

20 February 2024

ASX Limited  
ASX Market Announcements Office  
Exchange Centre  
20 Bridge Street  
SYDNEY NSW 2000

*Via electronic lodgement*

**Perpetual Equity Investment Company Limited  
2024 Half Year Financial Results**

Please find attached the following announcements for release to the market:

- Appendix 4D
- Condensed Interim Financial Report
- ✓ **1H24 Results Summary and Highlights**

This release has been authorised by the Board of Directors of Perpetual Equity Investment Company Limited.

Yours faithfully,



Sylvie Dimarco  
**Company Secretary**

20 February 2024

## Perpetual Equity Investment Company Limited announces record interim dividend for 1H24

- Fully franked interim dividend of 4.0 cents per share, up 21.2% on 1H23
- Annual dividend yield of 7.1% and a grossed up dividend yield of 10.2%<sup>1</sup>
- Prudent capital management underpinned by profit reserve of \$97.7m which provides for 3.2 years dividend coverage after the payment of the interim dividend<sup>2</sup>
- Solid investment portfolio performance over 5 years of 10.9% p.a.<sup>3</sup>, outperforming the benchmark by 0.6% and in line with the Company's investment objective

Perpetual Equity Investment Company Limited (ASX:PIC; the Company) today announced its results for the half year ended 31 December 2023, declaring a record fully franked interim dividend of 4.0 cents per share. The dividend is an increase of 21.2% from the 1H23 interim dividend of 3.3 cents per share and is consistent with the FY23 final dividend.

The Company reported a net operating loss after tax of \$3.0 million. Commenting on the Company's half year results, Chairman Nancy Fox said, "The Board has been strategically managing the Company's profit reserve and balance sheet to ensure we are well positioned to withstand choppy market conditions like we experienced throughout the majority of last year. The record interim fully franked dividend continues the Company's track record of delivering a sustainable income stream. We are delighted that the interim dividend equates to an attractive dividend yield of 7.1% and a grossed up dividend yield of 10.2%<sup>1</sup>, particularly given the current economic environment. The dividend reinvestment plan (DRP) is also available to shareholders for the interim dividend.

### Fully franked dividends since inception in cents per share (cps)



"As we approach 10 years since the Company's listing on the ASX, we are proud the investment portfolio has returned 9.0% p.a.<sup>3</sup> since inception, outperforming the benchmark by 0.4%, and that the Company has paid \$153.2 million or 45.8

<sup>1</sup> Yield is calculated based on the dividends announced in the prior 12 months, being a total of 8.0 cents per share and the closing share price of \$1.125 as at 31 December 2023. Grossed up yield includes franking credits at a tax rate of 30%.

<sup>2</sup> Profit reserve of \$97.7 million as at 31 December 2023 after taking into account the estimated payment of the interim dividend. This equates to 25.7 cents per share and provides for 3.2 years dividend coverage based on 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

<sup>3</sup> The benchmark is the S&P/ASX 300 Accumulation Index. 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. For details of the Company's investment performance, please visit <https://www.perpetualequity.com.au/tools-and-resources/research-reports>

cents per share<sup>4</sup> in dividends to shareholders. Looking ahead, we believe the Company's profit reserve of \$97.7 million after the payment of the interim dividend supports the growth of the Company and the value our shareholders place on income<sup>2</sup>".

## **PIC investment portfolio performance**

The Company's investment portfolio performance for the six months to 31 December 2023 was -1.4%<sup>3</sup> whereas the benchmark was 7.5%. PIC Portfolio Manager, Vince Pezzullo said, "While performance over 1H24 was not where we'd like it to be, we have a tried and tested investment approach that has stood the test of time through various market cycles.

"We are looking forward to improved opportunities in 2024 as our research continues to point us towards a range of stocks across various sectors and in Australia and globally. In particular, small and mid-cap stocks are looking compelling after a tough couple of years. Our conviction is reflected in the portfolio's low cash balance of 1.8%<sup>5</sup> as we have had the opportunity to deploy capital into companies that pass our stringent quality filters of sound management, balance sheet strength and conservative debt, recurring earnings and quality businesses with strong return prospects."

## **Key dates for the interim dividend**

- Ex date Monday, 11 March 2024
- Record date Tuesday, 12 March 2024
- DRP election date Wednesday, 13 March 2024
- Payment date Friday, 5 April 2024

- Ends -

## **For further enquiries, please contact:**

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*The issuer of the securities referred to in this announcement is Perpetual Equity Investment Company Limited ACN 601 406 419 (PIC). Further information on PIC is available at <http://www.perpetualequity.com.au/>.*

*PIC's investment portfolio is managed by Perpetual Investment Management Limited (ACN 000 866 535 AFSL 234426) (PIML), part of the Perpetual Group (Perpetual Limited ABN 86 000 431 827 and its subsidiaries). This information has been prepared by PIML. 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, with a financial adviser, whether the information is suitable for your circumstances. This information does not constitute an offer, invitation, solicitation or recommendation with respect to the purchase or sale of PIC's securities. To the extent permitted by law, no liability is accepted for any loss or damage as a result of any reliance on this information. Past performance is not indicative of future performance.*

*This information is believed to be accurate at the time of compilation and is provided in good faith. Neither PIC, PIML, nor any company in the Perpetual Group guarantees the performance of or any return on an investment made in PIC.*

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<sup>4</sup> Total amount paid as dividends to shareholders from inception to 31 December 2023. This does not take into account the estimated payment of the interim dividend.

<sup>5</sup> As at 31 December 2023