

Perpetual Investment Funds

PERPETUAL GLOBAL ALLOCATION ALPHA FUND

August 2026

FUND FACTS

Investment objective: Aims to provide long-term capital growth and outperform the MSCI World ex Australia Net Total Return Index (AUD) with lower risk (before fees and taxes) over rolling three-year periods.

FUND BENEFITS

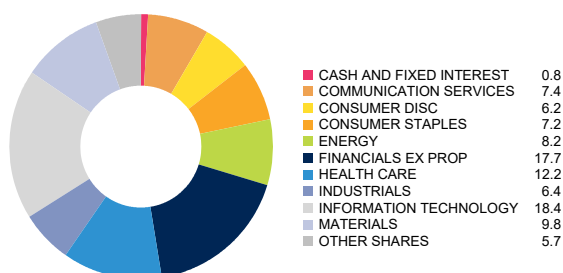
Provides investors with long-term growth opportunities across global equities. The fund is run by high quality investment teams.

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 Ex Australia Net Total Return Index (AUD) - since 1st October 2022
Inception Date: March 1999
Size of Portfolio: \$405.72 million as at 30 Jun 2026
APIR: PER0066AU
Management Fee: 0.55%*
Investment style: Active, fundamental, disciplined, value
Suggested minimum investment period: Five years or longer

PORTFOLIO SECTORS



TOP 10 STOCK HOLDINGS

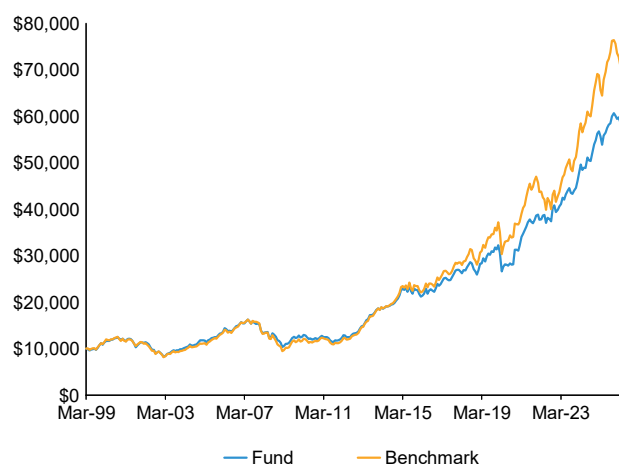
	% of Portfolio
Apple Inc.	2.6%
Alphabet Inc.	2.4%
NVIDIA Corporation	2.4%
Microsoft Corporation	2.3%
Amazon.com, Inc.	1.4%
Broadcom Inc.	1.4%
Chevron Corporation	1.2%
Exxonmobil Holdings Corporation	0.9%
Roche Holding Ltd	0.9%
AbbVie, Inc.	0.9%

PERFORMANCE- periods ending 31 August 2026

	Fund	Historical ¹ Performance	Benchmark	Excess
1 month	0.36	-	0.53	-0.18
3 months	3.33	-	2.74	+0.59
1 year	11.15	-	10.02	+1.13
2 year p.a.	13.16	-	14.93	-1.77
3 year p.a.	13.29	-	16.22	-2.93
4 year p.a.	-	14.34	17.65	-3.31
5 year p.a.	-	11.34	11.85	-0.51
7 year p.a.	-	11.50	12.96	-1.46
10 year p.a.	-	11.01	12.73	-1.72

¹Effective 1 October 2022 the Fund Investment strategy has changed; including the investment objective, investment approach and benchmark of the Fund. 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) is set out in the Fund's PDS.

MARKET COMMENTARY

Global equity markets extended their advance through August even as government bond yields came under renewed pressure. Equity investors focused on strong corporate earnings and evidence that investment in artificial intelligence is translating into broader business spending. Government bond yields rose in major markets, with Australian, UK and US 10-year yields all pushing towards 15-year highs, as markets grappled with rising fiscal deficits, sticky inflation and the inflationary implications of a looming AI-driven data-centre investment boom.

- Global equities (+2.4%) and US equities (+2.7%) rallied, with gains evenly spread between the value and growth gauges (the MSCI World Value index and MSCI World Growth index were both up +2.4%).
- Japanese equities were among the strongest performers, with the Nikkei 225 (+3.1%) extending its exceptional 2026 gains, supported by a weaker Yen and the ongoing strength in semiconductor and other AI supply chain names.
- European equities were solid (Eurostoxx 50 index rose +1.0% which was its fifth consecutive monthly gain) but trailed the broader market as strong earnings were offset by a hawkish ECB tone and rising bond yields.
- UK equities also lagged, with the FTSE 100 (+0.2%) relatively flat even though the index has recorded seven monthly gains in 2026YTD. In August UK 10-year gilt yields pushed above 5% for the first time since 2008.
- Australian shares were resilient through a volatile reporting season, with the ASX 300 (+1.6%) extending its run of monthly gains, led by small caps, even as the Reserve Bank held rates steady and bond yields rose.
- Emerging markets were mixed (+1.9%) with markets exposed to AI supply chain including the TAIEX (+7.1%) and KOSPI 200 index (+2.5%) bouncing from losses in July, which helped both markets to outperform Chinese equities (1.0%).
- Gold recorded its strongest monthly rise since January 2026 (+10.1%), as the resurgence of Middle East hostilities and continued central bank buying amplified the effect of the global duration selloff as investors sought alternative diversifiers.
- Government bond yields rose broadly across major markets. The US 10-year yield rose to 4.75% (highest level since January 2025) as investors became increasingly concerned about stubborn core inflation and the US Fed's reaction function. Yields in similar markets such as Australian & UK also experienced upward pressure on long-dated yields.

Geopolitical developments remained an important market theme throughout August. Oil prices initially eased through the first half of August on hopes of a durable US-Iran agreement to reopen shipping through the Strait of Hormuz, before reversing sharply as diplomatic efforts broke down and direct exchanges of fire between US and Iranian forces resumed in the final week of the month. The persistent risk of supply disruption continues to warrant a geopolitical risk premium in energy markets, though limited pass-through to broader inflation have so far allowed most central banks to remain patient, although September is shaping up as a month in which rates are expected to rise in both Japan and Europe, and potentially Australia.

The inflationary impact of higher energy and input costs saw monetary policy expectations shift over the month with markets increasingly pricing in further US Fed and RBA rate hikes. Fed Chair Warsh's Jackson Hole address in late August again offered no explicit forward guidance but reiterated the FOMC's discomfort with inflation running persistently above target, and markets have since increased the probability assigned to a September rate hike. The Reserve Bank of Australia left the cash rate unchanged at 4.35%, but stronger-than-expected July inflation and persistent capacity pressures increased market expectations of further tightening.

Following the coordinated intervention by U.S. and Japanese authorities to support the yen, U.S. Treasury Secretary Scott Bessent announced plans to significantly increase purchases of long-dated Treasury securities through an expanded buyback program as U. S. yields climbed to their highest level in nearly two decades. While framed as a measure to enhance market liquidity, the move reignited discussion around the sustainability of U. S. fiscal deficits and the longer-term outlook for the U.S. dollar.

US corporate earnings remained a key source of support, with the Q 2'26 reporting season confirming very broad-based profit growth well in excess of nominal GDP growth across most sectors, while European and Japanese reporting seasons also tracked ahead of expectations. In the United States, earnings strength was concentrated in AI and energy, but there were also signs of improvement across aerospace and defence, luxury goods, personal care and medical equipment. The broader earnings profile is supportive for the Fund's bias towards a wider set of value-oriented, geographically diversified opportunities.

Within Australia, the economic picture was mixed. Nominal consumer spending remained solid, but real spending was subdued as sentiment stayed weak, unemployment edged higher and wages growth eased. Housing activity also softened, with major banks reporting declining mortgage applications. Against this backdrop, attention increasingly turned to the scale of Australia's coming AI-driven data-centre investment cycle, conservatively estimated at over \$110bn over the next four years. Arriving into an economy already with a positive output gap and already-binding construction capacity in Queensland and Western Australia, which risks the investment boom crowding out spending in other sectors such as property, rather than expanding growth—a dynamic reminiscent of the 2010-12 mining boom — reinforcing the case for a higher-for-longer Reserve Bank cash rate and a firmer Australian dollar.

PORTFOLIO COMMENTARY

Newmont Corporation and Freeport-McMoRan Inc. positively contributed to relative performance during the month, reflecting strong gains across the materials sector as precious metals prices, particularly gold, moved sharply higher. The move was less a commodity story than a monetary one, as heavy sovereign issuance, rising long-dated yields, and mounting deficit concerns pushed capital toward hard assets and away from paper claims on governments. Against that backdrop, gold and silver rallied and mining equities re-rated alongside them. Newmont advanced as the rally in gold improved the outlook for cash flows and earnings across its mining portfolio. Freeport-McMoRan also benefited from the strength in precious metals markets and renewed investor interest in mining equities, aided by a softer dollar that supports dollar-denominated commodity pricing. Shares of both companies outperformed as investors sought exposure to hard assets amid favorable commodity price trends. While company-specific factors remained relevant, the primary driver of performance was the broad-based appreciation in gold prices and the positive read-through for mining profitability, consistent with materials leading global sector returns for the month.

CACI International Inc. positively contributed to relative performance during the month as strong execution, accelerating organic growth, and an improving mix of higher-margin technology work reinforced its earnings outlook. Management's fiscal 2027 guidance exceeded expectations, reflecting continued demand for software-defined hardware, advanced communications, space systems, and technology designed to detect and counter unmanned aircraft. CACI also secured a significant counter-drone award during the quarter, highlighting its ability to compete successfully with established defense contractors and emerging technology companies in a rapidly expanding market. Although quarterly contract awards were light amid government procurement delays, funded backlog increased meaningfully, while the company's sizable pipeline and shift toward higher-margin technology programs provide a constructive foundation for future growth.

Aptiv PLC detracted from relative performance during the month as investors reacted negatively to reduced earnings expectations and continued weakness in key automotive end markets, particularly China. The company reported low-single digit growth in the second-quarter for both revenue and EBITDA, but these but these results were overshadowed by a reduction in full-year guidance. The primary challenge remains a sharp slowdown in the Chinese automotive market, where domestic vehicle sales declined roughly 20% during the first half of the year following the reduction of electric vehicle subsidies, creating pressure across both Chinese and European automotive manufacturers. Although Aptiv continues to outperform underlying vehicle production in several regions and benefits from growing businesses in connectors and software, concerns around launch delays, softer industry demand, and the pace of future growth weighed on the shares.

Regal Rexnord Corporation detracted from relative performance during the month as investors focused on softer-than-expected second-half guidance despite evidence of improving demand trends across parts of the business. The company reported adjusted earnings per share above expectations, but underlying operating guidance was viewed as weaker after accounting for tariff-related benefits. Management maintained its full-year earnings outlook, though the forecast was aided by previously unrecognized tariff refunds, leading some investors to interpret the core outlook as a modest reduction. While organic revenue growth remained subdued at 3.3%, orders increased 8.8%, including particularly strong demand within Automation & Motion Control, suggesting industrial activity may be improving even if the recovery has not yet fully translated into revenue. The stock declined as concerns over near-term margins and pricing dynamics overshadowed encouraging order trends and the company's exposure to longer-term growth areas such as automation, robotics, and data centre infrastructure.

OUTLOOK

Global equity markets continue to be characterised by elevated valuations, concentrated index leadership and strong retail participation, particularly in the United States. While the investment opportunity set remains narrower than usual in the largest benchmark indices, recent reporting seasons have provided encouraging evidence that earnings growth is broadening beyond a handful of mega-cap companies. Europe and Japan are increasingly contributing to global profit growth, while a growing proportion of US companies are participating in the earnings expansion, supporting a more constructive medium-term outlook for risk assets.

We continue to manage downside risks by carefully managing exposure to the most expensive parts of the global equity market. The Fund complements this with option protection where it has been attractively priced to implement. This includes cost-effective, layered S &P 500 put structures that risk only a low single-digit basis-point premium while delivering asymmetric protection across shallow, moderate and deep drawdown scenarios without requiring precise market timing.

Cash levels have not been calculated on a look-through basis. The underlying investments of the fund will also have a proportion of their assets invested in liquid assets.

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Total returns shown for the 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.

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