

Perpetual Private

PERPETUAL SELECT REAL ESTATE FUND

September 2026

FUND FACTS

Investment objective: Income and long-term capital growth through investment in a diversified portfolio of Australian and international real estate investment trusts and unlisted property trusts.

Suggested length of investment: Five years or longer

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.

BENEFITS

Offers investors a highly liquid access to the potential long-term growth in property markets, without having to hold and manage physical property assets.

RISKS

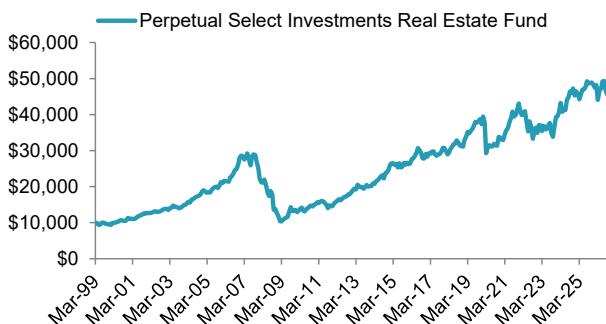
All investments carry risk and different strategies may carry different levels of risk. The relevant product disclosure statement or offer document for a fund should be considered before deciding whether to acquire or hold units in that fund. Your financial adviser can assist you in determining whether a fund is suited to your financial needs.

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

	APIR CODE	1 MTH	3 MTHS	6 MTHS	1 YR PA	3 YRS PA	5 YRS PA
Perpetual Select Investments Real Estate Fund	PER0254AU	-2.4	-7.4	3.4	-6.2	9.3	2.9
Perpetual Select Real Estate Composite Benchmark		-2.3	-7.4	2.2	-8.3	8.3	2.4

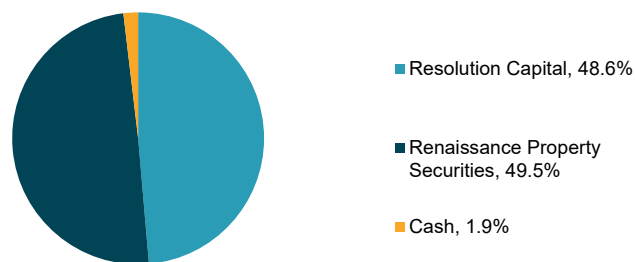
Past performance is not indicative of future performance

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 Real Estate Fund

TOP 10 STOCK HOLDINGS	WEIGHTS (%)
Goodman Group	17.7
Scentre Group Limited	5.0
Welltower Inc.	4.5
Equinix, Inc.	4.1
Stockland	3.7
Charter Hall Group	3.3
Dexus	2.9
Unibail-Rodamco-Westfield SE	2.9
Vivmark Residential	2.4
GPT Group	2.3

MANAGER INVESTMENT APPROACH

Renaissance Property Securities	Diversified Australian Real Estate Investment Trust portfolio, fundamental bottom-up stock selection
Resolution Capital	Concentrated Global Real Estate Investment Trust portfolio, fundamental bottom-up stock selection

MARKET COMMENTARY

The September quarter was broadly challenging for Listed Real Estate as inflation risks materialised across major economies. Improved conditions seen through the June quarter faded quickly as pressures stemming from the unresolved stalemate in the Middle East prompted global yields to rise and central banks to tighten, constraining the rate-sensitive sector.

Australian REITs (A-REITs) slid 8.4%, dragged down by index heavyweight Goodman Group which fell 12.3% over the period as more conservative FY27 guidance overshadowed an FY26 earnings beat. Residential-exposed developers were also among the hardest hit, with investor demand and in turn sales volumes dampened on the back of earlier changes to negative gearing and capital gains tax rules. Sub-sector woes were further compounded by falling prices which ate into development margins, as did building and financing costs which remained elevated. Office showed signs of stabilisation, while activity in Retail was more constructive, aided by lease structures that often tie rental growth to inflation.

Global REITs (G-REITs) suffered under similar circumstances, finishing 6.1% lower over the quarter. Asia was most resilient with Hong Kong the only market to post gains (5.6%) as improving fundamentals and deeply discounted valuations buoyed a rebound in investor sentiment. Japan fell 2.9%, supported by organic rent growth amid ongoing rate normalisation and low vacancy rates, helping to offset the impact of rising bond yields. The US (-6.7%) fared worse, with losses concentrated in areas such as office, residential, and real estate financing as Treasury yields moved higher. Though none were worse off at the hands of rising yields and a deteriorating rate outlook than Europe (-9.6%), weighed particularly by the downturn of German REITs (-21.5%).

PORTFOLIO COMMENTARY

The Perpetual Select Real Estate Fund outperformed its benchmark over the September quarter.

Resolution Capital, the portfolio's sole exposure to Global REITs, underperformed its benchmark over the quarter. Relative performance was negatively impacted by security selection and active positioning across a number of sectors, particularly Retail and Office. At a stock level, overweight positions in TAG Immobilien, Vornado Realty Trust, Federal Realty Investment Trust and Unibail-Rodamco-Westfield were among the principal detractors. These impacts were partly offset by the manager's overweight position in Equinix (Data Centres), as well as positive relative contributions from nil exposures to Realty Income, Vonovia and Public Storage.

Australian REIT manager Renaissance Asset Management outperformed its benchmark over the September quarter, largely reflecting strong stock selection across Office, Data Centres and Residential REITs. Key contributors included overweight positions in GDI Property Group and Dexus within Office, Digico Infrastructure REIT within Data Centres, and Ingenia Communities, while the portfolio also benefited from its underweight position in Goodman Group. Ingenia contributed positively over the quarter, with the stock benefiting from a cash takeover bid from Warburg Pincus in September, following earlier weakness associated with its proposed acquisition of Peet Group. These gains were partly offset by overweight positions in Centuria Capital Group and Unibail-Rodamco-Westfield, which both detracted from relative returns over the quarter.

OUTLOOK

Entering the quarter, we remained constructive on real estate. Despite present geopolitical and inflation-related risks and their potential impact on interest-rate expectations, REITs remained relatively attractive, supported by their income-generating characteristics and improving property market fundamentals. Following a broad rerating across listed property, confidence that financing costs were peaking had grown, valuations appeared to be stabilising, and transaction activity was showing signs of recovery. Dispersion in performance was expected with conditions suiting those segments of the market leveraged to structural growth forces, such as industrial property, logistics, data centres, senior housing and selected retail assets.

RETURNS BREAKDOWN (INVESTMENTS)

	FY 2026	FY 2025	FY 2024
Growth Return %	-1.6%	5.4%	12.4%
Distribution Return %	6.3%	8.5%	2.2%
Total Return %	4.7%	13.9%	14.7%

DISTRIBUTION BREAKDOWN

	FY 2026	FY 2025	FY 2024
Cents per unit	6.7512	8.6416	2.0110

PRODUCT FEATURES

	INVEST.
Inception date	Mar 99
Management/Investment Fee (p.a.)*	0.97%
Ongoing fee discount	No
Admin fee	0.00%
Buy spread	0.24%
Sell spread	0.00%
Contribution fee	0.00%
Withdrawal fee	\$0
Monthly member fee	\$0
Min. initial contribution	\$2,000
Min. additional contribution	\$0
Savings plan	Yes
Withdrawal plan	Yes
Distribution frequency	Quarterly
Contact information	1800 677 648

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

Over the period, many of the fundamental themes anticipated at the start of the period remained intact; however, macroeconomic developments became the dominant driver of returns. Within Australia, Data Centre and Office exposures represented two of three sub-industries with positive performance despite the challenging environment. Overweight data centre positions (Digico) added value over the quarter, and within Office a selective holding in GDI Property and an overweight position in Dexus, the latter being the primary contributor to the Office segment's positive return, both added to excess returns. A moderate underweight to Goodman also benefited relative performance, with the stock retracing after a prolonged period of strong share-price growth. Given its significant index weight, weakness in Goodman was a major contributor to the decline in the broader Industrial REIT sector.

Global Real Estate market losses were marginally softer than domestic counterparts in aggregate and whilst fewer segments of the market provided absolute positive performance, dispersion across sectors was less pronounced than in Australia. Pleasingly, Data Centres, experienced smaller drawdowns than many other segments of the market. This, combined with significant overweights to several of the sector's stronger-performing securities, supported relative returns. Outside of this theme, performance was more mixed, with stock-specific results across Office, Retail and Industrial property highlighting the ongoing importance of active security selection. North American and European Real Estate were the primary contributors to performance headwinds. However, UK securities to which we ran a moderate overweight, experienced comparatively smaller drawdowns, helping dampen wider index losses.

Looking ahead, while our near-term outlook has become more cautious given a more challenging macroeconomic backdrop, we continue to believe REITs remain relatively attractive due to their income-generating characteristics and improving property market fundamentals. While we anticipate interest-rate expectations remaining an important driver of near-term returns, recent market weakness has improved valuation support across parts of the asset class.

¹ As measured by the S&P/ASX 300 A-REIT index

² As measured by the FTSE EPRA Nareit Global index in AUD unhedged terms

³ As measured by the FTSE EPRA Nareit Hong Kong index in AUD unhedged terms

⁴ As measured by the FTSE EPRA Nareit Japan index in AUD unhedged terms

⁵ As measured by the FTSE EPRA Nareit USA index in AUD unhedged terms

⁶ As measured by the FTSE EPRA Nareit Europe index in AUD unhedged terms

⁷ As measured by the FTSE EPRA Nareit Germany index in AUD unhedged terms

This information has been prepared by Perpetual Trustee Company Limited (PTCo) ABN 42 000 001 007, AFSL 236643. It is general information only and is not intended to provide you with financial advice or take into account your objectives, financial situation or needs.

You should consider, with a financial adviser, whether the information is suitable for your circumstances. To the extent permitted by law, no liability is accepted for any loss or damage as a result of any reliance on this information. The PDS for the relevant funds, issued by Perpetual Investment Management Limited (PIML) ABN 18 000 866 535, AFSL 234426 (PIML), should be considered before deciding whether to acquire or hold units in the fund. The PDS and Target Market Determination can be obtained by calling 1800 677 648 or visiting our website www.perpetual.com.au. No company in the Perpetual Group* guarantees the performance of any fund or the return of an investor's capital. Total returns shown for the fund has been calculated using exit prices after taking into account all of Perpetual's ongoing fees, in line with the FSC Standard No.6 and assuming reinvestment of distributions. No allowance has been made for taxation. Past performance is not indicative of future performance. *Perpetual Group means Perpetual Limited ABN 86 000 431 827 and its subsidiaries.

MORE INFORMATION

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

