

	1 Month (%)	Quarter ¹ (%)	FYTD ² (%)	1 year (%)	2 years (% p.a.)	3 years (% p.a.)	5 years (% p.a.)	Since inception ³ (% p.a.)
Perennial Future of Healthcare Fund	0.5	-10.1	2.6	-1.7	-4.3	5.6	4.4	4.2
MSCI World Healthcare Net Return Index Unhedged (in AUD) ⁴	1.8	-7.6	0.6	0.3	-0.9	2.5	5.9	6.6
Value Added	-1.3	-2.5	+2.0	-2.0	-3.4	+3.1	-1.5	-2.4

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 May 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

The Future of Healthcare Fund returned +0.5% (net of fees) in May, while the MSCI World Healthcare NR Index (AUD) benchmark returned +1.8%. The result was shaped less by stock-specific results than by the Fund's exposure profile during a month that strongly favoured large-cap pharmaceuticals and life sciences sub-sectors. The Fund's flagship innovation positions performed well, led by Eli Lilly, while the benchmark which is heavily weighted to large-cap pharmaceuticals underpinned the index returns.

Eli Lilly (NYSE: LLY) — the Fund's largest holding rose +18.3% (contributing +1.6%). The move was supported by prior milestones across its obesity franchise, including FDA approval of its oral GLP-1 Foundayo (orforglipron) and positive Phase 3 TRIUMPH-1 topline data for the triple-agonist retatrutide, which met its primary and key secondary endpoints, the patients on the highest dose averaged 28.3% weight reduction over 80 weeks. Furthermore, the obesity franchise drove improved financial performance with a revenue increase of 56% over the past 12 months exceeding forecasts. While the financial results were at the end of April, the momentum flowed into May.

Revolution Medicines (NASDAQ: RVMD) — gained +9.2% (+0.4%), supported detailed Phase 3 RASolute 302 data for daraxonrasib in pancreatic cancer, published in the New England Journal of Medicine and presented at the American Society of Clinical Oncology conference plenary at month-end. The data showed a doubling of the median overall survival and reducing the risk of death by 60%.

Argenx (NASDAQ: ARGX) — rose +6.9% (+0.3%), following Q1 results showing ~63% year-on-year product sales growth and FDA approval expanding VYVGART across all adult generalised myasthenia gravis serotypes — the broadest label to date for its FcRn franchise.

Clarity Pharmaceuticals (ASX: CU6) — the clinical-stage radiopharmaceutical company eased -12.0% (-0.9%). The move came without an identifiable company-specific setback. The company stock may have been impacted by tax loss selling and capital gains tax changes driven by the Australian Federal budget.

Boston Scientific (NYSE: BSX) — declined -16.2% (-0.4%) after management, at the Bernstein conference, flagged a continued slowdown in standalone WATCHMAN procedures and competitive pressure in electrophysiology. FY26 organic growth guidance had already been cut to 6.5–8.0% at the Q1 result.

BioNTech (NASDAQ: BNTX) — fell -7.3% (-0.2%) after Q1 revenues missed analyst expectations due to declining revenues from their vaccine partnership. The company announced US\$1bn share buyback and the oncology pivot thesis remains intact.

Outlook. The Fund retains a high-conviction, innovation-led portfolio anchored by category leaders in obesity, immunology and oncology, complemented by a differentiated book of private healthcare innovators. There is a catalyst-rich schedule of clinical readouts and product launches ahead and a constructive policy and capital-markets backdrop.

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

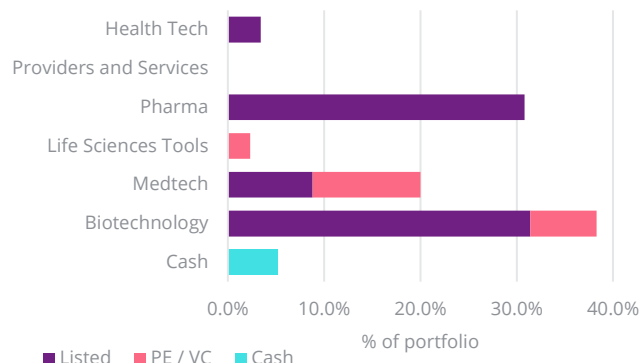
Inception Date

May 2021

Fees

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

Portfolio Allocation



Subsector Performance

Sector	Performance (1 Month USD %)
Biotechnology	+0.2%
Health Tech	+7.3%
Life Sciences Tools	+6.7%
Medtech and Supplies	-3.6%
Pharmaceuticals	+4.2%
Providers and Services	+0.4%

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 healthcare advanced in absolute terms in May but lagged a buoyant broader market. The MSCI World Healthcare NR Index returned +2.0% in USD terms, against +4.6% for the MSCI World. The gap reflected broad-market strength more than healthcare weakness: improving risk appetite and easing policy uncertainty drove leadership from cyclicals and technology, in a clearly risk-on tape. Within the sector, returns were narrowly concentrated. The month built toward the ASCO annual meeting (29 May–2 June), one of the year's most important oncology catalysts, which delivered several practice-changing data sets — most notably in historically intractable tumors such as pancreatic cancer. Obesity remained the dominant secular theme. The GLP-1 class continued to broaden from injectables toward oral formulations and next-generation multi-receptor agonists, expanding the addressable population. Leading manufacturers have agreed lower list prices for government programs and direct-to-consumer channels in exchange for broader Medicare and Medicaid access — a development the market increasingly reads as volume-accretive rather than margin-destructive.

Tariff and US drug-pricing proposals — including most-favoured-nation concepts — have so far proven manageable for large-cap drugmakers, and the FDA has continued to function effectively, including expedited-review initiatives that can accelerate launches of high-priority assets. The easing of worst-case scenarios has been central to the rehabilitation of sentiment toward earlier-stage innovation, where policy fears had weighed most heavily.

Subsector dispersion was unusually wide. Healthcare technology (+7.3%), life sciences and tools (+6.7%) and pharmaceuticals (+4.2%) led. Pharmaceuticals were buoyed by GLP-1 and oncology newsflow and by the fading of pricing risk; life sciences and tools benefited from improving end-market demand and a recovering biopharma funding environment; and health technology was supported by enthusiasm around AI-enabled platforms. Medical devices was the clear laggard (-3.6%), pressured by softer near-term guidance across the group and by rotation out of defensively positioned growth into higher-beta areas. Biotechnology (+0.2%) and healthcare providers (+0.4%) were broadly flat.

Style and size factors pointed firmly toward risk. Growth meaningfully outpaced value within healthcare (Russell 3000 Healthcare Growth +6.0% versus Value +0.9%), consistent with a market rewarding pipeline progress over defensive, lower-multiple exposures.

Macro variables were second-order. The US 10-year Treasury yield was relatively flat along with the AUD / USD exchange rate. With innovation being rewarded, a more navigable policy environment and improving funding conditions, the sector enters a catalyst-rich mid-year period well supported by fundamentals.

News from the Lab or Clinic

A highlight of the ASCO meeting was the updated Phase 1 readout for KLN-1010, an investigational in vivo CAR-T therapy being advanced by Eli Lilly through its agreed ~US\$3.2bn acquisition of Kelonia Therapeutics.

In the inMMYCAR study in relapsed / refractory multiple myeloma, all 18 patients treated to date were free of detectable disease in the bone marrow (minimal residual disease-negative) at one month — a striking early efficacy signal, albeit in a small, early-stage cohort with limited follow-up to date. The result matters because KLN-1010 is a one-time, off-the-shelf intravenous therapy that prompts the patient's own body to generate BCMA-directed CAR-T cells, avoiding the complex ex vivo manufacturing, specialised facilities and lymphodepleting chemotherapy that today confine conventional CAR-T to a fraction of eligible patients.

If durability holds, the approach could substantially broaden access across a large myeloma market (over 150,000 patients globally) and validate a platform.

Top 10 Positions (A – Z)	Description
Argenx NASDAQ: ARGX	Immunology company with first in class drugs targeting the Neonatal Fc Receptor (FcRn)
AstraZeneca LSE: AZN	Large pharmaceutical company with a leading oncology platform
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.
Novartis CHF: NOVN	Large Swiss pharma company exposed to Lp(a) and radiopharmaceuticals
OncoRes Medical Unlisted	Intra-operable tumour margin detection device
Revolution Medicine NASDAQ: RVMD	RAS focused oncology company with new developments in pancreatic cancers.
Venstra Medical Unlisted	Temporary heart pump (pVAD)
Vertex Pharmaceuticals NASDAQ: VRTX	Large biotech, leader in cystic fibrosis

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