

Perpetual Investment Funds

PERPETUAL WHOLESALE INTERNATIONAL SHARE FUND

May 2025

FUND FACTS

Investment objective: Aims to provide investors with long-term capital growth through investment in quality global shares.

FUND BENEFITS

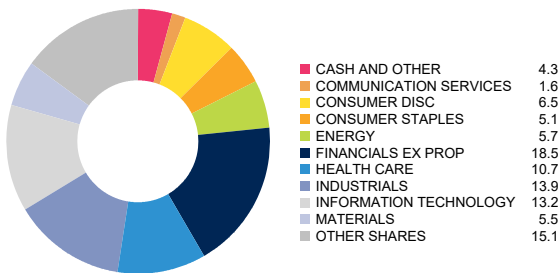
Provides investors with the potential for capital growth through a portfolio of global companies using Barrow Hanley's experienced investment team and disciplined investment process.

FUND RISKS

All investments carry risk and different strategies may carry different levels of risk. The relevant product disclosure statement or offer document for a fund should be considered before deciding whether to acquire or hold units in that fund. Your financial adviser can assist you in determining whether a fund is suited to your financial needs.

Benchmark: MSCI World Net Total Return Index (\$A)
Investment Manager: Barrow, Hanley, Mewhinney & Strauss, LLC
Inception Date: April 1997
Size of Portfolio: \$88.52 million as at 31 Mar 2025
APIR: PER0050AU
Management Fee: 0.99%*
Investment style: Active, fundamental, bottom-up, value
Suggested minimum investment period: Seven years or longer

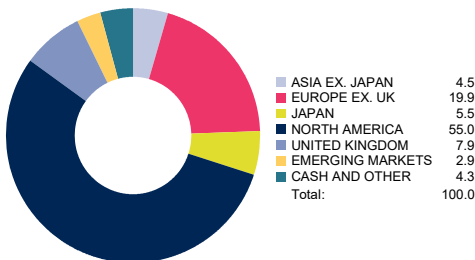
PORTFOLIO SECTORS



TOP 5 STOCK HOLDINGS

	% of Portfolio
Bank of Nova Scotia	3.0%
Sanofi SA	2.9%
Merck & Co., Inc.	2.9%
Rheinmetall AG	2.7%
BAE Systems plc	2.5%

PORTFOLIO REGIONS

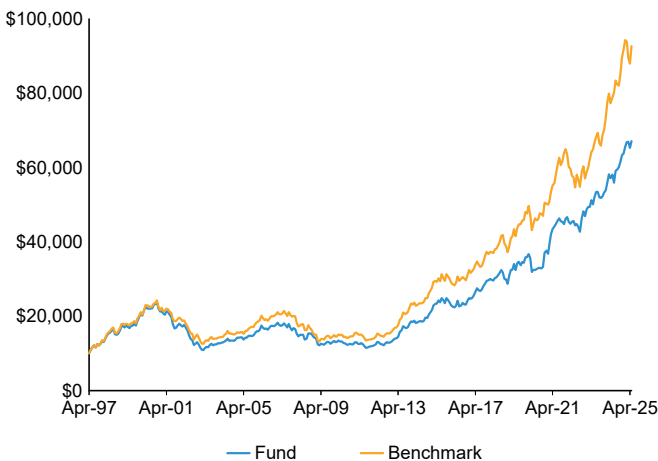


NET PERFORMANCE - periods ending 31 May 2025

	Fund	Benchmark #	Excess
1 month	2.77	5.31	-2.54
3 months	0.31	-1.34	+1.65
1 year	15.44	17.52	-2.08
2 year p.a.	15.69	19.52	-3.83
3 year p.a.	13.68	17.36	-3.67
4 year p.a.	11.00	13.51	-2.51
5 year p.a.	15.63	14.89	+0.74
7 year p.a.	11.95	13.52	-1.57
10 year p.a.	10.69	11.86	-1.17
Since incep. p.a.	7.06	8.34	-1.28

Past performance is not indicative of future performance. Returns may differ due to different tax treatments.

GROWTH OF \$10,000 SINCE INCEPTION



*Information on Management Costs (including estimated indirect costs) and a full description of the Fund's performance fee is set out in the Fund's PDS.

MARKET COMMENTARY

The month of May continued with the trend of investors observing significant and shifting economic data, geopolitical headlines, and policy uncertainty that is starting to look like the norm for 2025. The rapid news flow regarding U.S. tariffs were met with more muted market reactions than April as investors are adjusting to some uncertainty. Even with the tariffs as a backdrop, global markets rallied with the U.S. leading other developed regions. Additionally, growth continued to gain momentum from April and outperformed value, reversing the trend observed in the first quarter, erasing most of the large relative losses from the first three months. Another early year trend that took a pause was developed and emerging markets outperforming U.S. equities due to the fact that the U.S. has a higher weight in growth sectors like Information Technology, although all major regions were up during the month. The big news in North America was not economic data, but the continued ramifications of tariffs on the economies of the U.S., Canada, and Mexico. U.S. markets experienced volatility in May but ultimately posted gains as the S&P 500 Index recovered above its pre-tariff announcement level by early May. Markets were buoyed by the announcement of a 90-day trade agreement with China that significantly reduced tariffs on both sides, easing recession fears, that has since all but fallen apart over rare earth mineral disputes already disrupting the automotive market. As we have seen numerous times over the past two years, a growth month dampened market breadth with the three growthiest sectors with mega-cap champions – Consumer Discretionary (i.e., Amazon), Information Technology (i.e., Microsoft and NVIDIA), and Communication Services (i.e., Alphabet and Meta) – all outperformed the index.

PORTFOLIO COMMENTARY

In this market environment, the Barrow Hanley Global Value Strategy underperformed the MSCI World Index in May, a small giveback of the gains from the first quarter, while outpacing the value index. The primary driver of underperformance was sector allocation impact with underweights to the Information Technology and Communications Services sectors, along with an overweight to Real Estate, explain a significant portion of the underperformance. Regionally, allocation impacts were modestly negative due to an overallocation to continental Europe and an underweight to the U.S.

Rheinmetall AG positively contributed to relative performance during May, continuing an outperformance trend for European defense companies. Rheinmetall reported quarterly results during the month, demonstrating strong execution with group sales rising 46% year-over-year to €2.305 billion, driven by a 73% surge in defense sales to €1.795 billion. The company's backlog grew by 56% year-over-year to over €62 billion. Rheinmetall also announced another joint venture, this time with Lockheed, to produce missiles in Europe. The company continues to deliver results against a favorable geopolitical backdrop for European defense companies.

Carnival Corporation positively contributed to relative returns in May as it recovered from fears earlier in the year surrounding the macroeconomic environment. The company executed on a strategic financial initiative during the month by completing a \$1 billion private offering of 5.875% senior unsecured notes, which it used to redeem \$993 million of outstanding 7.625% notes due in 2026. This saves the company \$20 million per year in interest costs. Coupled with sustained lower oil prices, Carnival outperformed during the month.

Merck & Co., Inc. detracted from relative performance during the month as it navigated a complex landscape marked by regulatory headwinds and market volatility during the period. U.S. policy developments, including proposed drug pricing reforms by HHS and CMS, pose potential risks to Merck's pricing strategy and long-term margins, particularly for flagship therapies like Keytruda. The company also faces operational challenges, such as the suspension of GARDASIL shipments to China and the looming threat of biosimilar competition for Keytruda by late 2028. Despite these pressures, Merck reported meaningful clinical progress, including a successful Phase 3 trial in ovarian cancer and the launch of another in esophageal carcinoma. These advancements underscore Merck's continued investment in innovation as it prepares for a more competitive and regulated market environment.

Sanofi SA detracted from relative performance during the month as it experienced a mix of setbacks and strategic developments during the period. A key pipeline candidate failed to meet expectations in one of two late-stage trials for a respiratory condition, leaving its future uncertain pending further data and regulatory discussions. In parallel, Sanofi is preparing for a major product launch in respiratory care and made a large acquisition of Blueprint Medicine for \$9B to strengthen its immunology and rare disease portfolio. Given the elongated nature of pipeline opportunities and a large acquisition, we are closely monitoring the company.

OUTLOOK

Global political shifts remain a key market driver, with tariffs now front and centre. Yet their long-term impact is unclear, as political ideology often collides with practical realities. Unlike past market selloffs, volatility here stems from unpredictable policy shifts such as President Trump's 90-day tariff pause - which can reverse sentiment overnight. Markets still expect rate cuts (excluding near-term U.S. policy), but the pace and extent remain uncertain amid ongoing political developments. The Fed has paused easing, balancing strong economic data with labour market resilience. Key U.S. watchpoints include tariffs, employment, CAPEX, global influence efforts, and broader trade dynamics as the Fed stays on hold. Geopolitical risks - from Ukraine to the Middle East, and recent elections in major regions - add to volatility. Until greater clarity emerges on these fronts, we expect markets to remain in a reactive and unsettled pattern.

Management of this Fund: 09/09/2020 Barrow, Hanley, Mewhinney & Strauss, LLC, from 31/01/2015 to 08/09/2020 Perpetual Investment Management Limited, from 15/8/2011 to 30/01/2015 Wellington Management as sub-adviser, from 18/3/2005 to 14/8/2011 PI Investment Management Limited, from 21/4/1997 to 17/3/2005 Fidelity International Limited as sub-adviser.
The benchmark for the Fund prior to 31/1/2015 was the MSCI World ex Australia Accumulation Index. Returns shown reflect the Fund's benchmark during the period
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