

PERPETUAL
EQUITY
INVESTMENT
COMPANY
LIMITED

**2025 ANNUAL GENERAL MEETING
ADDRESS TO SHAREHOLDERS**

ACN 601 406 419

Perpetual 

PIC FY2025 ANNUAL GENERAL MEETING

Chairman's Address

Nancy Fox AM

I would like to begin by acknowledging our fellow longstanding shareholders and welcoming our new shareholders that joined this year. Thank you all for your support in PIC.

FY25 Results Summary

Starting with the results. In August, we reported a net profit after tax of \$21.7 million, a decrease compared to the previous year, primarily due to softer overall investment performance for the year.

PIC's performance for the 12 months to 30 June 2025 was 6.5%. While this was below its benchmark for the year, the PIC portfolio has continued to perform well over the longer term, returning 12.1% p.a. over 5 years, outperforming the benchmark by 0.3% p.a.

The Board declared a fully franked final dividend of 4.0 cents per share, bringing the FY25 full year dividend to 8.0 cents per share - consistent with last year's dividend payment as the highest since the Company's inception - and equates to an annual dividend yield of 6.6% and grossed-up dividend yield of 9.4%¹. This compares favourably to the trailing 12-month dividend yield of the S&P/ASX 300 Accumulation Index which was 3.2% as at 30 June 2025.

Delivering a reliable income stream

Shareholders that have been with us since we listed or when we first declared a dividend in August 2015 would have benefited from a total of 61.8 cents per share in dividends, which equates to a total of \$214.2 million in dividend payments.

The Board has remained focused on the management of shareholder capital to ensure that the Company's position remains strong. This approach has enabled the Board to declare consistent, fully franked

¹ Yield is calculated based on the total dividends of 8.0 cents per share and the closing share price of \$1.21 as at 30 June 2025. Grossed up yield takes into account franking credits at a tax rate of 30%.

dividend payments since the Company's inception, as well as building a healthy profit reserve and franking account. After the payment of the final dividend, the profit reserve for the Company sits at \$67.8 million which provides for 2.2 years dividend coverage assuming a total dividend of 8 cents per share per annum². The Company's franking account balance is \$9.2 million and provides for 0.7 of a year of fully franked dividend coverage. Notably, this does not include any additional franking credits that may be generated during the year.

PIC is designed to deliver a reliable income stream, as demonstrated by our proven track record over the past decade. This makes it an excellent choice for retirees and investors seeking consistent income.

Changes to the Board's Composition

Moving to Board changes. I wish to highlight some changes to our PIC Board.

Firstly, I would like to acknowledge PIC's longstanding director John Edstein. John retired from his position as a Director in May this year after more than 10 years of valuable service to the Company. John is present online today, and on behalf of the Board and shareholders, I extend our sincere thanks for his contribution. John's extensive expertise in investment management and as a legal practitioner has greatly benefitted the Company.

Secondly, the Board appointed Tim Bednall as an Independent Non-Executive Director effective 7 May 2025. Tim has replaced John as the Chairman of the Company's Nomination & Corporate Governance Committee. We welcome Tim to his first PIC AGM. Tim will be seeking election under Resolution 2 of this meeting.

Lastly, Virginia Malley, who was first appointed on 25 August 2014, will retire from the Board effective 6 November 2025. Virginia reached the end of her third three-year term, but shareholders extended her tenure for an additional year at the 2024 AGM given her role in the negotiation of the new management agreement with Perpetual Investment

² Profit reserve of \$67.8 million as at 30 June 2025 after taking into account the estimated payment of the final dividend. This equates to 17.7 cents per share and represents 2.2 years dividend coverage assuming a total dividend payment of 8.0 cents per share per annum. This does not take into account any changes to share capital. No representation is made in relation to the payment of future dividends, which will be at the discretion of the Company's Board.

Management Limited (PIML) and the need to provide a fulsome transfer of her responsibilities.

In anticipation of her retirement, we bid farewell and thank Virginia for bringing over 30 years of experience in financial services and environmental markets, and for her leadership in governance, risk management, and regulatory compliance, all of which she has brought to the Company.

Upon her retirement, Virginia will not be directly replaced on the Board. Instead, Michael Clarke will step into her role as Chair of the Audit and Risk Committee. The Board will be reduced from five to four directors, which will result in a decrease in costs, particularly Directors' remuneration. Importantly, this change will not materially impact our Board's breadth of skills or experience.

These transitions reflect our commitment to strong governance and the continued stewardship of the Company's future.

Looking ahead

Looking ahead, the Board is focused on growing the Company and shareholder numbers.

The Board consistently monitors where the share price is trading relative to the net tangible assets of the Company. We are pleased to see the share price discount to NTA narrow over the past year and more recently. As at 15 October 2025, PIC's share price is trading at a 3.14% discount to NTA pre-tax.

We remain focused on trading at NTA or above. This will be achieved through strong performance and delivering an attractive and sustainable income stream for shareholders. We will continue to keep shareholders and the market well informed of our progress.

Concluding remarks

On behalf of the Board, I would like to thank you for your continued support of PIC. We believe the Company is well positioned for growth and to continue to provide a steady stream of fully franked dividends.

Please stay informed by visiting the Company's website for a range of resources and insights.

Thank you.



PERPETUAL
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Annual General Meeting & Investment Manager Update

30 October 2025

Perpetual 

Important note

This information 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 presentation is in summary form and is not necessarily complete. It should be read together with other announcements for the Company lodged with the Australian Securities Exchange, which are available at www.asx.com.au.

The presentation is general information and is not intended to provide you with financial advice or take into account your objectives, financial situation or needs. You should consider, with a financial adviser, whether the information is suitable for your circumstances. To the extent permitted by law, no liability is accepted for any loss or damage as a result of any reliance on this information.

References to securities in this presentation are for illustrative purposes only and are not recommendations, and the securities may or may not be currently held by the Company. Past performance is not indicative of future performance.

This presentation may contain information that is based on projected and/or estimated expectations, assumptions or outcomes. These forward-looking statements are subject to a range of risk factors. The Company and PIML caution against relying on any forward-looking statements.

While PIML has prepared this information based on its current knowledge and understanding and in good faith, there are risks and uncertainties involved which could cause results to differ from the forward-looking statements. Neither the Company nor PIML will be liable for the correctness and/or accuracy of the information, nor any differences between the information provided and actual outcomes, and reserves the right to change its projections or other forward-looking statements from time to time. Neither the Company nor PIML undertake to update any forward-looking statement to reflect events or circumstances after the date of this presentation, subject to disclosure obligations under the applicable law and ASX listing rules.

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.

Perpetual Equity Investment Company

Board of Directors



From left to right

Virginia Malley

Non-executive Director
Appointed August 2014

Tim Bednall

Non-executive Director
Appointed May 2025

Nancy Fox AM

Chairman
Appointed July 2017

Amanda Gillespie (Apted)

Executive Director
Appointed May 2021

Michael Clarke

Non-executive Director
Appointed September 2023

Today's agenda

| Chairman's address

| Investment Manager's Update

| Q & A

| Formal voting

| Closure



Nancy Fox AM
Chairman



Vince Pezzullo
PIC Co-Portfolio
Manager



Sean Roger
PIC Co-Portfolio
Manager



Chairman's Address

Nancy Fox AM

FY25 results summary

Net profit

\$21.7m
Net profit after tax

Investment performance

6.5%²
12 months to 30 June 2025

12.1%² p.a.
Over 5 years to 30 June 2025

Dividend

8.0 cps
Total FY25 fully franked dividend

6.6%³
Annual dividend yield

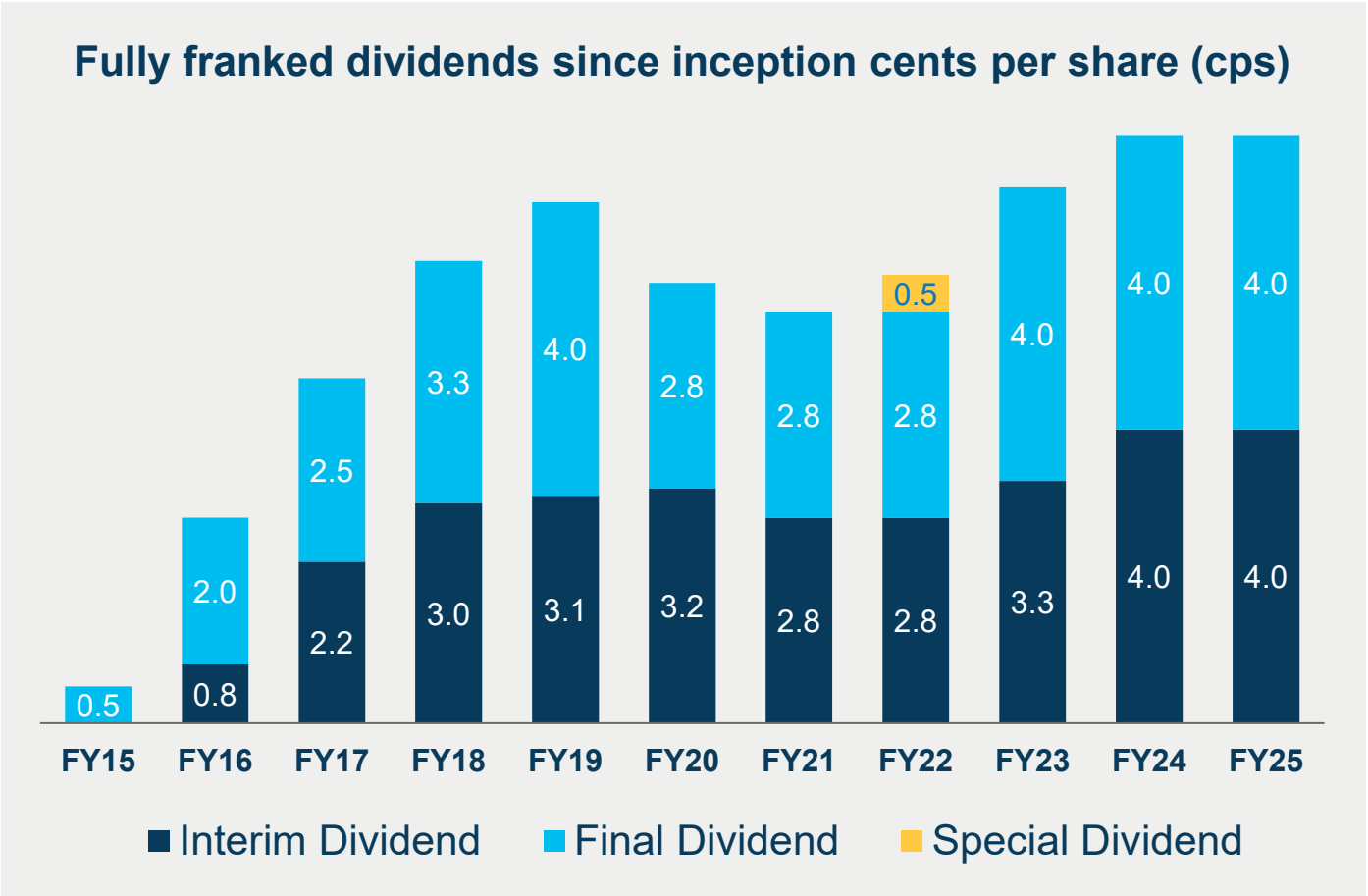
9.4%³
Grossed-up dividend yield

Source: Perpetual Equity Investment Company Limited (PIC) as at 30 June 2025.

² Returns have been calculated on the growth of 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.

³ Yield is calculated based on the total dividend of 8.0 cents per share and the closing share price of \$1.210 as at 30 June 2025. Grossed up yield takes into account franking credits at a tax rate of 30%.

Well positioned to deliver a reliable income stream through all market conditions



\$67.8m → **2.2 years**
Profit reserve Dividend coverage

\$9.2m → **0.7 year**
Franking account balance Fully franked dividend coverage

Source: Perpetual Equity Investment Company Limited (PIC) as at 30 June 2025.

¹ Profit reserve of \$67.8 million as at 30 June 2025 after taking into account the estimated payment of the final dividend. This equates to 17.7 cents per share and represents 2.2 years dividend coverage assuming a total dividend payment of 8.0 cents per share per annum. This does not take into account any changes to share capital. No representation is made in relation to the payment of future dividends, which will be at the discretion of the Company's Board.



Chairman's Address

Nancy Fox AM

Asking a question online

Shareholders and non-shareholders

- 1 Click on **'Ask a Question'**
- 2 Select **'General Business'** or a specific resolution
- 3 Type in your question and click **'Submit'**

Ask a Question

We welcome any questions that you may have and will endeavour to answer all questions during the Meeting. To submit a question, please select what the question pertains to and type your question in the provided area. If you have multiple questions please submit each individually.

Regarding General Business

Question

Type your question here...

Characters left: 532

Characters : 0

Submit Question

Asking a question by phone

Shareholders only



Mute your webcast. Click on 'Ask a Question' and then **'Go to Web Phone'**



A pop up box will appear with a microphone test. Select **Start Call** and you will be able to listen to the meeting



Dial *1 on your keypad at any time to ask a question



The moderator will introduce you at the **right time**



When your line is **unmuted** ask your question or make a comment



Investment Manager Update

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

Sean Roger, PIC Co-Portfolio Manager

Market summary

Headline performance masks underlying weakness

Over the past 12 months, the ASX 300 and Small Ordinaries have posted strong gains of +10.8% and +21.5% respectively, but this strength is not supported by fundamentals.

Valuation gains driven by multiple expansion, not earnings

Recent performance has been fueled by rising P/E multiples, while earnings have declined. Over the past 3 months, the ASX 300 FY26 EPS estimates are down 8.3% and Small Ordinaries EPS down 11.3%.

Australian valuations are stretched with contrasting growth to offshore names

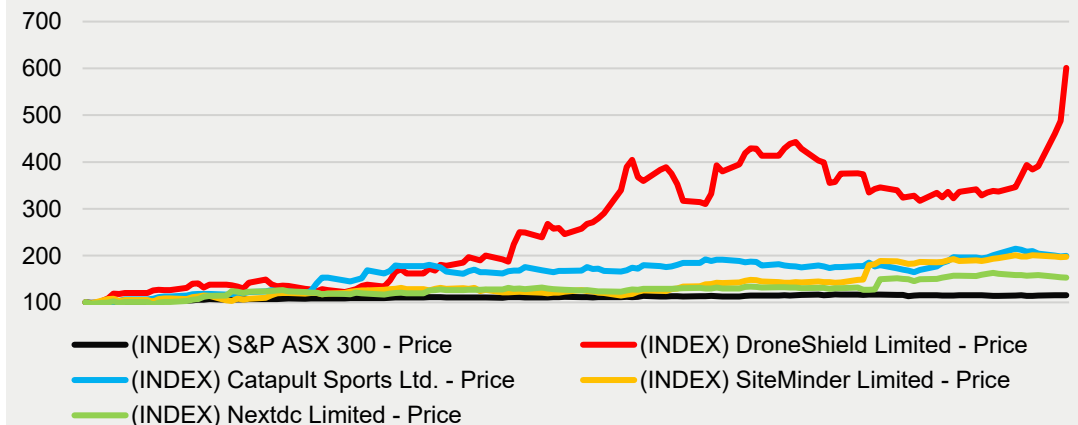
Market trading at 20x earnings which has only happened twice before, during the Dot-com peak and COVID. NVIDIA is vilified in the media for trading at 27x yet it is growing earnings at 25% year on year and is less than 10% of the market. Commonwealth Bank and Wesfarmers are trading at a similar multiple and are 15% of the ASX 300 with low to mid single digit earnings growth.

Profitless stocks in the ASX 300 have annualised return of -24% p.a. since 2000.

In the past six months, the basket of profitless companies listed on the ASX 300 have delivered a return of +30%. This has only happened four times in the past 25 years:



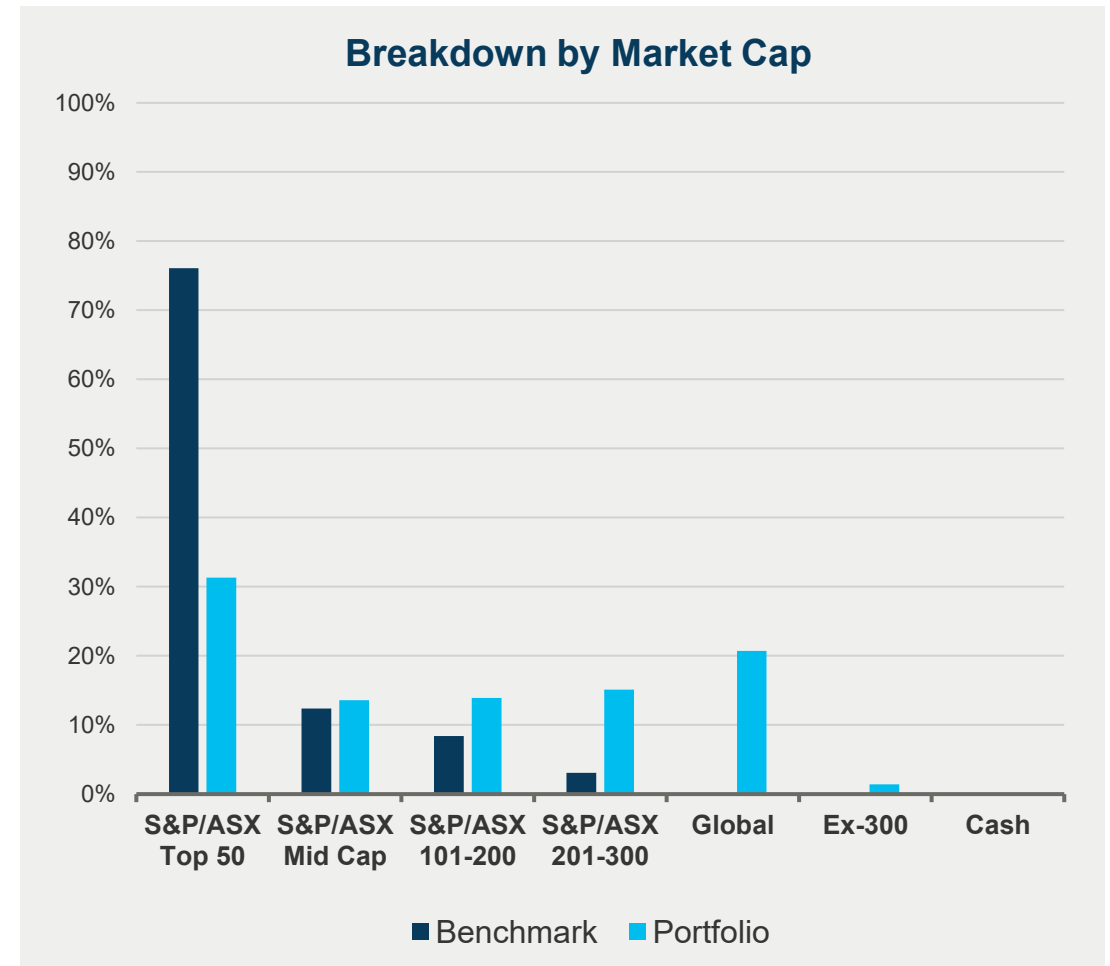
Notable profitless stocks indexed to 300 - past 6 Months



The catalyst? Consensus forecasts are often wrong - over the past decade, only 8 ASX100 companies achieved 10% annual earnings growth, yet 44 are now forecasted to do so over the next three years.

Market summary

- **Momentum and passive flows** are driving extreme dispersion, with share prices often disconnected from fundamentals - creating both risks and selective opportunities.
- **Valuation gaps are at historic highs**, with growth stocks stretched and many quality cyclicals and under-earning businesses trading well below intrinsic value.
- The **top end of the Australian market remains expensive**, leading us to increase exposure to **small-mid cap and offshore equities** where we see more compelling value.
- We have **materially rotated into resources**, reducing exposure to overvalued banks and positioning for upside as fundamentals re-assert.
- As **bottom-up, fundamental contrarian investors**, we maintain a disciplined focus on **value, quality, and capital preservation**, taking a long-term view amid short-term market exuberance.





Stocks in focus

Sean Roger - PIC Co-Portfolio Manager
Perpetual Asset Management Australia

Nick Buisman – Equities Analyst
Perpetual Asset Management Australia

Howden Joinery (LON: HWDN)

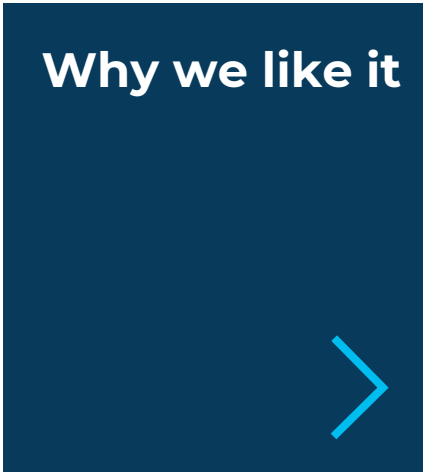
Vertically integrated kitchen and joinery product provider

Portfolio position



- UK listed, market leading specialist trade-only kitchen and joinery supplier.
- PIC initially took a position in Howden in August 2023.
- Since then, total cumulative return of 20.3%.
- Currently 3.9% of PIC portfolio.

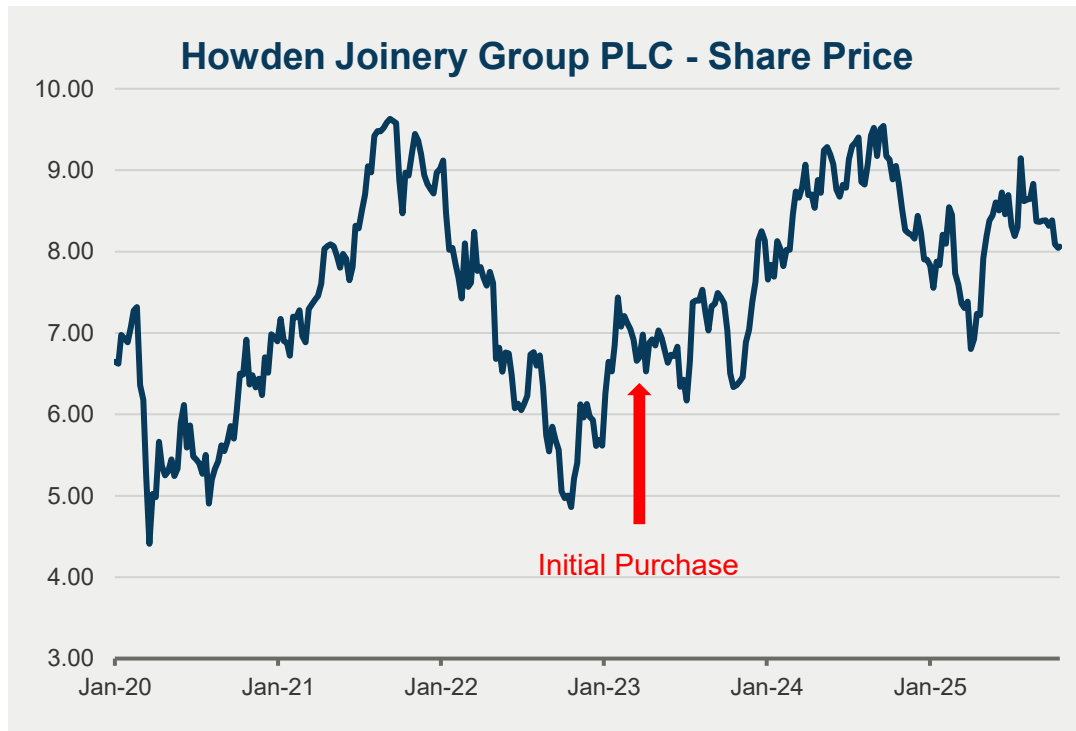
Why we like it



- Excellent culture and business model – vertical integration + decentralised depot model + relentless focus on new product development drives market leading customer offer delivered with excellent financial outcomes for HWDN shareholders.
- Proven track record of sustained market share gains – from standing start to dominant player in 20 years.
- High quality management team with proven focus on investing for the long-term.
- Highly cash generative business.
- Conservative balance sheet – net cash.
- Consistent investment through cycles.

Howden Joinery

FY23/24 market weakness drove earnings and share price correction

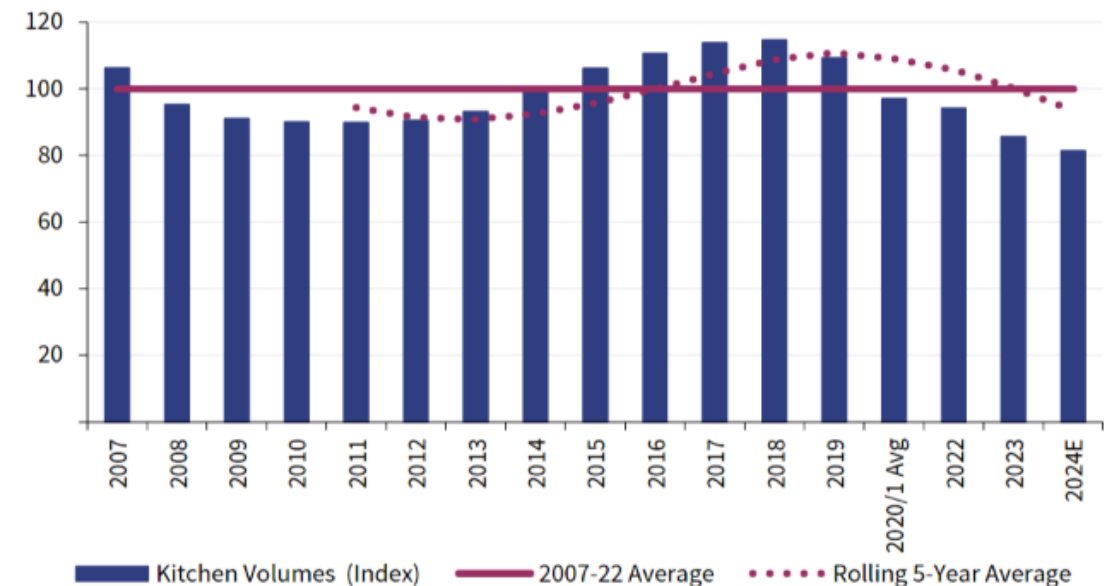


Providing an attractive entry point into a high-quality company

UK Kitchen market currently heavily depressed

- FY25 cyclical low point – PPTe UK kitchen market volumes ~20% below mid cycle

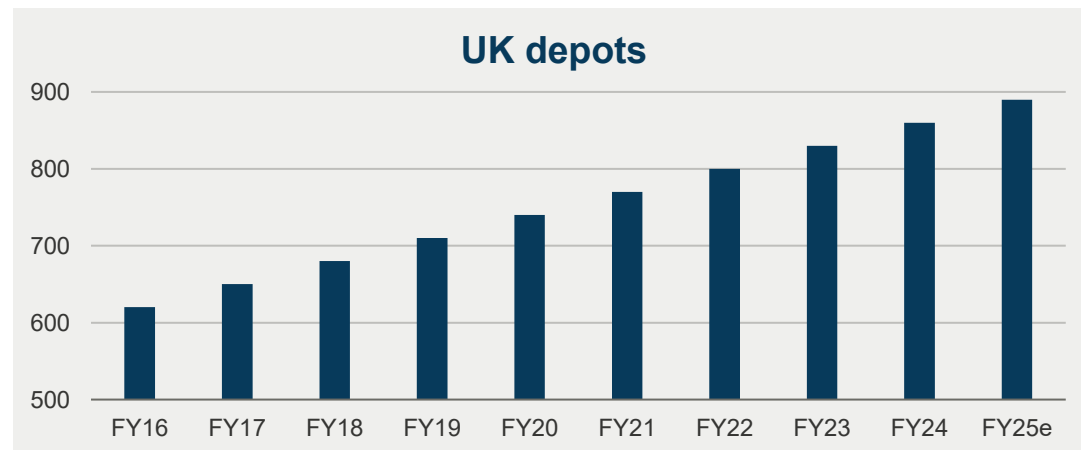
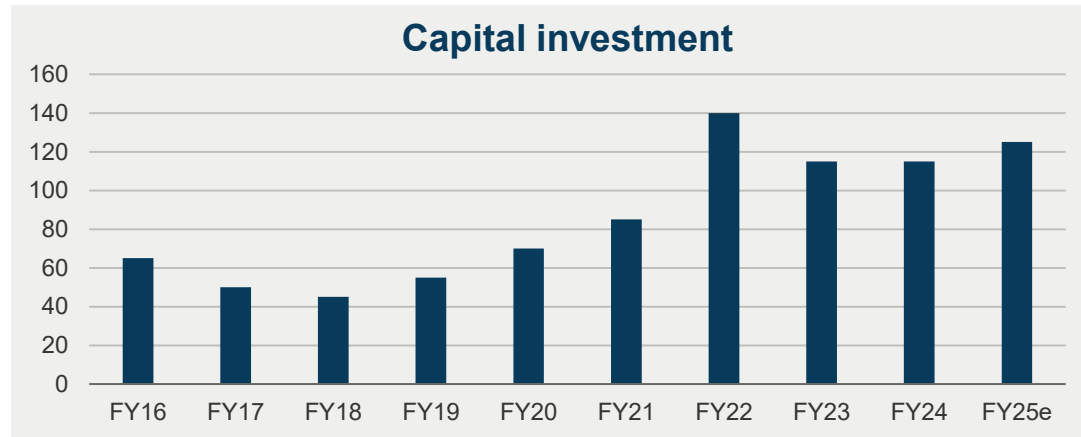
UK kitchen installations (index, 100 is 2007-22 average) – part estimate



Source: Redburn Atlantic (these are Redburn Atlantic estimates based on analysis).

Howden Joinery

Howden have invested through the down-cycle, whilst competitors have pulled back



Source: Company reports

This investment further pressures short term earnings and cyclically depressed margins.

But has driven material market share gains.

Howden is now in a significantly stronger competitive and market position with material earnings and share price upside as the cycle turns.

	FY24	FY25E	PPTe Mid-Cycle	Upside to Mid-Cycle
Revenue	2,322	2,408	2,841	18%
EBIT	339	342	483	41%
EBIT Margin	14.6%	14.2%	17.0%	
EPS	45.6	46.9	66.6	42%
Price/Earnings	17.9	17.4	12.2	

Source: Factset, PPT analysis.

Aspen Group (ASX: APZ)

Leading provider of quality, affordable housing and accommodation

Portfolio position



- Largest contributor to performance over last 12 months with stock up+110%.
- Uniquely positioned in a structurally underserved market:
 - Core business centers on owning, operating and developing diversified accommodation assets covering residential, retirement and park communities across metropolitan and regional Australia, creating a recurring rental income base.
 - The company has built an integrated platform spanning land lease communities, residential leases and build-to-sell development pipeline targeting the acutely supply-constrained affordable living markets.
- Currently 4.0% of PIC portfolio.

Why we like it



- Highly aligned management team with a proven track record of disciplined capital allocation.
- Internally managed – no misalignment of interests.
- Exposed to structural tailwinds of residential under-build, particularly at the affordable price point and with exposure to strong growth markets (WA, QLD).
- Significant development pipeline underpins strong earnings growth.
- Conservative accounting and asset valuations relative to peers.
- Conservative geared balance sheet provides ongoing M&A optionality for proven acquirers of quality assets

Aspen Group

Project in Focus – Australind, WA



- Purchased in May 2025 for \$32.5m.
- Accommodation camp set on 18Ha, developed by Albemarle for their Kemerton Lithium Plant expansion which did not proceed (~\$95m depreciable value/sunk investment).
- Located in Bunbury, WA's second largest city located 2hrs drive from Perth CBD – the region has a shortage of affordable housing options.

Project Summary

97 Modular dwellings configured as **386 furnished rooms** with ensuite (APZ value at \$17m, or ~\$45k per dwelling)

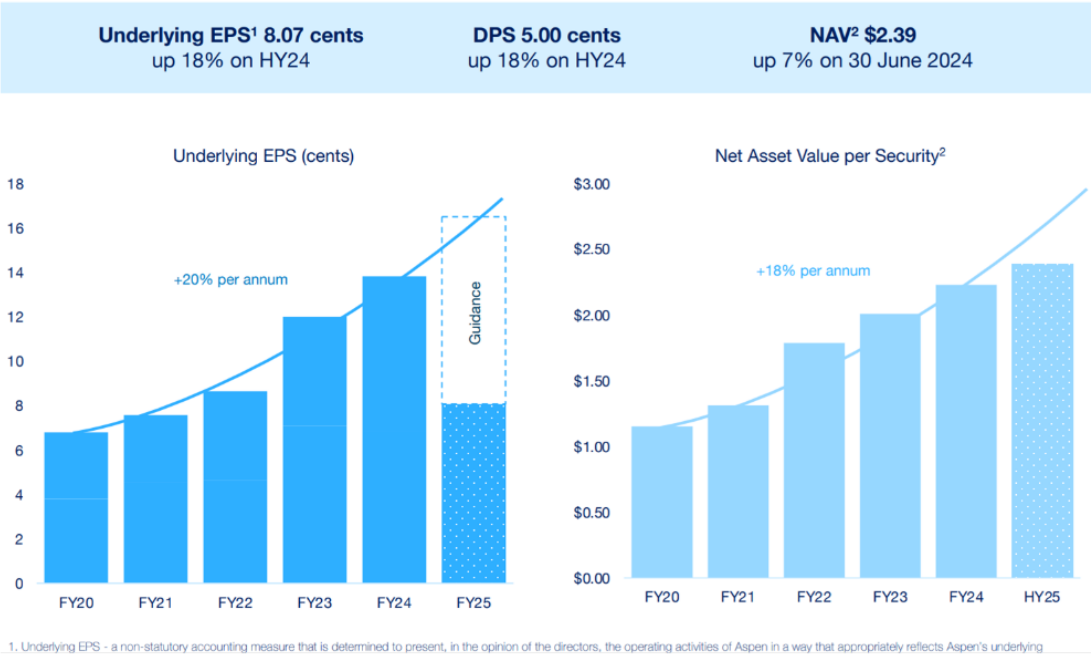
A community clubhouse, office and amenities (APZ value at \$5m, or \$1,000/sqm)

10Ha of vacant land with earthworks and partial civils, zoned residential with DA for 250 Land Lease dwellings (APZ value at \$10m, or ~ \$40k per dwelling)

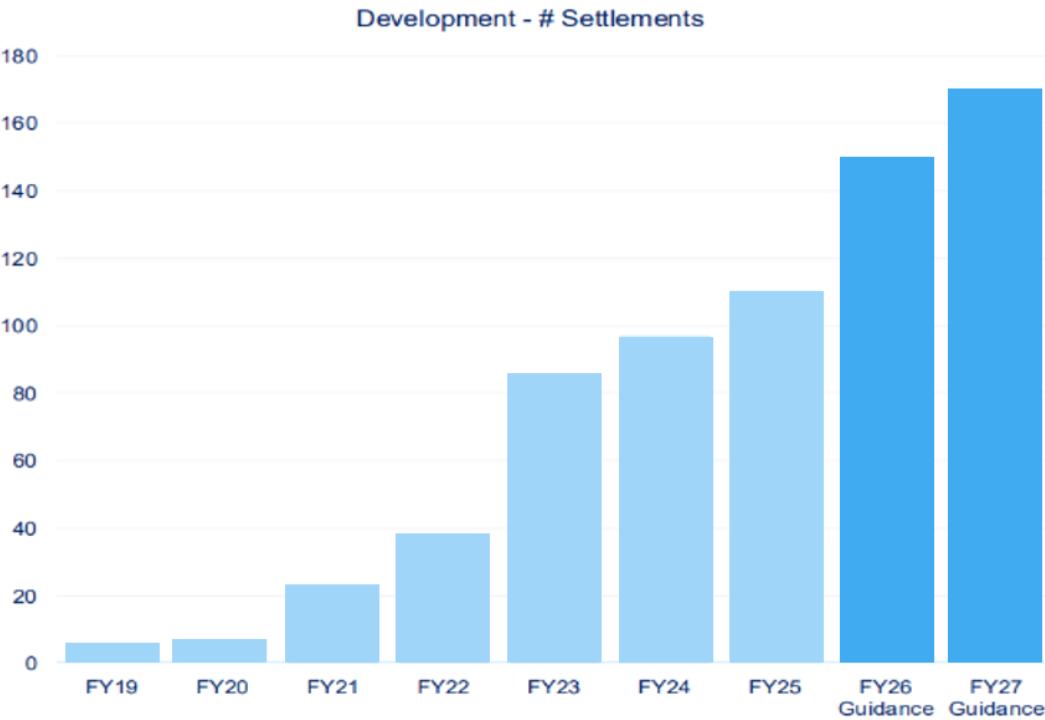
APZ have paid ~\$0.35 in the dollar to acquire a high-quality, established asset with an opportunity to create significant future value for investors through both capital growth and annuity-style rental income.

Aspen Group

Model of acquiring land cheaply and delivering quality product at an affordable price has driven excellent earnings and return outcomes.



We expect this to continue - Company guidance for strong development settlement growth + exposure to favorable markets + structural tailwinds, is a compelling set up.



Source: APZ Company reports

Source: APZ Company reports



Investment Manager Update

Vince Pezzullo,

PIC Co-Portfolio Manager, Head of Australian Equities,
Perpetual Asset Management Australia

Sean Roger,

PIC Co-Portfolio Manager, Perpetual Asset Management Australia

Investment portfolio performance

Delivering long-term performance

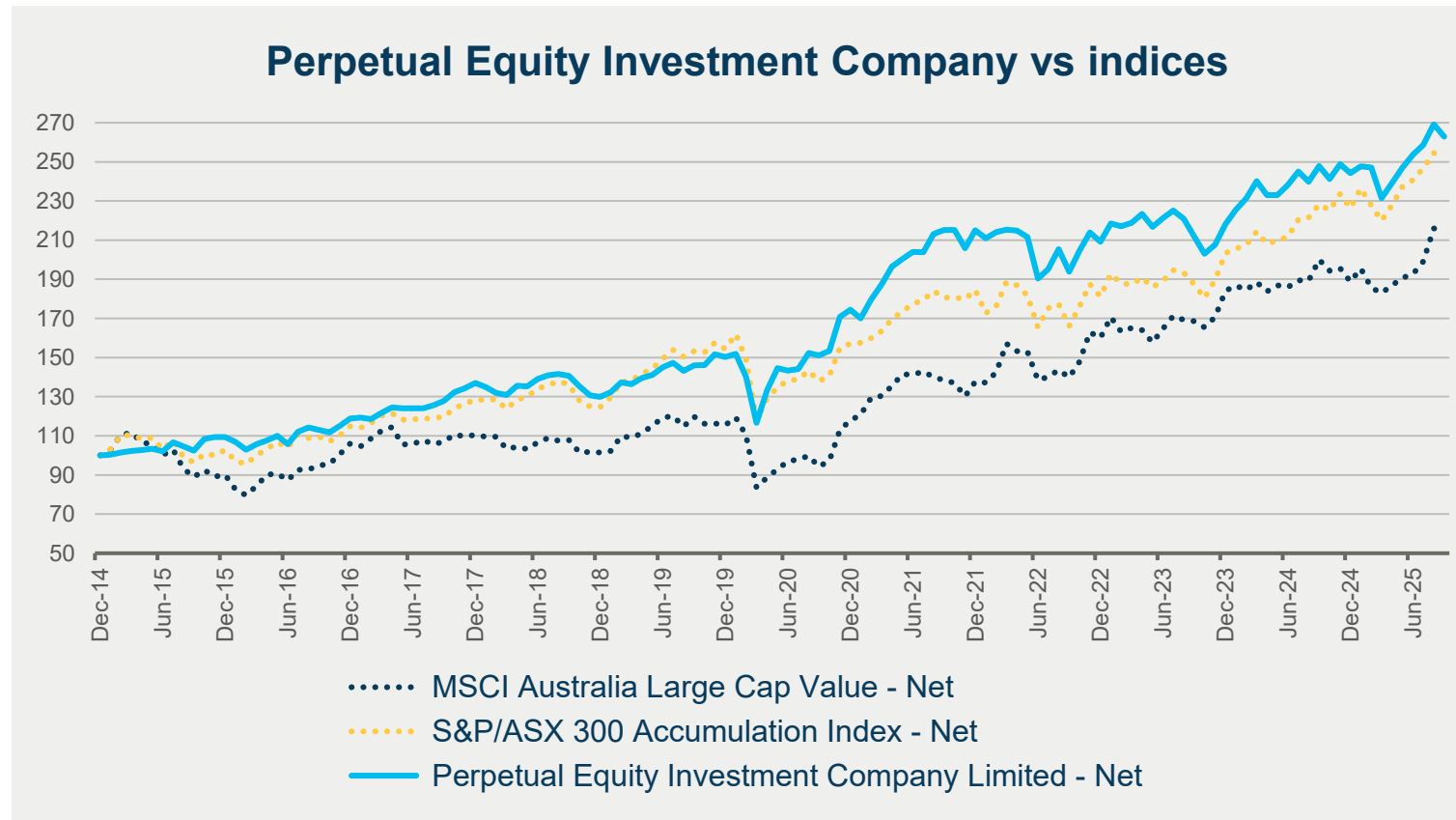
As at 30 September 2025	1 mth	3 mths	1 yr	3 yrs p.a.	5 yrs p.a.	7 yrs p.a.	Since inception p.a.
PIC Investment Portfolio¹ (net of fees, expenses and before tax paid)	-2.3%	3.6%	6.1%	10.7%	11.7%	9.3%	9.4%
S&P/ASX 300 Accumulation Index	-0.7%	5.0%	10.8%	15.0%	12.9%	9.2%	9.4%
Excess Returns	-1.7%	-1.4%	-4.7%	-4.3%	-1.2%	0.1%	0.0%

Source: Perpetual Investment Management Limited

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.

Portfolio performance in perspective

Delivering long-term performance



- PIC utilises Perpetual's renowned quality and value approach.
- The last decade has been dominated by growth and momentum.
- Nevertheless, PIC has generated cumulative returns since inception in line with its benchmark (S&P/ASX300 Accumulation).
- It has beaten the MSCI Australian Large Cap Value Index.

Source: Factset and Perpetual Investment Management Limited

1 Returns and Indices rebased to 100. Perpetual Equity Investment Company returns have been calculated on the growth of Net Tangible Assets (NTA) after taking into account all operating expenses (including management fees) and may 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

Summary

- Volatility likely to remain over short-medium term.
- We remain well diversified in this environment. We continue to look for quality businesses with good growth prospects and that trade at reasonable valuations.
- This includes global listed companies if the opportunity in Australia is limited, and we believe those companies can add value above the Australian equity market return.

Asking a question online

Shareholders and non-shareholders

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- 2 Select **'General Business'** or a specific resolution
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Ask a Question

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Regarding

Question

Type your question here...

Characters left: 532

Characters : 0

Submit Question

Asking a question by phone

Shareholders only



Mute your webcast. Click on 'Ask a Question' and then **'Go to Web Phone'**



A pop up box will appear with a microphone test. Select **Start Call** and you will be able to listen to the meeting



Dial *1 on your keypad at any time to ask a question



The moderator will introduce you at the **right time**



When your line is **unmuted** ask your question or make a comment