PENGANA INTERNATIONAL EQUITIES LIMITED

MONTHLY REPORT
AUGUST 2026

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.

SHARE PRICE	NTA POST-TAX	NTA PRE-TAX	PORTFOLIO RETURN (20 YEARS)	DIVIDEND YIELD [1]	CONSECUTIVE QUARTERLY DIVIDENDS PAID
$1.070 31 Aug 2026	A$ 1.207 31 Aug 2026	A$ 1.238 31 Aug 2026	7% p.a. 31 Aug 2026	5.2% 7% when grossed up[2] for franking credits	24

1. Dividend yield is based on current displayed share price, and the most recently declared dividend, annualised
2. Grossed up yield is based on current displayed share price, the most recently declared dividend, annualised, and the tax rate and franking percentage applicable for the most recently declared dividend

COMMENTARY

- PIA rose 0.9% in August, ahead of the MSCI World Total Return Index (Net Dividends Reinvested AUD), which gained 0.5%, as global equity markets advanced across all major regions.
- Emerging Markets led performance, supported by South Korean and Taiwanese technology hardware companies linked to the buildout of AI infrastructure. Materials rose strongly as gold prices surged on concerns the US Federal Reserve may not act to curb inflation, while Utilities declined amid rising long-dated yields.
- Samsung Electronics and Lenovo, the Chinese personal computer and enterprise technology provider, were key contributors, while the absence of Materials exposure weighed on relative returns. The portfolio initiated a new position in SK hynix, a South Korean manufacturer of advanced memory chips used in artificial intelligence systems and a key supplier to NVIDIA and TSMC.

PERFORMANCE TABLE

NET PERFORMANCE FOR PERIODS ENDING 31 Aug 2026[i]

	1M	1Y	5Y	15Y	20Y
Total Portfolio Return	0.9%	2.5%	2.9%	9.7%	7.0%
Total Shareholder Return	-6.1%	0.8%	0.2%	7.4%	4.1%
Index	0.5%	9.9%	11.6%	14.9%	9.0%

TOP HOLDINGS (ALPHABETICALLY)

Alphabet Inc. Class A	Communication Services	**NVIDIA Corporation**	Information Technology
Amazon.com, Inc.	Consumer Discretionary	**Reinsurance Group of America, Incorporated**	Financials
Johnson & Johnson	Health Care	**Samsung Electronics Co Ltd Sponsored GDR Pfd**	Information Technology
Meta Platforms Inc Class A	Communication Services	**Schneider Electric SE**	Industrials
nVent Electric plc	Industrials	**Taiwan Semiconductor Manufacturing Co., Ltd.**	Information Technology

AUGUST REPORT

COMMENTARY

Market Review

Global equity markets advanced across the board in August, with gains recorded in every major region. US equities modestly outperformed international developed markets but trailed Emerging Markets, where South Korean and Taiwanese technology hardware companies rallied on continued optimism around AI infrastructure spending. A weaker US dollar also amplified returns for dollar-denominated Emerging Markets indices.

Materials was the standout sector, lifted by a sharp rise in gold prices. Investor demand for the metal reflected growing concern that the US Federal Reserve may not act decisively to curb inflation, alongside renewed debate around fiscal sustainability and the durability of the US dollar. Canadian equities benefited from the strength in Materials given the market's heavy resource weighting.

Utilities was the weakest sector, pressured by a rise in government bond yields that reached their highest levels in decades in some markets. The move weighed on rate-sensitive parts of the market and reflected persistent inflation concerns and expectations that policy rates may stay higher for longer than previously anticipated.

Portfolio Commentary

The Portfolio returned 0.9% in August, outperforming the MSCI All Country World Total Return Index (net, AUD), which advanced 0.5%. Positive contributions from Information Technology and Energy supported relative performance, while the absence of exposure to the strongly performing Materials sector detracted.

The Portfolio has maintained a small exposure to software and services companies over the past year, with the team believing that the sharp sell-off in the industry on concerns about AI-related disruption was likely underestimating the competitive advantages and long-term growth potential of its holdings. Those concerns appeared to abate in August, with software and services rising over 13% to become the strongest-performing industry in the market. **Adobe**, the US-based creative software and digital media company, outperformed after reporting that its AI-related annual recurring revenue had surpassed USD 500 million. **Accenture**, the global professional services and consulting firm, also rose as investors reassessed the potential for AI-related consulting and services to support the company's growth.

The sharp fall and subsequent recovery in the industry serves as a reminder of the difficulty of forecasting short-term market movements and reinforces the value of maintaining a diversified portfolio of high-quality businesses with attractive long-term prospects.

During the month, the Portfolio initiated a new position in **SK hynix**, the South Korean manufacturer of high bandwidth memory (HBM) chips, taking advantage of a pullback in the company's share price to establish an attractive entry point. SK hynix made an early strategic commitment to HBM, investing ahead of the demand curve in both the technology and the customer partnerships required to co-develop memory chip solutions. That investment has enabled the company to emerge since 2023 as a global leader in HBM and a key supplier to NVIDIA and TSMC. Strong demand and rising prices for AI-related equipment have strengthened SK hynix's financial position, and the team expects that this demand, combined with disciplined capacity management, leading R&D, and operational excellence, will support structurally higher long-term returns.

Turning to attribution, Samsung Electronics, the South Korean semiconductor and memory chip manufacturer, and Lenovo, the Chinese personal computer and enterprise infrastructure provider, were both key contributors within Information Technology. Lenovo in particular reported growth and margins well ahead of market expectations, with revenues from server and storage hardware more than doubling. In Energy, SLB rose sharply after announcing the acquisition of Kelvion, a thermal management specialist that will strengthen SLB's growing data centre business.

FEATURES

ASX CODE	PIA
FEES	Management Fee: 1.23% p.a. Performance Fee: 15.38% of any return greater than the Indexv
INCEPTION DATE	19 March 2004
MANDATED	1 July 2017
BENCHMARK	MSCI World Total Return Index, Net Dividend Reinvested, in A$ ("Index")
NTA POST TAX iv	A$ 1.207 31 Aug 2026
NTA PRE TAX iv	A$ 1.238 31 Aug 2026
PRICE CLOSE iv	A$ 1.070
SHARES ON ISSUE iv	257.98m

FUND MANAGERS

Jingyi Li
Portfolio Manager

Rick Schmidt
Portfolio Manager

i. Performance for periods greater than 12 months is the compound annual return.

Total Shareholder Return refers to the movement in share price plus dividends declared for the period, not including the benefit of franking credits attached to dividends paid

Total Portfolio Return refers 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.

Index refers to MSCI World Total Return Index, Net Dividends Reinvested, in A$.

Past performance is not a reliable indicator of future performance, the value of investments can go up and down. None of Pengana International Equities Limited ('PIA'), Pengana Investment Management Limited nor any of their related entities guarantees the repayment of capital or any particular rate of return from PIA. This information has been prepared by PIA and does not take into account a reader's investment objectives, particular needs or financial situation. It is general information only and should not be considered investment advice and should not be relied on as an investment recommendation. The figures are unaudited.

Source: PCG and Factset.

ii. 20 Year Annualised Standard Deviation as at the last day of the last month prior to publishing this report.

iii. Relative to MSCI World Total Return Index, Net Dividends Reinvested, 20 Year annualised Beta as at the last day of the last month prior to publishing this report.

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

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

PENGANA INTERNATIONAL EQUITIES LIMITED (ASX: PIA)

PENGANA INTERNATIONAL EQUITIES LIMITED

ACN 107 462 966

MANAGED BY PENGANA INVESTMENT MANAGEMENT LIMITED

PART OF THE PENGANA CAPITAL GROUP

AFSL 219462

CLIENT SERVICE

T: +61 2 8524 9900

F: +61 2 8524 9901

E: clientservice@pengana.com

PENGANA.COM/PIA

Authorised by: Paula Ferrao, Company Secretary.