

PENGANA INTERNATIONAL EQUITIES LIMITED

MONTHLY REPORT
OCTOBER 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
$1.150 31 Oct 2026	A$ 1.168 31 Oct 2026	A$ 1.185 31 Oct 2026	6.6% p.a. 31 Oct 2026	4.9% 6.5% 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

- Management of PIA's portfolio is expected to transition to Antipodes Partners, Morningstar's Fund Manager of the Year for 2026, on or around 25 November 2026, with the Board expecting to provide further details at the Annual General Meeting on 26 November 2026.
- PIA's portfolio will be managed by Antipodes' James Rodda, whose Global Small and Mid-Cap strategy has returned 25.2% per annum after fees since November 2022, against 12.5% per annum for its benchmark.
- Under Harding Loevner's management, PIA fell 4.9% in October against a 1.9% decline in the MSCI World Index, as a sell-off in AI-linked stocks hit holdings including **Schneider Electric** and **nVent Electric**.

PERFORMANCE TABLE

NET PERFORMANCE FOR PERIODS ENDING 31 Oct 2026[i]

	1M	1Y	5Y	15Y	20Y
Total Portfolio Return	-4.9%	-3.6%	2.9%	9.8%	6.6%
Total Shareholder Return	0.0%	3.5%	1.8%	7.9%	4.2%
Index	-1.9%	4.3%	12.0%	14.7%	8.8%

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
JPMorgan Chase & Co.	Financials	**Schneider Electric SE**	Industrials
Meta Platforms Inc Class A	Communication Services	**Taiwan Semiconductor Manufacturing Co., Ltd.**	Information Technology

OCTOBER REPORT

COMMENTARY

A New Chapter: Transition to Antipodes

The transition is a significant step for PIA. It brings in one of Australia's most highly regarded global equity managers at a time when we believe the opportunity in global markets is shifting firmly in its favour.

Antipodes is a Sydney-based manager with a 35-person investment team across Sydney, Melbourne and London, and a research-driven, value-oriented investment process. James Rodda leads its Global Small and Mid-Cap (SMID) strategy, which since inception in November 2022 has returned 25.2% per annum after fees, against 12.5% per annum for its benchmark. That is outperformance of 12.7 percentage points a year.[1]

Why small and mid-caps, and why now? Market returns have become extraordinarily concentrated in a handful of very large AI-linked companies, while much of the rest of the market trades near its cheapest levels in two decades. Market movements in October 2026 demonstrated how quickly that concentration can unwind. Antipodes believes the next phase of market leadership will come from a broadening of returns, with small and mid-sized companies among the biggest beneficiaries. These businesses trade at a meaningful discount to large caps despite comparable earnings growth, and are covered by an average of just three brokers, compared with sixteen for large caps. That combination creates genuine opportunities for a research-driven manager to find mispriced businesses before the broader market does.

Importantly, what shareholders value most about PIA remains unchanged. The Board intends to continue paying quarterly fully franked dividends, subject to profits and franking capacity, and PIA's independent Board will continue to oversee the portfolio on shareholders' behalf. The Board is also considering further initiatives to enhance value for shareholders.

October Performance

The PIA portfolio, which was managed by Harding Loevner over the month, declined 4.9% in October, underperforming the MSCI World Total Return Index (Net Dividends Reinvested AUD), which fell 1.9%. Markets weakened as reports of deteriorating free cash flow at the large hyperscalers and slowing revenue growth at AI model providers prompted investors to question the returns on AI infrastructure spending. Information Technology was the weakest sector, led by semiconductors, while Communication Services fell heavily on weakness in Alphabet and Meta Platforms. Energy was the strongest sector on higher oil prices, with the defensive Consumer Staples and Health Care sectors also outperforming.

Schneider Electric, the French energy management and industrial automation company, was the largest detractor after announcing the acquisition of US industrial software business PTC at a price investors considered expensive. **nVent Electric**, which supplies power and thermal management equipment to data centres, also fell amid wider caution towards AI-related stocks.

Partly offsetting this, **Spotify**, the Swedish music streaming platform, rose on continued growth in premium subscribers and strong fourth-quarter revenue guidance, supported by advertiser adoption of its automated advertising tools. US holdings also contributed meaningfully, including **Accenture**, the global professional services and consulting firm, **Equifax**, the consumer credit reporting agency, and **RGA**, the global life and health reinsurer.

October was a clear reminder of the risks in a market reliant on a narrow group of mega-caps, and of why we are so excited about the opportunity Antipodes brings to PIA.

Join Us at the AGM

The Board invites all shareholders to attend PIA's 2026 Annual General Meeting at 2:00 pm (Sydney time) on Thursday, 26 November 2026 at Dexus Place, Level 15, One Farrer Place, Sydney NSW 2000. At the AGM, the Board expects to discuss the Antipodes investment strategy, provide further details on the transition and outline its further initiatives for shareholders. We encourage you to attend in person, hear first-hand about PIA's next chapter, and put your questions to the Board.

[1] Returns are for the Antipodes Global Small and Mid-Cap strategy, not PIA. Past performance is not a reliable indicator of future performance.

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$ 1.168 31 Oct 2026
NTA PRE TAX iv	A$ 1.185 31 Oct 2026
PRICE CLOSE iv	A$ 1.150
SHARES ON ISSUE iv	106.9m

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$.

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Authorised by: Paula Ferrao, Company Secretary.