

	1 Month (%)	Quarter ¹ (%)	FYTD ² (%)	1 year (%)	2 years (% p.a.)	3 years (% p.a.)	Since inception ³ (% p.a.)
Perennial Future of Health Care Fund	-3.7	-0.3	4.1	-15.8	7.0	11.5	5.3
MSCI World Healthcare Net Return Index Unhedged (in AUD) ⁴	3.4	1.8	2.2	-8.4	2.7	7.1	8.2
Value Added	-7.1	-2.1	+1.9	-7.4	+4.3	+4.4	-2.9

¹ Quarter refers to the 3 months ending the month of the report.

² Financial Year to Date refers to the period commencing the prior 1st July and ending on the month of the report.

³ The inception date for performance calculations is 8 April 2021.

Returns are calculated after fees and expenses and assumes the reinvestment of distributions. Past performance is not a reliable indicator of future performance.

⁴ The benchmark was introduced to the strategy on 1 November 2023, it has been used retrospectively for comparative performance.

Fund Review

In August 2025, the Fund delivered a return of -3.7%, while the MSCI World Healthcare Net Return Index in AUD returned +3.4%. Value style subsectors (providers and services and pharma) outperformed growth subsectors during the period.

The largest positive contributor to Fund performance was Zealand Pharmaceuticals (+0.7%), driven by renewed investor interest following developments in the obesity competitive landscape as Eli Lilly's orforglipron, in a longer duration obesity trial, showed less efficacy than the market was anticipating. This caused the market to re-examine other weight loss landscapes turning attention to stocks like Zealand Pharma. Alnylam Therapeutics (+0.6%) continued to be buoyed by the promise of its ATTR-CM drug launch and encouraging pipeline of products. Verastem (+0.4%) rounded out the top contributors, benefiting from better than expected launch of its first product which treats low-grade serous ovarian cancer (LGSOC) which supported near-term revenue estimates.

Clarity Pharmaceuticals (-3.8%) was the most significant detractor; its share price retreated following a very strong July performance and, in our view, reflects short-term volatility likely associated with index exclusion trading flow rather than a structural flaw. We are expecting the investigator initiated Co-PSMA trial comparing Clarity's Copper product to Gallium in prostate imaging to show superior diagnostic yield for Cu. Vertex Pharmaceuticals (-0.6%) weighed on performance. The company had good quarterly earnings result beating market's expectations however this was overshadowed by the company's decision to halt the pursuit of a broad Peripheral Neuropathy Pain (PNP) – chronic pain label following discussions with the FDA. The company is now conducting a second phase 3 study of a subtype of this pain with the goal of approval in a specific indication with the intention of adding on further indications over time. Immutep (-0.3%) offered a minor drag, as the market digested FDA feedback for their drug combo with Keytruda in head and neck cancer, the feedback was constructive in a high unmet need patient cohort. Immutep has shown encouraging signs in increasing the effectiveness of other cancer treatments, namely checkpoint inhibitors.

Overall, the Fund remains firmly positioned to capitalise on durable innovation across rare disease, oncology, and peptide therapeutics. With an emphasis on high-quality clinical readouts and regulatory catalysts, we anticipate the portfolio's exposure to late-stage positive data and potential approvals to drive uplifts in the fundamental value of the businesses.

Perennial Future of Healthcare Fund

The Fund's primary goal is to drive enduring capital growth by deploying investment capital to tackle critical challenges stemming from an ageing populace, escalating chronic and communicable diseases, disabilities, and mental health concerns.

Portfolio Managers

Victor Windeyer & Sam Walker

APIR Code

AUS9268AU

Distribution Assessment Frequency

Annual

Minimum Initial Investment

\$20,000

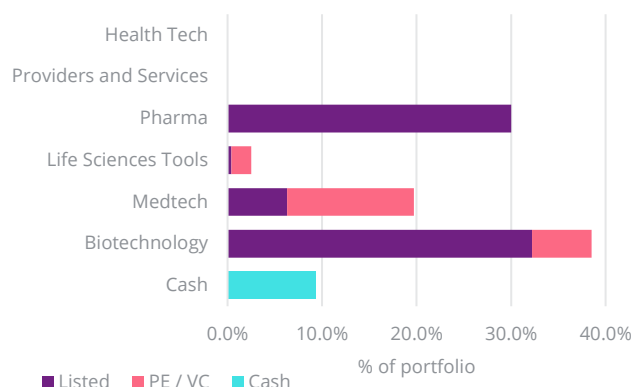
Inception Date

April 2021

Fees

1.35% p.a. + recoverable expenses (capped at 0.25%) + performance fee

Portfolio Allocation



Subsector Performance

Sector	Performance (1 Month USD)
Biotechnology	+2.4%
Health Tech	-3.2%
Life Sciences Tools	+3.9%
Medtech and Supplies	+2.6%
Pharmaceuticals	+5.7%
Providers and Services	+13.1%

Past performance is not a reliable indicator of future performance. Returns are based on GICS Level 3 (Industry Level) of the MSCI World Healthcare Index. Returns are provided as USD returns to better reflect industry level sentiment with less impact from currency fluctuations.

Market Commentary

Global markets this month reflected mixed signals: the MSCI World Index gained +2.6%, while MSCI World Healthcare outperformed, returning +5.3% (USD) following a period of underperformance, in particular to large components of providers and services and pharma.

Interest rate expectations edged modestly lower: the U.S. 10-year Treasury yield dropped to 4.23%, down from 4.37% last month, suggesting easing policy pressures and a more favorable backdrop for capital-intensive healthcare R&D. Concurrently, the AUD appreciated from USD 0.643 to USD 0.655.

Within subsectors, Pharmaceuticals and Healthcare Providers & Services posted standout gains (+5.7% and +13.1%, respectively), driven by a sentiment shift following significant underperformance over the past year. Life Sciences & Tools (+3.9%) and Medtech (+2.6%) also enjoyed momentum, following, on average, better than expected earnings results among the larger players. Biotech (+2.4%) delivered solid gains, supported by encouraging clinical pipelines, while Healthcare Technology, in contrast, saw softness at -3.2%, largely due to the composition of the index.

Small-caps continued to outperform relatively, with the MSCI World Healthcare Small Cap Index posting +6.0%, slightly ahead of the broader index. The Russell 3000 Healthcare Value Index rose +7.1% versus the Russell 3000 Healthcare Growth Index at +3.4%, largely due to a strong rebound in the value subsectors following significant underperformance.

The ASX/S&P 300 Healthcare Index posted a -11.4% return during the month. While this index is heavily skewed towards CSL which makes up just over 50% of the index, and was down 20% for the month, the return highlights the need for Australian investors to consider global markets for a truly diversified healthcare investment exposure.

Looking ahead, we remain confident in the healthcare sector's valuation attractiveness, particularly in pharma and biotech names with compelling clinical catalysts. With interest rates showing early signs of plateauing and selective biotech innovation delivering durable runway, we expect continued support for companies addressing unmet needs, late-stage pipeline readouts, and strong fundamentals in providers and tools industries.

News from the Lab or Clinic

A relatively new investment for the Fund, Natera is answering questions oncologists frequently have. "Is further treatment going to be effective for my patient?" The IMvigor011 Phase III trial sponsored by Genentech used atezolizumab, a cancer immunotherapy drug as a follow up treatment after surgery only for patients who were circulating tumour DNA (ctDNA) positive – measured using Natera's test called Signatera.

Around 760 patients were enrolled in the surveillance phase of the trial and underwent Signatera testing for up to 12 months. The results demonstrated significant and clinically meaningful improvement in disease-free survival and overall survival. For Natera, the trial indicates how their product can inform oncologists to better treatment pathways.

Top 10 Positions (A – Z)	Description
Alnylam NASDAQ: ALNY	RNA interference pioneer, presently cardiovascular treatments
AstraZeneca LSE: AZN	Large pharmaceutical company with a leading oncology platform
Boston Scientific NASDAQ: BSX	Large medtech company with a significant cardiology business
Clarity Pharmaceuticals ASX: CU6	Radiopharmaceutical company
Eli Lilly & Co NYSE: LLY	Large pharma with weight loss drugs as a focus
ImmVirX Unlisted	Biotech targeting difficult cancer indications.
OncoRes Medical Unlisted	Intra-operable tumour margin detection device
Venstra Medical Unlisted	Temporary heart pump (pVAD)
Vertex Pharmaceuticals NASDAQ: VRTX	Large biotech, leader in cystic fibrosis
Zealand Pharma CPH: ZEAL	Emerging diabetes company partnered with Roche

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