

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.

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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 manage 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 May 2025¹

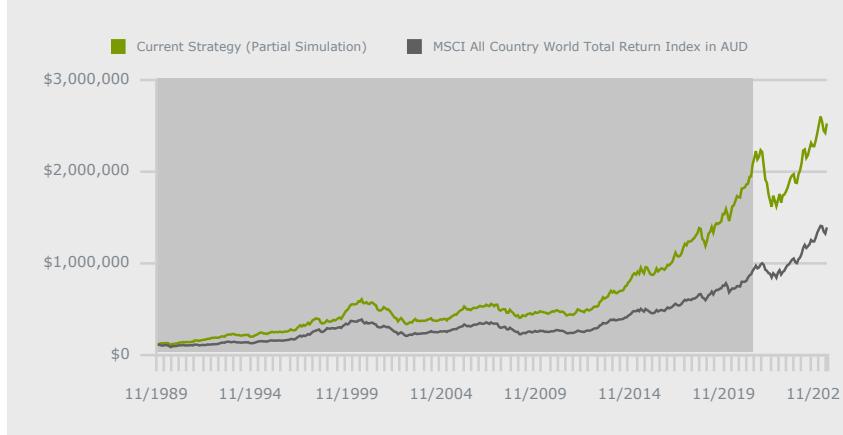
Pengana Harding Loevner International Fund Class B

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 | 4.3% | 16.0% | 16.1% | 14.5% | 6.7% | 8.4% | 9.9% | |
| Current Strategy (Partial Simulation)⁴ Harding Loevner Global Equity Strategy | | | | | | 9.4% | 11.2% | 9.5% |
| Index⁵ | 5.1% | 17.4% | 18.8% | 16.4% | 12.3% | 14.1% | 11.6% | 7.7% |

PERFORMANCE CHART

NET PERFORMANCE SINCE INCEPTION²



TOP HOLDINGS (ALPHABETICALLY)

| | |
|--|------------------------|
| Alphabet Inc. Class A | Communication Services |
| Amazon.com, Inc. | Consumer Discretionary |
| CME Group Inc. Class A | Financials |
| Meta Platforms Inc Class A | Communication Services |
| Microsoft Corporation | Information Technology |
| Netflix, Inc. | Communication Services |
| Schneider Electric SE | Industrials |
| Sony Group Corporation | Consumer Discretionary |
| Tradeweb Markets, Inc. Class A | Financials |
| Vertex Pharmaceuticals Incorporated | Health Care |

SECTOR BREAKDOWN

| | |
|------------------------|-------|
| Consumer Discretionary | 9.6% |
| Consumer Staples | 1.9% |
| Energy | 2% |
| Financials | 12.2% |
| Health Care | 15.6% |
| Industrials | 15% |
| Information Technology | 24% |
| Materials | 1.1% |
| Real Estate | 1.1% |
| Communication Services | 14.7% |
| Cash | 2.8% |

CAPITALISATION BREAKDOWN

| | |
|------------------------------|-------|
| Under 5bn USD | 1.4% |
| In between 5bn - 10bn USD | 1.3% |
| In between 10bn - 50bn USD | 16.7% |
| In between 50bn - 150bn USD | 28.7% |
| In between 150bn - 500bn USD | 21.9% |
| Above 500bn USD | 27.3% |
| Cash | 2.8% |

REGION BREAKDOWN

| | |
|-----------------------|------|
| North America | 59% |
| Europe ex-UK | 16% |
| Emerging Markets | 8.4% |
| Japan | 5.5% |
| UK | 5.5% |
| Asia Pacific ex-Japan | 2.7% |
| Cash | 2.8% |

STATISTICAL DATA

VOLATILITY⁸ 11%

NUMBER OF STOCKS 61

BETA⁹ 0.9

MAY REPORT

COMMENTARY

- Global markets rose strongly during the month, with the Fund returning 4.28%. This was slightly behind the index, which gained 5.14%, as our more defensive Health Care holdings didn't keep pace with the broader market rally.
- Global equities rallied as investors looked past tariff uncertainty and focused on strong corporate earnings. Technology stocks led the gains, while Health Care lagged.
- **UnitedHealth** was sold during the month following a sharp decline. **Visa** was added to the portfolio, reflecting the team's positive long-term view on global payments growth.

Market Commentary

Equity markets posted strong gains in May, led by the US market, which outperformed for the first full month since President Trump's re-election. The rally was supported by resilient corporate earnings and a sharp rebound in large-cap Information Technology stocks. Despite lingering uncertainty around trade policy, investors responded positively to a string of better-than-expected results across sectors.

Outside the US, European markets extended their lead on a year-to-date basis, supported by steady macroeconomic indicators and a weaker US dollar. Gains were broad-based across the region, though currency appreciation contributed to relative strength. Emerging Markets also advanced, though at a slower pace, as Chinese equities remained under pressure from ongoing tariff disputes and muted domestic activity.

Currency markets were active, with the US dollar weakening meaningfully as investors grew increasingly concerned about rising federal debt levels tied to Trump's proposed "big beautiful" budget bill. Erratic policy communication, particularly around reciprocal tariffs, added to volatility. Sector performance reflected this uncertainty: Information Technology led returns, driven by renewed investor enthusiasm for AI and semiconductors, while Health Care was the only sector to decline amid regulatory overhangs.

Portfolio Commentary

The Fund returned 4.3% in May, underperforming the broader market, largely due to weakness across its Health Care holdings. The sector struggled during the month, and several portfolio names were negatively impacted by regulatory developments and earnings-related disappointments.

UnitedHealth Group, a leading US-based health insurer, was the most significant detractor. Shares fell more than 25% following reports of a potential Department of Justice investigation and increased uncertainty around the future profitability of its Medicare Advantage business. The team grew concerned about margin pressure and the risk that pricing adjustments could slow future enrolment. As a result, the position was exited during the month.

Other Health Care names also underperformed. **Vertex Pharmaceuticals**, a US biotechnology company focused on cystic fibrosis treatments and other genetic diseases, declined after delivering weaker-than-expected first-quarter results. **Alcon**, a Swiss manufacturer of eye care products, lowered its full-year outlook, citing tariff-related headwinds that impacted demand. Sector sentiment more broadly was weighed down by an executive order from the US administration aimed at reducing prescription drug prices.

In contrast, **The Trade Desk**, a US-based digital advertising platform specialising in programmatic and connected TV

channels, was a key positive contributor. The company posted first-quarter revenue growth of 25% year-on-year, well ahead of expectations, reflecting continued strong demand across its platform.

In the Information Technology sector, **NVIDIA**, a US-based semiconductor company known for its leading position in graphics processing units (GPUs) and AI infrastructure, rebounded sharply after reporting record quarterly earnings. The Fund had repurchased the stock in late 2024 and added to the position in April, although relative contribution was limited due to the size of the holding.

The Fund initiated a new position in **Visa**, a global leader in digital payments technology. Operating in over 200 countries and territories, Visa continues to benefit from the global shift away from cash and towards electronic transactions. With robust free cash flow, strong operating leverage, and competitive scale, the company is well positioned to compound value over the long term.

The Fund remains focused on building a portfolio of high-quality businesses with durable competitive advantages, sustainable growth drivers, and strong financial discipline. In an environment marked by policy uncertainty and shifting macro narratives, the investment team continues to emphasise long-term business fundamentals.

FEATURES

| | |
|----------------------------|--|
| APIR CODE | PCL0026AU |
| REDEMPTION PRICE | A\$ 1.1626 |
| FEES * | Management Fee: 0.974% Performance Fee: Nil |
| MINIMUM INITIAL INVESTMENT | \$10,000 |
| FUM AT MONTH END | A\$ 31.33m |
| 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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