

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 Oct 2025¹

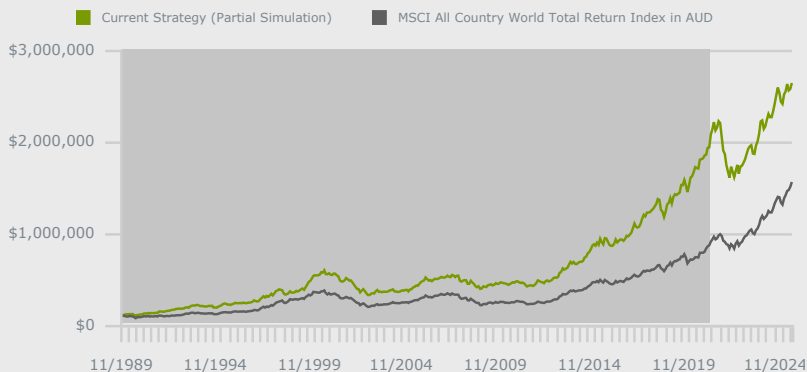
Pengana Harding Loevner International Fund Class B

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	2.5%	13.2%	18.9%	16.3%	7.3%	8.7%	10.0%	
Current Strategy (Partial Simulation)⁴ Harding Loevner Global Equity Strategy						9.1%	11.3%	9.5%
Index⁵	3.5%	22.7%	25.5%	20.7%	14.1%	16.2%	12.4%	7.9%

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
Booking Holdings Inc.	Consumer Discretionary
Meta Platforms Inc Class A	Communication Services
Microsoft Corporation	Information Technology
Netflix, Inc.	Communication Services
NVIDIA Corporation	Information Technology
Schneider Electric SE	Industrials
Tencent Holdings Ltd	Communication Services

SECTOR BREAKDOWN

Consumer Discretionary	10.4%
Consumer Staples	1.7%
Energy	2.1%
Financials	11.3%
Health Care	14.2%
Industrials	15.4%
Information Technology	26%
Materials	0%
Real Estate	1%
Communication Services	15.2%
Cash	2.6%

CAPITALISATION BREAKDOWN

Under 5bn USD	1.2%
In between 5bn - 10bn USD	1.6%
In between 10bn - 50bn USD	16.1%
In between 50bn - 150bn USD	23.2%
In between 150bn - 500bn USD	28.1%
Above 500bn USD	27.2%
Cash	2.6%

REGION BREAKDOWN

North America	57.4%
Europe ex-UK	14.2%
Emerging Markets	11.1%
Japan	5%
UK	6.7%
Asia Pacific ex-Japan	3%
Cash	2.6%

STATISTICAL DATA

VOLATILITY⁸ 10.9%

NUMBER OF STOCKS 62

BETA⁹ 0.9

OCTOBER 2025

COMMENTARY

- The Fund returned 2.5% in October, lagging the benchmark's 3.5% gain, as the portfolio's underweight in semiconductor stocks weighed on relative results during another month of narrow market leadership.
- Global equities advanced, led by Information Technology, where semiconductor and hardware companies benefited from continued AI-related investment, while bond-proxy sectors such as Consumer Staples and Real Estate declined.
- A new position was added in **Fabrinet**, a leading manufacturer of optical communications components, reflecting the team's focus on competitively advantaged businesses benefiting from long-term growth in high-bandwidth applications.

Global equities rose in October, with the benchmark gaining 3.5%. The month featured broad regional strength but continued concentration in sector leadership, driven largely by Technology. Information Technology advanced 7% as semiconductor and hardware companies benefited from sustained investment in artificial intelligence and ongoing expansion in data-centre infrastructure.

Emerging Markets led performance, supported by strength across major Asian technology manufacturers that benefited from improving demand for memory and logic components. Japan also moved higher after Sanae Takaichi's leadership win lifted expectations for fiscal stimulus and easier monetary policy. The United States delivered another month of gains, marking a sixth consecutive positive result and its longest advance since 2021.

More defensive, income-oriented sectors such as Consumer Staples and Real Estate declined as investors positioned for a lower-rate environment following the Federal Reserve's late-month rate cut, its second this year. The decision, aimed at supporting a cooling labour market, contributed to a rotation away from more defensive, yield-oriented areas.

While AI-related spending continues to guide near-term market leadership, underlying economic conditions remained supportive, with inflation easing and demand improving across several regions.

Portfolio Commentary

The Fund returned 2.5% in October, trailing the benchmark's gain. Relative performance was held back by the portfolio's underweight position in semiconductor stocks, which continued to lead markets as investment in artificial intelligence expanded.

Results within Communication Services were mixed. **Alphabet** contributed positively after reporting strong third-quarter earnings across all major segments, supported by continued strength in its cloud business. Management also guided to higher capital spending next year, which reinforced confidence in long-term AI-driven growth.

By contrast, **Meta Platforms** reported solid revenue growth, but its shares declined as margins contracted due to higher AI-related investment. The company outlined a substantial multiyear capital expenditure plan, largely to be financed through debt, which weighed on sentiment. These developments highlight both the opportunities and the rising capital intensity associated with hyperscaler investment.

During the month, the Fund initiated a new position in **Fabrinet**, a Thailand-based contract manufacturer specialising in optical communications components. The company operates within a niche where customers own the

designs and specify component inputs, while Fabrinet executes the manufacturing process. Its competitive advantage is built on cost leadership and technical expertise in a relatively low-cost region.

The company has delivered steady revenue growth since 2005, supported by the expansion of optical communications infrastructure and rising demand for high-bandwidth applications such as cloud computing, AI and video streaming. The team expects these trends to continue underpinning Fabrinet's long-term growth as it invests in additional manufacturing capacity and strengthens its operational edge.

Attribution effects varied across sectors. In Financials, **Progressive**, the US-based auto insurer, detracted after reporting slower auto policy growth and recording a charge linked to Florida regulations requiring refunds of excess profits to policyholders. In Communication Services, **Netflix** declined after third-quarter revenue and subscriber results met expectations but fell short of investor hopes, while profit was affected by a tax-related charge in Brazil. China-based **Tencent**, the online gaming and social media platform, also weighed on returns amid renewed tariff tensions.

Within Information Technology, **Fabrinet** contributed positively, although the portfolio's underweight exposure to semiconductor stocks limited relative performance.

The portfolio remains positioned in high-quality companies with sustainable growth drivers and strong balance sheets, and the team continues to apply its disciplined, bottom-up approach.

✓ FEATURES

APIR CODE	PCL0026AU
REDEMPTION PRICE	A\$ 1.0354
FEES *	Management Fee: 0.974% Performance Fee: Nil
MINIMUM INITIAL INVESTMENT	\$10,000
FUM AT MONTH END	A\$ 28.65m
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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