

	Month (%)	Quarter (%)	FYTD (%)	1 Year (%)	3 Years (% p.a.)	5 Years (% p.a.)	7 Years (%p.a.)	Since Inception^ (% p.a.)
Income Distribution	0.5	1.5	2.9	8.2	6.9	7.3	7.8	7.4
Capital Growth	1.3	-0.8	0.9	-4.7	-0.7	1.0	-0.1	-0.9
Total Return	1.8	0.6	3.8	3.5	6.2	8.3	7.7	6.5
Franking Credits#	0.0	0.1	0.2	1.5	1.4	2.2	2.7	2.6
Income Distribution including Franking Credits	0.5	1.5	3.1	9.7	8.3	9.5	10.5	10.0
Benchmark Yield including Franking Credits*	0.0	0.6	2.2	4.5	5.2	5.5	5.4	5.4
Excess Income to Benchmark#	0.5	0.9	0.9	5.2	3.1	4.0	5.1	4.6

^Inception date was 7 May 2018. Fund returns are calculated using net asset value per unit at the start and end of the specified period and do not reflect the brokerage or the bid ask spread that investors incur when buying and selling units on the ASX. *Benchmark yield is calculated based on the difference between the return of the S&P/ASX300 Franking Credit Adjusted Daily Total Return Index (Tax Exempt) and return of the S&P/ASX300 Index. #Franking credits are an estimate only, as tax components will only be known with certainty at the end of the financial year. Past performance is not a reliable indicator of future performance.

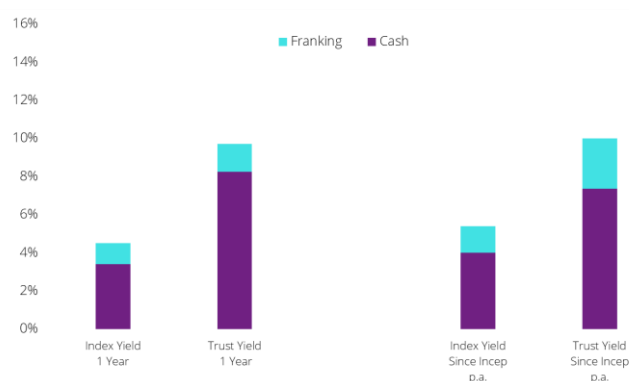
Overview

Global markets started the new year strongly, buoyed by resurgent enthusiasm for AI stocks, solid US Q4 earnings results, surging commodity prices and stimulatory government policies. This saw strong positive returns for all major global markets.

The Australian market was also stronger, with the ASX300 Accumulation Index rising +1.7% in January, bringing the total return for the last 12 months to +7.8%.

The Fund is currently targeting FY26 net monthly distributions of 1.785 CPU. Based on the unit price at the start of the financial year, this equates to an annualised cash distribution yield of 5.6%.

Distribution Yield



Performance shown net of fees with distributions reinvested. Does not take into account any taxes payable by an investor. Past performance is not a reliable indication of future performance.

Fund Characteristics

The objective of EIGA is to provide investors with an attractive level of tax effective income, paid via monthly distributions. EIGA aims to provide a gross distribution yield, adjusted for applicable franking credits, above that provided by the S&P/ASX300 Franking Credit Adjusted Daily Total Return Index (Tax-Exempt).

Portfolio Manager **EIGA FUM**
Stephen Bruce \$28 million

Distribution Frequency
Monthly

Inception Date **Fees**
7 May 2018 0.80% (incl. of GST and RITC)

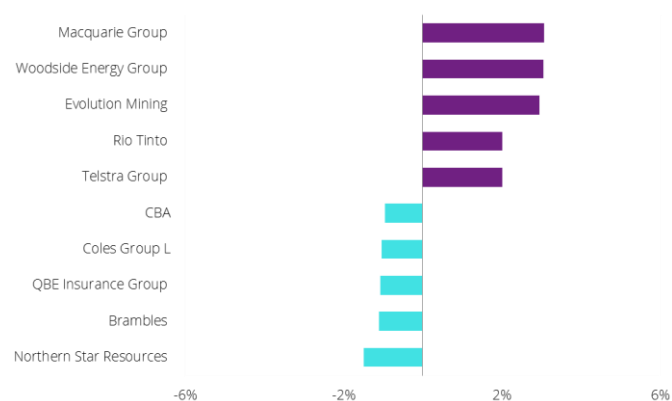
Portfolio Characteristics – FY26	Fund	Market
Price to Earnings (x)	18.6	19.5
Price to Free Cash Flow (x)	16.0	16.9
Gross Yield (%)	4.4	3.9
Price to NTA (x)	2.8	3.0

Source: Perennial Value Management. As at 31 January 2026.

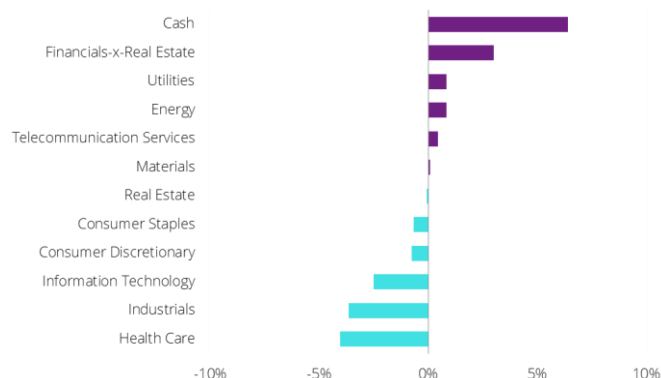
The above figures are forecasts only. While due care has been used in the preparation of forecast information, actual outcomes may vary in a materially positive or negative manner.

Franking Levels (%)			
FY25	48.7	FY22	99.6
FY24	60.0	FY21	100.0
FY23	75.5	FY20	100.0

Top 5 Over / Underweight Positions vs Index



Sector Active Exposure vs Index



Fund Review

Resources led the market higher in January, with Energy (+11.1%) rallying on a +15% increase in the oil price, as tensions ramped up in the Middle East, with the US massing forces ahead of a potential attack on Iran. This saw outperformance by Woodside Energy (+7.5%) and energy-focussed engineering firm, Worley (+6.7%).

The Metals & Mining sector (+9.7%), was again very strong, with broad-based increases in commodity prices. The gold price continued its ascent, peaking at close to US\$5,400/oz intra-month, before pulling back to close the month +13% at US\$4,895. This saw very strong performances from our holding in Newmont (+15.4%) and Evolution Mining (+16.0%). Overall, the Fund holds a slight overweight position in the gold sector.

Strength in the copper price saw a very strong performance from base metals miner, South32 (+29.8%). BHP (+11.2%) also performed well, benefiting from its large copper exposure, as well as resilience in the iron ore price, which continues to trade above US\$100/t. This is despite the weakness in the Chinese economy, attempts to change the benchmark pricing index used, and concerns over new supply entering the market from the Simandou project in Guinea. Rio Tinto (+3.2%) lagged on concerns around a potential merger with Glencore. M&A risk aside, we remain overweight the bulk miners, as they are trading on undemanding valuations and have strong balance sheets. Further, if you were to assume spot commodity prices persist for the current financial year, these stocks will see significant EPS upgrades. This makes them very attractive, in a market which is expensive overall, and in which many stocks face earnings headwinds.

CBA (-7.0%) underperformed, beginning to derate slightly from its lofty multiple, while the other banks delivered modest positive returns. The move from a rate-cutting to a rate-rising cycle has improved the margin outlook for the banks. While the earnings growth outlook for the sector remains muted, credit quality is strong and dividends are attractive. As a result, the Fund holds a modest overweight position in the major banks.

Other positive contributors over the month included, James Hardie (+7.3%), Woolworths (+5.3%), CSL (+5.1%) and Macquarie Group (+4.4%). These are all quality businesses whose share prices have come under pressure over the last 12 months for various reasons. As a result, they are all trading on attractive valuations – particularly relative to their histories – and offer significant upside.

The main detractors from performance over the month included Aristocrat Leisure (-7.9%) and Orora (-7.2%). REIT holdings were also softer on the prospect of higher interest rates, with Stockland (-5.9%), Mirvac (-2.4%) and GPT (-2.4%) all underperforming. While higher rates are a drag on valuation, the demand for new housing remains strong.

Fund Activity

During the month, we trimmed our holdings in the major banks. Proceeds were used to increase our resources holdings by adding to positions in BHP, Rio Tinto and Woodside Petroleum. At month end, stock numbers were 32 and cash was 6.4%.

Distribution

In order to provide a regular income stream, the Fund pays monthly distributions. We aim to pay equal cash distributions each month, based on our estimate of the dividend income to be generated over the year. Franking credits, surplus income and any realised capital gains will then be distributed, as per usual, with the June distribution.

Looking to the current financial year, while the economic outlook is more uncertain, most companies are in good financial shape and are expected to continue to pay healthy dividends. The Fund is currently forecasting a flat monthly net cash distribution of 1.785 CPU. Based on the unit price at the start of the year, this represents an annualised cash distribution yield of 5.6%.

Outlook

Globally, investors are taking an optimistic view on the outlook, with expectations that interest rate cuts will both stimulate economic activity and support asset prices. Further, markets are taking a sanguine view around the potential impacts of trade and tariffs and the ever-increasing level of geopolitical tension and conflict (albeit these concerns are clearly manifesting in the gold price!). Of course, any sustained change in confidence and activity in the US will set the tone for other markets, including ours.

Domestically, the sharp change in expectations for RBA rate cuts has increased the level of uncertainty and downside risk. However, for now, the economy appears to be in reasonable shape, with unemployment low, spending robust and house prices strong.

While markets are buoyant at the index level, this is masking a high level of dispersion at the sector level. For example, while AI-related stocks are running rampant, major software companies have seen their biggest sell-off since the bursting of the Dot.com bubble. Formerly stable sectors such as Healthcare have been put at risk as funding pressures increase, and the cold, hard realities of commodity economics have seen a dramatic rally in Resources stocks. We expect this volatility to continue and will remain agile to manage the portfolio accordingly.

The Fund continues to offer a higher forecast gross yield than the overall market and, as always, our focus will continue to be on investing in quality companies with strong balance sheets, which are offering attractive valuations and have the ability to deliver high levels of franked dividend income to investors.

Contact us



Level 27, 88 Phillip Street
Sydney NSW 2000



1300 420 094



invest@perennial.net.au



www.perennial.net.au

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