Perennial Active Engagement Trust

ABN 14 982 307 414

Annual Report for the year ended 30 June 2026

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This annual report covers Perennial Active Engagement Trust as an individual entity.

The Trustee of Perennial Active Engagement Trust is Perennial Investment Management Limited (ABN 13 108 747 637) (AFSL 275101). The Trustee's registered office is Level 27, 88 Phillip Street Sydney, NSW 2000.

Trustee's report

The Directors of Perennial Investment Management Limited, the Trustee of Perennial Active Engagement Trust ("the Scheme"), present their report together with the financial statements of the Scheme for the year ended 30 June 2026.

Trustee

The Trustee of Perennial Active Engagement Trust is Perennial Investment Management Limited (ABN 13 108 747 637) (AFSL 275101) (the Trustee). The Trustee's registered office is Level 27, 88 Phillip Street, Sydney, NSW 2000.

Principal activities

The Scheme was constituted on 14 November 2024 and commenced operations on 14 November 2024.

The Scheme will predominantly invest in Australian and New Zealand companies listed on the ASX and NZX (at the time of initial investment), or companies intending to be listed on the ASX and the NZX. The Scheme is permitted to utilise derivative instruments only for the purpose of managing certain risks, but it is otherwise not permitted to use such instruments to leverage the portfolio.

Directors

The following persons held office as Directors of Perennial Investment Management Limited during the year or since the end of the year and up to the date of this report:

A. Patterson

C. Love

M. Bennett

Review and results of operations

During the year/period, the Scheme continued investing in accordance with the Information Memorandum ("IM") and the provisions of the Scheme's Constitution.

The performance of the Scheme, as represented by the results of its operations, was as follows:

	Year ended 30 June 2026	For the reporting period 18 November 2024 to 30 June 2025
Operating (loss)/profit for the year/period ($'000)	**(9,255)**	4,273
Distributions paid and payable to unitholders ($'000)	**-**	-
Distributions (cents per unit - "CPU")	**-**	-

Trustee's report (continued)

Significant changes in the state of affairs

Effective 10 December 2025 the Scheme issued secondary class of units, referred as Perennial Active Engagement Trust Co-invest Series 2.

In the opinion of the Directors, there were no other significant changes in the state of affairs of the Scheme that occurred during the reporting year.

Matters subsequent to the end of the reporting year

No matter or circumstance have arisen since 30 June 2026 that has significantly affected, or may have a significant effect on:

(i) the operations of the Scheme in future financial years;

(ii) the results of those operations in future financial years; or

(iii) the state of affairs of the Scheme in future financial years.

Likely developments and expected results of operations

The Scheme will continue to be managed in accordance with the investment objectives and guidelines as set out in the governing documents of the Scheme and in accordance with the provisions of the Scheme's Constitution.

The results of the Scheme's operations will be affected by a number of factors, including the performance of investment markets in which the Scheme invests. Investment performance is not guaranteed and future returns may differ from past returns. As investment conditions change over time, past returns should not be used to predict future returns.

Indemnification and insurance of officers and auditors

There is a Directors' and Officers' insurance policy which indemnifies the Directors and Officers of Perennial Investment Management Limited against liabilities to persons outside Perennial Investment Management Limited that arise out of the performance of their normal duties. The auditor of the Scheme is in no way indemnified out of the assets of the Scheme.

Fees paid to and interests held in the Scheme by the Trustee and its associates

Fees paid to the Trustee and its associates out of Scheme property during the year are disclosed in Note 13 to the financial statements.

No fees were paid out of Scheme property to the Directors of the Trustee during the year.

The number of interests in the Scheme held by the Trustee or its associates as at the end of the year are disclosed in Note 13 to the financial statements.

Interests in the Scheme

The movement in units on issue in the Scheme during the year is disclosed in Note 7 to the financial statements.

The value of the Scheme’s assets and liabilities is disclosed in the statement of financial position and derived using the basis set out in Note 2 to the financial statements.

Environmental regulation

The operations of the Scheme are not subject to any particular or significant environmental regulations under Commonwealth, State or Territory law.

Environmental, social and governance (ESG) risks including climate change are identified in accordance with the Trustee's risk management framework.

Trustee's report (continued)

Rounding of amounts to the nearest thousand dollars

The Scheme is an entity of the kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2026/183 issued by the Australian Securities and Investments Commission ("ASIC") relating to the "rounding off" of amounts in the Trustee's report. Amounts in the Trustee's report have been rounded to the nearest thousand dollars in accordance with that ASIC Instrument, unless otherwise indicated.

This report is made in accordance with a resolution of the Directors of Perennial Investment Management Limited.



Anthony Patterson

Director

Perennial Investment Management Limited

Sydney

24 September 2026

Statement of comprehensive income

	Notes	**Year ended 30 June 2026 $'000**	For the reporting period 18 November 2024 to 30 June 2025 $'000
Investment (loss)/income			
Dividend and distribution income		**20**	47
Interest income from financial assets at amortised cost		**14**	33
Net (losses)/gains on financial instruments at fair value through profit or loss	5	**(8,688)**	4,300
Other income		**5**	-
Total investment (loss)/income		**(8,649)**	4,380
Expenses			
Trustee fees	13	**378**	76
Transaction costs		**65**	16
Performance fees		**75**	-
Other expenses		**88**	15
Total expenses		**606**	107
Operating (loss)/profit for the year/period		**(9,255)**	4,273
Other comprehensive income		**-**	-
Total comprehensive (loss)/income for the year/period		**(9,255)**	4,273

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

Statement of financial position

	Notes	**As at 30 June 2026 $'000**	As at 30 June 2025 $'000
Assets			
Cash and cash equivalents	8	**114**	2,679
Receivables	10	**59**	56
Financial assets at fair value through profit or loss	6	**24,829**	25,080
Total assets		**25,002**	27,815
Liabilities			
Payables	11	**103**	195
Total liabilities		**103**	195
Net assets attributable to unitholders – liability	7	**24,899**	27,620

The above statement of financial position should be read in conjunction with the accompanying notes.

Statement of changes in equity

In accordance with AASB 132 *Financial Instruments: Presentation,* net assets attributable to unitholders are classified as a liability rather than equity. As a result, there was no equity at the beginning and the end of the reporting year and no items of changes in equity have been presented for the current reporting year.

Changes in net assets attributable to unitholders are disclosed in note 7.

Statement of cash flows

	Notes	Year ended 30 June 2026 $'000	For the reporting period 18 November 2024 to 30 June 2025 $'000
Cash flows from operating activities			
Proceeds from sale of financial instruments at fair value through profit or loss		**52,959**	5,814
Payments for the purchase of financial instruments at fair value through profit or loss		**(61,576)**	(26,422)
Transaction costs on financial instruments at fair value through profit or loss		**(65)**	(16)
Dividend income received		**20**	47
Interest income received from financial assets at amortised cost		**14**	33
Other income received		**5**	-
Trustee fees paid		**(344)**	(59)
Performance fees paid		**(75)**	-
Other expenses paid		**(88)**	(15)
Net cash outflow from operating activities	9(a)	**(9,150)**	(20,618)
Cash flows from financing activities			
Proceeds from applications by unitholders		**6,585**	23,297
Net cash inflow from financing activities		**6,585**	23,297
Net (decrease)/increase in cash and cash equivalents		**(2,565)**	2,679
Cash and cash equivalents at the beginning of the year/period	8	**2,679**	-
Cash and cash equivalents at the end of the year/period		**114**	2,679
Non-cash financing activities	9(b)	**-**	-

The above statement of cash flows should be read in conjunction with the accompanying notes.

1 General information

These financial statements cover Perennial Active Engagement Trust (“the Scheme”) as an individual entity. The Scheme was constituted on 14 November 2024. The Scheme will terminate on 14 November 2104 unless terminated earlier in accordance with the provisions of the Scheme's Constitution.

The Trustee of the Scheme is Perennial Investment Management Limited ("the Trustee"). The Trustee's registered office is Level 27, 88 Phillip Street, Sydney, NSW 2000. The Trustee's ABN is 13 108 747 637 (AFSL 275101).

The Trustee is incorporated and domiciled in Australia.

The Scheme will predominantly invest in Australian and New Zealand companies listed on the ASX and NZX (at the time of initial investment), or companies intending to be listed on the ASX and the NZX. The Scheme is permitted to utilise derivative instruments only for the purpose of managing certain risks, but it is otherwise not permitted to use such instruments to leverage the portfolio.

The financial statements are presented in the Australian currency.

The financial statements are for the year ended 30 June 2026 ("the year").

The financial statements were authorised for issue by the Directors on the 24 September 2026, the Directors' declaration was signed. The Directors of the Trustee have the power to amend and reissue the financial statements.

2 Summary of material accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to the years presented, unless otherwise stated in the following text.

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards, and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial statements are prepared on the basis of fair value measurement of assets and liabilities, except where otherwise stated.

The statement of financial position is presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and are not distinguished between current and non-current. All balances are generally expected to be recovered or settled within twelve months, except for investments in financial assets. The amount expected to be recovered or settled within twelve months after the end of the reporting year cannot be reliably determined.

(i) Compliance with Australian Accounting Standards and International Financial Reporting Standards

The financial statements of the Scheme comply with Australian Accounting Standards as issued by the Australian Accounting Standards Board and also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

(ii) New/Amended standards and interpretations adopted by the Scheme

There are no standards, interpretations or amendments to existing standards that are effective for the first time for the reporting year beginning 1 July 2025 that have a material impact on the amounts recognised in the prior years or will affect the current or future years.

(iii) New/Amended standards and interpretations not adopted by the Scheme

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2026 and have not been early adopted in preparing these financial statements.

AASB 18 Presentation and Disclosure in Financial Statements is effective for annual periods beginning on or after 1 January 2027. The standard introduces new requirements relating to the presentation and disclosure of information in financial statements, including specified subtotals in the statement of profit or loss and enhanced disclosure requirements. The Trustee is currently assessing the impact of the standard. Based on the assessment performed to date, no material impact on the recognition and measurement of assets and liabilities is expected, although presentation and disclosure changes may be required upon adoption.

AASB 2024-2 Amendments to Australian Accounting Standards – Classification and Measurement of Financial Instruments is effective for annual periods beginning on or after 1 January 2026. The amendments clarify certain requirements relating to the classification and measurement of financial instruments and introduce additional disclosure requirements for specific financial instruments. The Trustee is currently assessing the impact of these amendments. Based on the assessment performed to date, no material impact on the recognition and measurement of the Scheme’s financial instruments is expected.

2 Summary of material accounting policies (continued)

(a) Basis of preparation (continued)

(ii) New/Amended standards and interpretations adopted by the Scheme (continued)

The Trustee is continuing to assess the impact of all other standards and amendments that are not yet effective. No other standards or amendments are expected to have a material impact on the Scheme's financial position or financial performance.

(b) Financial instruments

(i) Classification

- Financial assets

The Scheme classifies its financial assets in the following measurement categories:

- those to be measured at fair value through profit or loss; and
- those to be measured at amortised cost.

The Scheme's portfolio of financial assets is managed and performance is evaluated on a fair value basis in accordance with the Scheme's documented investment strategy. The Trustee evaluates the information about these financial assets on a fair value basis together with other related financial information.

For equity securities and derivatives, the contractual cash flows of these instruments do not represent solely payments of principal and interest. Consequently, these investments are measured at fair value through profit or loss.

For debt securities, the contractual cash flows are solely payments of principal and interest, however they are neither held for collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Scheme's investment strategy. Consequently, the debt securities are measured at fair value through profit or loss.

For cash, cash equivalents and receivables, these assets are held in order to collect the contractual cash flows and the contractual terms of these assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Consequently, these are measured at amortised cost.

- Financial liabilities

Derivative contracts that have a negative fair value are presented as liabilities at fair value through profit or loss.

For financial liabilities that are not classified and measured at fair value through profit or loss, these are classified as financial liabilities at amortised cost (distributions payable, Trustee fees payable and performance fees payable).

(ii) Recognition and derecognition

The Scheme recognises financial assets and financial liabilities on the date it becomes party to the contractual agreement (trade date) and recognises changes in the fair value of the financial assets or financial liabilities from this date.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or the Scheme has transferred substantially all the risks and rewards of ownership. Financial liabilities are derecognised when the obligation under the liabilities are discharged.

(iii) Measurement

- Financial instruments at fair value through profit or loss

At initial recognition, the Scheme measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of comprehensive income.

Subsequent to initial recognition, all financial assets and liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of 'financial assets or liabilities at fair value through profit or loss' category are presented in the statement of comprehensive income in the year in which they arise.

For financial assets and financial liabilities at amortised cost, they are initially measured at fair value including directly attributable costs and are subsequently measured according to their classification.

(iv) Impairment

AASB 9 Financial Instruments requires the Scheme to record an allowance for expected credit losses (ECL) for all financial assets not held at fair value through profit or loss.

2 Summary of material accounting policies (continued)

(b) Financial instruments (continued)

(iv) Impairment (continued)

At each reporting date, the Scheme shall measure the loss allowance on financial assets at amortised cost (cash and receivables) at an amount equal to the lifetime ECL if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Scheme shall measure the loss allowance at an amount equal to twelve-month ECL. Significant financial difficulties of the counterparty, probability that the counterparty will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required. If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance. A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due. Any contractual payment which is more than 90 days past due is considered credit impaired.

(v) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when the Scheme has a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

As at the end of the reporting year, there are no financial assets or liabilities offset or with the right to offset in the statement of financial position.

(c) Net assets attributable to unitholders

Units are redeemable at the unitholders' option, however, applications and redemptions may be suspended by the Trustee if it is in the best interests of the unitholders. The units can be put back to the Scheme at any time for cash based on the redemption price, which is equal to a proportionate share of the Scheme's net asset value attributable to the unitholders. This amount represents the expected cash flows on redemption of these units.

Units are classified as a liability as at 30 June 2026 as class features are not identical, hence not meeting the equity classification criteria under AASB 132.

(d) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions and other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts, if any, are shown within borrowings in the statement of financial position.

Payments and receipts relating to the purchase and sale of investment securities are classified as cash flows from operating activities, as trading of these securities represent the Scheme's main income generating activity.

(e) Investment income

(i) Interest income

Interest income from financial assets at amortised cost is recognised on a time-proportionate basis using the effective interest method and includes interest from cash and cash equivalents. Interest from financial assets at fair value through profit or loss is determined based on the contractual coupon interest rate and includes interest from debt securities.

The effective interest method calculates the amortised cost of a financial asset or liability and allocate the interest income or expense over the relevant year. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or a shorter year where appropriate, to the net carrying amount of the financial asset or liability. When calculating the effective interest rate, the Scheme estimates cash flows considering all contractual terms of the financial instruments (for example, prepayment options) but does not consider future credit losses. The calculation includes all fees paid or received between the parties to the contract that are an integral part of the effective interest rate, including transaction costs and all other premiums or discounts.

Interest income on financial assets at fair value through profit or loss is also recognised in the statement of comprehensive income. Changes in fair value of financial instruments held at fair value through profit or loss are recorded in accordance with the policies described in Note 2(b) to the financial statements.

(f) Expenses

All expenses are recognised in the statement of comprehensive income on an accruals basis.

(g) Income tax

Under current legislation, the Scheme is not subject to income tax provided it attributes the entirety of its taxable income to its unitholders.

2 Summary of material accounting policies (continued)

(h) Distributions

The Scheme may distribute its taxable income, in accordance with the Scheme's Constitution, to unitholders by cash.

(i) Increase/(decrease) in net assets attributable to unitholders

Income not distributed is included in net assets attributable to unitholders.

(j) Foreign currency translation

(i) Functional and presentation currency

Items included in the Scheme's financial statements are measured using the currency of the primary economic environment in which it operates ("the functional currency"). This is Australian dollars, which reflects the currency of economy in which the Scheme compete for funds and is regulated. The Australian dollar is also the Scheme's presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

The Scheme does not isolate that portion of unrealised gains or losses on securities and derivatives financial instruments that are measured at fair value through profit or loss and which is due to changes in foreign exchange rates from that which is due to changes in the market price of securities. Such fluctuations are included with the net gains or losses on financial instruments at fair value through profit or loss.

(k) Receivables

Receivables are recognised for amounts where settlement has not yet occurred. Receivables are measured at amortised cost and are generally received within 30 days of being recognised as receivables. Given the short-term nature of most receivables, their carrying amounts approximate their fair values.

Impairment

The amount of the impairment loss is recognised in profit or loss within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent year, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss. Given the limited exposure of the Scheme to credit risk, no material ECL has been recognised. The Scheme only holds receivables with no financing component and that have maturities of less than 12 months.

(l) Payables

Payables include liabilities, accrued expenses owed by the Scheme and any distributions declared which are unpaid as at the end of the reporting year.

A separate distribution payable is recognised in the statement of financial position.

(m) Goods and Services Tax (GST)

The GST incurred on the costs of various services provided to the Scheme by third parties such as Trustee fees, have been passed on to the Scheme. The Scheme qualifies for Reduced Input Tax Credits (RITC) at a rate of at least 55%. Fees for these services and any other expenses have been recognised in the statement of comprehensive income net of the amount of GST recoverable from the Australian Taxation Office (ATO). Amounts payable are inclusive of GST. The net amount of GST recoverable from the ATO is included in receivables in the statement of financial position. Cash flows relating to GST are included in the statement of cash flows on a gross basis.

(n) Use of estimates

The preparation of the Scheme's financial statements requires judgements, estimates and assumptions to be made that affect the reported amounts of assets and liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future. However, estimates are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Scheme's financial instruments are valued primarily based on the prices provided by independent pricing services.

When the fair values of the reported financial instruments cannot be derived from active markets, they are determined using prices obtained from inactive or unquoted markets and/or other valuation techniques. The inputs to these valuation techniques (if applicable) are taken from observable markets to the extent practicable. Where observable inputs are not available, the inputs may be estimated based on a degree of judgements and assumptions in establishing fair values.

2 Summary of material accounting policies (continued)

(n) Use of estimates (continued)

Where appropriate, the outcomes of the valuation techniques that are used in establishing fair values are validated using prices from observable current market transactions for similar instruments or based on relevant available observable market data.

The determination of what constitutes 'observable' requires significant judgement. Observable data is considered to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

In addition, areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates and judgements. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

For certain other financial instruments, including other payables and receivables, the carrying amounts approximate fair value due to the immediate or short-term nature of these financial instruments.

(o) Rounding of amounts

The Scheme is an entity of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2026/183 relating to the “rounding off” of amounts in the financial statements. Amounts in the financial statements have been rounded to the nearest thousand dollars, unless otherwise indicated.

3 Financial risk management

(a) Objectives, strategies, policies and processes

The Scheme's activities expose it to a variety of financial risks including market risk (which incorporates price risk and interest rate risk), credit risk and liquidity risk.

The Scheme’s risk management focuses on ensuring compliance with the Scheme’s IM and seeks to maximise the returns derived for the level of risk to which the Scheme is exposed. Financial risk management is carried out by the Investment Manager under policies approved by the Board of Directors of the Trustee (“the Board’’).

The Board of Directors of the Trustee has overall responsibility for the establishment and oversight of the Scheme’s overall risk management framework.

The Trustee uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, and ratings analysis for credit risk.

The Investment Manager may use derivatives and other investments, including share price and bond futures, interest rate swaps and forward currency contracts, to manage exposures resulting from changes in interest rates, foreign currencies, equity price risks, and exposures arising from forecast transactions.

(b) Market risk

(i) Price risk

Price risk is the risk that the fair value or future cash flows of equities will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or by factors affecting all similar financial instruments traded in the market.

Price risk exposure arises from the Scheme's investment portfolio. The investments are classified on the statement of financial position as at fair value through profit or loss. All investments present a risk of loss of capital. The maximum risk resulting from financial instruments is determined by the fair value of the financial instruments.

Unlisted assets can be illiquid and subject to significant price risk. The Investment Manager mitigates this price risk through diversification and a careful selection of securities and other financial instruments within specified limits set by the Trustee.

The Scheme's overall market positions are monitored on a regular basis by the Scheme's Investment Manager. This information and the compliance with the Scheme's Information Memorandum are reported to the relevant parties on a regular basis as deemed appropriate such as the compliance manager, other key management personnel, compliance committees and ultimately the Trustee.

The table at Note 3(c) summarises the sensitivities of the Scheme's assets and liabilities to price risk. The analysis is based on the reasonably possible shift that the investment portfolio which the Scheme invests moves by +/-5%.

3 Financial risk management (continued)

(b) Market risk (continued)

(ii) Interest rate risk

The Scheme holds a combination of equity instruments and convertible notes. The portfolio's exposure to interest rate risk is not considered to be significant. The convertible notes held by the Scheme are primarily valued based on the underlying equity security's price rather than changes in market interest rates. Due to their specific features and the nature of the underlying assets, the value of these convertible notes is not materially sensitive to fluctuations in interest rates. Therefore, the Scheme has no significant exposure to interest rate risk. Accordingly, a quantitative sensitivity analysis for interest rate risk has not been prepared.

The Scheme's primary market risk exposure is to changes in the prices of its equity investments and the underlying equity components of the convertible notes. A sensitivity analysis for other price risk is disclosed in the table at Note 3(c).

(c) Summarised sensitivity analysis

The following table summarises the sensitivity of the Scheme's operating profit and net assets attributable to unitholders to market risks. The possible movement in risk variables have been determined based on management's best estimate, having regard to a number of factors, including historical levels of changes in foreign exchange rates, and the historical correlation of the Scheme's investments with the relevant benchmark and market volatility. Actual movements in the risk variables may be greater or less than anticipated due to a number of factors, including unusually large market movements resulting from changes in the performance of and/or correlation between the performances of the economies, markets and securities in which the Scheme invests. As a result, historic variations in risk variables should not be used to predict future variances in the risk variables.

	Impact on operating profit/net assets attributable to unitholders	
	Price risk	
	+5%	**-5%**
	$'000	**$'000**
As at 30 June 2026	**1,241**	**(1,241)**
As at 30 June 2025	1,254	(1,254)

(d) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Credit risk primarily arises from investments in debt securities. Other credit risk arises from cash and cash equivalents, and deposits with banks and other financial institutions.

With respect to credit risk arising from the financial assets of the Scheme, other than derivatives, the Scheme's exposure to credit risk arises from default of the counterparty, with the current exposure equal to the fair value of these investments as disclosed in the statement of financial position. This does not represent the maximum risk exposure that could arise in the future as a result of changes in values, but best represents the current maximum exposure at the end of the reporting year.

All transactions in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered low, as delivery of securities sold is only made once the broker has received payment. Payment is made once the securities have been received by the broker.

The Scheme holds no collateral as security or any other credit enhancements. There are no financial assets that are past due or impaired, or would otherwise be past due or impaired.

Counterparty credit limits and the list of authorised brokers are reviewed by the Trustee on a regular basis.

(e) Liquidity risk

Liquidity risk is the risk that a Scheme will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Scheme maintains liquid assets that it expects to be able to liquidate within 7 days or less. Liquid assets include cash and cash equivalents and net Level 1 Financial Instruments. As at 30 June 2026, these assets amounted to $20,293,656 (30 June 2025: $12,286,949).

3 Financial risk management (continued)

(e) Liquidity risk (continued)

(i) Maturities of non-derivative financial liabilities

The table below analyses the Scheme's non-derivative financial liabilities into relevant maturity groupings based on the remaining year at reporting date to the contractual maturity date. It excludes redeemable units, which are classified as liability and are redeemable at the unitholders' option. The amounts in the table are the contractual undiscounted cash flows.

	Less than 1 month $'000	**1 to 6 months $'000**	**6 to 12 months $'000**	**Over 12 months $'000**
At 30 June 2026				
Payables	**103**	**-**	**-**	**-**
Net assets attributable to unitholders	**24,899**	**-**	**-**	**-**
Total financial liabilities	**25,002**	**-**	**-**	**-**

	Less than 1 month $'000	1 to 6 months $'000	6 to 12 months $'000	Over 12 months $'000
At 30 June 2025				
Payables	195	-	-	-
Net assets attributable to unitholders	27,620	-	-	-
Total financial liabilities	27,815	-	-	-

4 Fair value measurement

The Scheme measures and recognises financial assets and liabilities at fair value through profit or loss on a recurring basis.

AASB 13 Fair Value Measurement requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2); and
- Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

The Scheme values its investments in accordance with the accounting policies set out in Note 2 to the financial statements. For the majority of its investments, the Scheme relies on information provided by independent pricing services for the valuation of its investments.

(a) Fair value in an active market (level 1)

The fair value of financial assets and liabilities traded in active markets (listed markets such as ASX or other exchanges/platforms) are based on quoted market prices at the close of trading at the end of the reporting year without any deduction for estimated future selling costs.

The quoted market price used for financial assets held by the Scheme is the last traded market price; the quoted market price for financial liabilities is the last traded market price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange.

An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

(b) Fair value in an inactive or unquoted market (level 2 and level 3)

In the absence of a quoted price in an active market, the securities are valued using observable inputs such as recently executed transaction prices in securities of the issuer or comparable issuers and yield curves. Adjustments are made to the valuations when necessary to recognise differences in the instrument's terms. To the extent that the significant inputs are observable, the Scheme categorises these investments as level 2.

4 Fair value measurement (continued)

(b) Fair value in an inactive or unquoted market (level 2 and level 3) (continued)

Level 3 instruments could include distressed debt instruments, certain private equity and real estate investments that are not based on market inputs or securities that are in an inactive/illiquid market and are valued using models and internal data. Level 3 investments may be adjusted to reflect illiquidity and/or restrictions, however, the adjustments are not based on available market information. Level 3 instruments also include those that have stale price that is, where the pricing for a particular security has remained static for an extended year of time.

Level 3 valuations are regularly reviewed by the relevant management. Management considers the appropriateness of the valuation inputs, methods and techniques used in the valuations. The valuation inputs are generally sourced from independent third party pricing sources without adjustment such as stock exchanges, pricing agencies and/or fund managers. Where the inputs are considered stale, unobservable, proprietary or from an inactive market, they are categorised as level 3.

Investments classified within level 3 have significant unobservable inputs, as they are infrequently traded. Level 3 instruments include certain unlisted unit trusts and corporate debt securities. As observable prices are not available for these securities, valuation techniques are used to derive fair value.

(c) Recognised fair value measurements

The table below presents the Scheme's financial assets and liabilities measured and recognised at fair value as at 30 June 2026 and 30 June 2025.

As at 30 June 2026	**Level 1 $'000**	**Level 2 $'000**	**Level 3 $'000**	**Total $'000**
Financial assets				
Listed equities	**20,179**	**4,650**	**-**	**24,829**
Total financial assets	**20,179**	**4,650**	**-**	**24,829**

As at 30 June 2025	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Financial assets				
Listed equities	9,608	440	-	10,048
Unlisted equities	-	-	15,032	15,032
Total financial assets	9,608	440	15,032	25,080

The following table presents the movement in level 3 instruments as at the reporting date by class of financial instrument

	Unlisted equities $'000	**Total $'000**
As at 30 June 2026		
Opening balance	**15,032**	**15,032**
Sales	**(10,683)**	**(10,683)**
Losses recognised in profit or loss	**(4,349)**	**(4,349)**
Closing balance	**-**	**-**

	Unlisted equities $'000	Total $'000
As at 30 June 2025		
Opening balance	-	-
Purchases	10,683	10,683
Gains recognised in profit or loss	4,349	4,349
Closing balance	15,032	15,032

4 Fair value measurement (continued)

(c) Recognised fair value measurements (continued)

Significant unobservable inputs used in measuring fair value

There were no Level 3 instruments as at 30 June 2026.

The following table presents significant unobservable inputs used at 30 June 2025 in measuring financial instruments categorised as level 3 in the fair value hierarchy.

At 30 June 2025	Fair Value $'000	Valuation techniques	Unobservable input	Sensitivity to change in significant unobservable inputs
Unlisted equities	15,032	Market Approach*	Enterprise value of the underlying investee	An increase in the enterprise value of the underlying investee would increase fair value; a decrease would reduce fair value.

**Valuation assessed by the Trustee's Valuation Committee.*

Effects of the unobservable input on fair value measurement

Although the Trustee believes that its estimates of fair value are appropriate, the use of different methodologies or assumptions could lead to different measurement of fair value. For fair value measurements in level 3, changing one or more of the assumptions used to reasonably possible alternative assumptions would have the following effects on the net assets attributable to unitholders.

There were no Level 3 instruments as at 30 June 2026.

At 30 June 2025	Change in variable 5%/(5%)	Favourable $'000	(Unfavourable) $'000
Unlisted equities	Enterprise value of the underlying investee	752	(752)

Sensitivity has been calculated using a reasonably possible increase/(decrease) of 5% in the significant unobservable input, while holding all other assumptions constant.

(d) Transfer between levels

The Trustee recognises transfers into and transfers out of fair value hierarchy levels as at the end of the reporting year.

During the year ended 30 June 2026, certain securities were transferred from Level 2 to Level 1 following increased market activity and trading volumes, which resulted in the securities being assessed as trading in active markets.

The following table presents the transfers between levels as at the reporting dates.

At 30 June 2026	**Level 1 $'000**	**Level 2 $'000**	**Level 3 $'000**
Transfers between levels 1 and 2			
Listed equities	**852**	**(852)**	**-**

There were no transfers between any levels as at 30 June 2025.

(e) Financial instruments not carried at fair value

The carrying value of receivables and payables approximate their fair values.

Net assets attributable to unitholders' carrying value differs from its fair value (deemed to be redemption price for individual units). This difference is not material in the current reporting year.

5 Net (losses)/gains on financial instruments at fair value through profit or loss

Net (losses)/gains recognised in relation to financial assets at fair value through profit or loss:

	Year ended 30 June 2026 $'000	For the reporting period 18 November 2024 to 30 June 2025 $'000
Net (losses)/gains on financial instruments at fair value through profit or loss	**(8,688)**	4,300
Total net (losses)/gains on financial instruments at fair value through profit or loss	**(8,688)**	4,300

6 Financial assets at fair value through profit or loss

	As at 30 June 2026 $'000	As at 30 June 2025 $'000
Listed equities	**24,829**	10,048
Unlisted equities	**-**	15,032
Total financial assets at fair value through profit or loss	**24,829**	25,080

7 Net assets attributable to unitholders

As stipulated within the Scheme's Constitution, each unit represents a right to an individual share in the Scheme and does not extend to a right to the underlying assets of the Scheme. There are 2 separate classes of units and each unit has the same rights, obligations and restrictions attached to it as all other units of the Scheme except in relation to underlying assets each class invests into.

Units are redeemed on demand at the unitholders' option. The holders of these instruments typically retain them for the medium to long term. As such, the amount expected to be settled within twelve months after the end of the reporting year cannot be reliably determined.

Movements in the number of units and net assets attributable to unitholders during the year for Perennial Active Engagement Trust, Perennial Active Engagement Trust – Co-invest Series 1 and Perennial Active Engagement Trust – Co-invest Series 2 and the total of these three were as follows:

	Year ended 30 June 2026 Units ('000)	**Year ended 30 June 2026 $'000**	For the reporting period 18 November 2024 to 30 June 2025 Units ('000)	For the reporting period 18 November 2024 to 30 June 2025 $'000
Perennial Active Engagement Trust				
Opening balance	**13,604**	**14,009**	-	-
Applications	**2,146**	**2,090**	13,604	13,647
(Loss)/profit for the year/period	**-**	**(3,986)**	-	362
Closing balance	**15,750**	**12,113**	13,604	14,009

7 Net assets attributable to unitholders (continued)

	Year ended 30 June 2026 Units ('000)	**Year ended 30 June 2026 $'000**	For the reporting period 18 November 2024 to 30 June 2025 Units ('000)	For the reporting period 18 November 2024 to 30 June 2025 $'000
Perennial Active Engagement Trust – Co-invest Series 1				
Opening balance	**9,700**	**13,611**	-	-
Applications	**116**	**135**	9,700	9,700
(Loss)/profit for the year/period	**-**	**(4,875)**	-	3,911
Closing balance	**9,816**	**8,871**	9,700	13,611

	Year ended 30 June 2026 Units ('000)	**Year ended 30 June 2026 $'000**	For the reporting period 18 November 2024 to 30 June 2025 Units ('000)	For the reporting period 18 November 2024 to 30 June 2025 $'000
Perennial Active Engagement Trust – Co-invest Series 2				
Opening balance	**-**	**-**	-	-
Applications	**4,306**	**4,309**	-	-
Loss for the year/period	**-**	**(394)**	-	-
Closing balance	**4,306**	**3,915**	-	-

Each unit represents a right to a proportionate share in net assets of the Scheme and does not extend to a right in the underlying assets of the Scheme.

There are three separate classes of units and each unit within the same class has the same rights attaching to it as all other units of the Scheme.

8 Cash and cash equivalents

	As at 30 June 2026 $'000	As at 30 June 2025 $'000
Cash at bank	**114**	2,679
Total cash and cash equivalents	**114**	2,679

9 Reconciliation of (loss)/profit to net cash outflow from operating activities

	Year ended 30 June 2026 $'000	For the reporting period 18 November 2024 to 30 June 2025 $'000
(a) Reconciliation of (loss)/profit to net cash outflow from operating activities		
(Loss)/profit for the year/period	**(9,255)**	4,273
Proceeds from sale of financial instruments at fair value through profit or loss	**52,959**	5,814
Payments for the purchase of financial instruments at fair value through profit or loss	**(61,576)**	(26,422)
Net losses/(gains) on financial instruments at fair value through profit or loss	**8,688**	(4,300)
Net change in receivables	**(4)**	(5)
Net change in payables	**38**	22
Net cash outflow from operating activities	**(9,150)**	(20,618)

(b) Non-cash financing activities
There were no non-cash financing activities during the year.

10 Receivables

	As at 30 June 2026 $'000	As at 30 June 2025 $'000
Amounts receivable on sale of investments	**49**	-
GST receivable	**10**	6
Other receivable	**-**	50
Total receivables	**59**	56

11 Payables

	As at 30 June 2026 $'000	As at 30 June 2025 $'000
Trustee fees payable	**60**	22
Other payables	**43**	173
Total payables	**103**	195

12 Remuneration of auditor

During the reporting year/period the following fees were paid or payable for services provided by the auditor of the Scheme:

	Year ended 30 June 2026 $	For the reporting period 18 November 2024 to 30 June 2025 $
KPMG		
Audit and other assurance services		
Audit of financial statements	**8,736**	8,400
Total remuneration for audit and other assurance services	**8,736**	8,400
Taxation services		
Taxation compliance services	**11,060**	5,050
Total remuneration for taxation services	**11,060**	5,050
Total remuneration of KPMG	**19,796**	13,450

13 Related party transactions

Transactions with entities related to Perennial Investment Management Limited are disclosed below.

The Trustee has contracted services to Perennial Value Management Limited, to act as Investment Manager for the Scheme. The contracts are on normal commercial terms and conditions.

(a) Key management personnel

(i) Directors

Key management personnel include persons who were Directors of Perennial Investment Management Limited at any time during or since the end of the reporting year and up to the date of this report.

A. Patterson

C. Love

M. Bennett

13 Related party transactions (continued)

(a) Key management personnel (continued)

(ii) Other key management personnel

There were no other key management personnel with responsibility for planning, directing and controlling activities of the Scheme, directly or indirectly during the reporting year.

(b) Transactions with key management personnel

There were no transactions with key management personnel during the reporting year (30 June 2025: Nil).

(c) Key management personnel unit holdings

Key management personnel did not hold units in the Scheme as at 30 June 2026 (30 June 2025: Nil).

(d) Key management personnel compensation

Key management personnel are paid by Perennial Value Management Limited. Payments made from the Scheme to Perennial Investment Management Limited do not include any amounts directly attributable to the compensation of key management personnel.

(e) Key management personnel loans

The Scheme has not made, guaranteed or secured, directly or indirectly, any loans to key management personnel or their personally related entities at any time during the reporting year.

(f) Other transactions within the Scheme

Apart from those details disclosed in this note, no key management personnel have entered into a material contract with the Scheme during the reporting year and there were no material contracts involving management personnel's interests existing at year end.

(g) Trustee fees and other transactions

Under the terms of the Scheme's Constitution and Information Memorandum for the Scheme, the Trustee and the Investment Manager are entitled to receive Trustee fees and performance fees.

The Trustee fee of Perennial Active Engagement Trust charged by the Trustee for the reporting year was 1.50% per annum (2025: 1.50%).

The Trustee fee of Perennial Active Engagement Trust – Co-invest Series 1 charged by the Trustee for the reporting year was 1.00% per annum (2025: 1.00%).

The Trustee fee of Perennial Active Engagement Trust – Co-invest Series 2 charged by the Trustee for the reporting period was 1.00% per annum.

Investment management fees is paid by the Trustee to the Investment Manager to provide investment services for the Scheme. It is paid from the Trustee's fee and is not an additional cost to the Scheme.

Under the terms of the Scheme's Constitution, the Trustee is entitled to receive performance fees if certain predetermined criteria are met.

The transactions during the reporting year/period and amounts payable as at year end between the Scheme and Trustee were as follows:

	Year ended 30 June 2026 $	For the reporting period 18 November 2024 to 30 June 2025 $
Expense recovery for the year/period	**87,553**	-
Total expense recovery payable at year end	**6,558**	-
Trustee fees for the year/period	**377,694**	76,281
Total fees payable to the Trustee at year end	**53,870**	18,589
Performance fees for the year/period	**74,833**	-

For information on how trustee and performance fees are calculated please refer to the Scheme's Information Memorandum.

13 Related party transactions (continued)

(h) Related party unit holdings

Parties related to the Scheme (including Perennial Investment Management Limited, its related parties and other schemes managed by Perennial Investment Management Limited and the Investment Manager) held no units in the Scheme as at 30 June 2026 (30 June 2025: Nil).

(i) Investments

The Scheme did not hold investments in Perennial Investment Management Limited or its related parties during the reporting year (30 June 2025: Nil).

14 Events occurring after the reporting year

No significant events have occurred since the end of the year which would impact on the financial position of the Scheme as disclosed in the statement of financial position as at 30 June 2026 or on the results and cash flows of the Scheme for the year ended on that date.

15 Contingent assets and liabilities and commitments

There are no outstanding contingent assets, liabilities or commitments as at 30 June 2026 and 30 June 2025.

Directors' declaration

In the opinion of the Directors of the Trustee:

(a) the financial statements and notes, set out on pages 5 to 22, are in accordance with the Australian Accounting Standards, including:

  (i) complying with Australian Accounting Standards (including Australian Accounting Interpretations); and

  (ii) presents fairly the Scheme's financial position as at 30 June 2026 and of its performance as represented by the results of its operations and cash flows, for the reporting year ended on that date.

(b) there are reasonable grounds to believe that the Scheme will be able to pay its debts as and when they become due and payable.

(c) the financial statements are in accordance with the Scheme's Constitution.

(d) note 2(a) confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

This declaration is made in accordance with a resolution of the Directors.



Anthony Patterson

Director

Perennial Investment Management Limited

Sydney

24 September 2026

Independent Auditor's Report

To the unitholders of Perennial Active Engagement Trust

Opinion

We have audited the ***Financial Report*** of Perennial Active Engagement Trust (the Scheme).

In our opinion, the accompanying ***Financial Report*** of Perennial Active Engagement Trust presents fairly, in all material respects, the financial position of the Scheme as at 30 June 2026 and of its financial performance for the year then ended, in compliance with *Australian Accounting Standards*.

The ***Financial Report*** comprises the:

- Statement of financial position as at 30 June 2026;
- Statement of comprehensive income, Statement of changes in equity, and Statement of cash flows for the year then ended;
- Notes, including material accounting policies; and
- Directors' Declaration.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Scheme and Perennial Investment Management Limited (the Trustee) in accordance with the relevant ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code). We have fulfilled our other ethical responsibilities in accordance with these requirements.

Restriction on Use and distribution

The Financial Report has been prepared to assist the Directors of Perennial Investment Management Limited (the Trustee) of the Scheme for the purpose of complying with the financial reporting requirements of the Schemes' Constitution.

As a result, the Financial Report and this Auditor's Report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Our report is intended solely for the unitholders of the Scheme and should not be used by or distributed to parties other than the unitholders of the Scheme. We disclaim any assumption of responsibility for any reliance on this report, or on the Financial Report to which it relates, to any person other than the unitholders of the Scheme or for any other purpose than that for which it was prepared.

Other Information

Other Information is financial and non-financial information in the Scheme's annual report which is provided in addition to the Financial Report and the Auditor's Report. The Directors of Perennial Investment Management Limited (the Trustee) are responsible for the Other Information.

The Other Information we obtained prior to the date of this Auditor's Report was the Trustees' report.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express any form of assurance conclusion thereon.

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In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of Directors for the Financial Report

The Directors of Perennial Investment Management Limited (the Trustee) are responsible for:

- the preparation and fair presentation of the Financial Report for the purpose of complying with the financial reporting requirements of the Schemes' Constitutions and *Australian Accounting Standards;*
- implementing necessary internal control to enable the preparation of a Financial Report that is free from material misstatement, whether due to fraud or error; and
- assessing the Scheme's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Scheme or to cease operations or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our Auditor's Report.

KPMG

Luke Sullivan
Partner

Melbourne
24 September 2026