

Perpetual Limited  
ABN 86 000 431 827

Angel Place,  
Level 18, 123 Pitt Street  
Sydney NSW 2000  
Australia

Phone +61 9229 9000  
[www.perpetual.com.au](http://www.perpetual.com.au)

28 February 2024

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

*Via electronic lodgement*

## Perpetual Half Year Financial Results

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

Appendix 4D

1H24 ASX Announcement

✓ **1H24 Results Presentation**

Half Yearly Report and Accounts

Operating and Financial Review – 31 December 2023

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

Yours faithfully



Sylvie Dimarco  
**Company Secretary**



# Perpetual Limited (ASX:PPT) 1H24 Results Presentation

For the half year ending 31 December 2023

Wednesday 28 February 2024

Presented by:

Rob Adams, CEO & Managing Director

Chris Green, Chief Financial Officer

PerpetualGROUP

ersonal use only



# Disclaimer

## Important information

This presentation is in summary form and is not necessarily complete. It should be read together with Perpetual Limited's (Perpetual) consolidated financial statements and other announcements lodged with the Australian Securities Exchange, which are available at [www.asx.com.au](http://www.asx.com.au). The presentation is general information and is not intended to provide you with financial advice or take into account your objectives, financial situation or needs. You should consider, with a financial adviser, whether the information is suitable for your circumstances.

References to "Perpetual" in this presentation are to Perpetual Limited ABN 86 000 431 827, unless stated otherwise. References to "Perpetual Group" or "Group" are to Perpetual Limited and its subsidiaries. References to "Pendal" or "Pendal Group" in this presentation are to Pendal Group Limited ABN 28 126 385 822, unless stated otherwise.

This presentation contains information that is based on projected and/or estimated expectations, assumptions or outcomes. Forward looking statements are subject to a range of risk factors. Perpetual cautions against reliance on any forward-looking statements.

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The Product Disclosure Statements (PDS) for the Perpetual Asset Management Australia funds are issued by Perpetual Investment Management Limited ABN 18 000 866 535 AFSL 234426. The applicable PDS, and Target Market Determination, can be obtained by calling 1800 022 033 or visiting our website [www.perpetual.com.au](http://www.perpetual.com.au).

The PDSs for the Pendal funds are issued by Pendal Fund Services Limited ABN 13 161 249 332, AFSL 431426. The applicable PDS, and Target Market Determination, can be obtained by calling 1300 346 821 or visiting our [www.pendalgroup.com](http://www.pendalgroup.com).

The applicable offer document for a strategy offered by either Barrow Hanley, J O Hambro, Trillium Asset Management or TSW should be considered before deciding whether to acquire or hold units in a fund or strategy. These funds or strategies may not be available in Australia and may not be distributed in Australia. Past performance is not indicative of future performance.

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# 1H24 Highlights

**Rob Adams**

**CEO and Managing Director**

# Simplification and sustainable growth

## Key themes

- Solid performance from Corporate Trust and Wealth Management, demonstrating resilience in higher interest rate environment
- Asset Management benefiting from larger, diversified AUM base, offsetting outflows in the second quarter
- Progressing strategy to simplify the business and deliver sustainable growth
- Integration of Pendal Group on track: synergies realised to-date ahead of interim target and total run-rate synergies of \$80 million by 2025 reaffirmed
- 2H24 focus: continuing to deliver synergies, improving net flows in Asset Management, unlocking benefits from simplification and concluding the Strategic Review announced in December 2023

## Headline results

	1H24	2H23	1H23	1H24 v 2H23 %	1H24 v 1H23 %
Operating revenue (\$m) <sup>1</sup>	657.8	625.5	388.3	5%	69%
Underlying profit after tax (UPAT) <sup>2</sup> (\$m)	98.2	96.2	67.0	2%	46%
Net profit after tax (NPAT) (\$m)	34.5	32.2	26.8	7%	29%
Dividends (cps) <sup>3</sup>	65.0	65.0	90.0	0%	(28%)
Diluted earnings per share (EPS) <sup>4</sup> on UPAT (cps)	85.0	81.2	115.4	5%	(26%)

1. Operating revenue is presented net of distributions and expenses of the EMCF structured products. For statutory purposes, revenue, distributions and expenses are adjusted to reflect the gross revenue and expenses of these products. 2. Underlying profit after tax (UPAT) attributable to equity holders of Perpetual reflects an assessment of the result for the ongoing business of the Perpetual Group as determined by the Perpetual Board and management. UPAT has been calculated in accordance with ASIC's Regulatory Guide 230 - Disclosing non-IFRS financial information. UPAT attributable to equity holders of Perpetual is disclosed as it is useful for investors to gain a better understanding of Perpetual's financial results from normal operating activities. 3. Dividends payable as a proportion of UPAT on ordinary fully paid shares at the end of each reporting period. Perpetual's dividend policy is to pay dividends within a range of 60% to 90% of UPAT on an annualised basis and maximising returns to shareholders. 1H23 made up of a special dividend of 35c paid on 8 February 2023 and an interim dividend of 55c paid on 31 March 2023. 4. Diluted EPS is calculated using the weighted average number of ordinary shares and potential ordinary shares on issue of 115,488,759 for 1H24 (2H23: 83,014,616 and 1H23: 58,099,004).

# Business highlights

Building strong foundations to drive sustainable growth



~A\$214b

AUM in **Asset Management** reflecting a large base to drive scale benefits



78%

of strategies<sup>1</sup> in **Asset Management** **outperformed** their benchmarks over three years<sup>2</sup>



No.1

Perpetual Asset Management Awarded 2023 **Zenith<sup>3</sup> Fund Manager of the Year**



~A\$2.5b

in net inflows into **Barrow Hanley** global and international equity strategies in 1H24<sup>4</sup>



18%

Growth in **Wealth Management's** UPBT vs. 1H23



5%

Growth in FUA for **Corporate Trust** vs. 1H23



**WINNER**  
Overall Fund Manager of the Year 2023  
FINANCIAL NEWSWIRE SQM



**IMAP**  
MANAGED ACCOUNT AWARD WINNER  
LICENSEE MANAGED ACCOUNT

FINANCIAL REVIEW  
**Top 100**  
Accounting Firms 2023  
We made the 2023 list!



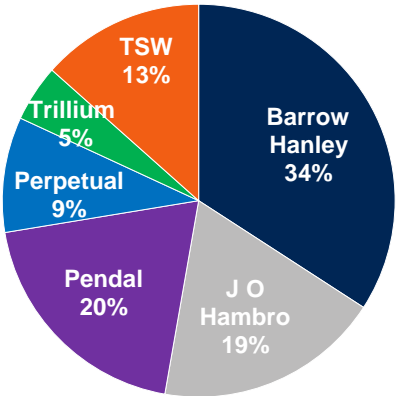
1. On a gross of fees basis, as at 31 December 2023. 2. Past performance is not indicative of future performance. See Barrow Hanley, Perpetual, Pandal, J O Hambro, TSW and Trillium websites for relevant performance. The product disclosure statements (PDS) or disclosure documents of any of the capabilities or funds should be considered before deciding whether to acquire or hold units in any fund. Refer to slide 2 for full disclaimer. 3. Zenith Investment Partners Pty Ltd ABN 27 103 132 672 AFSL 226872 Fund Awards issued 13 October 2023 are solely statements of opinion and not a recommendation in relation to making any investment decisions. Fund Awards are current for 12 months and subject to change at any time. Fund Awards for previous years are for historical purposes only. Full details on Zenith Fund Awards at <https://www.zenithpartners.com.au/zenith-fund-awards-2023/>. Also, Perpetual's Australian Equities Alternative Strategies and Multi-Asset Real Return strategy were winners of Zenith awards in 2023. 4. From all sources, all regions, flows are converted monthly using the month-end exchange rate.

# Asset Management

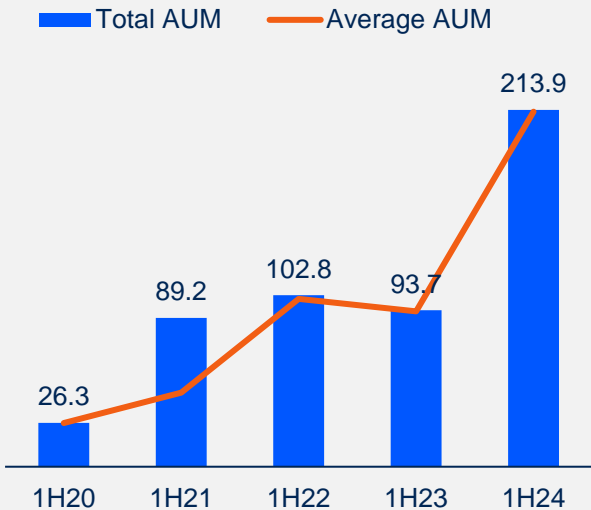
~\$214 billion in AUM provides a larger, more diversified and scalable platform for future growth

- UPBT up 165% on 1H23 (-1% on 2H23<sup>1</sup>), revenue up 142% on 1H23 (+5% on 2H23<sup>1</sup>), due to the inclusion of Pental Group in January 2023
- Cost to income ratio improvement from 80% in 1H23 to 78% in 1H24
- Total AUM of \$213.9 billion, up 128% on 1H23 (+1% on 2H23<sup>1</sup>), driven by Pental acquisition, market movements and investment outperformance, offsetting net outflows
- Net outflows of \$4.3 billion, driven by TSW (International Equity and US equities strategies) and J O Hambro (International and Global equities strategies)
- Barrow Hanley delivering net inflows 3 years' post-acquisition, driven by global and international capabilities which attracted ~\$2.5 billion in net inflows in 1H24

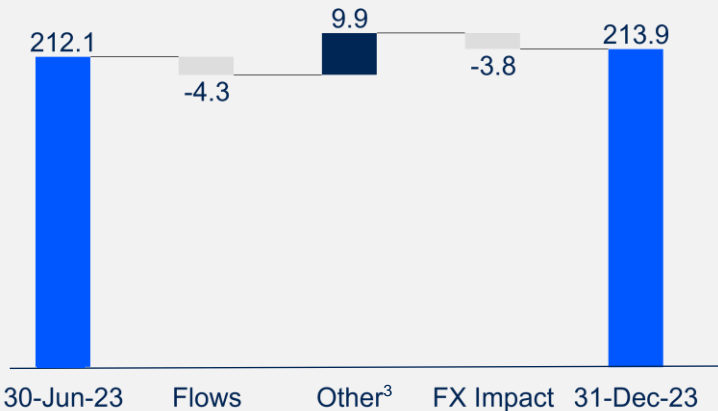
AUM by Boutique<sup>2</sup> (%)



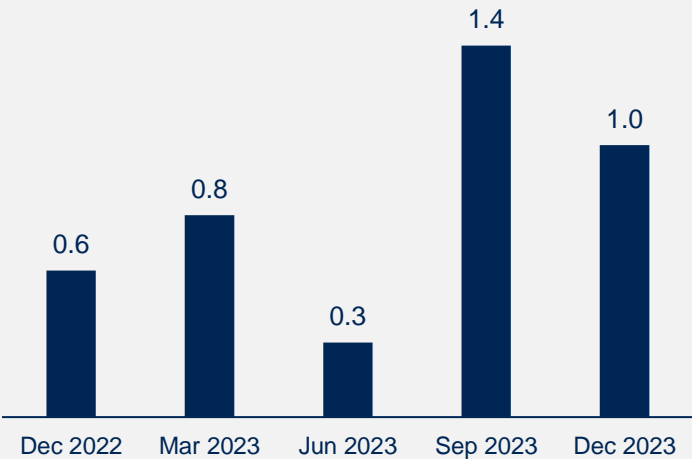
AUM (\$b)



AUM drivers in 1H24 (\$b)



Barrow Hanley's Global and International capabilities, quarterly net inflows (\$b)



1. 2H23 included Pental contributions from 11 January 2023. 2. Regnan is distributed as a brand across both J O Hambro and Pental boutiques. 3. Other includes changes in market value of assets, income, reinvestments, distributions, and asset class rebalancing across client holdings.

# Asset Management distribution update

Improvement in consistency of net flows our prime focus

## 1H24 Net flows

- TSW impacted by asset allocation shifts as clients re-risk
- Select client losses in J O Hambro international and global strategies
- Volatility in flows in low margin Australian cash
- Continued strong growth in Barrow Hanley net flows into Global, International and Emerging Markets strategies

## Global distribution team

- Renewed focus on client retention as well as continuing to drive new client inflows
- Leveraging the diversity across boutiques, investment styles, clients and channels
- New Head of Distribution EMEA appointed, refreshing distribution strategy
- US intermediary channel a key future focus area
- Product rationalisation continues: 17 funds closed in 1H24 and up to 50 further products and investment options targeted in CY24<sup>1</sup>

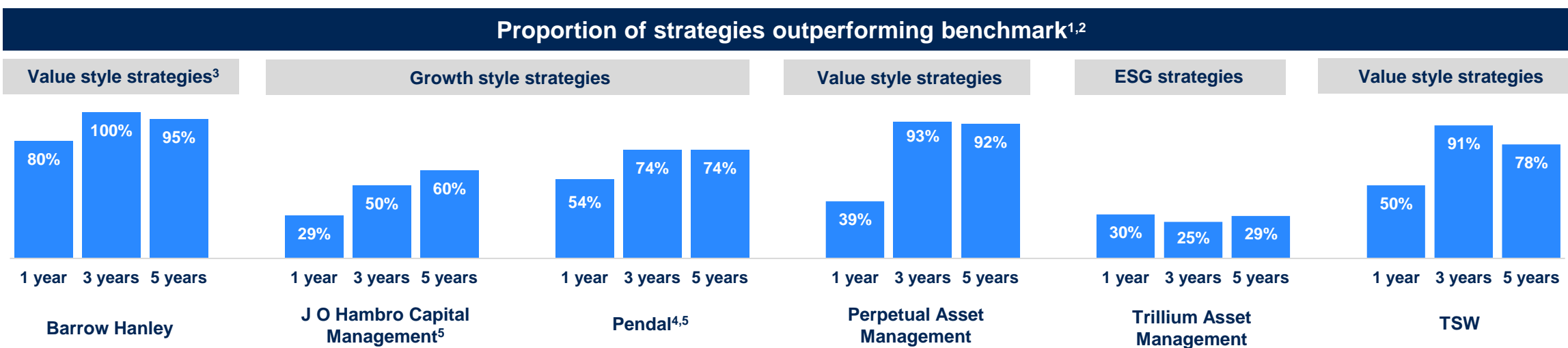
## Focused on improving consistency of net flows

- Strong investment performance with 78% of strategies outperforming benchmark over 3 years<sup>2</sup>
- Product platforms covering UK, Europe, Asia, US and Australia
- Ensuring fund managers reach clients in key regions with roadshows planned in Europe, Asia and the Middle East in 2H24
- Product rationalisation programme will improve Distribution focus, whilst meeting client demand
- Multi boutique strategy providing diversity of growth opportunities, including an ability to now create bespoke solutions for clients globally



# Asset Management delivering strong investment outperformance

78% of strategies ahead of benchmark over 3 years to 31 December 2023



1. Returns are presented gross of investment management fees and include the reinvestment of all income. Investment performance of the strategies may differ once fees and costs are taken into account. 2. Past performance is not indicative of future performance. See [www.perpetual.com.au](http://www.perpetual.com.au), [www.barrowhanley.com](http://www.barrowhanley.com), [www.trilliuminvest.com](http://www.trilliuminvest.com), <https://www.johcm.com>, <https://www.tswinvest.com/> and <https://www.pentalgroup.com/> for relevant performance. The product disclosure statements (PDS) or disclosure document of any of the capabilities or funds should be considered before deciding whether to acquire or hold units in any such offering. 3. Barrow Hanley investment performance includes fixed income strategies. Value strategies classification refers to equities strategies only. 4. Pental refers to Pental's asset management business in Australia not Pental Group. 5. Includes Regnan branded strategies.

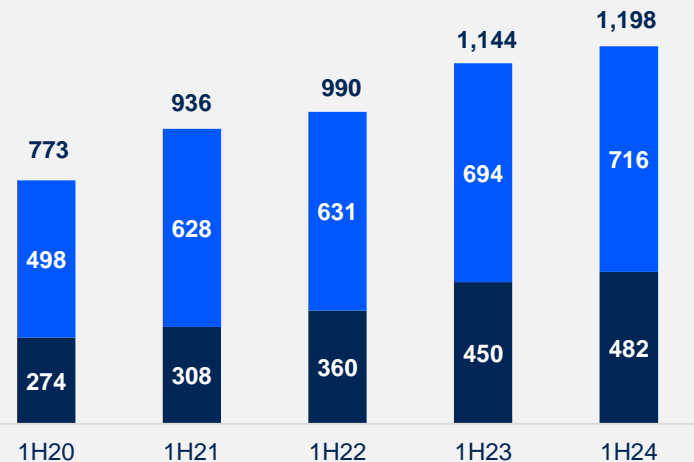
# Corporate Trust

A quality, sector leading business with long-term client relationships delivering revenue growth

- Revenue growth of 3% compared to 1H23, UPBT down 2% versus 1H23
- Expense growth was driven by increased investment in SaaS products for clients and investments to digitise Corporate Trust's legacy systems
- FUA up 5% compared to 1H23, driven by continued growth in public market securitisation and managed funds services
- Debt Market Services (DMS) division revenue was impacted by lower average FUA. The non-bank sector saw resilience in 1H24 despite higher funding costs and a competitive environment
- Managed Funds Services (MFS) division revenue grew by 5% compared to 1H23. The increase was primarily due to continued market activity in commercial property, both in Australia and Singapore
- Continued growth in Corporate Trust with momentum in Perpetual Digital for FY24 through client wins and further product extensions (e.g. global fixed income); MFS and DMS demonstrating resilience through the economic cycle

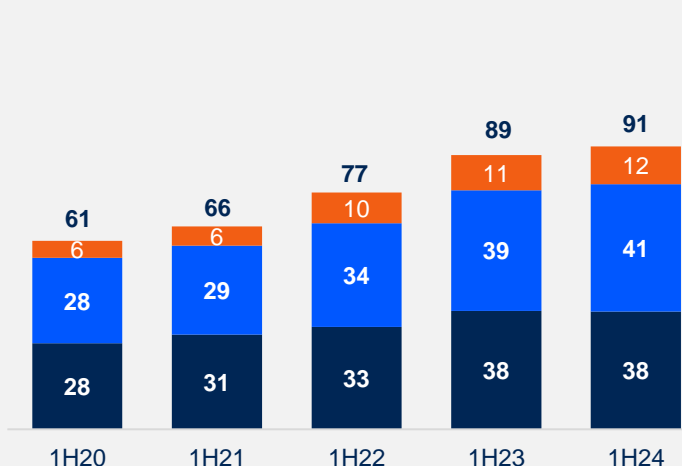
Continuation of FUA growth (\$b)<sup>1</sup>

■ MFS ■ DMS

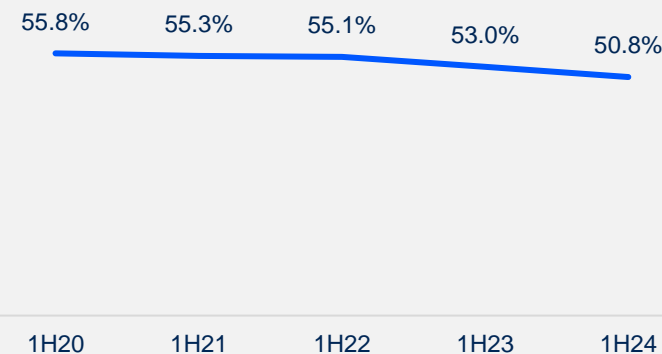


Continued revenue growth, by segment (\$m)<sup>1</sup>

■ Digital ■ MFS ■ DMS



Resilient EBITDA margin (%)



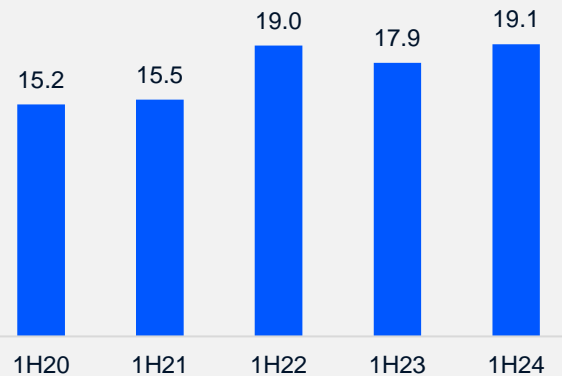
<sup>1</sup>. Note that totals are subject to rounding.

# Wealth Management

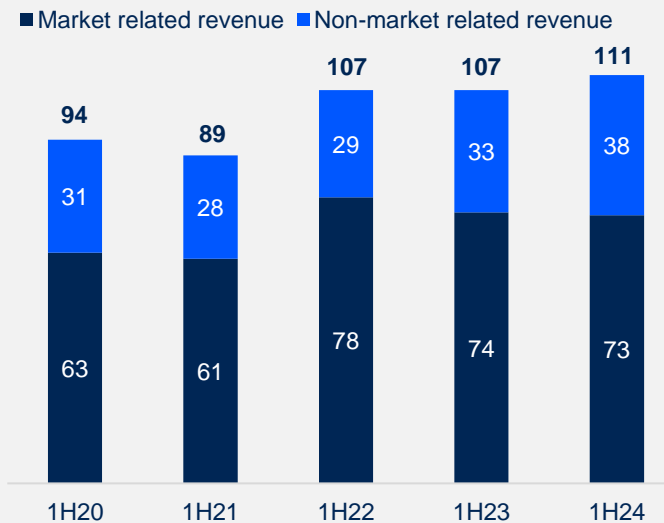
## Strong results driven by growth in non-market related revenue

- UPBT of \$26.0 million, up 18% on 1H23; total revenues up 4% to \$111.0 million driven by strong organic growth across all segments
- 1H24 FUA growth of 7% and net inflows of \$0.1 billion, lower than previous halves due to higher than average redemptions from Native Title and not-for-profit segments in the December quarter<sup>1</sup>
- Non-market revenue growth offset by slightly weaker market related revenue. There were no performance fees earned in market related revenue in 1H24. On a like-for-like basis (excluding performance fees of \$4.1 million in 1H23), market related revenue increased ~5%
- A new ESG reporting offering was launched to high-net-worth and philanthropic clients in-line with overall strategy to improve product offering for clients
- Completed the integration of Jacaranda's platform as well as a rebrand of its marketing suite

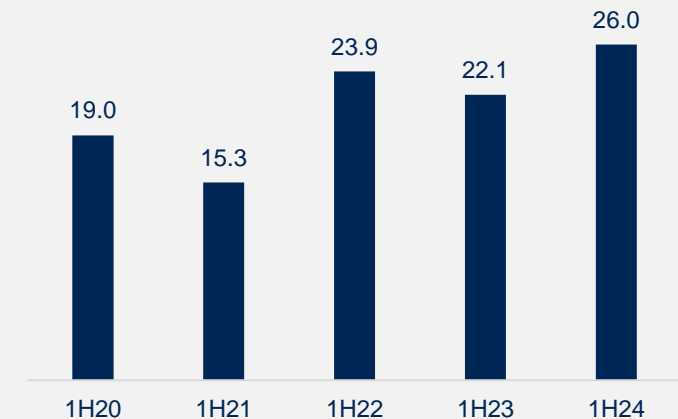
Funds Under Advice (\$b)



Revenue by segment (\$m)



Underlying Profit before Tax (UPBT) (\$m)



<sup>1</sup>.To fund client community payments and projects.

# Strategy focused on improving efficiency and delivering sustainable growth

## Continuing to take steps to simplify our business

### Strategy execution in 1H24

- ✓ Integration of Pandal Group delivering synergy benefits ahead of schedule
- ✓ Ensuring we have a focused Asset Management product suite, meeting client needs, and being increasingly solutions-led
- ✓ Streamlined technology platforms
  - Migrating Group-wide networks into the Cloud
  - Consolidating collaboration technology
  - Insourcing of key legacy arrangements for identity, database, security and service desk

### Key areas of focus for 2H24

- Continue to progress Pandal integration
- Efficient delivery of Asset Management product rationalisation programme
- Deliver technology platform upgrades
- Focused on reducing Group costs, whilst improving P&L accountability across all businesses

### Update on Strategic Review

- Strategic Review announced on 6 December 2023
- Purpose is to explore the benefits of potentially separating Wealth Management and Corporate Trust from Perpetual Group
- The Board is pleased with the progress to date



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# 1H24 Group Financials

Chris Green

Chief Financial Officer

# 1H24 financial results

## Revenue and UPAT up, driven by inclusion of Pental Group and growth in Corporate Trust and Wealth Management

For the period	1H24 \$m	2H23 \$m	1H23 \$m	1H24 v 2H23 (%)	1H24 v 1H23 (%)
<b>Operating revenue</b>	<b>657.8</b>	<b>625.5</b>	<b>388.3</b>	<b>5%</b>	<b>69%</b>
Total expenses	(522.4)	(496.3)	(298.3)	5%	75%
<b>Underlying profit before tax (UPBT)</b>	<b>135.3</b>	<b>129.2</b>	<b>90.0</b>	<b>5%</b>	<b>50%</b>
Tax expense	(37.2)	(33.0)	(23.0)	13%	62%
<b>Underlying profit after tax (UPAT)<sup>1</sup></b>	<b>98.2</b>	<b>96.2</b>	<b>67.0</b>	<b>2%</b>	<b>46%</b>
Significant items <sup>2</sup>	(63.6)	(63.9)	(40.3)	(0%)	58%
<b>Net profit after tax (NPAT)</b>	<b>34.5</b>	<b>32.2</b>	<b>26.8</b>	<b>7%</b>	<b>29%</b>
Diluted EPS on UPAT (cps) <sup>3</sup>	85.0	81.2	115.4	5%	(26%)
Diluted EPS on NPAT (cps) <sup>3</sup>	29.9	25.0	46.1	20%	(35%)
Dividends (cps)	65.0	65.0	90.0	-	(28%)
Return on equity <sup>4</sup> on UPAT (%)	8.6	11.8	14.8	(3.2)	(6.2)
Return on equity <sup>4</sup> on NPAT (%)	3.0	4.0	5.9	(1.0)	(2.9)

Note that totals are subject to rounding.

1. Underlying profit after tax (UPAT) attributable to equity holders of Perpetual Limited. 2. Significant items breakdown shown in Appendix A and Appendix B of the OFR and are shown net of tax. 3. Fully diluted using the weighted average number of ordinary shares and potential ordinary shares on issue of 115,488,759 for 1H24 (2H23: 83,014,616 and 1H23: 58,099,004). 4. The return on equity (ROE) quoted in the above table is an annualised rate of return based on actual results for each period. ROE is calculated using the UPAT or NPAT attributable to equity holders of Perpetual Limited for the period, divided by average equity attributable to equity holders of Perpetual Limited, multiplied by the number of such periods in a calendar year in order to arrive at an annualised ROE. 5. Includes performance fees earned by Asset Management and Wealth Management.

### Summary points:

- Revenue growth driven primarily by the inclusion of Pental Group from January 2023, and growth in Wealth Management and Corporate Trust
- Revenue included performance fees of \$5.4 million<sup>5</sup>
- Total expense growth was 5% on 2H23 and 75% on 1H23, mainly due to incorporation of Pental Group expenses as well as continued investment in technology infrastructure
- Effective tax rate on UPAT was 27.5% (25.5% in 1H23) due to prior period adjustments
- Significant items driven by transaction and integration costs for Pental Group
- NPAT increased 7% on 2H23
- Final dividend of 65 cps declared, representing a 75% payout ratio on 1H24 UPAT

# Growth in AUM/FUA supports revenue growth

## Asset Management

## Wealth Management

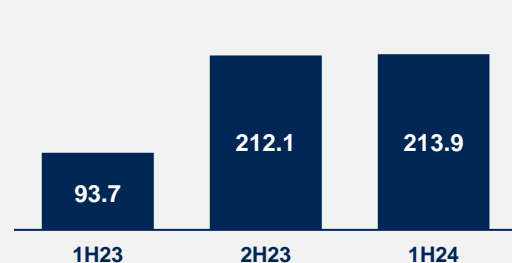
## Corporate Trust

AUM/FUA/FUA \$b

Revenue \$m

Closing AUM (\$b)<sup>1</sup>

↑ 128%  
vs 1H23



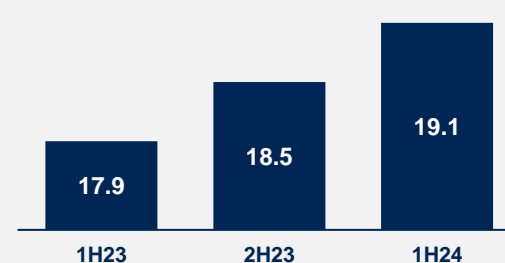
1H23

2H23

1H24

Closing FUA (\$b)

↑ 7%  
vs 1H23



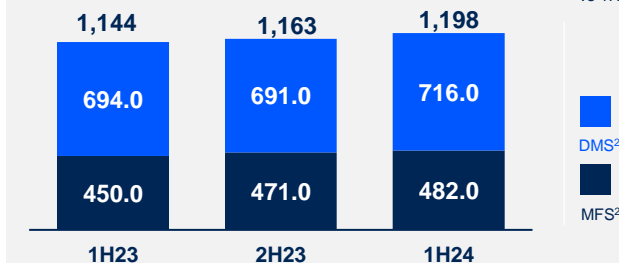
1H23

2H23

1H24

Closing FUA (\$b)

↑ 5%  
vs 1H23

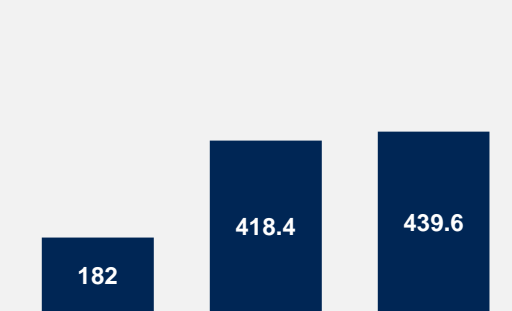


1H23

2H23

1H24

↑ 142%  
vs 1H23

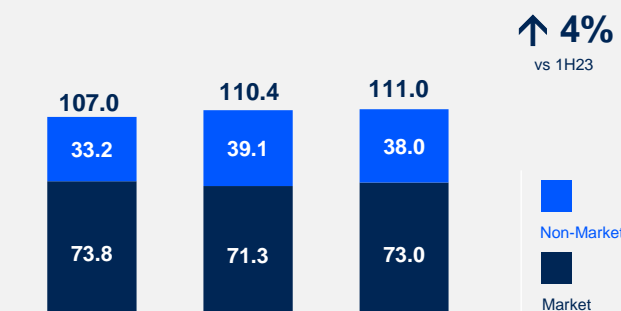


1H23

2H23

1H24

↑ 4%  
vs 1H23

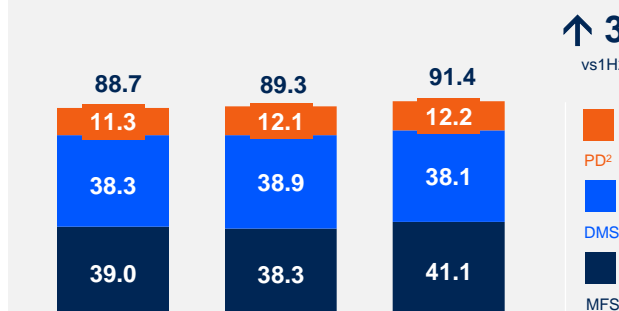


1H23

2H23

1H24

↑ 3%  
vs 1H23



1H23

2H23

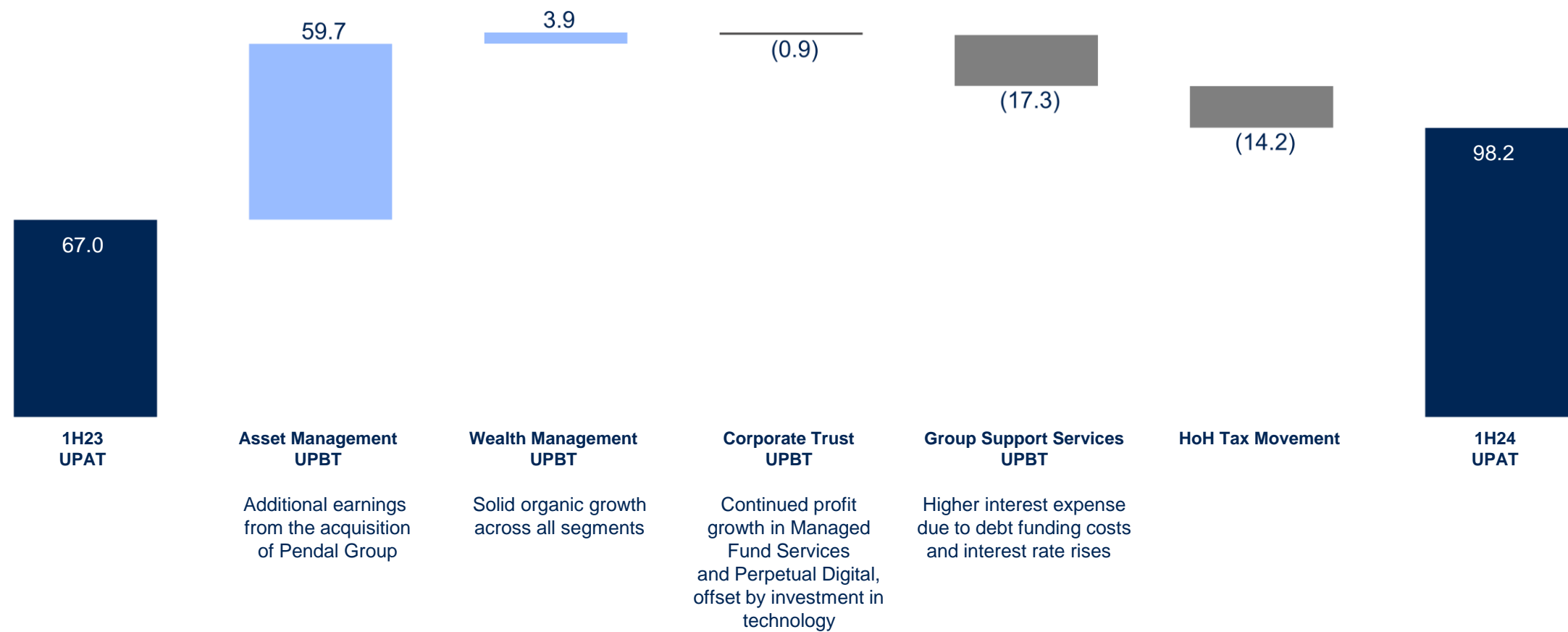
1H24

Note that totals are subject to rounding.

1. For AUM in the US region, a conversion rate of AUD:USD - 0.68 at 31 December 2023 was used, for EUKA AUM, a conversion rate of AUD:GBP - 0.54 at 31 December 2023 was used. Note that average AUM is provided on slide 27. 2. PD = Perpetual Digital, DMS = Debt Market Services, MFS = Managed Funds Services.

# 1H24 UPAT analysis

Movement in underlying profit after tax (\$m)<sup>1</sup>



1. Totals are subject to rounding.



# Pendal integration update

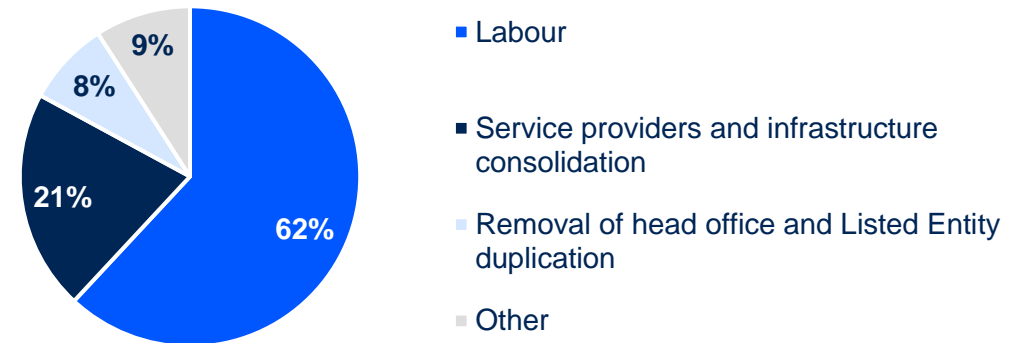
Synergies delivered ahead of year 1 target; on track for \$80 million<sup>1</sup> by January 2025

- \$56.8 million of annualised synergies delivered as at 31 December 2023, ahead of schedule
  - Majority of savings in labour (62% of synergies) and service provider and infrastructure consolidation (~20% of synergies)
  - \$23.5 million reflected in 1H24 results
- \$37.2 million<sup>2</sup> in integration related costs incurred as significant items
- Key integration focus areas for 2H24 are further progressing:
  - Technology application consolidation and infrastructure integration
  - Product and platform rationalisation
  - Property footprint rationalisation

Run-rate synergies delivered (\$m)



Synergies delivered by category (%)

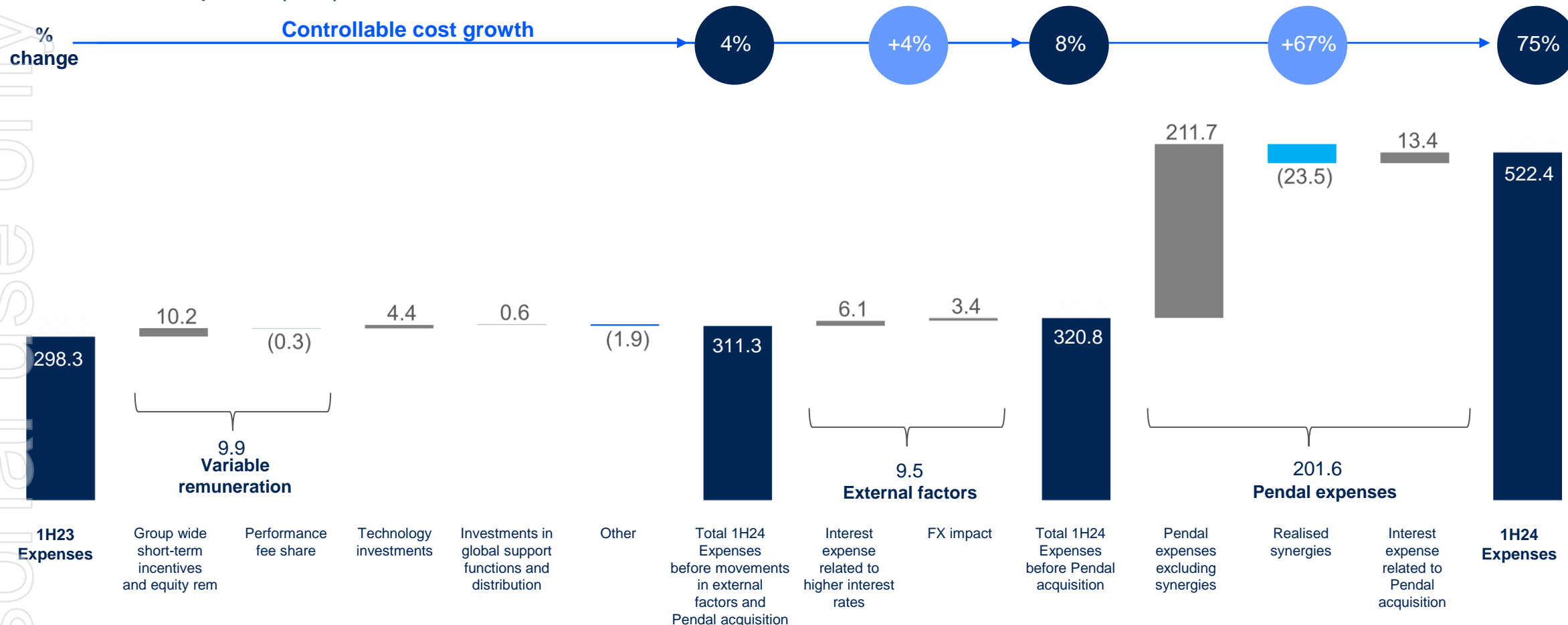


1. Run-rate synergies 2. Pre-tax

# Expense analysis

Overall expense growth incorporates Pental Group expenses

Movement in expenses (A\$m)<sup>2</sup>



**Total expense growth<sup>1</sup> guidance reaffirmed to be at the upper end of 27% and 31% growth for FY24**

1. This excludes remuneration expenses related to performance fees and is based on AUD:USD of 0.67 and AUD:GBP of 0.54. Note that expenses can fluctuate depending on exchange rates, interest rates and variable remuneration impacted by movements in AUM. 2. Totals are subject to rounding.

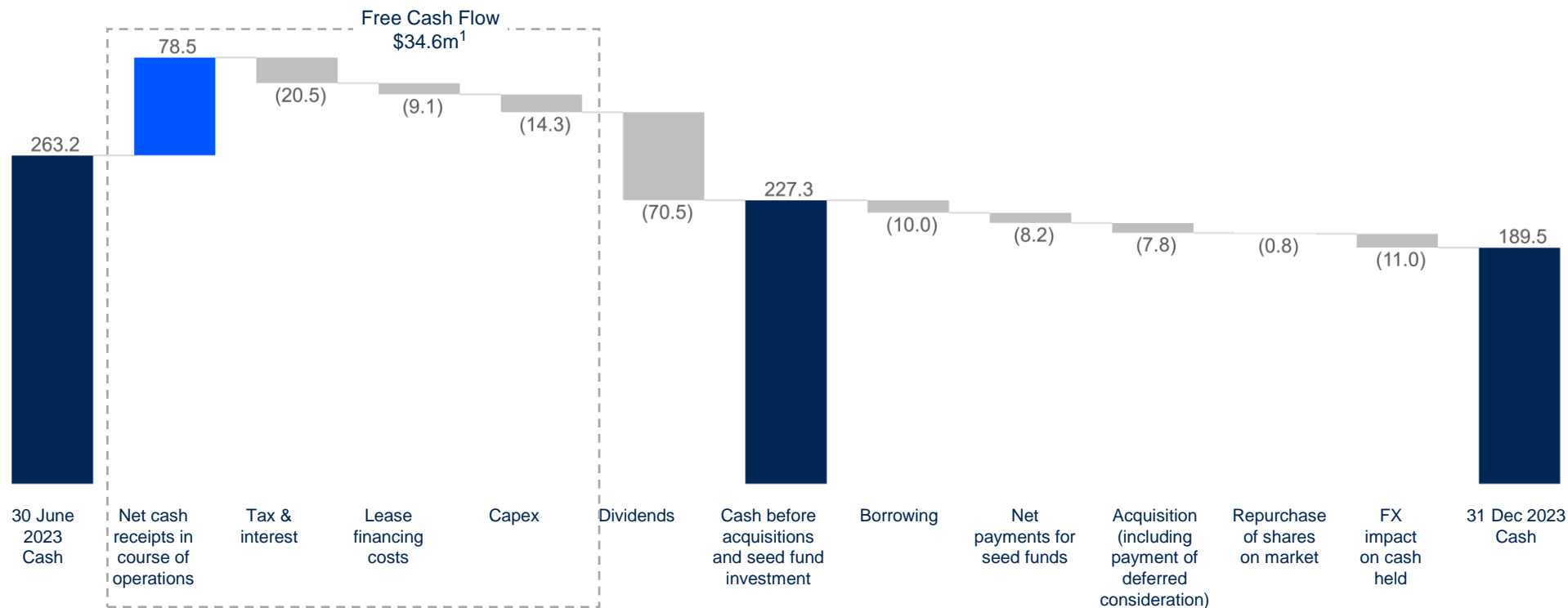
# Cashflow analysis

Cash balance remains healthy, with surplus free cashflow

## Key themes

- Positive free cashflow includes: Pandal contribution, stronger earnings in Wealth Management, offset by growth in expenses
- Borrowings reflects net repayment of debt through the period
- Net payments for seed funds reflects timing difference in redeployment of seed capital

Movement in cash<sup>2</sup> (\$m)



1.Free Cash Flow includes net cash receipts in course of operations, less tax & interest, less lease financing costs less capex. Investing in product proceeds and payments have been included within net cash receipts in course of operations. 2. Totals are subject to rounding.

# Balance sheet

Debt reduction a priority; targeting ~1.2x gross debt/EBITDA<sup>1,5</sup> by 2026

For the period	31 Dec 2023 <sup>2</sup> \$m	30 June 2023 <sup>2,3</sup> \$m	1H24 v 2H23 (%) <sup>2</sup>
Cash	189.5	263.2	(28%)
Liquid investments (FVTPL)	332.1	291.4	14%
Goodwill & other intangibles	2,583.7	2,660.9	(3%)
Other	719.3	669.6	7%
<b>Total assets</b>	<b>3,824.6</b>	<b>3,885.1</b>	(2%)
Borrowings (net of costs)	713.7	734.4	(3%)
Other liabilities	855.6	835.6	2%
<b>Total liabilities</b>	<b>1,569.3</b>	<b>1,570.0</b>	0%
<b>Net assets</b>	<b>2,255.3</b>	<b>2,315.1</b>	(3%)

## Key movements vs 2H23

- Goodwill and other intangibles decreased by \$77.2 million due to the amortisation of customer contracts during the period
- Borrowings decreased by \$20.7 million in 1H24
- Gearing ratio<sup>4</sup> remains relatively stable at 24.3% for 1H24
- Gross debt / EBITDA<sup>5</sup> of 1.91x (net debt/EBITDA<sup>5</sup> of 1.41x)

1. As announced on 25 August 2022 as part of the Pandal Group acquisition announcement. 3-year target is based on the Pandal Group acquisition completion date of 23 January 2023. 2. Totals are subject to rounding. 3. Prior year comparatives have been restated following the completion of the purchase price allocation (PPA) of the Pandal Group. 4. Gearing ratio is calculated as corporate debt / (corporate debt + equity). 5. Based on the definition of EBITDA for banking covenant purposes. Based on total borrowings.

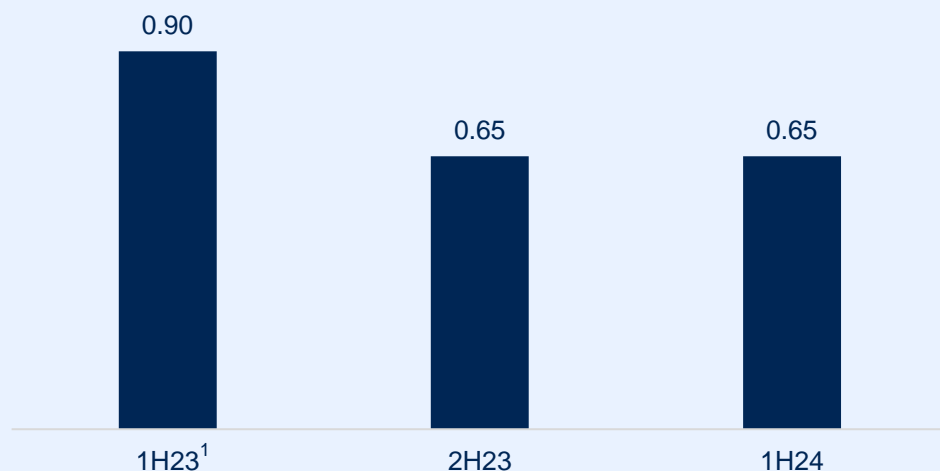


# Dividends

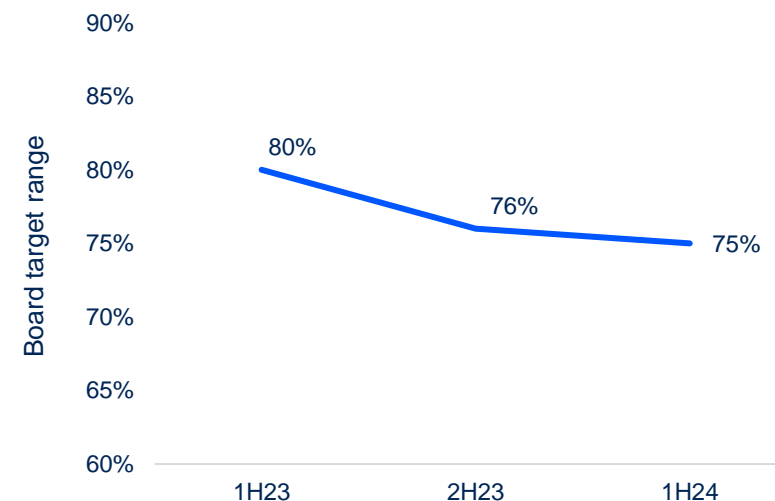
## Dividend payout ratio within stated target payout range

- Interim dividend of 65 cps declared, 35% franked, to be paid on 8 April 2024
- Interim dividend represents a 75% of 1H24 UPAT payout ratio, within the Board's stated target range to payout between 60% - 90% of UPAT on an annualised basis
- Future franking levels will be driven by the percentage of Australian earnings as a proportion of total earnings

Dividends (\$ps)



Payout ratio (% of UPAT)



1. This includes a special dividend for 1Q23 paid to Perpetual shareholders on the register as at 10 January 2023, excluding Pandal shareholders not on the register at that date and an Interim dividend (excluding special dividend) per share based on 112 million shares on issue as at 20 February 2023 and paid from the combined earnings of Perpetual and Pandal for the period from 1 October 2022 to 31 December 2022.

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# Summary & Outlook

**Rob Adams**

**CEO and Managing Director**

# Summary & Outlook

Delivering sustainable growth and improving efficiencies

## Net flows

Focused on leveraging strong investment performance and unified global distribution team to improve consistency of net flows

## Scalable platform

Leverage our diversified base of \$214 billion in AUM to drive efficiencies and growth

## Pendal integration

Deliver integration and synergies

## Simplify

Reduce complexity to improve efficiency and focus

## Strategic Review

Complete the Strategic Review announced in December 2023



PENDAL



BARROW HANLEY  
GLOBAL INVESTORS



Regnan



T | S | W



# Contacts

## Emma Rumble

Global Head of Corporate Affairs  
& Sustainability

✉ [emma.rumble@perpetual.com.au](mailto:emma.rumble@perpetual.com.au)

☎ +612 9229 3998

## Susie Reinhardt

Head of Investor Relations

✉ [susie.reinhardt@perpetual.com.au](mailto:susie.reinhardt@perpetual.com.au)

☎ +612 9125 7047

## Head Office

Level 18, Angel Place  
123 Pitt Street  
SYDNEY NSW 2000  
AUSTRALIA

## Connect with us at:

🌐 [perpetual.com.au](http://perpetual.com.au)

🌐 [pendal.com.au](http://pendal.com.au)

🌐 [johcm.com](http://johcm.com)

🌐 [barrowhanley.com](http://barrowhanley.com)

🌐 [regnan.com](http://regnan.com)

🌐 [tswinvest.com](http://tswinvest.com)

🌐 [trilliuminvest.com](http://trilliuminvest.com)

🌐 [linkedin.com/company/perpetual-limited/](https://www.linkedin.com/company/perpetual-limited/)

🐦 [twitter.com/perpetual\\_ltd](https://twitter.com/perpetual_ltd)

## About Perpetual

Perpetual Limited (ASX:PPT) is an ASX-listed, global financial services firm operating a multi-boutique asset management business, as well as wealth management and trustee services businesses.

Perpetual owns leading asset management brands including Perpetual, Pental, Barrow Hanley, J O Hambro, Regnan, Trillium and TSW.

Perpetual's wealth management business services high-net worth clients, not for profits, and small businesses through brands such as Perpetual Private, Jacaranda Financial Planning and Fordham.

Perpetual's corporate trust division provides services to managed funds, the debt market and includes a growing digital business, encompassing Laminar Capital.

Headquartered in Sydney, Perpetual services its global client base from offices across Australia as well as internationally from Asia, Europe, the United Kingdom and the United States.

For further information, go to [www.perpetual.com.au](http://www.perpetual.com.au)

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## Appendix

### Our strategy

# Our strategy

## Simplifying and driving sustainable growth



**Our purpose:** To create enduring prosperity

**Our values:** Excellence, Integrity, Partnership

**Clients:** Enduring relationships and trusted brand

**People:** Inclusive, empowered and accountable culture enabling high performance

**Shareholders:** Delivering sustainable quality growth

**Community:** Support strong and sustainable communities

### Unique combination of businesses

#### Asset Management

Differentiated and active investment capabilities across multiple boutiques and asset classes servicing clients in all key regions globally

#### Wealth Management

Specialised financial advice and fiduciary services focused on the comprehensive needs of families, businesses and communities

#### Corporate Trust

Leading corporate trustee and digital solutions provider to the banking and financial services industry

### Strategic imperatives

#### Client First



- Provide trusted advice and stewardship
- Deliver a high quality client experience
- Deliver strong investment performance
- Be an employer of choice to attract and retain the best talent
- Set strong industry standards in all that we do

#### Simplify



- Complete successful integration of Pental and synergy realisation
- Seek areas of simplification across portfolio of businesses
- Focus on areas where the Group adds value
- Maintain focus on building a simple, efficient, secure and scalable platform
- Drive proactive risk management and strong governance standards

#### Sustainable Growth



- Unlock benefits of global multi-boutique model and distribution network
- Leverage strengths in sustainable investing to build competitive advantage
- Targeted investment in growth engines
- Continue to build out innovative digital solutions

### Success measures



**Client NPS**



**Employee Engagement**



**EPS Growth**



**Total Shareholder Return**



**Sustainability Commitments**  
(Our Prosperity Plan)

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# Appendix

## Detailed divisional result commentary



# Asset Management

For the period	1H24 \$m	2H23 <sup>1</sup> \$m	1H23 \$m	1H24 v 2H23	1H24 v 1H23
Revenue	439.6	418.4	182.0	5%	142%
Operating expenses	(321.2)	(298.5)	(139.2)	8%	131%
EBITDA	118.4	119.9	42.8	(1%)	176%
Depreciation & amortisation	(9.8)	(9.0)	(4.2)	8%	135%
Equity remuneration	(12.0)	(13.3)	(2.2)	(10%)	Large <sup>2</sup>
Interest expense	(0.9)	(1.0)	(0.4)	(14%)	146%
Underlying profit before tax	95.8	96.5	36.1	(1%)	165%
PBT Margin on revenue (%)	22	23	20	(1)	2
Closing AUM	213.9	212.1	93.7	1%	128%
Average AUM	212.6	200.7	93.1	6%	128%

Note that totals are subject to rounding.

1. Includes 5.5 months contribution from Pandal Group. 2. Large is defined as a percentage change that exceeds +/- 200%

# Corporate Trust

For the period	1H24 \$m	2H23 \$m	1H23 \$m	1H24 v 2H23	1H24 v 1H23
Debt Market Services revenue	38.1	38.9	38.3	(2%)	(1%)
Managed Funds Services revenue	41.1	38.3	39.0	7%	5%
Perpetual Digital revenue	12.2	12.1	11.3	1%	8%
<b>Total revenues</b>	<b>91.4</b>	<b>89.3</b>	<b>88.7</b>	<b>2%</b>	<b>3%</b>
Operating expenses	(44.8)	(43.4)	(41.7)	3%	7%
<b>EBITDA</b>	<b>46.5</b>	<b>45.9</b>	<b>46.9</b>	<b>1%</b>	<b>(1%)</b>
Depreciation & amortisation	(4.3)	(4.3)	(4.1)	0%	5%
Equity remuneration	(1.3)	(1.4)	(1.0)	(4%)	38%
Interest expense	(0.2)	(0.3)	(0.3)	(31%)	(32%)
<b>Underlying profit before tax</b>	<b>40.8</b>	<b>40.0</b>	<b>41.7</b>	<b>2%</b>	<b>(2%)</b>
PBT Margin on revenue (%)	45	45	47	-	(2)
Closing FUA (A\$b) – Debt Markets Services	715.5	691.1	693.9	3%	3%
Closing FUA (A\$b) – Managed Funds Services	482.4	471.4	449.9	2%	7%

Note that totals are subject to rounding.

# Wealth Management

For the period	1H24 \$m	2H23 \$m	1H23 \$m	1H24 v 2H23	1H24 v 1H23
Market related revenue	73.0	71.3	73.8	2%	(1%)
Non-market related revenue	38.0	39.1	33.2	(3%)	15%
<b>Total revenues</b>	<b>111.0</b>	<b>110.4</b>	<b>107.0</b>	<b>1%</b>	<b>4%</b>
Operating expenses	(77.7)	(77.8)	(77.6)	(0%)	0%
<b>EBITDA</b>	<b>33.3</b>	<b>32.6</b>	<b>29.3</b>	<b>2%</b>	<b>14%</b>
Depreciation & amortisation	(4.6)	(4.3)	(4.8)	7%	(4%)
Equity remuneration	(2.3)	(2.4)	(2.2)	(4%)	4%
Interest expense	(0.4)	(1.1)	(0.2)	(57%)	92%
<b>Underlying profit before tax</b>	<b>26.0</b>	<b>24.9</b>	<b>22.1</b>	<b>5%</b>	<b>18%</b>
PBT Margin on revenue (%)	23	23	21	-	2
Closing FUA (A\$b)	19.1	18.5	17.9	3%	7%
Average FUA (A\$b)	18.6	18.4	17.8	1%	4%

Note that totals are subject to rounding.

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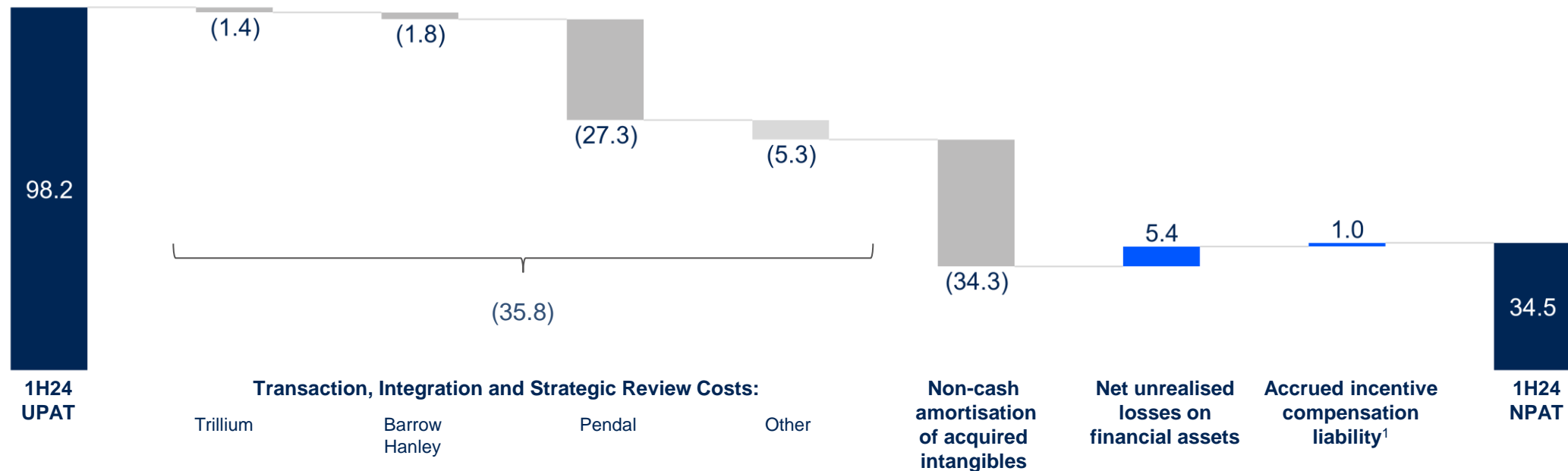
## Appendix

### UPAT to NPAT reconciliation

# UPAT to NPAT reconciliation

\$63.6m of significant items mainly attributable to acquisitions

Movement in profit after tax (\$m)<sup>2</sup>



1. Relates to fair value movements on the accrued incentive compensation liability. This liability reflects the 25% of employee-owned units in Barrow Hanley. 2. Totals are subject to rounding.

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## Appendix

### Assets under Management – Investment Performance of key strategies

# Asset Management

## Investment performance<sup>1,2</sup> across key<sup>3</sup> strategies (to 31 December 2023)

Annualised gross performance (%)  
31 December 2023<sup>1</sup>  
Strategy Return (Gross)

Excess returns above benchmark (%)<sup>1</sup>  
Period ending 31 December 2023

	Strategy Type	Strategy	Benchmark	1Y	3Y	5Y	10Y	1Y	3Y	5Y	10Y
Barrow Hanley	Equities	Large Cap Value	Russell 1000 Value	12.1	11.8	12.8	9.7	0.6	2.9	1.9	1.3
	Equities	Global Value	MSCI World Value	15.9	9.0	11.8	8.0	4.4	0.7	2.9	2.1
	Equities	Diversified Large Cap Value	Russell 1000 Value	13.8	11.8	13.9	9.7	2.4	3.0	3.0	1.3
	Equities	Non-U.S. Value	MSCI EAFE Value	19.2	10.8	12.4	5.7	0.3	3.2	5.4	2.5
	Equities	Emerging Markets	MSCI Emerging Markets	9.8	3.5	6.9	4.6	0.0	8.6	3.2	1.9
	Equities	Small Cap Value	Russell 2000 Value	20.5	9.9	16.4	9.7	5.8	2.0	6.4	3.0
	Equities	Dividend Focused Value	Russell 1000 Value	6.3	12.3	11.1	8.3	-5.2	3.4	0.2	-0.1
	Equities	All Country World ex-U.S. Value	MSCI All Country World Ex-United States Value	19.5	10.4	12.7	-	2.2	4.6	6.3	-
	Fixed Income	High Quality Core	Bloomberg US Aggregate	6.3	-3.1	1.6	2.1	0.8	0.2	0.5	0.3
	Fixed Income	Long Credit	Bloomberg US Aggregate Credit - Long	11.2	-6.4	3.5	4.2	0.4	0.1	0.8	0.4
JOHCM	Emerging Markets	Global Emerging Markets Opportunities	MSCI EM (Emerging Markets) NR Index	2.4	0.6	5.4	7.5	-1.2	3.5	1.7	2.1
	Global/International	International Select Equities	MSCI EAFE NR Index	12.7	-1.2	7.2	8.9	1.1	-7.6	-0.9	1.8
	Global/International	Global Opportunities Equities	MSCI All Country World NR Index	7.2	10.4	9.7	11.4	-8.1	2.2	-2.0	0.6
	Global/International	Global Select Equities	MSCI All Country World NR Index	6.5	1.4	10.3	10.2	-8.8	-6.8	-1.4	-0.6
	Global/International	Global Select ex US Equities	MSCI All Country World ex US NR Index	15.4	-4.0	5.0	7.0	6.3	-8.0	-2.0	0.4
	UK	UK Equities - Dynamic	FTSE All Share Total Return	13.3	12.9	7.8	7.2	5.3	4.3	1.2	1.9
	UK	UK Equities - Income	FTSE All Share Total Return	6.9	10.4	6.7	5.9	-1.0	1.7	0.1	0.6
Pendal	Australian Equities	Focus	S&P/ASX 300 (TR) Index	14.4	9.3	12.2	10.1	2.3	0.3	2.0	2.2
	Australian Equities	Australian Share	S&P/ASX 300 (TR) Index	14.3	9.8	11.4	8.8	2.2	0.8	1.2	0.9
	Cash	Managed Cash	Bloomberg AusBond Bank Bill Index	4.2	1.9	1.6	2.0	0.3	0.2	0.2	0.2
Perpetual As	Australian Equities	Concentrated	S&P/ASX 300 Accum Index	8.4	12.4	10.2	7.9	-3.7	3.4	-0.1	0.0
	Australian Equities	Industrials	S&P/ASX 300 Industrial Accum Index	10.4	9.8	9.5	7.3	-1.8	2.5	0.8	-0.2
	Australian Equities	Australian Share	S&P/ASX 300 Accum Index	6.0	10.0	10.5	7.2	-6.1	1.0	0.2	-0.7
	Australian Fixed Income	Diversified Income	Bloomberg AusBond Bank Bill Index	8.4	3.9	4.0	4.2	4.5	2.2	2.6	2.4
	Global Equities	Barrow Hanley Global Share	MSCI World Net Total Return Index (\$A)	14.6	13.4	14.2	12.2	-8.4	1.6	0.7	0.7
Trillium	Additional Asset Classes	Balanced	60% S&P 500 / 40% BBG U.S. Int. Gov/Credit Bond	12.5	3.5	9.0	7.0	-5.1	-2.0	-1.2	-1.1
TSW	International Equities	International Equity	MSCI EAFE Index	17.3	4.8	8.6	4.7	-0.9	0.8	0.4	0.4
	International Equities	International Small Cap	MSCI EAFE Small Cap Index	18.9	4.0	9.5	6.2	5.7	4.7	3.0	1.4
	US Equities	MID Cap Value	Russell Midcap® Value Index	11.1	9.7	11.8	9.6	-1.6	1.4	0.6	1.3
	US Equities	SMID Value	Russell 2500™ Value Index	12.3	9.0	10.8	7.3	-3.7	0.2	0.0	-0.1

1. Investment performance presented gross of fees and includes reinvestment of distributions. Returns are annualised for periods of more than one year. See further disclaimers on slide 34. 2. Past performance is not indicative of future performance. See [www.perpetual.com.au](http://www.perpetual.com.au), [www.barrowhanley.com](http://www.barrowhanley.com), [www.trilliuminvest.com](http://www.trilliuminvest.com), <https://www.johcm.com>, <https://www.tswinvest.com/> and <https://www.pendalgroup.com/> for relevant performance..

3. Key strategies is defined as the largest strategies by assets under management across the Group, with the exception of Trillium which is the largest strategy by assets under management within that boutique.



# Asset Management

## Disclaimer notes to Slide 33

### **Barrow Hanley**

Material presented is based on the respective GIPS® compliant composite and not an individual account.  
Performance is expressed in USD currency.

### **J O Hambro Capital Management**

Gross performance is the unit price returns grossed up by fees. For segregated accounts (Global Select ex US, Emerging Markets and European Concentrated Values strategies), the time-weighted rate of return is calculated at a gross, end of day security level on a daily basis.  
Strategy performance shown is based on the relevant composite.  
Performance is expressed in GBP currency. Excess returns are calculated arithmetically.

### **Pendal**

The same Strategy representative Portfolio is used for all time periods. Within a Strategy, Portfolios may have different objectives, exclusions, benchmarks, tenures and may move between strategies over time. This is not shown in the return of the representative Portfolio. A Strategy may contain a mix of Funds (with or without PDS) and Mandates.  
Performance is expressed in AUD currency.

### **Perpetual**

Gross performance for Australian and Global Equity strategies are time-weighted rates of return, sourced from investment book of records (IBOR). All other strategies are unit price returns grossed up by fees, sourced from accounting book of records (ABOR).  
Strategy performance shown is based on a representative fund, not a composite.  
Performance is expressed in AUD currency.

### **Trillium**

Returns are presented are based on the respective non-wrap fee GIPS® compliant composite, or where no composite exists, based on a representative portfolio of the strategy.  
Performance is expressed in USD currency,

### **TSW**

Strategy performance shown is based on the relevant composite.  
Performance is expressed in USD currency. Excess returns are calculated arithmetically.

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## Appendix

### **Assets under Management, Funds under Advice and Funds under Administration**

# Asset Management: AUM and flows

## AUM by asset class (\$b)

For the period		30 June 2023 (\$b)	Flows	Other <sup>1</sup>	Foreign Exchange Impacts <sup>2</sup>	31 December 2023 (\$b)
Equities	Australia	28.9	(0.6)	1.2	-	29.5
	Global/International	69.8	(1.4)	3.1	(1.7)	69.9
	UK	8.8	(0.4)	0.6	(0.2)	8.8
	US	52.3	(2.1)	3.4	(1.4)	52.2
	Europe	1.5	(0.2)	0.1	(0.0)	1.4
	Emerging Markets	8.1	0.4	0.1	(0.2)	8.4
<b>Total Equities</b>		<b>169.4</b>	<b>(4.3)</b>	<b>8.5</b>	<b>(3.5)</b>	<b>170.2</b>
Fixed Income	Australia	10.2	(0.2)	0.3	-	10.3
	US	10.0	(0.2)	0.4	(0.3)	10.0
<b>Total Fixed Income</b>		<b>20.2</b>	<b>(0.4)</b>	<b>0.8</b>	<b>(0.3)</b>	<b>20.3</b>
<b>Multi Asset</b>		<b>9.7</b>	<b>(0.4)</b>	<b>0.3</b>	<b>(0.1)</b>	<b>9.5</b>
<b>Other</b>		<b>0.8</b>	<b>(0.0)</b>	<b>0.0</b>	<b>-</b>	<b>0.9</b>
<b>Total Group ex cash</b>		<b>200.1</b>	<b>(5.1)</b>	<b>9.6</b>	<b>(3.8)</b>	<b>200.9</b>
Cash		12.0	0.8	0.3	-	13.0
<b>Total Group</b>		<b>212.1</b>	<b>(4.3)</b>	<b>9.9</b>	<b>(3.8)</b>	<b>213.9</b>

Note that totals are subject to rounding.

1. Other includes changes in market value of assets, income, reinvestments, distributions and asset class rebalancing across client holdings. 2. For AUM in the US region, a conversion rate of AUD:USD - 0.68 at 31 December 2023 was used, for EUKA AUM, a conversion rate of AUD:GBP - 0.54 at 31 December 2023 was used.

# Asset Management: AUM by asset class and base management fee margins

Asset Class	AUM (A\$b) (31 Dec 2023)
Australian equities	29.5
Global/International equities	69.9
US equities	52.2
UK equities	8.8
European equities	1.4
Emerging Markets equities	8.4
<b>Total Equities</b>	<b>170.2</b>
Australian Fixed income	10.3
US Fixed Income	10.0
<b>Total Fixed Income</b>	<b>20.3</b>
Multi-Asset	9.5
Cash	13.0
Other	0.9
<b>Total Assets under Management</b>	<b>213.9</b>

Base management fee (bps) – margin map as at 31 December 2023

Australian equities	UK equities
Global/International equities	European equities
Multi-asset	Emerging Markets equities
US equities	US Fixed Income
Australian Fixed Income	Cash



# Wealth Management FUA and AUM

## FUA by client segment and AUM

### FUA (\$b) (Inclusive of AUM)

	1H24	1H23 <sup>1</sup>	1H24 v 1H23
Community and Social Investments (CSI)	6.4	5.7	12%
High Net Worth	11.9	11.3	5%
Other	0.9	0.8	13%
<b>Total FUA</b>	<b>19.1</b>	<b>17.9</b>	<b>7%</b>

Note that totals are subject to rounding

1. 1H23 FUA components have been restated.

### AUM (\$b)

	1H24	1H23	1H24 v 1H23
Select Portfolios	2.8	2.7	4%
Implemented Portfolios	4.5	3.9	15%
Growth Opportunities Funds	0.8	0.8	-
<b>Total AUM</b>	<b>8.1</b>	<b>7.4</b>	<b>9%</b>

# Corporate Trust

## FUA by segment (\$b)

For the period	1H24	2H23	1H23	1H24 v 2H23	1H24 v 1H23
<b>Public Market Securitisation</b>					
RMBS - bank (ADI)	61.2	52.4	54.3	17%	13%
RMBS - non bank	85.2	79.3	83.0	8%	3%
ABS and CMBS	64.5	60.7	61.7	6%	5%
<b>Balance Sheet Securitisation</b>					
RMBS - repos	390.1	393.3	393.1	(1%)	(1%)
Covered bonds	99.8	89.2	83.4	12%	20%
<b>Debt Market Services - Securitisation<sup>1</sup></b>	<b>700.9</b>	<b>674.9</b>	<b>675.5</b>	<b>4%</b>	<b>4%</b>
Corporate and Structured Finance	14.5	16.2	18.4	(11%)	(21%)
<b>Total Debt Market Services</b>	<b>715.5</b>	<b>691.1</b>	<b>693.9</b>	<b>4%</b>	<b>3%</b>
Custody	245.3	244.5	229.6	0%	7%
Wholesale Trustee	124.8	115.7	117.2	8%	7%
Responsible Entity	52.0	52.1	51.6	(0%)	1%
Singapore	60.3	59.0	51.5	2%	17%
<b>Managed Funds Services</b>	<b>482.4</b>	<b>471.4</b>	<b>449.9</b>	<b>2%</b>	<b>7%</b>
<b>Total FUA</b>	<b>1,197.8</b>	<b>1,162.5</b>	<b>1,143.8</b>	<b>3%</b>	<b>5%</b>

Note that totals are subject to rounding.

1. Includes warehouse and liquidity finance facilities.