Perpetual Private

PERPETUAL SELECT INTERNATIONAL SHARE FUND

June 2026

FUND FACTS

Investment objective: Long-term capital growth through investment in a diversified portfolio of international shares.

Suggested length of investment: Five years or longer

BENEFITS

Offers investors access to returns from companies overseas. Investing internationally allows investors the ability to diversify their portfolio, reducing overall volatility.

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.

INVESTMENT APPROACH

The Fund combines specialist investment managers with different investment styles and philosophies. This can help reduce the volatility of the Fund by avoiding over exposure to a particular specialist investment manager.
The currency exposure of international assets is monitored and hedging strategies may be implemented (using derivatives) with the aim of reducing the impact of adverse currency movements.

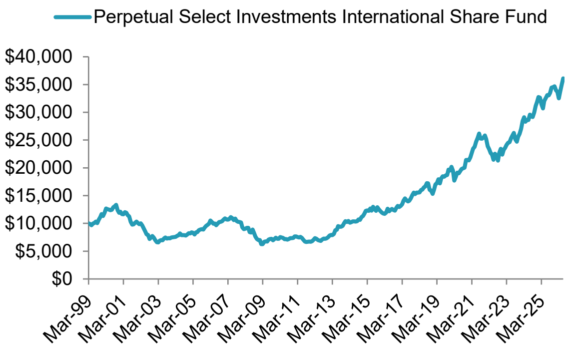
TOTAL RETURNS % (AFTER FEES) AS AT 30 JUNE 2026

	APIR CODE	1 MTH	3 MTHS	6 MTHS	1 YR PA	3 YRS PA	5 YRS PA
Perpetual Select Investments International Share Fund	PER0256AU	2.9	11.1	4.1	10.9	12.6	7.9
Perpetual Select Super International Share Fund	WDL0009AU	2.6	9.7	3.7	10.0	11.7	7.4
MSCI All Country World Index - Net Return (unhedged in AUD)		3.0	13.6	7.1	17.0	18.1	12.8

Past performance is not indicative of future performance

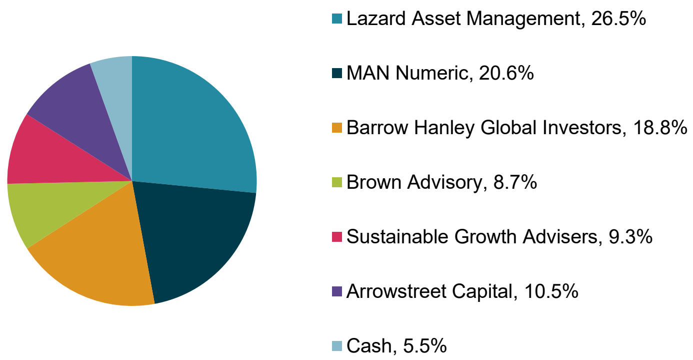
February 2022 onwards, Mercer Super/Pension International Shares Median is no longer published by Mercer

GROWTH OF $10,000 SINCE INCEPTION*



*The Growth of $10,000 chart includes reinvestment of dividends and capital gains, but does not reflect the effect of any applicable sales or redemption charges which would lower these figures.

PORTFOLIO EXPOSURES^



^Portfolio exposures represent the Perpetual Select Investments International Share Fund

TOP 10 STOCK HOLDINGS	WEIGHTS (%)
NVIDIA Corporation	3.5
Alphabet Inc.	3.4
Microsoft Corporation	2.4
Taiwan Semiconductor Manufacturing Co., Ltd.	2.0
Amazon.com, Inc.	2.0
Apple Inc.	1.9
Broadcom Inc.	1.4
Visa Inc.	1.3
Samsung Electronics Co., Ltd.	1.2
Mastercard Incorporated	1.1

MANAGER INVESTMENT APPROACH	
MAN Numeric	Concentrated portfolio, quantitative global large to mega cap
Barrow Hanley Global Investors	Diversified portfolio, mid to large cap value
Lazard Asset Management	Quantitative, core, benchmark aware
Arrowstreet Capital	Quantitative core global small cap
Sustainable Growth Advisers	Concentrated portfolio, mid to large cap growth
Brown Advisory	Quality, growth at a reasonable price (GARP)

MARKET COMMENTARY

International equities delivered a strong rebound during the June quarter, with the MSCI All Country World Index gaining +13.6%[1] as fears of a prolonged energy shock gradually gave way to renewed optimism around earnings growth and economic resilience. Markets entered the period concerned that the disruption to Middle East energy supplies would reignite inflation and place further pressure on global growth. However, as oil prices retraced and the economic fallout proved less severe than initially feared, investors increasingly shifted their attention back towards corporate fundamentals. Strong earnings growth, particularly across businesses exposed to artificial intelligence (AI) investment, helped global equities recover March's losses and push to new highs by quarter-end.

Growth (+17.5%[2]) materially outperformed Value (+8.0%[3]) as investors increasingly rewarded businesses demonstrating tangible benefits from the ongoing AI investment cycle. Small-cap stocks (+13.6%[4]) also performed strongly, supported by resilient economic activity and growing evidence that AI-related capital expenditure was extending beyond a narrow group of mega-cap technology companies and into broader parts of the economy.

Information Technology (+37.5%[5]) was the strongest-performing sector by a wide margin. Earnings across semiconductor manufacturers, memory producers and digital infrastructure providers continued to exceed expectations as demand for AI infrastructure remained exceptionally strong. Industrials (+11.3%[6]) also benefited from increasing investment in data-centre construction, power infrastructure and associated supply chains, while Financials (+10.0%[7]) advanced as concerns around economic growth and credit quality eased throughout the quarter.

Regionally, the United States remained the primary driver of global equity returns, with the S&P 500 gaining +13.8%[8] and the Nasdaq Composite rising +20.2%[9]. Japan (+32.9%[10]) was another standout performer, supported by ongoing corporate reforms, improving profitability and strong investor inflows. Emerging Markets (+22.6%[11]) outperformed developed markets, driven largely by strength across North Asian technology exporters, including companies benefiting from rising demand for semiconductors and memory products used throughout the AI ecosystem.

At the other end of the market, Energy (-14.0%[12]) was the weakest-performing sector as oil prices retreated and supply concerns eased. Materials (-1.1%[13]) and Utilities (-1.1%[14]) also lagged, while defensive sectors such as Consumer Staples (+0.4%[15]) struggled to keep pace in an environment increasingly focused on growth and earnings delivery. China remained a notable weak spot, with the Hang Seng Index declining -7.6%[16] as persistent concerns around domestic demand and the property sector continued to weigh on investor sentiment.

PORTFOLIO COMMENTARY

The Perpetual Select International Share Fund underperformed the MSCI All Country World Index (unhedged AUD) on a net-of-fees basis in the June quarter of 2026. A manager change during the quarter was the appointment of Brown Advisory, managing a high conviction, quality-focused portfolio underpinned by deep fundamental research and disciplined cash-flow based valuations.

Arrowstreet Capital outperformed both the MSCI ACWI (unhedged AUD) and its strategy benchmark, the MSCI World Small Cap Index (unhedged AUD). Against the ACWI benchmark, Arrowstreet's small cap orientation neither added to nor detracted from relative performance, as small caps performed broadly in line with large caps over the period. Against the strategy benchmark, outperformance was primarily driven by sector and regional allocation. Sector allocation benefited from an overweight to Information Technology whilst regional allocation benefitted from an underweight to Asia Pacific and an overweight to Emerging Markets. The primary stock contributors to total return during the period were Sandisk Corporation, JHT Design and Extreme Networks.

Barrow Hanley underperformed the MSCI ACWI (unhedged AUD) in the June quarter. The strategy's value style was a strong detractor to performance as value heavily lagged growth over the period. This was evident in underperformance that was mainly driven by sector allocation, offsetting strong stock selection whilst region allocation was flat. Stock selection was strongest within IT, but the large underweight to this sector detracted the most from a sector allocation perspective, as did the overweight to Energy. The largest stock detractors were positions in Alibaba, GE Healthcare Technologies and Rheinmetall.

Man Numeric outperformed the MSCI ACWI (unhedged AUD) in the June quarter. As a large and mega-cap-oriented strategy, the size bias toward the mega cap growth segment was a tailwind to performance over the period, particularly within AI semiconductors and hardware. Stock selection and sector allocation were the primary drivers of outperformance, while regional allocation was neutral. Stock selection was weakest within Emerging Markets Information Technology. From a sector allocation perspective, the overweight to Information Technology and the underweights to Consumer Staples and Consumer Discretionary were the largest contributors. The largest stock contributors for the period were Samsung, AMD, SK Hynix and TSMC.

SGA materially underperformed the MSCI ACWI (unhedged AUD) in the June quarter. Stock selection was the primary driver of underperformance, offsetting positive sector allocation. The key detractor to performance came from an overweight to software names which sold off as part of the perceived disruption risk from AI, and an underweight to semiconductors and AI infrastructure which have been some of the biggest beneficiaries of the AI story to date. The largest stock detractors included Microsoft, Adyen, Intuit, SAP and Salesforce.

RETURNS BREAKDOWN (INVESTMENTS)

	FY 2026	FY 2025	FY 2024
Growth Return %	1.9%	4.4%	-1.0%
Distribution Return %	8.9%	9.4%	14.0%
Total Return %	10.9%	13.8%	13.0%

DISTRIBUTION BREAKDOWN

	FY 2026	FY 2025	FY 2024
Cents per unit	13.8118	13.9717	20.9956

PRODUCT FEATURE

	SUPER	INVEST.
Inception date	Dec 94	Mar 99
Management/Investment Fee (p.a.)*	0.92%	1.02%
Ongoing fee discount	Yes	No
Admin fee	0.10%	0.00%
Buy spread	0.22%	0.22%
Sell spread	0.00%	0.00%
Contribution fee	0.00%	0.00%
Withdrawal fee	$0.00	$0
Monthly member fee	$0.00	$0
Min. initial contribution	$3,000	$2,000
Min. additional contribution	$0	$0
Savings plan	Yes	Yes
Withdrawal plan	No	Yes
Distribution frequency	N/A	Quarterly
Contact information	1800 677 648	

*Additional fees and costs generally apply. Please refer to the Product Disclosure Statement for further details.

Lazard performed in line with the MSCI ACWI (unhedged in AUD) in the June quarter. Both selection and allocation effect were flat over the period. Stock selection was strongest within Financials and Communication Services and weakest in Industrials and Materials. The largest stock contributors were Micron, Samsung and Alphabet whilst the largest detractors were Microsoft, Meta and Autodesk.

[1] As measured by the MSCI All Country World index in AUD (unhedged) terms
[2] As measured by the MSCI World Growth index in AUD (unhedged) terms
[3] As measured by the MSCI World Value index in AUD (unhedged) terms
[4] As measured by the MSCI AC World Small Cap index in AUD (unhedged) terms
[5] As measured by the MSCI AC World – Information Technology index in AUD (unhedged) terms
[6] As measured by the MSCI AC World – Industrials index in AUD (unhedged) terms
[7] As measured by the MSCI AC World – Financials index in AUD (unhedged) terms
[8] As measured by the MSCI AC World – Financials index in AUD (unhedged) terms
[9] As measured by the NASDAQ index in AUD (unhedged) terms
[10] As measured by the Nikkei 225 index in AUD (unhedged) terms
[11] As measured by MSCI Emerging Markets index in AUD (unhedged) terms
[12] As measured by the MSCI AC World – Energy index in AUD (unhedged) terms
[13] As measured by the MSCI AC World – Materials index in AUD (unhedged) terms
[14] As measured by the MSCI AC World – Utilities index in AUD (unhedged) terms
[15] As measured by the MSCI AC World – Consumer Staples index in AUD (unhedged) terms
[16] As measured by the Hang Seng index in AUD (unhedged) terms

OUTLOOK

Markets entered the June quarter still shaped by March's geopolitical shocks, higher oil prices and renewed inflation concerns, which had pushed equities into a more macro-driven environment. With the margin for error narrower, we expected elevated valuations and less certain earnings profiles to face greater scrutiny, while companies with pricing power, balance sheet strength and clearer earnings visibility would be better supported.

For the portfolio, this meant maintaining a balanced approach across styles rather than positioning too heavily for a single market outcome. Our quality growth manager was expected to benefit from businesses delivering durable earnings growth and credible AI monetisation, our value managers stood to benefit should geopolitical and energy risks persist, while our quantitative strategies provided diversified multi-factor exposure across the market capitalisation spectrum.

While the market ultimately delivered a stronger rebound than many investors anticipated, one of the more notable developments was the increasing selectivity within the AI investment theme. Earlier phases of the rally tended to reward broad technology exposure. More recently, investor attention has narrowed towards companies demonstrating direct participation in the AI infrastructure buildout, particularly semiconductors, memory manufacturers, data-centre operators and AI hardware providers. Companies able to translate rising AI investment into tangible earnings growth were rewarded, while those with less direct exposure struggled to keep pace.

These dynamics produced varied outcomes across our manager line-up. Our quality growth manager underperformed as its overweight exposure to software businesses and underweight position in semiconductors and AI infrastructure left it less exposed to the areas driving earnings upgrades and market leadership. Similarly, our value-oriented managers faced headwinds as the retracement in oil prices reversed much of the strength previously seen in energy-related exposures. By contrast, our large and mega-cap quantitative manager benefited from the continued concentration of returns amongst large-cap technology businesses and direct beneficiaries of AI infrastructure spending.

Looking ahead, we remain focussed on the relationship between valuations and earnings delivery. Equity valuations remain elevated, market leadership remains concentrated and expectations for AI-related earnings have increased materially. While the investment cycle supporting data centres, semiconductors and digital infrastructure remains robust, the market is likely to become less forgiving of businesses that fail to convert rising investment into sustainable revenue growth, profitability and cash flow.

From a portfolio perspective, we continue to see merit in maintaining complementary style exposures through our levers-based approach. Although market leadership remains narrow, the growing divergence between winners and losers is creating attractive opportunities for active managers willing to remain disciplined on both valuation and earnings quality.

MORE INFORMATION
Adviser Services 1800 677 648
Email Selectqueries@cm.mpms.mufg.com
www.perpetual.com.au