDP beat expectations while unemployment rose to a five-year high. Healthcare (+3.90%) led, supported by CSL, Ansell and Ramsay, with Energy (+0.49%) also positive. Industrials, Financials and Consumer Staples outperformed. Rate-sensitive sectors lagged, with Information Technology (-9.84%) the weakest as WiseTech, Xero and NextDC sold off, while Materials (-5.86%) fell on critical minerals weakness.

Portfolio

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 CBA and NAB, both of which were not held, and BHP.

Contributors

Washington H. Soul Pattinson (SOL)

SOL was the top contributor in September, returning 7.37%. During the month SOL reported a solid FY26 result, its first full financial year since the merger with Brickworks (BKW). The key positives for us were a pre-tax NAV return of 10.2% (approximately 5 percentage points ahead of the All Ords), an 11.5% increase in net cash flows from investments and a 7% increase in the final fully franked dividend. The BKW merger has been strategically transformative for SOL. By resetting the tax cost base of SOL's entire portfolio to market value, it turned a $1.4 billion deferred tax liability into a $792 million deferred tax asset. This removed the capital gains tax constraint on long-held legacy positions and gave management greater freedom to reposition the portfolio. This has accelerated a longer-term shift in the listed/unlisted split from 90/10 at the end of FY21 to 40/60 at the end of FY26, with fixed income, private companies and credit the main beneficiaries. The outcome is a more diversified portfolio generating greater recurring cash flow, as reflected in this year's 11.5% increase. This should continue to support SOL's 28-year record of dividend increases. Recent portfolio activity has left SOL with close to $3 billion of cash and short-term fixed income, a valuable source of liquidity that can be used to fund higher returning opportunities as they emerge. In the current volatile environment, this liquidity position combined with SOL's disciplined capital allocation leaves the company well placed. The stock remains a core holding due to the superior risk adjusted returns from its diversified but high-quality portfolio, which, in our view, is led by one of the best management teams in the market.

PORTFOLIO COMMENTARY (continued)

Suncorp Group (SUN)

Suncorp returned 5.9% over the month, with the main news for the stock being reports on September 30 that Suncorp had entered preliminary takeover talks with Tokio Marine Holdings, which saw shares jump as much as 7.5% intraday. Suncorp formally denied the reports however, and shares fell 7.4% in the next session, unwinding the gain. Although the talks were denied, we see the possible corporate interest in Suncorp being indicative of the quality of the business and the local industry generally. Following the completion of the ANZ bank sale, Suncorp is now a pure-play Australian insurer, which represents a clean structural opportunity for an offshore acquirer, making further corporate interest plausible. Separately, given the current market backdrop, Suncorp serves an important defensive role in the portfolio and is now one of the larger active weights in the PIC. On top of the defensive nature of home and motor insurance, Suncorp is benefitting from the higher interest rate environment as it earns investment income on the cash it receives upfront from customers.

Detractors

Aspen Group (APZ)

APZ returned -12.1% during September amid continued negative sentiment surrounding the property sector, driven by the prospect of further interest rate increases and weakening consumer sentiment. This is reflected in the share price decline in FY27 being primarily driven by multiple compression, with consensus forward earnings per share upgraded over the period. Importantly for APZ, affordable housing has historically proven more resilient at the demand level during economic slowdowns, supported by the essential and often counter-cyclical need for accommodation and structurally low vacancy rates, in contrast to more cyclical segments such as luxury residential, office and hospitality. This view was supported by a Q1 update on October 5 which illustrated strong operating momentum and no signs of weakness from broader deterioration in property prices. Management also reaffirmed FY27 guidance, which we believe appears conservative. For these reasons, APZ remains a top five active weight in the portfolio.

Pinnacle Investment Management Group (PNI)

PNI fell 21.3% over the month, largely due to delays in auditing several listed investment trusts (LITs) managed by Metrics Credit Partners, an affiliate in which PNI holds a 35% stake. On 31 August, Metrics published unaudited FY26 accounts for Metrics Master Income Trust (MXT), Metrics Income Opportunities Trust (MOT) and Metrics Real Estate Multi-Strategy Fund (MRE), creating uncertainty about their accuracy and contributing to share price declines of 10.1% and 5.8% over the next two trading sessions. Two days before the 30 September reporting deadline, Metrics announced NTA write-downs of 2% for MXT, 10% for MOT and 12% for MRE. Audited financial statements were released on 2 October, ending a month-long standoff with KPMG. While this is clearly negative for Metrics' growth and profitability, Metrics is only one of Pinnacle's many affiliate partners and investments. Before these developments, Metrics was estimated to contribute approximately 10–12% of PNI's NPAT. In our view, Pinnacle's share price correction therefore more than reflects the full value of Metrics. The focus on Metrics has overshadowed strong progress elsewhere in PNI's affiliate base, including continued growth in its international platform and strong flows into Lifecycle, Coolabah and Plato.

Outlook

Inflation remains a significant focus for markets, with ongoing government spending, the Middle East conflict and the AI build-out the key forces. At this stage, these drivers are not sensitive to rates, leaving monetary policy less effective at bringing inflation under control in the near term. Amid these pressures, the Australian consumer and economy continue to soften, weighed down by a higher cost of living, falling asset prices (particularly property, on the back of Government policy) and weak confidence. We find it hard to be overly positive on an improvement in the Australian consumer unless we see a resolution in the Middle East or a reduction in the AI build-out's demand for capital. Against this backdrop, and with cost inflation still elevated, the outlook for Australian corporates remains tough. We believe quality companies with strong balance sheets and management teams are best placed to take market share and outperform in this environment. This is reflected in our portfolio positioning.

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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MUFG Corporate Markets

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Email: pic@cm.mpms.mufg.com

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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Neither the Company, PIML nor any company in the Perpetual Group guarantees the performance of, or any return on an investment made in, the Company. Perpetual Group means Perpetual Limited ABN 86 000 431 827 and its subsidiaries.