

Perpetual Investment Funds

BARROW HANLEY EMERGING MARKETS FUND

July 2025

FUND FACTS

Investment objective: Aims to provide long-term capital growth through investment in emerging market shares and to outperform the MSCI Emerging Markets Net Total Return Index (AUD) (before fees and taxes) over a full market cycle, typically five-years.

FUND BENEFITS

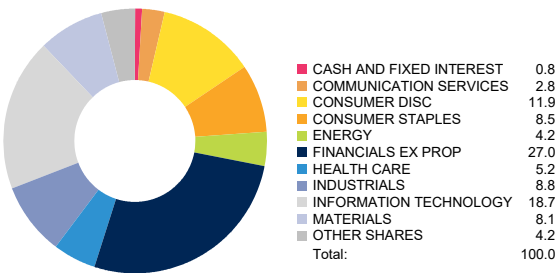
Provides investors with the potential for capital growth through a portfolio of emerging market shares using Barrow Hanley's experienced investment team and disciplined investment process. The Barrow Hanley team focuses primarily on fundamental securities analysis, valuation, and prospects for a return to fair valuation.

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 Emerging Markets Net Total Return (AUD)
- Investment Manager:** Barrow, Hanley, Mewhinney & Strauss, LLC
- Inception Date:** October 2022
- Size of Portfolio:** \$1.98 million as at 30 Jun 2025
- APIR:** PER6134AU
- Management Fee:** 0.99%*
- Investment style:** Emerging Markets
- Suggested minimum investment period:** Seven years or longer

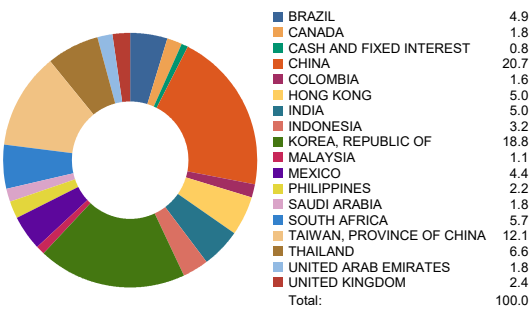
PORTFOLIO SECTORS



TOP 5 STOCK HOLDINGS

	% of Portfolio
SK hynix Inc.	5.2%
MediaTek Inc.	3.8%
Samsung Electro-Mechanics Co., Ltd	3.3%
KOREA INVESTMENT HOLDINGS CO LTD	2.8%
BizLink Holding Inc.	2.7%

PORTFOLIO COUNTRIES

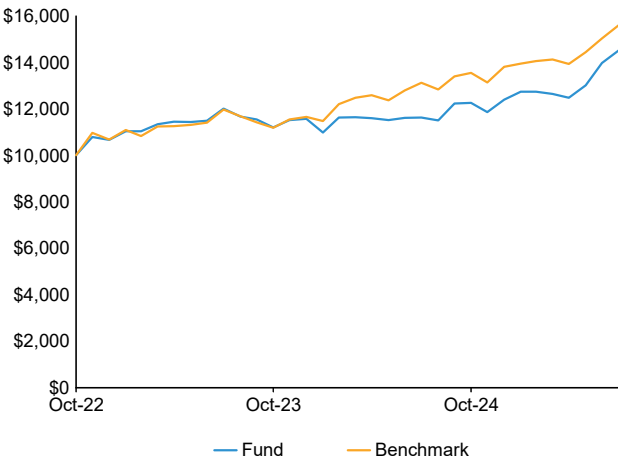


NET PERFORMANCE - periods ending 31 July 2025

	Fund	Benchmark	Excess
1 month	3.86	3.77	+0.09
3 months	16.25	11.99	+4.26
1 year	24.77	18.85	+5.92
2 year p.a.	9.94	14.16	-4.22
3 year p.a.	-	-	-
4 year p.a.	-	-	-
5 year p.a.	-	-	-
7 year p.a.	-	-	-
10 year p.a.	-	-	-
Since incep. p.a.	14.15	16.40	-2.25

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 July saw overall global equity markets ending on a strong note with the MSCI All Country World Index gaining +1.4%. While the global economic backdrop presented a very mixed bag of resilience and an abundance of continued uncertainty related to global trade and tariffs as well as overall policy uncertainty, equities ended the month in positive territory as some clarity started to emerge in the last week of the month. The MSCI World index, as a gauge for developed markets, rose +1.3% in July, hitting new all-time highs. This was led by continued strength in the U.S. market with the S&P 500 Index returning +2.2% despite a mixed macro-economic backdrop. The last week of the month was particularly strong, with solid quarterly earnings announced by many tech-related companies, boosting demand and taking the market higher as optimism about Artificial Intelligence (AI) returned to the spotlight. A renewed appetite for the U.S. dollar (USD), or perhaps a growing reluctance in the market to continue to bet on a weakening dollar, saw the currency bouncing back following the depreciating trend we have seen for most of this year. For non-U.S. assets, this meant the six-month tailwind to returns from a weakening USD took a pause in July and became a headwind for non-U.S. market returns. Emerging markets, among the strongest performing asset classes this year, slightly underperformed the U.S. market, returning +2% in the month, placing it still ahead of non-U.S. developed markets as the MSCI EAFE Index declined -1.4%. European markets were the weakest performers in the month, with MSCI Europe ex-UK well into negative territory with a -2.5% decline for the month.

Emerging markets, having been a strong performer for most of 2025, continued to outperform non-U.S. developed markets though underperformed the U.S. as a tailwind from a weakening USD became a headwind for the month of July. Strong returns from large index countries including Taiwan (+5.4%), Korea (+4%), and China (+4.8%) pushed the index higher. Taiwan and Korea both benefitted from global investors' return to the AI trade, as well as foreign inflows and U.S. trade agreement progress. Progress in the China-U.S. trade talks supported China's market return as well as further policy support and signs of resilience in economic indicators such as export activity appearing to stabilize. While a U.S.-China trade agreement is yet to be finalized, positive signs of progress gave confidence to investors including the U.S. allowing the resumption of some AI-related exports from the U.S. to China within semiconductors. The Chinese government's "anti-involution" campaign with the main objective to manage capacity in certain industries (and specifically avoid overcapacity) and limit intense price wars was seen positively. Policymakers maintained a "moderately loose" stance, with limited monetary easing and targeted fiscal stimulus aimed at meeting the 5% real GDP growth target. Industrial profits and nominal growth remain under pressure due to weak pricing power, but the outlook for equities in Q3 is supported by expectations of further stimulus and a potential breakthrough in trade talks. Overall, July saw a continuation of China's strategy to manage external headwinds while cautiously supporting domestic demand.

Of the larger index countries, India (-5.1%) and Brazil (-6.9%) were the standout laggards, with both markets being negatively impacted by the strength of the USD as well as the worsening tariff backdrop. Brazil was hit by one of the highest tariffs in the world at 50%, while India is facing increasing tariff risk with Trump announcing a 25% tariff on imports from India and talks escalating toward the end of the month with threats of further penalties driven by its trade with Russia, including oil imports. While dispersion in country returns was high, sector performance differences in the month were less extreme. However, only four of the 11 sectors outpaced the broader MSCI Emerging Markets Index. The Health Care sector was the strongest performer, up 9.8%, largely driven by Chinese companies posting strong results. The Information Technology sector, accounting for nearly a quarter of the index, was the biggest driver of returns, up 5% in the month. The Communication Services and Materials sectors also outperformed. The more defensive parts of the market were the worst performers, with negative returns from Utilities (-3%) and Consumer Staples (-1.2%). From a style perspective, the MSCI Emerging Markets Growth Index outpaced the broad market while the MSCI Emerging Markets Value Index lagged. Large cap growth names were the best performers in the month, closely followed by mid cap value companies. Smaller cap and quality companies as per the MSCI Emerging Markets style indices were the weakest performers.

PORTFOLIO COMMENTARY

The Barrow Hanley Emerging Market Equity strategy produced positive absolute returns for the month of July while modestly outperforming the MSCI Emerging Market Index. While the valuation-driven process faced overall headwinds in the month, the bottom-up driven allocation to mid-cap companies trading at significant discounts to the index was a positive. Effective stock selection at sector level within Health Care, Industrials, and Energy names added to excess returns, whereas stock selection within the Information Technology and Communication Services sectors was challenging. Stock selection in China as well as an underweight to India more than offset challenging stock selection in Korea, particularly within Korean technology companies, as they faced strong tariff-related headwinds. The overweight to Thailand, which has detracted from relative returns for most of the year, turned to be a positive contributor in July; as noted earlier, the country rebounded in the month.

OUTLOOK

Global political developments remain a central driver of market dynamics, with tariffs continuing to dominate the narrative. The long-term implications of these policies are still uncertain, as the clash between ideology and pragmatism intensifies. Equity markets have responded with rapid moves and heightened volatility, distinct from past selloffs that unfolded more gradually. Sentiment remains fluid, as shown by President Trump's willingness to pause tariffs or extend deadlines, underscoring how quickly conditions can shift. The Fed has so far held rates steady, supported by resilient data, though recent weakness suggests cuts may be on the horizon. A softer U.S. dollar remains our base case, which would provide a meaningful tailwind to non-U.S. markets, particularly emerging markets. Geopolitical tensions - from conflicts in Ukraine and the Middle East to elections across Europe, the Americas, and Asia - add to the uncertainty, while new bilateral trade agreements reflect a more fragmented global policy landscape. These deals often enshrine higher tariff baselines, feeding inflationary pressures and complicating growth forecasts. Encouragingly, much of the tariff risk appears priced into emerging market valuations, with many companies trading well below prior levels. We expect market leadership to broaden as governments address weak growth and support consumers facing higher inflation. Volatility will create opportunities, and disciplined stock selection should prove critical. Our process remains focused on identifying dislocations where strong fundamentals are being overlooked, and we believe the portfolio is well positioned to benefit as clarity emerges.

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