

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.

STATISTICAL DATA

VOLATILITY³ 11.2%

NUMBER OF STOCKS 60

BETA⁴ 0.83

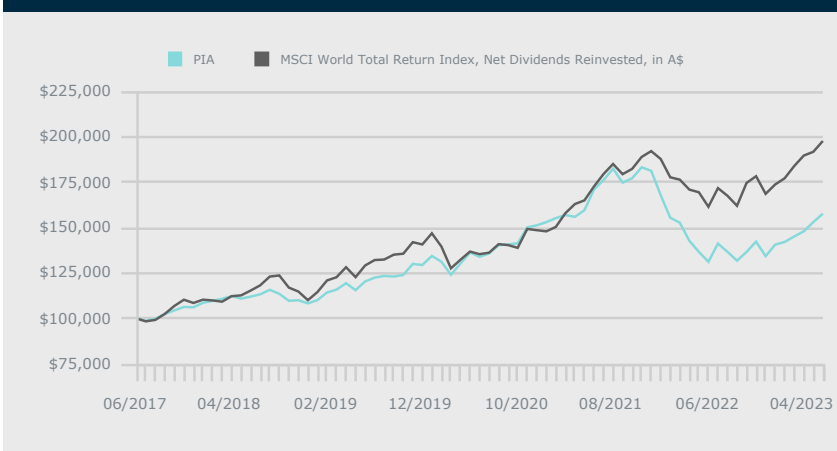
PERFORMANCE TABLE

NET PERFORMANCE FOR PERIODS ENDING 30 Jun 2023¹

	1M	1Y	3Y	Pengana SI July 2017 ¹
(ASX: PIA)	3%	20.2%	5.6%	7.9%
Index ²	3.1%	22.4%	13.5%	12%

PERFORMANCE CHART

NET PERFORMANCE SINCE INCEPTION²



TOP HOLDINGS (ALPHABETICALLY)

Alphabet Inc	Communication Services
Amazon	Consumer Discretionary
AMETEK Inc	Industrials
Bank Central Asia Tbk PT	Financials
Danaher	Health Care
Deere & Co	Industrials
Meta Platforms Inc	Communication Services
Microsoft	Information Technology
Schneider Electric SE	Industrials
Vertex Pharmaceuticals Inc	Health Care

SECTOR BREAKDOWN

Consumer Discretionary	6.2%
Consumer Staples	5.4%
Financials	11.1%
Health Care	20.5%
Industrials	19.1%
Information Technology	22.4%
Materials	1.1%
Real Estate	0.4%
Communication Services	10.5%
Cash	3.2%

CAPITALISATION BREAKDOWN

Under 5bn USD	0.7%
In between 5bn - 10bn USD	3%
In between 10bn - 50bn USD	20.9%
In between 50bn - 150bn USD	32%
In between 150bn - 500bn USD	24%
Above 500bn USD	16.1%
Cash	3.2%

REGION BREAKDOWN

North America	58.9%
Europe ex-UK	21.9%
Emerging Markets	8.7%
Japan	3.7%
UK	2.6%
Asia Pacific ex-Japan	1.1%
Cash	3.2%

JUNE REPORT & DIVIDEND ANNOUNCEMENT

COMMENTARY

- The Portfolio returned 3% for the month as global markets shrugged off economic uncertainty to record strong gains for the month
- The total Portfolio return for the financial year was 20.2%
- Biotech holding Abcam soared on the news that it had received multiple acquisition inquiries
- Positive corporate developments led the portfolio to initiate a new position in Estée Lauder
- PIA announces an 11th consecutive fully-franked quarterly dividend

Market Review

Global share markets rose this month, with all sectors and major regions recording positive performance. In the US, the Federal Reserve paused its rate-hiking campaign, while simultaneously suggesting that two more hikes of 0.25% later in the year may still be necessary. Monetary conditions in other parts of the world continued to tighten, however, with the European Central Bank increasing its main interest rate to address persistent regional inflation.

Meanwhile, China's central bank—facing a stalled economic rebound—chose to loosen its key lending rates, and the Bank of Japan maintained its ultra-accommodative policy despite signs of nascent inflation. Commodities rebounded substantially in mid-June; however, this resurgence lost steam, primarily due to increasing apprehensions about the health of the Chinese economy.

Portfolio Comment

Our Health Care holdings continued to outperform, with UK-based biotechnology company **Abcam** up over 50% on the month as the company announced that it had received acquisition inquiries from multiple parties.

Following a very strong run this year, and boosted by investor optimism surrounding artificial intelligence (AI) in May, some of our Information Technology (IT) holdings including US chip design software company **Synopsys** and US tech giant **Alphabet** gave back some gains in June.

We initiated a new position in US-based cosmetics company **Estée Lauder**. The company has recently opened a state-of-the-art R&D centre in Shanghai and announced plans to open its first Asian manufacturing plant in Japan in 2023. These actions, coupled with Estée Lauder's continued strength in product innovation and consumer brand appeal, should help it overcome its severe inventory glut in products sold at travel hubs in China and South Korea and sustain long-term growth. Previously, the company's US-centric R&D and manufacturing footprint led to a long and inflexible supply chain for Asia that complicated its ability to address its excess inventory problems.

Dividend Announcement

A unique vehicle delivering stable, fully-franked quarterly dividends, from a diversified portfolio of global equity investments.

In today's newsletter, we are once again pleased to announce PIA's next dividend for shareholders, and the final

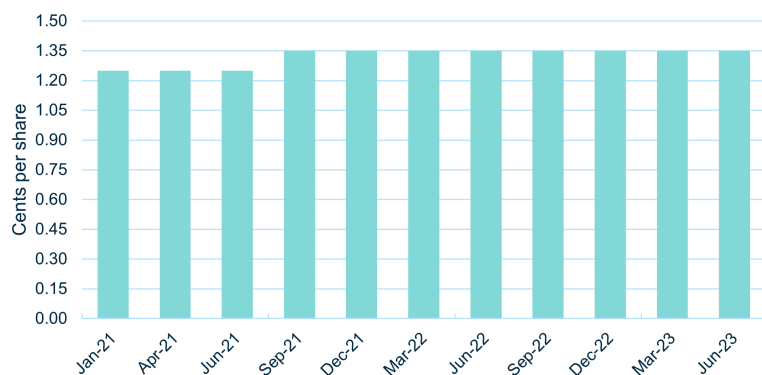
dividend for the 2023 financial year.

The fully franked dividend of 1.35 cents per share will be paid on 15 September 2023 to shareholders on the register on 1 August 2023.

The June 2023 dividend will be the 11th dividend paid since the introduction of quarterly dividends in January 2021.

In January 2021, the PIA board announced the addition of a quarterly dividend target to the Company's mandate. Since that time, 10 quarterly dividends have been paid, delivering fully franked dividends from a unique base of quality growth investments to Australian investors.

PIA QUARTERLY DIVIDEND HISTORY



Over the last few months, PIA has published a number of pieces highlighting the [underlying investment risks](#) facing Australian dividend investors, who rely on a concentrated pool of Australian businesses to deliver franked dividends from their portfolios for their income.

PIA's unique positioning as a dividend-focussed global and ethically screened listed investment company (LIC) delivers an ever-increasing tailwind for the Company to play an important role in the portfolios of Australian income investors over the coming periods.

PIA currently expects to announce its annual results to the ASX on 21 August 2023.

FEATURES

ASX CODE	PIA
FEES	Management Fee: 1.23% p.a. Performance Fee: 15.38% of any return greater than the Index***
INCEPTION DATE	19 March 2004
MANDATED	1 July 2017
BENCHMARK	MSCI World Total Return Index, Net Dividend Reinvested, in A\$ ("Index")
NTA POST TAX **	A\$ 1.219
NTA PRE TAX **	A\$ 1.255
PRICE CLOSE **	A\$ 1.025
SHARES ON ISSUE **	256.84m
DRP **	Yes

FUND MANAGERS



Peter Baughan
Portfolio Manager



Jingyi Li
Portfolio Manager

1. As at the last day of last month prior to publishing of this report. Performance figures refer 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. 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.

2. Inception date of PIA: 19 March 2004, new investment team with new mandate adopted: 1 July 2017. Pengana International Equities Limited has been managed under the new investment mandate by the Pengana investment team since 1 July 2017. The performance since mandated in the table above refers to the movement in net assets per share since the new mandate adopted on 1 July 2017.

3. Annualised Standard Deviation since mandated

4. Relative to MSCI World

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

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

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ACN 107 462 966

MANAGED BY PENGANA INVESTMENT MANAGEMENT LIMITED

PART OF THE PENGANA CAPITAL GROUP

AFSL 219462

PENGANA.COM/PIA

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