

PENGANA INTERNATIONAL EQUITIES LIMITED (ASX: PIA)
DESCRIPTION

Pengana International Equities Limited (trading on the ASX as PIA) is the largest international ethical Listed Investment Company ("LIC") on the ASX. PIA's objective is to provide shareholders with capital growth as well as regular, reliable, and fully franked dividends.

The strategy aims to generate superior risk-adjusted returns, through investing in an actively managed portfolio of global companies that meet the investment team's high-quality and durable growth criteria at reasonable prices. A robust ethical framework provides an added layer of risk mitigation.

These companies are identified through the conduct of fundamental research, with a long-term, global perspective, and must exhibit the following four key investment criteria: competitive advantages, quality management, financial strength, and sustainable growth potential.

SHARE PRICE	NTA POST-TAX	NTA PRE-TAX	PORTFOLIO RETURN (20 YEARS)	DIVIDEND YIELD ¹	CONSECUTIVE QUARTERLY DIVIDENDS PAID
\$1.230 28 Feb 2026	A\$ 1.306 28 Feb 2026	A\$ 1.335 28 Feb 2026	7% p.a. 28 Feb 2026	4.6% 6.1% when grossed up ² for franking credits	22

1. Dividend yield is based on current displayed share price, and the most recently declared dividend, annualised

2. Grossed up yield is based on current displayed share price, the most recently declared dividend, annualised, and the tax rate and franking percentage applicable for the most recently declared dividend

COMMENTARY

- PIA declined 1.5% in February, underperforming the MSCI World Total Return Index (Net Dividends Reinvested AUD), which fell 1.0%, as weakness in several technology-related holdings offset gains elsewhere in the portfolio.
- Global equity markets delivered mixed performance. Japan and Emerging Markets were the strongest-performing regions, supported by 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 portfolio also initiated a new position in global life and health reinsurer Reinsurance Group of America.

PERFORMANCE TABLE
NET PERFORMANCE FOR PERIODS ENDING 28 Feb 2026¹

	1M	1Y	5Y	15Y	20Y
Total Portfolio Return	-1.5%	-2.3%	5.2%	8.5%	7.0%
Total Shareholder Return	-2.8%	6.6%	3.1%	6.2%	4.3%
Index	-1.0%	5.9%	14.4%	13.1%	8.7%

TOP HOLDINGS (ALPHABETICALLY)

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

FEBRUARY REPORT

COMMENTARY

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 artificial intelligence 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

February presented a mixed backdrop for the portfolio. Weakness in several technology-related holdings weighed on performance, although strength in selected Financials and Health Care companies provided some offset.

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 platform, also weakened as investors debated the potential for advances in artificial intelligence to alter how consumers search for and plan travel.

These headwinds were partially offset by positive contributions elsewhere in the portfolio. **Tradeweb Markets**, the US-based electronic trading platform for fixed income and derivatives, performed strongly after reporting solid fourth-quarter revenue growth and increased trading volumes across its platforms.

In Health Care, **Chugai Pharmaceutical**, the Japanese biotechnology company majority-owned by Roche, also delivered strong performance after reporting solid year-over-year growth in revenue and operating profit.

Toward the end of February, tensions in the Middle East escalated sharply. While geopolitical developments are difficult to predict, the investment approach focuses on assessing how such events may affect the long-term prospects of the businesses held in the portfolio rather than attempting to anticipate short-term market movements.

The portfolio has limited exposure to companies directly tied to defence or fossil fuel production, in part reflecting the ethical investment screens applied within the strategy. 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 infrastructure-related companies may benefit over time from reconstruction activity.

During the month, the portfolio 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 that offers 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

ASX CODE	PIA
FEES	Management Fee: 1.23% p.a. Performance Fee: 15.38% of any return greater than the Index ^v
INCEPTION DATE	19 March 2004
MANDATED	1 July 2017
BENCHMARK	MSCI World Total Return Index, Net Dividend Reinvested, in A\$ ("Index")
NTA POST TAX ^{iv}	A\$ 1.306 28 Feb 2026
NTA PRE TAX ^{iv}	A\$ 1.335 28 Feb 2026
PRICE CLOSE ^{iv}	A\$ 1.230
SHARES ON ISSUE ^{iv}	257.55m
DRP ^{iv}	Yes

FUND MANAGERS



Jingyi Li
Portfolio Manager



Rick Schmidt
Portfolio Manager

i. Performance for periods greater than 12 months is the compound annual return.

Total Shareholder Return refers to the movement in share price plus dividends declared for the period, not including the benefit of franking credits attached to dividends paid

Total Portfolio Return refers to the movement in net assets per share, reversing out the impact of option exercises and payments of dividends, before tax paid or accrued on realised and unrealised gains.

Index refers to MSCI World Total Return Index, Net Dividends Reinvested, in A\$.

Past performance is not a reliable indicator of future performance, the value of investments can go up and down. None of Pengana International Equities Limited ("PIA"), Pengana Investment Management Limited nor any of their related entities guarantees the repayment of capital or any particular rate of return from PIA. This information has been prepared by PIA and does not take into account a reader's investment objectives, particular needs or financial situation. It is general information only and should not be considered investment advice and should not be relied on as an investment recommendation. The figures are unaudited.

Source: PCG and Factset.

ii. 20 Year Annualised Standard Deviation as at the last day of the last month prior to publishing this report.

iii. Relative to MSCI World Total Return Index, Net Dividends Reinvested, 20 Year annualised Beta as at the last day of the last month prior to publishing this report.

iv. As at the last day of last month prior to publishing of this report. The figures are unaudited.

v. Index/MSCI World refers to the MSCI World Total Return Index, Net Dividends Reinvested, in A\$.

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Authorised by: Paula Ferrao, Company Secretary.