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23 February 2022

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

*Via electronic lodgement*

### **PIC Half Year Financial Results**

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

- Appendix 4D
- ✓ **Condensed Interim Financial Report**  
1H22 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**

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# PERPETUAL EQUITY INVESTMENT COMPANY LIMITED

ACN 601 406 419

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Condensed Interim  
Financial Report

For the half-year ended  
31 December 2021

Perpetual 

# Perpetual Equity Investment Company Limited

ACN 601 406 419

## Condensed Interim Financial Report for the half-year ended 31 December 2021

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## Directors' report

The Directors present their report together with the condensed interim financial report of Perpetual Equity Investment Company Limited (the Company) for the half-year ended 31 December 2021 and the auditor's report thereon.

### Directors

The following persons were Directors of the Company during the half-year and up to the date of this report:

Current Directors	Position	Appointment date
Nancy Fox	Chairman and Non-Executive Director	1 July 2017
Virginia Malley	Non-Executive Director	25 August 2014
John Edstein	Non-Executive Director	26 September 2014
Amanda Apted	Executive Director	13 May 2021

### Principal activities

The Company is a listed investment company established to invest in a concentrated and actively managed portfolio of Australian listed securities with typically a mid-cap focus and cash, deposit products and senior debt, together with opportunistic allocations to global listed securities. The investment objective of the Company is to provide investors with an income stream and long-term capital growth in excess of its benchmark (the S&P/ASX 300 Accumulation Index) over minimum 5 year investment periods.

### Review of operations

	31 December 2021 \$'000	31 December 2020 \$'000
Profit/(loss) before income tax	27,914	77,617
Income tax benefit/(expense)	<u>(6,130)</u>	<u>(22,662)</u>
Profit/(loss) for the half-year attributable to shareholders	<u>21,784</u>	<u>54,955</u>

As at 31 December 2021, the Company's Net Tangible Assets (NTA) after tax were \$1.327 per share. This represents an increase of 2.1% compared to NTA after tax of \$1.299 per share as at 30 June 2021. In addition, the Company paid a fully franked final dividend of 2.8 cents per share during the half-year.

The increase in NTA during the half-year reflected the return on numerous investment opportunities selected based on the Manager's long-standing investment philosophy and process which focuses on quality and value. The Manager's investment process aims to identify quality businesses with recurring earnings, conservative debt and sound management, that are trading at attractive valuations. This is underpinned by the Manager's deep research and analysis on securities held in the portfolio.

Where applicable, the volatility in global and local capital markets resulting from the coronavirus (COVID-19) pandemic continues to be reflected in the valuation of the Company's investment portfolio and its financial results for the half-year ended 31 December 2021.

### Dividends

On 23 February 2022, the Directors declared a fully franked interim dividend payment of 2.8 cents per share.

## Directors' report (continued)

### State of affairs

The Company transitioned its administration and custody services from RBC Investor Services Trust to State Street Australia Limited on and from 27 September 2021.

There were no other significant changes in the state of affairs of the Company during the half year other than the matters disclosed under the review of operations.

### Events subsequent to reporting date

The Directors are not aware of any event or circumstance since the end of the half-year not otherwise dealt with in this report that has or may significantly affect the operations of the Company, the results of these operations or the state of affairs of the Company in subsequent financial years.


### Lead Auditor's Independence Declaration

A copy of the Lead Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* is set out on page 4.

### Rounding of amounts to the nearest thousand dollars

The Company is an entity of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*. Amounts in the Directors' report and the condensed interim financial report have been rounded to the nearest thousand dollars in accordance with the Legislative Instrument, unless otherwise indicated.

Signed on behalf and in accordance with a resolution of the Directors:



Director

Sydney  
23 February 2022



Director



# Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Perpetual Equity Investment Company Limited

I declare that, to the best of my knowledge and belief, in relation to the review of Perpetual Equity Investment Company Limited for the half-year ended 31 December 2021 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

KPMG

*K Hopkins*

Karen Hopkins  
*Partner*

Sydney  
23 February 2022

## Condensed interim statement of profit or loss and other comprehensive income

	Notes	31 December 2021 \$'000	31 December 2020 \$'000
<b>Investment income</b>			
Dividend income		9,839	3,399
Interest income		-	13
Net gains/(losses) on financial instruments at fair value through profit or loss		21,943	76,418
Net foreign exchange gains/(losses)		(91)	635
Other income		-	13
<b>Total net investment income/(loss)</b>		<u>31,691</u>	<u>80,478</u>
<b>Expenses</b>			
Management fees	8	2,740	2,031
Other expenses		1,037	830
<b>Total expenses</b>		<u>3,777</u>	<u>2,861</u>
<b>Profit/(loss) before income tax</b>		<u>27,914</u>	<u>77,617</u>
Income tax expense	5	(6,130)	(22,662)
<b>Profit/(loss) after income tax</b>		<u>21,784</u>	<u>54,955</u>
Other comprehensive income		-	-
<b>Total comprehensive income</b>		<u>21,784</u>	<u>54,955</u>
<b>Earnings per share</b>			
Basic earnings per share (cents per share)	4	<u>5.83</u>	<u>15.76</u>
Diluted earnings per share (cents per share)	4	<u>5.83</u>	<u>15.76</u>

*The Condensed interim statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.*

## Condensed interim statement of financial position

		31 December 2021 \$'000	30 June 2021 \$'000
	Notes		
<b>Assets</b>			
Cash and cash equivalents		22,294	39,109
Financial assets at fair value through profit or loss	7	505,319	490,609
Receivables		<u>653</u>	<u>810</u>
<b>Total assets</b>		<u>528,266</u>	<u>530,528</u>
<b>Liabilities</b>			
Financial liabilities at fair value through profit or loss	7	242	-
Payables		481	4,444
Current tax payable		8,132	9,635
Deferred tax liability		<u>21,934</u>	<u>31,963</u>
<b>Total liabilities</b>		<u>30,789</u>	<u>46,042</u>
<b>Net assets</b>		<u>497,477</u>	<u>484,486</u>
<b>Equity</b>			
Contributed equity	6	387,303	385,637
Retained earnings		1,754	1,970
Profit reserve		<u>108,420</u>	<u>96,879</u>
<b>Total equity</b>		<u>497,477</u>	<u>484,486</u>

*The Condensed interim statement of financial position should be read in conjunction with the accompanying notes.*



### Condensed interim statement of changes in equity

	Notes	Contributed Equity \$'000	Retained Earnings \$'000	Profit Reserve \$'000	Total \$'000
<b>Balance at 1 July 2021</b>		<b>385,637</b>	<b>1,970</b>	<b>96,879</b>	<b>484,486</b>
Total comprehensive income for the half-year		-	<b>21,784</b>	-	<b>21,784</b>
Transfers to profit reserve		-	<b>(22,000)</b>	<b>22,000</b>	-
Transactions with members in their capacity as shareholders:					
Shares issued from dividend reinvestment plan	6	<b>943</b>	-	-	<b>943</b>
Shares issued from exercise of options	6	<b>723</b>	-	-	<b>723</b>
Dividends paid	3	-	-	<b>(10,459)</b>	<b>(10,459)</b>
<b>Balance at 31 December 2021</b>		<b><u>387,303</u></b>	<b><u>1,754</u></b>	<b><u>108,420</u></b>	<b><u>497,477</u></b>

	Notes	Contributed Equity \$'000	Retained Earnings \$'000	Profit Reserve \$'000	Total \$'000
Balance at 1 July 2020		353,827	(3,386)	13,381	363,822
Total comprehensive income for the half-year		-	54,955	-	54,955
Transfers to profit reserve		-	(50,000)	50,000	-
Transactions with members in their capacity as shareholders:					
Shares issued from dividend reinvestment plan	6	855	-	-	855
Dividends paid	3	-	-	<b>(9,739)</b>	<b>(9,739)</b>
<b>Balance at 31 December 2020</b>		<b><u>354,682</u></b>	<b><u>1,569</u></b>	<b><u>53,642</u></b>	<b><u>409,893</u></b>

*The Condensed interim statement of changes in equity should be read in conjunction with the accompanying notes.*

## Condensed interim statement of cash flows

	31 December 2021 \$'000	31 December 2020 \$'000
<b>Cash flows from operating activities</b>		
Dividends received	10,060	3,201
Interest received	-	13
Other income received	230	253
Management fees paid	(2,912)	(2,136)
Income tax paid	(17,662)	(1,463)
Other expenses paid	(1,328)	(860)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(11,612)</b>	<b>(992)</b>
<b>Cash flows from investing activities</b>		
Proceeds from sale of investments	261,574	214,769
Payments for purchase of investments	(257,728)	(204,929)
<b>Net cash inflow/(outflow) from investing activities</b>	<b>3,846</b>	<b>9,840</b>
<b>Cash flows from financing activities</b>		
Dividends paid - net of dividend reinvestment plan	(9,516)	(8,884)
Proceeds from exercise of options	723	-
Payments for transaction costs	(256)	-
<b>Net cash inflow/(outflow) from financing activities</b>	<b>(9,049)</b>	<b>(8,884)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(16,815)</b>	<b>(36)</b>
Cash and cash equivalents at the beginning of the half-year	39,109	20,317
<b>Cash and cash equivalents at the end of the half-year</b>	<b>22,294</b>	<b>20,281</b>

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

## 1 Reporting entity

Perpetual Equity Investment Company Limited (the Company) is domiciled in Australia. The Company was incorporated on 25 August 2014. The address of the Company's registered office is at Level 18, 123 Pitt Street, Sydney NSW 2000.

The Company is a listed investment company established to invest in a concentrated and actively managed portfolio of Australian listed securities with typically a mid-cap focus and cash, deposit products and senior debt, together with opportunistic allocations to global listed securities. The investment objective of the Company is to provide investors with an income stream and long-term capital growth in excess of its benchmark (the S&P/ASX 300 Accumulation Index) over minimum 5 year investment periods. The investment activities of the Company are managed by Perpetual Investment Management Limited (the Manager).

The condensed interim financial report for the half-year ended 31 December 2021 was authorised for issue by the Directors on 23 February 2022.

## 2 Basis of preparation

The condensed interim financial report has been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*. The Company is a for-profit entity for the purpose of preparing the condensed interim financial report.

The condensed interim financial report does not include all notes normally included in a full financial report. Accordingly, this report is to be read in conjunction with the Company's financial report for the year ended 30 June 2021 and any public announcements made in respect of Perpetual Equity Investment Company Limited during the half-year in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies applied in the condensed interim financial report are the same as those applied in the Company's financial report for the year ended 30 June 2021.

The condensed interim financial report has been prepared on the basis of fair value measurement of assets and liabilities, except where otherwise stated.

### *Use of estimates*

Management makes estimates and assumptions that affect the reported amounts in the financial statements. Estimates and associated assumptions are reviewed regularly and are based on historical experience and various other factors, including expectations of future events that are believed to be reasonable under the circumstances. Where applicable to the fair value measurement, the impact of coronavirus (COVID-19) pandemic is assessed and estimated. Actual results may differ from these estimates.

For the majority of the Company's financial instruments, quoted market prices are readily available. However, when certain financial instruments are fair valued using valuation techniques (for example, pricing models), observable data is used to the extent practicable. The use of estimates and critical judgements in fair value measurement is described in note 7.

### *Functional and presentation currency*

The condensed interim financial report is presented in Australian dollars, which is the Company's functional currency.

### *New accounting standards and interpretations*

There are no new accounting standards, amendments and interpretations effective for the first time for the financial year beginning 1 July 2021 that would be expected to have a material impact on the Company.

### 3 Dividends

#### (a) Dividends paid

31 December 2021	Cents per share	Total amount \$'000	Franking	Payment date
Final 2021 ordinary	2.8	10,459	100%	20 October 2021
31 December 2020	Cents per share	Total amount \$'000	Franking	Payment date
Final 2020 ordinary	2.8	9,739	100%	23 October 2020

All dividends paid were fully franked at a tax rate of 30% and paid out of the profit reserve.

#### (b) Subsequent events

On 23 February 2022, the Directors declared the following dividend:

	Cents per share	Total amount \$'000	Franking	Payment date
Interim 2022 ordinary	2.8	10,481	100%	29 April 2022

The interim dividend will be fully franked based on a tax rate of 30%. The interim 2022 dividend amount is estimated based on the number of shares on issue as at 31 December 2021. The number of shares entitled for a dividend on the record date may increase from the exercise of options.

The financial effect of this dividend has not been brought to account in the financial statements for the half-year ended 31 December 2021 and will be recognised in subsequent financial statements.

#### (c) Dividend reinvestment plan

The Company has established a dividend reinvestment plan under which eligible shareholders may elect to have all or part of their dividend entitlements satisfied by the issue of ordinary shares rather than by being paid in cash.

#### (d) Franking account

	31 December 2021 \$'000	31 December 2020 \$'000
The available balance in the franking account at the reporting date	<u>23,612</u>	<u>5,039</u>
Impact on franking account of the interim dividend declared after the reporting date but not recognised as a liability at the reporting date	<u>(4,492)</u>	<u>(4,184)</u>
The available balance in the franking account after the adjustment for the interim dividend declared after the reporting date	<u>19,120</u>	<u>855</u>

The available balance in the franking account includes the adjustments for franking credits that will arise from the payment of current tax liabilities after the reporting date and from the receipt of dividends recognised as receivables at the reporting date.

#### 4 Earnings per share

	<b>31 December 2021</b>	31 December 2020
Basic earnings per share (cents per share)	<u>5.83</u>	<u>15.76*</u>
Diluted earnings per share (cents per share)	<u>5.83</u>	<u>15.76*</u>
Profit/(loss) after income tax attributable to shareholders (\$'000)	<u>21,784</u>	<u>54,955</u>
Weighted average number of ordinary shares on issue used in the calculation of basic and diluted earnings per share	<u>373,716,806</u>	<u>348,662,378*</u>

Basic earnings per share is calculated by dividing the profit attributable to shareholders of the Company by the weighted average number of ordinary shares on issue during the half year.

Diluted earnings per share is calculated by dividing the profit attributable to shareholders of the Company by the weighted average number of ordinary shares on issue and ordinary shares that the Company expects to issue through the exercise of outstanding options for the reporting period. In the calculation of diluted earnings per share, options are not considered to have a dilutive effect, as the average market price of ordinary shares of the Company during the period did not exceed the exercise price of the options.

\*The weighted average number of ordinary shares on issue used in the basic and diluted earnings per share calculations for the half-year ended 31 December 2020 was retrospectively adjusted in accordance with Australian Accounting Standards following the capital raising announced on 2 June 2021. The capital raising was conducted at a discount to market price (bonus element), resulting in a theoretical dilution of existing ordinary shares on issue and a decrease in basic and diluted earnings per share. Consequently, the basic and diluted earnings per share for the half-year ended 31 December 2020 were also retrospectively adjusted in accordance with Australian Accounting Standards.

#### 5 Income tax

	<b>31 December 2021</b>	31 December 2020
	<b>\$'000</b>	<b>\$'000</b>
<b>Current tax</b>		
Current income tax expense	(16,099)	(3,303)
Adjustment for prior years	(60)	-
<b>Deferred tax</b>		
Temporary differences	<u>10,029</u>	<u>(19,359)</u>
<b>Total income tax expense</b>	<u>(6,130)</u>	<u>(22,662)</u>

## 6 Equity

### (a) Share capital

	31 December 2021	31 December 2021	31 December 2020	31 December 2020
	Number of shares	\$'000	Number of shares	\$'000
Fully paid ordinary shares	<u>374,314,954</u>	<u>387,303</u>	348,685,708	<u>354,682</u>

#### *Movements in ordinary share capital*

	31 December 2021	31 December 2021	31 December 2020	31 December 2020
	Number of shares	\$'000	Number of shares	\$'000
Opening balance	373,036,670	385,637	347,830,810	353,827
Shares issued from dividend reinvestment plan	742,656	943	854,898	855
Shares issued from exercise of options	<u>535,628</u>	<u>723</u>	-	-
Closing balance	<u>374,314,954</u>	<u>387,303</u>	348,685,708	<u>354,682</u>

#### *Ordinary shares*

Ordinary shares entitle the holders to receive dividends as declared and one vote per share at shareholders' meetings.

In the event of winding up the Company, ordinary shareholders rank after creditors and are fully entitled to any surplus capital.

### (b) Options

	Number of options
Options on issue at 1 July 2021	372,881,738
Options exercised	<u>(535,628)</u>
Options on issue at 31 December 2021	<u>372,346,110</u>

On 29 June 2021, the Company issued 372,881,738 options. There were no options on issue as at 31 December 2020.

Options are measured at the fair value of the options at the date of issue within equity. An adjustment will be made, with a corresponding adjustment to share capital, upon exercise of the options.

Each option provides its holders the right but not obligation to purchase one fully paid ordinary shares in the Company at \$1.35 per share (the Exercise Price) at any time up until 2 September 2022 (Option Expiry Date). The options can be exercised in full or in part.

Options do not carry voting rights or dividend entitlement until they are exercised. Shares issued from the exercise of options rank equally with other ordinary shares of the Company from the issue date.

## 7 Fair value measurement

The Company classifies fair value measurement of its financial assets and liabilities using a fair value hierarchy model that reflects the subjectivity of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- 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 (as prices) or indirectly (derived from prices) (level 2); and
- Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

The following tables analyse within the fair value hierarchy model, the Company's financial assets and liabilities measured at fair value at the reporting date:

31 December 2021	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Financial assets at fair value through profit or loss</b>				
Derivatives				
Foreign currency forward contracts	-	361	-	361
Equity securities	<u>504,958</u>	-	-	<u>504,958</u>
<b>Total</b>	<u>504,958</u>	<u>361</u>	-	<u>505,319</u>

### Financial liabilities at fair value through profit or loss

Derivatives				
Foreign currency forward contracts	-	242	-	242
<b>Total</b>	-	<u>242</u>	-	<u>242</u>

30 June 2021	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Financial assets at fair value through profit or loss</b>				
Derivatives				
Foreign currency forward contracts	-	424	-	424
Equity securities	<u>490,185</u>	-	-	<u>490,185</u>
<b>Total</b>	<u>490,185</u>	<u>424</u>	-	<u>490,609</u>

#### (a) Rationale for classification of financial assets as level 1

The equity securities held by the Company are valued using unadjusted quoted prices in active markets and are classified as level 1 in the fair value hierarchy model.

#### (b) Rationale for classification of financial assets as level 2

Foreign currency forward contracts are valued at the prevailing bid price of the relevant forward currencies at the end of the reporting period.

#### (c) Transfer between levels

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels at the end of the reporting period.

There were no transfers between levels for the half-year ended 31 December 2021 and the year ended 30 June 2021.

## 7 Fair value measurement (continued)

### (d) Fair value measurements using significant unobservable inputs (level 3)

There was no movement in level 3 instruments for the half-year ended 31 December 2021. The following table presents the movement in level 3 instruments, by class of financial instruments, for the half-year ended 31 December 2020.

	Equity securities \$'000	Total \$'000
31 December 2020	\$'000	\$'000
Transfers into level 3	2,335	2,335
Gains/(losses) recognised in profit or loss	-	-
Closing balance	<u>2,335</u>	<u>2,335</u>
Total unrealised gains/(losses) recognised in profit or loss for financial instruments held at the reporting date	<u>(4,807)</u>	<u>(4,807)</u>

The Company disposed of its level 3 investments during the period from 1 January 2021 to 30 June 2021.

## 8 Management fees

The Manager, Perpetual Investment Management Limited, receives a management fee of 1.00% per annum (plus GST) for the first \$1 billion of the Portfolio Net Asset Value, and 0.85% per annum (plus GST) of the Portfolio Net Asset Value in excess of \$1 billion. In accordance with the Replacement Prospectus dated 14 October 2014, the Portfolio Net Asset Value means the market value of the assets of the Portfolio, reduced by any accrued but unpaid expenses of the Company, but not provisions for tax payable or unpaid dividends of the Company, and after subtracting any borrowings drawdown. The management fees are calculated and accrued daily and paid monthly in arrears.

	31 December 2021 \$'000	31 December 2020 \$'000
Management fees	2,740	2,031

The Manager was appointed in 2014 for an initial term of five years. The Management Agreement was extended in 2019 for a further five-year term (extended term) unless terminated earlier in accordance with its terms.

If the Management Agreement is terminated during the extended term, then in certain circumstances the Manager will be entitled to a termination payment equal to 5.0%, reduced by one sixtieth (1/60) for each whole calendar month elapsed between the commencement of the extended term and the termination date, of the net tangible asset backing of each share in each class of shares in the Company as calculated under the ASX Listing Rules multiplied by the number of shares on issue in that class of shares as at the termination date.

The Manager paid for the costs incurred in raising capital under and in accordance with the Prospectus dated 20 August 2018. If the Management Agreement is terminated during the extended term, then in certain circumstances the Manager will be entitled to be reimbursed for these costs, multiplied by the number of days in the period from the date of termination to the last day of the extended term and divided by the number of days in the period from the date of issue of the new shares and the last day of the extended term.

## 9 Related party transactions

All transactions with related parties are conducted on normal commercial terms and conditions.

There have been no significant changes to the related party transactions disclosed in the previous annual financial report.



## 10 Segment information

The Company is organised into one main operating segment with only one key function, being the investment of funds predominantly in Australia together with opportunistic investments globally.

## 11 Commitments and contingencies

There were no outstanding contingent assets, liabilities or commitments as at 31 December 2021 and 30 June 2021.

## 12 Events occurring after the reporting period

On 23 February 2022, the Directors declared a fully franked dividend of 2.8 cents per share payable on 29 April 2022.

The uncertainty around COVID-19 continues to present social and economic challenges and the resulting impact on the capital markets remains uncertain. Since the reporting date, there have been no significant changes in the valuation of the Company's investment portfolio arising from the changes in the estimates and assumptions in relation to COVID-19.

No other significant events have occurred since the reporting date which would have an impact on the financial position of the Company disclosed in the condensed interim balance sheet as at 31 December 2021 or on the results and cash flows of the Company for the half-year ended on that date.

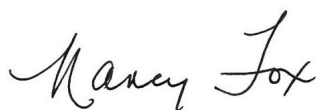
## Directors' declaration

1. In the opinion of the Directors of Perpetual Equity Investment Company Limited (the Company):

- (a) the condensed interim financial statements and notes, set out on pages 5 to 15, are in accordance with the *Corporations Act 2001*, including:
  - (i) giving a true and fair view of the Company's financial position as at 31 December 2021 and of its performance for the half-year ended on that date; and
  - (ii) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

2. The Directors have been given the declarations required by Section 295A of the *Corporations Act 2001* from the persons performing the functions of the Chief Executive Officer and the Chief Financial Officer for the half-year ended 31 December 2021.

Signed in accordance with a resolution of the Directors:



Director

Sydney  
23 February 2022



Director



# Independent Auditor's Review Report

To the shareholders of Perpetual Equity Investment Company Limited

## Conclusion

We have reviewed the accompanying **Condensed Interim Financial Report** of Perpetual Equity Investment Company Limited (the Company).

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Condensed Interim Financial Report of the Company does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the Company's financial position as at 31 December 2021 and of its performance for the half-year ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The **Condensed Interim Financial Report** comprises:

- Condensed interim statement of financial position as at 31 December 2021
- Condensed interim statement of comprehensive income, Condensed interim statement of changes in equity and Condensed interim statement of cash flows for the half-year then ended on that date
- Notes 1 to 12 comprising a summary of significant accounting policies and other explanatory information
- The Directors' Declaration.

## Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report.

We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

## Responsibilities of the Directors for the Condensed Interim Financial Report

The Directors of the Company are responsible for:

- the preparation of the Condensed Interim Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*
- such internal control as the Directors determine is necessary to enable the preparation of the Condensed Interim Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.



## Auditor's Responsibilities for the Review of the Condensed Interim Financial Report

Our responsibility is to express a conclusion on the Condensed Interim Financial Report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the Condensed Interim Financial Report does not comply with the *Corporations Act 2001* including:

- giving a true and fair view of the Company's financial position as at 31 December 2021 and its performance for the half-year ended on that date; and
- complying with Australian Accounting Standard *AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a Condensed Interim Financial Report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with *Australian Auditing Standards* and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

KPMG

Karen Hopkins  
*Partner*

Sydney  
23 February 2022

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## Directory

### Company

Perpetual Equity Investment Company Limited  
ACN 601 406 419

### Directors

Nancy Fox – Chairman  
Virginia Malley  
John Edstein  
Amanda Apted

### Company secretary

Sylvie Dimarco

### Investment manager

Perpetual Investment Management Limited  
Level 18, 123 Pitt Street  
Sydney NSW 2000  
AFSL 234 426

### Registered office

Level 18, 123 Pitt Street  
Sydney NSW 2000  
Phone 1800 022 033

### Auditor

KPMG  
International Towers Sydney 3  
300 Barangaroo Avenue  
Sydney NSW 2000

### Australian Securities Exchange Code

Shares: PIC  
Options: PICOA

### Unit registry

Link Market Services Limited  
1A Homebush Bay Drive  
Rhodes NSW 2138  
Phone: 1800 421 712

### Website

[www.perpetualequity.com.au](http://www.perpetualequity.com.au)

The logo for Perpetual, featuring the word "Perpetual" in a serif font followed by a large, stylized script letter "P".

Perpetual 