

INVESTMENT UPDATE AND NTA REPORT

OCTOBER 2025

PORTFOLIO SNAPSHOT

NET TANGIBLE ASSET (NTA) BACKING PER SHARE

AS AT 31 OCTOBER 2025	AMOUNT
NTA after tax	\$1.247
NTA before tax	\$1.278

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 OCTOBER 2025

ASX Code:	PIC
Structure:	Listed Investment Company
Listing Date:	18 December 2014
Market Capitalisation:	\$471 million
Share Price:	\$1.225
Shares on Issue:	384,133,761
Dividends:	Half-yearly
Management Fee	1.00% p.a.*
Manager	Perpetual Investment Management Limited

* exclusive of GST

INVESTMENT PERFORMANCE

AS AT 31 OCTOBER 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>	0.3%	2.0%	10.2%	9.3%	8.9%	11.5%	10.0%	9.3%	9.3%
S&P/ASX 300 Acc Index	0.4%	2.9%	11.4%	12.7%	13.0%	12.5%	10.3%	9.7%	9.4%
Excess Returns	-0.1%	-0.9%	-1.2%	-3.4%	-4.1%	-1.1%	-0.3%	-0.4%	0.0%

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

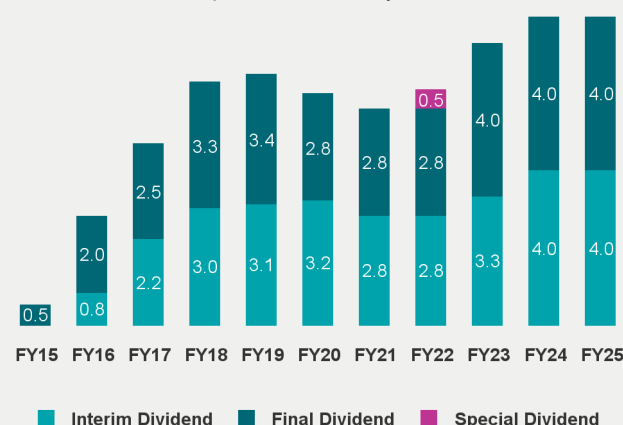
COMPANY	PORTFOLIO WEIGHT
Washington H. Soul Patt.	6.5%
Rio Tinto Limited	6.2%
Goodman Group	4.9%
BHP Group Ltd	4.9%
News Corporation	4.8%
Flutter Entertainment Plc	4.7%
Aspen Group Limited	4.3%
Howden Joinery Group PLC	3.9%
Cobram Estate Olives Ltd.	3.9%
GPT Group	3.3%

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

DIVIDENDS IN CENTS PER SHARE

Annual dividend yield: 6.5%

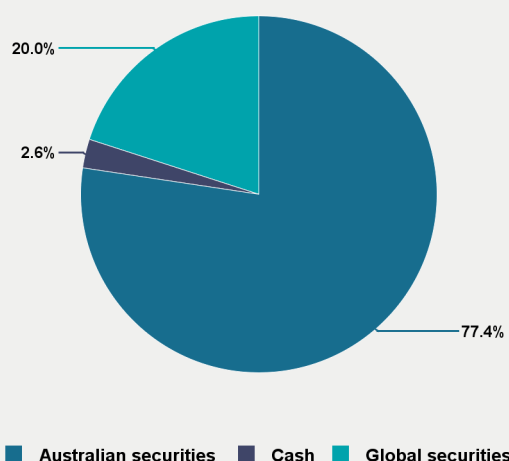
Grossed up annual dividend yield: 9.3%



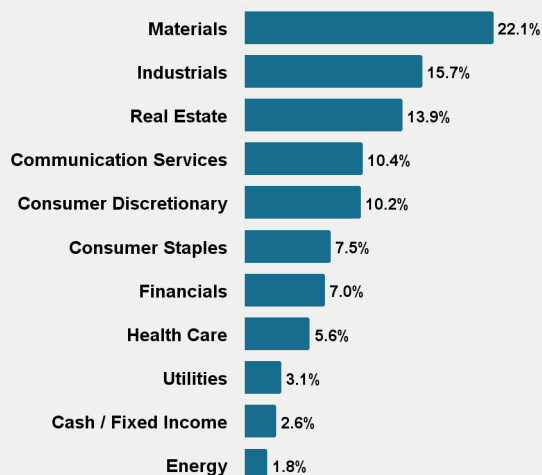
Yield is calculated based on the total dividends of 8.0 cents per share and the closing share price of \$1.225 as at 31 October 2025. Grossed up yield takes into account franking credits at a tax rate of 30%.

ALLOCATION OF INVESTMENTS[^]

97.4% 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 rose 0.4% in October but retreated from mid-month record highs as hotter-than-expected inflation erased hopes of near-term RBA rate cuts. Volatility picked up after renewed US–China trade tensions, though this eased following a one-year truce. Materials outperformed, supported by strong gains in lithium, rare earths and critical minerals after the US and Australia signed a funding framework. Pilbara Minerals, Liontown Resources and Mineral Resources all rallied.

Gold miners gave back earlier gains as bullion prices eased. Technology was the weakest sector amid governance issues at WiseTech and leadership changes at Nuix, while Consumer Discretionary lagged on softer trading updates and fading policy support. Banks were broadly flat, with ANZ outperforming. Macro data highlighted sticky inflation, with monthly CPI rising to 3.2% year-over-year and trimmed mean lifting to 3.0%, pushing rate-cut expectations out to 2026. Corporate news was mixed: Domino's surged on takeover speculation, while CSL and Bapcor fell on weaker outlooks.

Portfolio

The portfolio's largest overweight positions include Washington H. Soul Pattinson, Flutter Entertainment and News Corporation. 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

LGI Limited contributed strongly to fund performance in October, rallying 16.7%. LGI assists both private and municipal landfill operators manage the volume of methane emissions generated by landfills by transforming these gasses into electricity to supply the landfill, local community assets and the Australian wholesale electricity market. In conjunction with the generation of electricity, LGI is investing in batteries to take advantage of volatility in the electricity market.

In late October, LGI came to the market to raise additional capital to expedite the roll-out of its current battery and generation projects to take advantage of a favourable medium-term market outlook, in conjunction with a series of new opportunities, taking megawatts under management to 80MW from the 21MW the company ended FY25 with. We estimate that these new projects would, in addition to providing additional generation, roughly double LGI's battery capacity. This battery investment leans into an outlook for a more volatile energy market, where LGI has previously been able to realise a 72.6% uplift on the price it has received on existing sites.

We invested in LGI at the IPO in August 2022 at \$1.50. With the stock closing out October at \$4.45 we are pleased with the performance to date, however we continue to remain optimistic regarding the long-term opportunity. The company has an existing, well positioned, cash generative portfolio with capacity to continue to deploy capital into new assets in a market that is becoming increasingly volatile and more complex to enter. We view both the management team and board positively and are confident that they will continue to identify and execute on attractive opportunities in this market, whilst continuing to maintain disciplined capital allocation.

Ferguson Enterprises performed strongly during October (+12%), continuing its rally post a strong 4th quarter result delivered in mid-September. Despite ongoing headwinds from lacklustre activity in the US residential sector, Ferguson delivered 7% sales growth and 17% EPS growth during the period driven by a very strong contribution from the commercial project side of the business. As the largest diversified plumbing and HVAC distributor in the US, the company is leveraging its scale to take material share in large commercial project construction. This enviable position gives the company attractive exposure to the significant growth in data centre and reshoring projects.

PORTFOLIO COMMENTARY (continued)

Looking forward, the company is well placed to continue to deliver strong earnings growth as a strong pipeline in commercial activity is supported by the potential for an improvement in residential activity, as affordability improves on falling interest rates and government housing policy. Ferguson has a fantastic track record of delivering strong shareholder outcomes and earnings growth through a combination of exposure to favourable end markets, market share growth, high-returning consolidation of a fragmented competitor set, and ongoing shareholder buy backs. Despite the recent strong share price performance, we see valuation as appealing given the strong financial metrics, outlook for growth and strong balance sheet.

Detractors

News Corporation was the largest detractor to performance during October, with the stock down 11%. Whilst there was no company specific news out during the period, the stock sold off in line with the performance of REA Group, in which it holds a 61% shareholding. REA Group was pressured by comments from Costar, the new owner of competitor Domain, pointing to improved performance in market from Domain.

Further, increasing polarisation and uncertainty around the potential impact of Artificial Intelligence on classifieds more broadly weighed. Ultimately, we see both concerns as overblown and believe REA's very dominant market position in both the eyes of consumers and vendors will continue to underpin its pricing power and earnings growth runway moving forward. With the sell-off in the NWS share price, we believe the current valuation is implying a material discount to the current market value of the REA stake, with the value of Dow Jones and Harper Collins justifying most of the current market cap of the company. Post the sale of Foxtel, NWS provides exposure to three high-quality, growing assets at a very attractive valuation. The net cash balance sheet supports ongoing buy backs which are highly value accretive to shareholders at current levels.

Light & Wonder declined 15.6% in October as investor sentiment softened due to increased near-term uncertainty. During the month, a further legal development in the long running case with Aristocrat saw the discovery period extended to mid-December, prolonging the period of uncertainty for Light & Wonder investors. The company also reconfirmed its decision to delist from the Nasdaq and move to a sole primary listing on the ASX. While the move reflects a continued streamlining of its global corporate structure and provides the potential for an increased valuation over time, some investors viewed it as a short-term headwind due to perceived impacts on liquidity as US investors sold ahead of the de-listing.

We see this short-term trading volatility as completely irrelevant to the long-term potential and valuation of the company and ultimately see the shift to a single listing as a positive move. Whilst there remains a risk of further negative developments in the legal case, with a current valuation of 12x PE roughly half that of its nearest competitor, the market has in our view already priced in a material further negative. Operationally, the company continues to deliver strong gaming content and is well placed to deliver strong earnings growth over the coming years.

Outlook

Despite markets screening expensive in both Australia and offshore at the index level, there remains pockets of attractive value on offer. Despite the recent outperformance, we continue to see value in the resources sector with favourable commodity outlooks and attractive starting valuations supportive of an overweight position in the portfolio. Portfolio exposure continues to skew away from the ASX top 50 towards small – mid caps and offshore where better value is on offer.

In the short term, the markets perception of the trajectory of interest rates and sustainability of AI capex are likely to remain the key drivers of returns. But softer jobs data, upward pressure on inflation, sluggish growth and emerging signs of stress and excess in capital markets have raised concerns of a pullback in overstretched parts of the market.

Given the ongoing macroeconomic uncertainty and uneven earnings environment, we continue to place strong emphasis on balance sheet resilience, earnings quality, and management capability. These remain critical pillars of our investment process in navigating volatile conditions and preserving downside protection while positioning for sustainable long-term returns.

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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