

PENGANA HARDING LOEVNER INTERNATIONAL FUND

DESCRIPTION

An International Fund targeting superior risk-adjusted returns through investing in high-quality and durable growing companies at reasonable prices.

The Pengana Harding Loevner International Fund invests in high-quality, growing companies identified through fundamental research with a long-term, global perspective.

Pengana has appointed Harding Loevner to managed the Fund. Harding Loevner is a New Jersey-based global equity fund manager formed in 1989 with over US\$86billion in Assets under Management.

Harding Loevner' analysts search the world for companies that meet their high quality and durable growth criteria, conduct fundamental research, then value and rate their stocks to make them available to PMs for investment.

PERFORMANCE TABLE

NET PERFORMANCE FOR PERIODS ENDING 28 Feb 2026¹

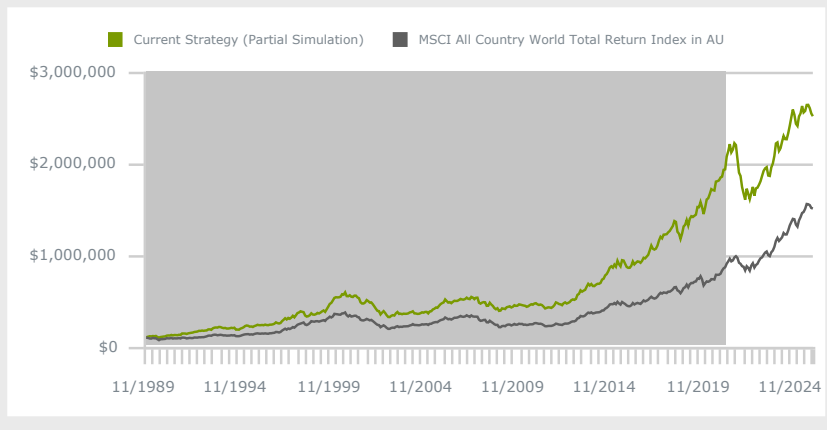
Pengana Harding Loevner International Fund Class B

The Class was established in 1 July 2015. From June 2021 Harding Loevner was appointed as the investment manager for the Fund.

	1M	1Y	2Y	3Y	Since Harding Loevner Appointed June 2021 ¹	5Y	Since Fund Inception July 2015 ²	Since Strategy Inception November 1989 ³
Fund (APIR PCL0026AU)^{1,2} Managed by Harding Loevner from June 2021	-1.1%	-0.7%	6.5%	13.2%	5.7%	6.0%	9.2%	
Current Strategy (Partial Simulation)⁴ Harding Loevner Global Equity Strategy						6.4%	10.4%	9.3%
Index⁵	-0.4%	8.4%	14.3%	18.5%	12.3%	13.6%	11.7%	7.8%

PERFORMANCE CHART

NET PERFORMANCE SINCE INCEPTION²



TOP HOLDINGS (ALPHABETICALLY)

Alphabet Inc. Class A	Communication Services
Amazon.com, Inc.	Consumer Discretionary
ASML Holding NV	Information Technology
Meta Platforms Inc Class A	Communication Services
Microsoft Corporation	Information Technology
Netflix, Inc.	Communication Services
NVIDIA Corporation	Information Technology
Schneider Electric SE	Industrials
Taiwan Semiconductor Manufacturing Co., Ltd.	Information Technology
Tencent Holdings Ltd	Communication Services

SECTOR BREAKDOWN

Consumer Discretionary	8.3%
Consumer Staples	1.8%
Energy	2.6%
Financials	14.2%
Health Care	15.6%
Industrials	19.3%
Information Technology	24.1%
Communication Services	12.8%
Cash	1.3%

CAPITALISATION BREAKDOWN

Under 5bn USD	0.7%
In between 5bn - 10bn USD	1%
In between 10bn - 50bn USD	16.7%
In between 50bn - 150bn USD	28.2%
In between 150bn - 500bn USD	20.2%
Above 500bn USD	31.8%
Cash	1.3%

REGION BREAKDOWN

North America	54.4%
Europe ex-UK	16.1%
Emerging Markets	9.1%
Japan	5.7%
UK	8.6%
Asia Pacific ex-Japan	4.7%
Cash	1.3%

STATISTICAL DATA

VOLATILITY⁸ 10.8%

NUMBER OF STOCKS 63

BETA⁹ 0.9

FEBRUARY REPORT

COMMENTARY

- The Fund declined 1.1% in February, modestly underperforming the MSCI All Country World Total Return Index (net, AUD), which fell 0.4%, as weakness in several technology-related holdings offset gains elsewhere in the portfolio.
- Japan and Emerging Markets were the strongest-performing regions during the month, supported by strong gains from South Korean memory chip manufacturers, while the US lagged amid ongoing concerns about the potential disruption of traditional software business models by artificial intelligence.
- Within the portfolio, positive contributions from **Tradeweb** and **Chugai Pharmaceutical** were offset by weakness in **Tencent** and **Booking Holdings**. The Fund also initiated a new position in **Reinsurance Group of America**.

Market Commentary

Global equity markets delivered mixed performance in February as investors continued to assess the economic implications of accelerating investment in artificial intelligence and the durability of global growth. While several international markets advanced during the month, weakness in the US weighed on broader benchmark returns.

Japan was the strongest-performing major market, supported by improving corporate fundamentals, ongoing governance reforms and sustained investor interest in Japanese equities. Emerging Markets also performed well, led by South Korea, where memory chip manufacturers extended their strong momentum amid continued demand for AI-related infrastructure and data centre capacity.

In contrast, the US lagged behind global markets. Weakness was concentrated in software and services companies as investors grew increasingly concerned that rising capital expenditure associated with artificial intelligence development could pressure margins and weigh on near-term profitability. These concerns contributed to continued volatility across segments of the technology sector that had previously benefited from strong enthusiasm around AI-driven growth.

At the sector level, Materials performed strongly, supported by rising gold prices during the month. Communication Services lagged as investors reassessed the profitability outlook for companies, increasing their investment in artificial intelligence capabilities.

Portfolio Commentary

The Fund declined 1.14% in February, underperforming the benchmark, which fell 0.43%, as individual stock movements were the primary drivers of relative performance. Weakness among several technology-related holdings weighed on performance, offsetting positive contributions from holdings in Financials and Health Care.

In Emerging Markets, shares of **Tencent**, the Chinese internet and digital services platform, declined alongside other Chinese technology companies following speculation that authorities could increase value-added taxes on internet businesses. Within Consumer Discretionary, **Booking Holdings**, the global online travel booking platform, also lagged as investors expressed concern that advances in artificial intelligence could alter how consumers search for and plan travel, potentially affecting the competitive position of established booking intermediaries.

These headwinds were partly offset by strong contributions elsewhere in the portfolio. **Tradeweb Markets**, the US-based electronic trading platform for fixed income, derivatives and ETFs, rose after reporting strong fourth-quarter revenue growth and a sharp increase in trading volumes across its platforms in January. In Health Care, **Chugai Pharmaceutical**, the Japanese biotechnology company majority-owned by Roche, performed strongly after reporting solid growth in revenue and operating profit, supported by royalty income from its haemophilia and dermatology treatments.

Toward the end of February, tensions in the Middle East escalated sharply. While geopolitical developments are difficult to forecast, the team evaluates such events through the lens of the businesses held in the portfolio rather than attempting to predict near-term outcomes. The portfolio has limited exposure to companies tied directly to defence or fossil fuel production. If global growth expectations were to weaken, some of the portfolio's most highly valued companies linked to the artificial intelligence value chain could face pressure. Industrial and electronic equipment companies held in the portfolio, including **Amphenol**, **Schneider Electric** and **Atlas Copco**, may benefit over time from reconstruction and infrastructure demand.

During the month, the Fund initiated a new position in **Reinsurance Group of America**, a global provider of life and health reinsurance. The company operates in a specialised segment of the insurance market offering stable growth and higher barriers to entry than traditional property and casualty markets. With operations in more than 25 countries and strong underwriting capabilities, the company is well positioned to expand internationally.

FEATURES

APIR CODE	PCL0026AU
REDEMPTION PRICE	A\$ 0.9884
FEES *	Management Fee: 0.974% Performance Fee: Nil
MINIMUM INITIAL INVESTMENT	\$10,000
FUM AT MONTH END	A\$ 26.34m
STRATEGY INCEPTION DATE	1 December 1989
BENCHMARK	MSCI All Country World Total Return Index (net) in \$A

FUND MANAGERS



Jingyi Li
Portfolio Manager



Rick Schmidt
Portfolio Manager

1. Harding Loevner was appointed fund manager as of 10 May 2021. June 2021 represents the first full month of Harding Loevner managing the Fund.
 2. Class B Inception date 1 July 2015. Figures shown are calculated from the continuous performance of both the current and previous strategies. For performance see row labelled Fund (APIR PCL0026AU) in the table above which is the continuous performance of both the current and previous (shaded) strategies.
 3. Harding Loevner Global Equity Strategy inception 1 Dec 1989
 4. Prior to June 2021, the Harding Loevner Global Equity Strategy performance (labelled 'Current Strategy (Partial Simulation)' and shown in the shaded area) includes the strategy performance simulated by Pengana from the monthly gross returns of the Harding Loevner Global Equity strategy. This simulation was done by: 1) the conversion of US-denominated gross returns to AUD, 2) applying the fee structure of Class B. From June 2021 the strategy performance is the performance of the Pengana Harding Loevner International Fund Class B.
 5. MSCI All Country World Total Return Index in AUD.
 6. Performance for periods greater than 12 months are annualised. Net performance figures are shown after all fees and expenses and assume reinvestment of distributions. No allowance has been made for buy/sell spreads. Please refer to the PDS for information regarding risks. Past performance is not a reliable indicator of future performance, the value of investments can go up and down.
 7. The Harding Loevner Global Equity Strategy performance (shown in the shaded area in the chart, and in the performance table as row labeled 'Harding Loevner Global Equity Strategy') has been simulated by Pengana from the monthly gross returns of the Harding Loevner Global Equity strategy. This simulation was done by: 1) the conversion of US-denominated gross returns to AUD, 2) applying the fee structure of the stated class. Strategy Inception 30 November 1989.
 8. Annualised standard deviation since inception.
 9. Relative to MSCI All Country World Total Return Index in AUD
- * For further information regarding fees please see the PDS available on our website.

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