

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 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 Aug 2025¹

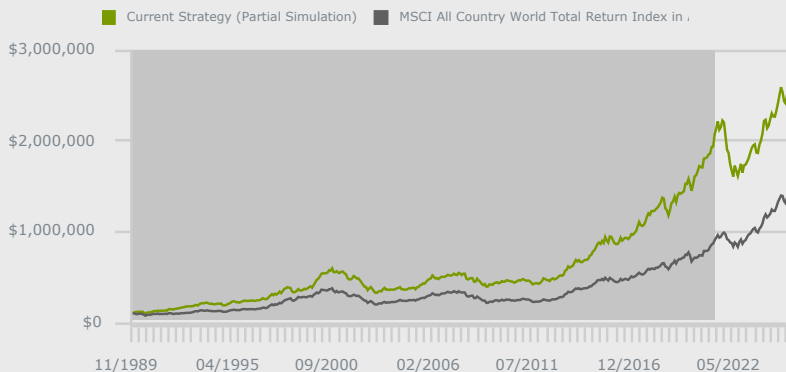
Pengana Harding Loevner International Fund Class B

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)¹² Managed by Harding Loevner from June 2021	-2.7%	12.8%	14.2%	15.2%	6.8%	8.1%	9.8%	
Current Strategy (Partial Simulation)⁴ Harding Loevner Global Equity Strategy						8.2%	11.1%	9.5%
Index⁵	0.8%	20.0%	18.9%	19.5%	13.2%	14.8%	12.0%	7.8%

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
Tencent Holdings Ltd	Communication Services
Vertex Pharmaceuticals Incorporated	Health Care

SECTOR BREAKDOWN

Consumer Discretionary	9.8%
Consumer Staples	1.7%
Energy	2.2%
Financials	12%
Health Care	14.4%
Industrials	14.6%
Information Technology	24.1%
Materials	0.9%
Real Estate	1.2%
Communication Services	16.2%
Cash	2.9%

CAPITALISATION BREAKDOWN

Under 5bn USD	1.1%
In between 5bn - 10bn USD	1.4%
In between 10bn - 50bn USD	17.1%
In between 50bn - 150bn USD	28.9%
In between 150bn - 500bn USD	18.5%
Above 500bn USD	30.1%
Cash	2.9%

REGION BREAKDOWN

North America	58.8%
Europe ex-UK	14.9%
Emerging Markets	8.3%
Japan	6.7%
UK	5.3%
Asia Pacific ex-Japan	3%
Cash	2.9%

STATISTICAL DATA

VOLATILITY⁸ 11%

NUMBER OF STOCKS 59

BETA⁹ 0.9

AUGUST REPORT

COMMENTARY

- The Fund fell 2.7% in August, lagging the benchmark's 0.8% gain, as style headwinds and company-specific disappointments weighed on performance.
- Global equities advanced modestly, with Materials leading on higher commodity prices, while Information Technology trailed amid concerns over AI infrastructure costs.
- A new position was added in **Delta Electronics**, a Taiwanese leader in advanced power supply systems for data centres, telecoms, and consumer electronics.

Market Commentary

Global equities advanced in August, with the benchmark posting a modest gain, though performance masked notable divergences across regions and styles. Materials led sector returns, supported by higher commodity prices, while Information Technology lagged as concerns mounted over the rising costs of AI infrastructure. Value stocks continued to outperform, with the cheapest quintile of the market beating the most expensive by more than 350 basis points, extending a rotation that has challenged growth-oriented companies.

Regional performance was mixed. Japan stood out as one of the strongest markets after securing a trade agreement with the United States, which lifted confidence in its growth outlook. Europe also delivered gains, underpinned by improving sentiment and both manufacturing and services PMIs returning to expansionary territory. In contrast, Emerging Markets underperformed. Indian equities fell sharply following the imposition of US tariffs, while South Korea and Taiwan declined, given their heavy exposure to large AI technology companies. China remained a source of concern, with retail sales and trade data undershooting expectations and pointing to softer domestic demand.

Macro conditions were generally constructive. Inflation continued to moderate across most regions, with the US Core PCE Index steady at 2.9% year-on-year. The Federal Reserve struck a dovish tone at its Jackson Hole summit, raising expectations that monetary easing could begin sooner than previously thought. In the US, consumer demand remained resilient, with retail sales moderating but still healthy in real terms. These developments helped support risk appetite, even as policy uncertainty and style rotations influenced market leadership.

Portfolio Commentary

The Fund returned -2.7% in August, underperforming the benchmark as style headwinds and stock-specific disappointments weighed on results. Companies that failed to deliver on growth expectations, or signalled uncertainty over future prospects, were particularly hard hit.

The Trade Desk, the leading independent demand-side platform for digital advertising, was the most significant detractor. Shares fell sharply after management issued cautious revenue guidance and highlighted rising competition from Amazon's DSP, a programmatic advertising platform integrated with Amazon's vast retail and media ecosystem. While the update unsettled investors, the team views the outlook as conservative, given current volatility and remains confident in the company's long-term growth potential as the only scaled, objective alternative to the ad giants.

A new position was added in **Delta Electronics**, a Taiwanese power component maker with more than 50% market

share in advanced power supplies for telecom equipment, data centres, servers, and consumer electronics. The company's diversified supply chain, spanning Thailand, India, and Slovakia, positions it well to meet global demand relative to its Chinese rivals and at a lower cost than its international peers. Beyond its core markets, Delta is selectively expanding into electric vehicles and industrial automation, offering additional growth opportunities.

Other detractors included **Atkore**, a US-based manufacturer of electrical conduit, which fell after announcing the year-end retirement of its CEO and continued weakness in PVC pipe markets. In Health Care, **Chugai Pharmaceutical** declined after phase 3 data for its GLP-1 weight-loss drug with Eli Lilly fell short of investor expectations, while **Vertex Pharmaceuticals** dropped following disappointing phase 2 trial results for its non-opioid pain treatment VX-993.

There were some positives. **Sony** delivered solid results, exceeding consensus expectations on the strength of its gaming and image sensors businesses. The team continues to view Sony as well positioned to benefit from global demand for entertainment content and advanced semiconductor components.

While August was a challenging month, with style headwinds impacting a number of holdings, the portfolio remains positioned in high-quality companies with durable advantages and strong long-term growth drivers. The team continues to apply a disciplined, bottom-up approach, adding selectively to opportunities where fundamentals support earnings visibility, while remaining mindful of near-term market rotations.

✓ FEATURES

APIR CODE	PCL0026AU
REDEMPTION PRICE	A\$ 1.003
FEES *	Management Fee: 0.974% Performance Fee: Nil
MINIMUM INITIAL INVESTMENT	\$10,000
FUM AT MONTH END	A\$ 29.05m
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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