

PERPETUAL BARROW HANLEY GLOBAL SHARE

June 2025

FUND FACTS

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

FUND BENEFITS

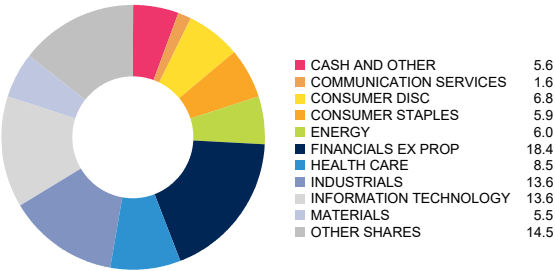
Provides investors with the potential for capital growth through a portfolio of global companies using Barrow Hanley’s experienced investment team and disciplined investment process.

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:** June 1995
- Size of Portfolio:** \$57.52 million as at 31 Mar 2025
- APIR:** PER0024AU
- Management Fee:** 0.99%*
- Investment style:** Active, fundamental, bottom-up, value
- Suggested minimum investment period:** Seven years or longer

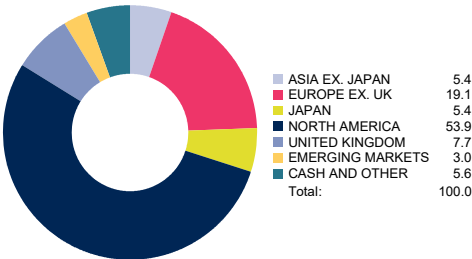
PORTFOLIO SECTORS



TOP 5 STOCK HOLDINGS

	% of Portfolio
Merck & Co., Inc.	2.9%
Bank of Nova Scotia	2.9%
Sanofi SA	2.7%
Rheinmetall AG	2.5%
Standard Chartered PLC	2.4%

PORTFOLIO REGIONS

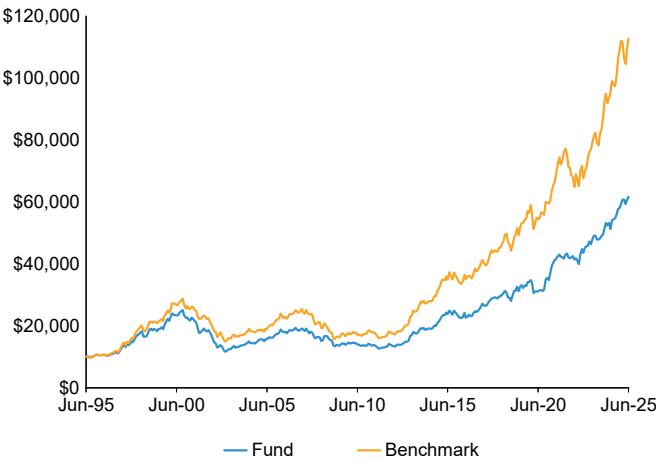


Class A has been operating since August 2014. In September 2020, Barrow Hanley, Mewhinney & Strauss, LLC commenced as Investment Manager of the Fund.

	Fund	Excess
1 month	0.00	
3 months	-	
1 year	-	
2 year p.a.	-	
3 year p.a.	-	
4 year p.a.	-	
5 year p.a.	-	
7 year p.a.	-	
10 year p.a.	-	-

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

Looking back, the second quarter of 2025 will be remembered as a triumph for investor optimism. The sharp initial sell-off following the Trump tariff announcement was swiftly met with an equally sharp recovery. Yet again, value trailed growth, and broad market indexes pushed to all-time highs despite a steady stream of headlines that could have easily derailed the rally. The global outlook remains clouded by uneven growth, fragile geopolitics, and persistent trade uncertainty. This backdrop has created familiar dispersion for investors, with less cyclically exposed or risk-on areas trailing the artificial intelligence (AI)-centric and technology-driven sectors. Once again, a narrow group of companies dominated returns - only three of the eleven GICS sectors outperformed the broader MSCI World Index. Notably, this narrowness was largely U.S.-led; the MSCI ACWI ex-U.S. Index saw twice as many sectors outperform without the same tech-driven skew. While market volatility has become the norm, it continues to present opportunity. Many investors have returned to recent momentum-driven winners, but the breadth of potential disruption - from geopolitical realignment to the unravelling of decades-old trade frameworks - suggests a much more dynamic environment ahead. Market concentration remains a key feature of this cycle, with the Magnificent 7 continuing to dominate global returns. While enthusiasm for AI has driven extraordinary gains - NVIDIA alone surpassing \$4 trillion in market cap - rising capital intensity and unclear monetisation paths raise questions about the durability of these premiums. History suggests these stocks may need time for fundamentals to catch up to valuations.

PORTFOLIO COMMENTARY

Given the meaningful reversal away from value stocks in the quarter, the Barrow Hanley Global Value Equity strategy underperformed the MSCI World Index though posted strong results against the MSCI World Value Index. The Fund returned 1.7% over the June quarter, with the MSCI world Index returning 5.9%.

BAE Systems plc positively contributed to relative performance during the quarter, supported by a steady trading update and reaffirmed growth guidance. The UK based defence contractor emphasized strong order momentum across its portfolio, including recent wins in electronic systems and naval platforms. Management noted that most of its U.S. deliveries are produced domestically, insulating the company from potential tariff risks, while the weaker U.S. dollar is expected to have only a low-single-digit impact on financials. BAE also has exposure to the Aukus submarine program, which is under early-stage review by the U.S. government, but the strategic importance of the alliance suggests any disruption is likely to be temporary and may even accelerate Australian defence spending.

Microchip Technology Incorporated positively contributed to relative performance during the quarter as shares rebounded on signs of a cyclical bottom and improving fundamentals. The company, which designs and manufactures microcontrollers and analogue semiconductors, reported March quarter results that exceeded revenue expectations despite a sequential decline, and issued a June quarter outlook that was well ahead of consensus. Management pointed to March as the trough in revenue declines, with bookings improving into April, and guided to sequential growth driven by inventory normalization and stronger demand. The stock remains attractively valued on normalized earnings with a dividend yield of 2.6%.

Halliburton Company detracted from relative performance during the quarter as shares declined on expectations for a slowdown in global capital expenditures in the second half of 2025, driven by weaker oil prices. As the second largest global oilfield services provider, Halliburton is closely tied to upstream investment cycles, and the near-term outlook has softened alongside commodity price volatility. However, OPEC's recent announcement to increase supply has improved the medium-term outlook, as higher activity levels will likely require replacing aging capacity and more services. While the timing of a recovery remains uncertain, Halliburton is well-positioned to benefit from a rebound in global oilfield activity. The stock trades at 8.5x forward earnings and offers a 3.1% dividend yield.

Merck & Co., Inc. detracted from relative performance during the quarter due to a combination of macro and company-specific headwinds. The pharmaceutical company, known for its oncology blockbuster Keytruda and HPV vaccine Gardasil, faced a flat quarter as revenue and earnings were pressured by a sharp decline in Gardasil sales to China, which created a significant top-line drag. Despite the near-term stagnation, Merck's pipeline remains robust, with Winrevair showing strong early momentum and potential to become a multi-billion-dollar asset. While investor sentiment remains muted given the lack of near-term catalysts, Merck trades at 8.5x forward earnings with a dividend yield of 4%.

OUTLOOK

Global growth remains uneven, with the U.S. economy trading water amid conflicting signals. Recession fears have ebbed, but growth remains soft, and while tariffs were initially flagged as highly inflationary, their impact has so far been muted. Still, tariff receipts have surged past 2024 levels and are now a key funding source for fiscal initiatives like the One Big Beautiful Bill. In Europe, fiscal easing and rising defence spending are offsetting sluggish growth, while in emerging markets, China and broader Asia are seeing pressure from trade friction. However, a weaker U.S. dollar and falling rates may soften the blow. Market leadership remains narrow and AI-centric, yet dispersion elsewhere is creating opportunities. Regulatory shifts - like U.S. student loan reforms - are reshaping industries and unlocking new growth pockets, including in private credit. These structural changes mirror themes we've seen before: cyclical dislocations, misunderstood inventories, or underappreciated supply constraints. While the first half has been challenging for value, the setup for the remainder of 2025 and beyond is encouraging. Fiscal stimulus, rate cuts, and a shift in market focus could reignite broader participation. As always, our disciplined approach to valuation and fundamentals positions us well to navigate dislocations and deliver long-term value for clients.

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

The publication has been prepared and issued by Perpetual Investment Management Limited (PIML) ABN 18 000 866 535 AFSL No 234426, as promoter for the Perpetual WealthFocus Superannuation Fund. The information contained in this document is general information only 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. To the extent permitted by law, no liability is accepted for any loss or damage as a result of any reliance on this information. The information contained in this document is in addition to and does not form part of the product disclosure statement (PDS) for the Perpetual WealthFocus Superannuation Fund. The PDS for the Perpetual WealthFocus Superannuation Fund ABN 41 772 007 500, issued by Equity Trustees Superannuation Limited (ETSL) ABN 50 055 641 757, AFSL 229757, RSE L0001458, should be considered before deciding whether to acquire or hold units. The PDS and Target Market Determination can be obtained by calling 1800 011 022 or visiting www.perpetual.com.au. Neither PIML, ETSL nor any of their related parties guarantee the performance of any fund or the return of an investor's capital. Total returns shown for the Perpetual WealthFocus Superannuation Fund have been calculated using exit prices after taking into account all of Perpetual's ongoing fees and assuming reinvestment of distributions. No allowance has been made for taxation. Past performance is not indicative of future performance.

MORE INFORMATION

Investor Services 1800 022 033

Email PerpetualUTqueries@cm.mpms.mufg.com

www.perpetual.com.au

