

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 31 Mar 2026¹

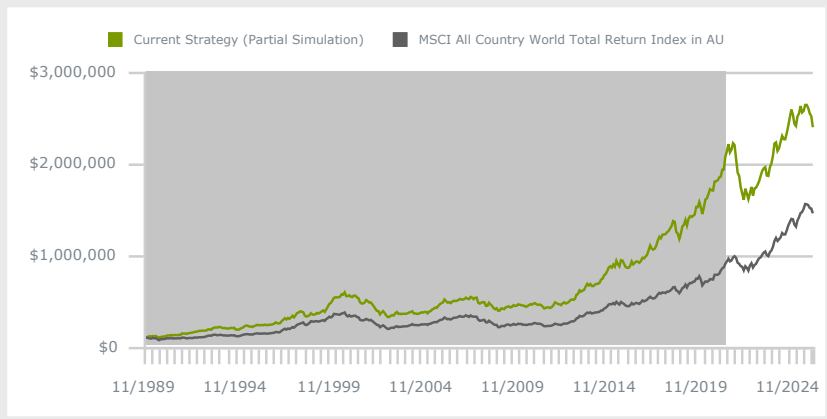
Pengana Harding Loevner International Fund Class B

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	-4.8%	-1.5%	3.7%	10.7%	4.5%	4.8%	8.6%	
Current Strategy (Partial Simulation)⁴ Harding Loevner Global Equity Strategy						5.2%	9.8%	9.1%
Index⁵	-3.4%	9.2%	10.7%	15.7%	11.3%	11.8%	11.2%	7.7%

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	8.6%
Consumer Staples	1.1%
Energy	3%
Financials	14.8%
Health Care	13.9%
Industrials	18.7%
Information Technology	23.8%
Communication Services	13.1%
Cash	3%

CAPITALISATION BREAKDOWN

Under 5bn USD	0.7%
In between 5bn - 10bn USD	1.4%
In between 10bn - 50bn USD	18.3%
In between 50bn - 150bn USD	27.4%
In between 150bn - 500bn USD	17%
Above 500bn USD	32.2%
Cash	3%

REGION BREAKDOWN

North America	56.3%
Europe ex-UK	13.8%
Emerging Markets	8%
Japan	4.9%
UK	9.2%
Asia Pacific ex-Japan	4.8%
Cash	3%

STATISTICAL DATA

VOLATILITY⁸ 10.9%

NUMBER OF STOCKS 61

BETA⁹ 0.91

MARCH REPORT

COMMENTARY

- The fund declined 4.8% in March, underperforming the MSCI All Country World Total Return Index (net, AUD), which fell 3.4%, as a regional conflict in the Middle East following US and Israeli airstrikes closed the Strait of Hormuz and severely disrupted energy markets.
- Energy was the only sector to post gains as oil prices surged, while Materials, Industrials, Real Estate, and Consumer sectors lagged on expectations that higher energy costs would weigh on margins and spending. Emerging Markets was the weakest region, dragged lower by Taiwan and South Korea.
- **Samsung Electronics** and **Chugai Pharmaceutical** were the largest detractors, partly offset by a positive contribution from **Diploma**. The fund initiated a new position in **nVent Electric**, a US-based specialist in electrical connection and enclosure products.

Market Review

Global equity markets sold off sharply in March as a regional conflict in the Middle East sent shockwaves through commodity and financial markets. US and Israeli airstrikes at the end of February triggered a rapid escalation that closed the Strait of Hormuz, one of the world's most critical oil transit routes, and severely disrupted energy supply chains. Oil prices surged, lifting Energy to the only positive sector performance during the month.

The spike in energy costs weighed heavily on the broader market. Materials, Industrials, Real Estate, and Consumer sectors all declined as investors priced in the prospect of compressed corporate margins and weaker consumer spending. Higher input costs posed a particular challenge for capital-intensive industries, while consumer-facing businesses faced the dual headwind of rising costs and potential demand destruction.

Regional performance diverged notably. US equities recorded the smallest decline among major regions, while Emerging Markets fared worst, dragged lower by heavy selling in Taiwan and South Korea. Shares of companies across the AI semiconductor supply chain fell as the conflict threatened to disrupt supplies of key manufacturing materials such as helium. The concentration of advanced chip fabrication in the region left these markets particularly exposed to the disruption, amplifying broader concerns around supply chain resilience at a time when demand for AI-related hardware remained elevated.

Portfolio Commentary

The conflict in the Middle East brings two important considerations into focus for the portfolio: the value of diversification and the importance of investing in financially strong companies. With the path of the war and its economic consequences still uncertain, a pressing question is which businesses are positioned to withstand a broad range of outcomes.

Rising raw materials costs, weaker consumer demand, and tighter financial conditions would not affect all companies equally. Financial strength, one dimension of business quality, helps determine which can absorb those pressures while continuing to invest and grow. Companies that fund operations through internally generated cash flow, rather than relying on accommodative credit markets, are better placed in such environments. Those with durable competitive advantages tend to gain share from weaker rivals over time, particularly during periods of disruption. Conservative leverage preserves flexibility to pursue opportunities such as acquisitions and maintains a margin of safety if conditions deteriorate.

Whenever the world appears to change, it can create the expectation that the portfolio should change with it. The purpose of active portfolio management, however, is not to react to every event as it occurs. It is to position the portfolio for long-term structural change, whether that be the world's evolving infrastructure needs or the type of economic disruption that might stem from a prolonged energy shock.

One such company purchased during the month is **nVent Electric**, a US-based business specialising in the design, manufacture, and installation of high-performance electrical connection and enclosure products. The company holds the leading position in enclosures in North America and is a global leader in a wide variety of other electrical products, including surge protection systems. **nVent** has increasingly focused on large-scale, high-growth areas including data centres, utilities, and industrial electrification. The company generates strong free cash flow, and its growing exposure to AI-driven data centre demand through liquid cooling solutions provides an additional source of growth.

Turning to attribution, **Samsung Electronics**, the South Korean semiconductor and memory chip manufacturer, was the largest detractor as shares fell on concerns that the conflict would disrupt supplies of manufacturing materials. In contrast, **Diploma**, a UK-based global distributor of specialised technical products and services, was a positive contributor after the company raised its 2026 guidance on the back of strong demand at its Peerless aerospace unit.

In Healthcare, **Chugai Pharmaceutical**, the Japanese biopharmaceutical company, declined after its parent company, Roche, stopped clinical development of its drug candidate emugrobarb for two muscle diseases. While disappointing, the position reflects the portfolio's broader exposure to Chugai's deep pipeline and strong competitive position within the Japanese healthcare market.

FEATURES

APIR CODE	PCL0026AU
REDEMPTION PRICE	A\$ 0.9414
FEES *	Management Fee: 0.974% Performance Fee: Nil
MINIMUM INITIAL INVESTMENT	\$10,000
FUM AT MONTH END	A\$ 24.46m
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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