



**PENGANA**  
INTERNATIONAL  
EQUITIES LIMITED

# **PENGANA INTERNATIONAL EQUITIES LIMITED**

**June 2019**

Investor presentation: Year ending 30 June 2019



# PENGANA INTERNATIONAL EQUITIES LIMITED

## ASX: PIA



Highlights of financial year ending 30 June 2019

1

### PROFIT AFTER TAX AND EPS

Profit of \$16.7 m

EPS of 6.63 cps

down on  
profit after tax of \$24.6 m  
prior comparable period

2

### FINAL DIVIDEND

3.5 cents per share

Of which 2.35 cents is franked  
at 27.5%

Ex date  
4 November 2019

Record date  
5 November 2019

Payment date  
19 November 2019

Total dividends declared for  
the financial year: 7 cents per  
share

3

### TOTAL PRE-TAX NTA RETURN

Up 6.1%

comprising:

- movement in pre-tax NTA
- 3.5 cents per share fully franked at 27.5% final dividend paid in September 2018
- 3.5 cents per share fully franked at 27.5% interim dividend paid in May 2019

4

### NET ASSETS

\$307.6 m

up on  
\$300.8 m  
as at 30 June 2018

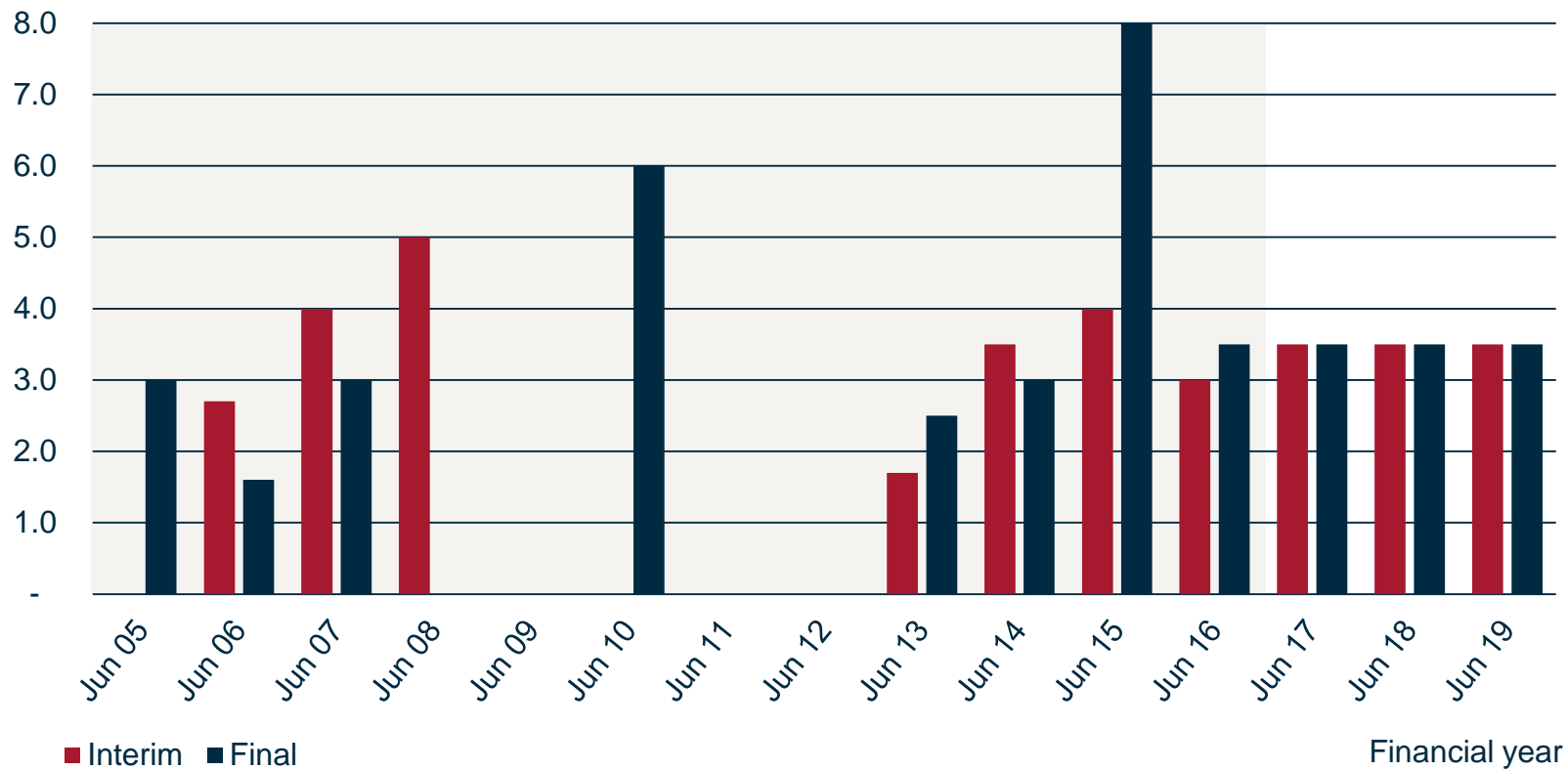
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### Dividend history

Cents per share



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### Development of Ethical Framework

#### Existing negative screens

- Animal cruelty
- Fossil fuels (coal, coal seam gas, oil)
- Gambling
- Human rights abuses and exploitation
- Mining
- Nuclear
- Tobacco
- Weapons

#### Added negative screens

- Adult content
- Alcohol
- Old growth forest logging
- Mining
- GMO

#### Added active ownership measures

- Voting policy
- Engagement policy

#### Increased transparency

- Publish full portfolio holdings with six month lag
- Report on voting statistics
- Report on engagement activities

ASX: PIA



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# PERFORMANCE

# PENGANA INTERNATIONAL EQUITIES LIMITED

## ASX: PIA



The responsible international equity LIC

### Description

Provides access to the benefits of an actively managed core portfolio of 30-50 ethically screened companies across developed and developing global markets via a listed investment company structure.

### Investment Objective

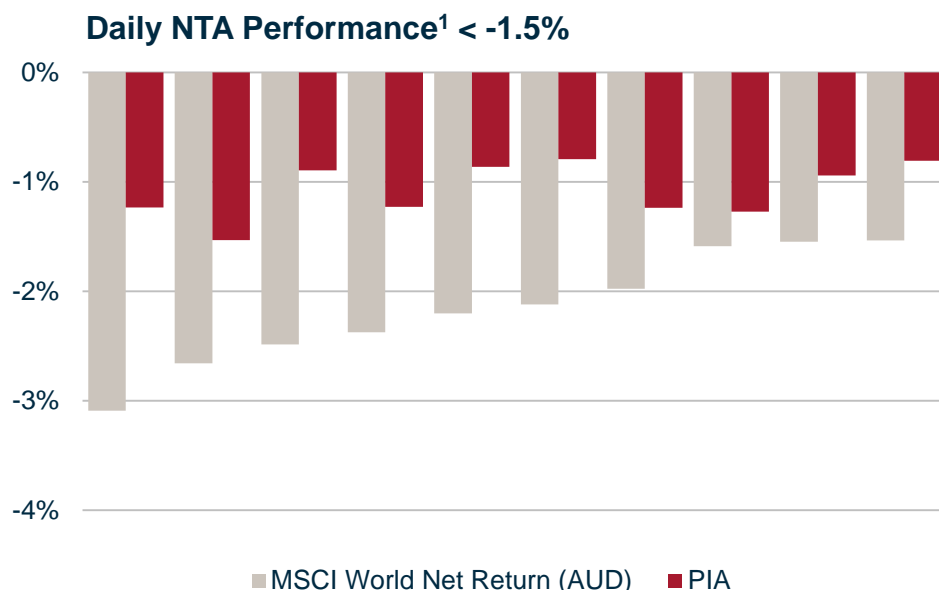
To generate long-term consistent returns whilst reducing volatility and the risk of losing capital.

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## ASX: PIA



Balancing Capital Growth and Preservation of Capital



### NTA Performance<sup>1</sup>

	6 months to 30 June 2019	Year to 30 June 2019	Since inception of strategy p.a.	Since inception of PIA p.a.
PIA	11.15%	7.44%	9.69%	7.91%
Benchmark	17.35%	11.95%	13.64%	7.53%

Between 1 July 2017 (the inception of the new strategy) and 30 June 2019, PIA's portfolio outperformed the benchmark on each of the days where the benchmark fell by 1.5% or greater

For the period between 1 July 2017 to 30 June 2019

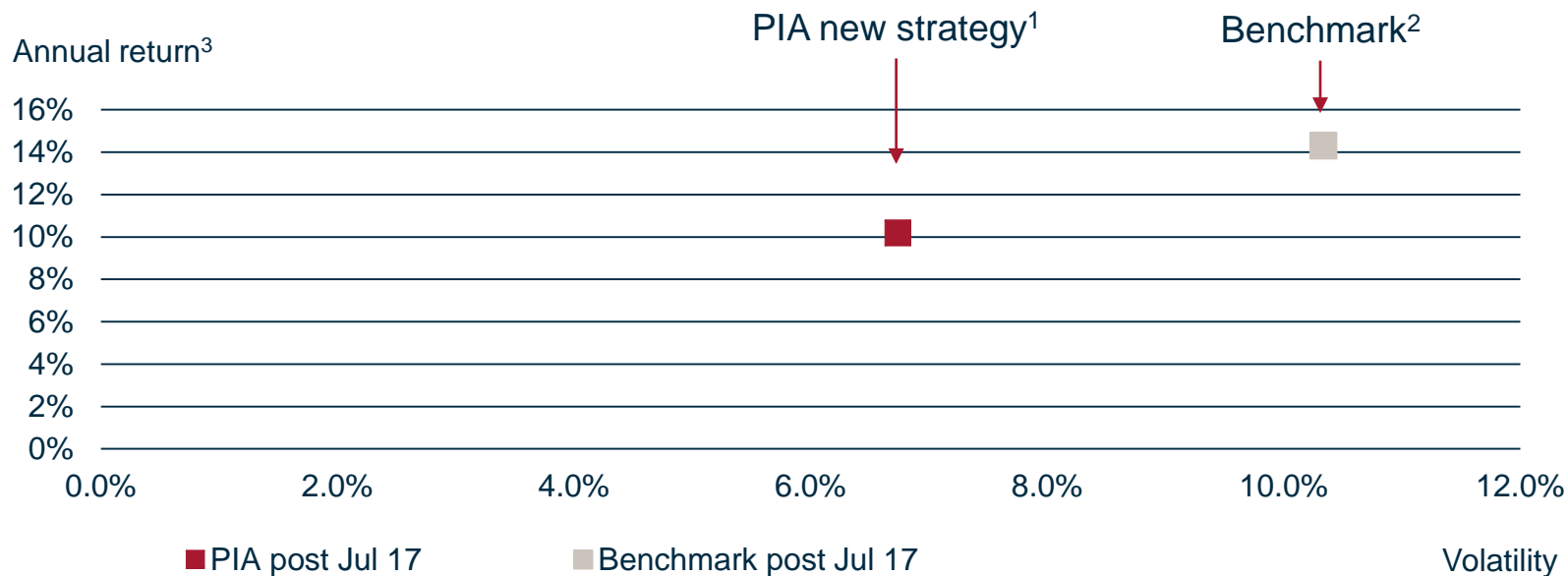
1. Pengana International Equities Limited has been managed under the new investment mandate by the Pengana investment team since 1 July 2017. The performance since inception in the table above refers to the movement in net assets per share since the inception of PIA in March 2004. Performance figures refer 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. Past performance is not a reliable indicator of future performance, the value of investments can go up and down. Inception date of PIA: 19 March 2004, new investment team with new mandate adopted: 1 July 2017.

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## ASX: PIA



Lower risk profile since change of strategy



1. For the period new investment team with new strategy adopted: 1 July 2017 to 31 July 2019

2. Benchmark refers to the MSCI World Total Return Index, Net Dividends Reinvested, in A\$

3. Performance figures refer 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. Past performance is not a reliable indicator of future performance, the value of investments can go up and down.



# PORTFOLIO SNAPSHOT

# PENGANA INTERNATIONAL EQUITIES LIMITED

## ASX: PIA



Current Portfolio Positioning at 30 June 2019

1

### GEOGRAPHIC EXPOSURE

- 50% of portfolio invested in US
- Overweight Europe ex-UK and Emerging Asia
- No Latin American or Africa exposure

2

### INDUSTRY AND SECTOR EXPOSURE

- 49% large-caps exposure
- 19% small or mid-caps exposure
- 20% mega-caps exposure
- Overweight Materials and Communication Services
- Underweight Information Technology, Energy and Utilities

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## ASX: PIA



Sector breakdown relative to benchmark as at 30 June 2019

SECTOR	TOTAL	BENCHMARK
Financials	20.2%	15.8%
Communication Services	16.0%	8.3%
Consumer Discretionary	11.2%	10.5%
Health Care	14.9%	12.6%
Materials	3.9%	4.6%
Industrials	9.3%	11.2%
Consumer Staples	4.7%	8.5%
Information Technology	7.7%	16.3%
Real Estate	0.4%	3.2%
Utilities	-	3.4%
Energy	-	5.6%
Cash	11.7%	-
<b>Total</b>	<b>100</b>	<b>100%</b>

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Changes in sector positioning in the 12 months to 30 June 2019

Sector	30-Jun-18	30-Jun-19	+/-
Financials	9.4%	20.2%	10.8%
Communication Services	11.1%	16.0%	4.9%
Consumer Discretionary	6.9%	11.2%	4.3%
Health Care	7.5%	14.9%	7.4%
Materials	18.7%	3.9%	-14.8%
Industrials	9.8%	9.3%	-0.5%
Consumer Staples	14.0%	4.7%	-9.3%
Information Technology	4.8%	7.7%	2.9%
Real Estate	2.4%	0.4%	-2.0%
Utilities	2.0%	-	-2.0%
Derivatives	0.5%	-	-0.5%
Cash	13.1%	11.7%	-1.3%

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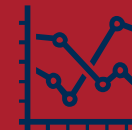
Investor Roadshows  
each year  
Annual General Meeting



Weekly NTA  
announcements  
Monthly Newsletter



Half and full year  
financial results



Thought leadership and  
market insights papers



Research house and  
brokers reports



Webinars and video  
insights



Website:  
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**Pengana International Equities Limited**

ACN 107 462 966

Managed by Pengana Investment Management Limited  
AFSL 219462  
Part of the Pengana Capital group

**Client Service**

T: +61 2 8524 9900

E: [clientservice@pengana.com](mailto:clientservice@pengana.com)

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