Pengana International Equities Limited

ACN 107 462 966

Appendix 4E
Preliminary Final Report for the year ended 30 June 2025

Results announcement to the market

	30 June 2025	30 June 2024	Change from the corresponding period
	$'000	$'000	%
Income from ordinary activities	**49,687**	53,363	(6.9)%
Profit from ordinary activities after tax attributable to members	**33,761**	33,625	0.4%
Basic and diluted earnings per share (cents per share)	**13.13**	13.08	0.4%

Dividend Information	Cents per share	Franked amount per share	Tax rate for franking
2025 First interim dividend (paid 16 December 2024)	1.35 Cents	1.35 Cents	30.0%
2025 Second interim dividend (paid 17 March 2025)	1.35 Cents	1.35 Cents	30.0%
2025 Third interim dividend (paid 17 June 2025)	1.35 Cents	1.35 Cents	30.0%
2025 Final dividend (declared 19 July 2025 and to be paid 15 September 2025)	1.35 Cents	1.35 Cents	25.0%

Final Dividend Dates

Ex-dividend Date	29 August 2025
Record Date	1 September 2025
Last date for DRP	2 September 2025
Payment Date	15 September 2025

Dividend Reinvestment Plan

The Dividend Reinvestment Plan (DRP) is active and available to shareholders for the final dividend of 1.35 cents per share, which is franked at 25.0% (2024: 30.0%). Participating shareholders will be entitled to be allotted the number of shares which the cash dividend would purchase at the relevant price. The relevant price will be the weighted average sale price of all shares in the Company sold on the Australian Securities Exchange during the five trading days commencing on and including the Record Date, with no discount applied.

Net Tangible Assets Per Share	30 June 2025	30 June 2024
Net Tangible Assets (after tax on unrealised gains/losses) per share	**$1.37**	$1.30
Net Tangible Assets (before tax on unrealised gains/losses) per share	**$1.41**	$1.29

Dividends Paid

Dividends paid during the year totalled 5.4 cents per share and comprised:

	Date paid	Amount (CPS)
The final dividend for the 2024 financial year 1.35 cents per share franked at 30.0%	16 September 2024	1.35
The first interim fully franked dividend for the 2025 financial year 1.35 cents per share franked at 30.0%	16 December 2024	1.35
The second interim fully franked dividend for the 2025 financial year 1.35 cents per share franked at 30.0%	17 March 2025	1.35
The third interim fully franked dividend for the 2025 financial year 1.35 cents per share franked at 30.0%	17 June 2025	1.35

This report is based on the Annual Report which has been audited by Ernst & Young. The audit report is included with the Company's Annual Report which accompanies this Appendix 4E.
All the documents comprise the information required by Listing Rule 4.3A.
For further information on the results for the Company refer to the Chairman's report to shareholders and the Investment Manager's Report contained in the attached Annual Report.

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PENGANA
INTERNATIONAL
EQUITIES LIMITED

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ASX: PIA

PENGANA INTERNATIONAL EQUITIES LIMITED

30 JUNE
2025

ANNUAL REPORT

PENGANA INTERNATIONAL EQUITIES LIMITED
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COMPANY PROFILE

Pengana International Equities Limited is an Australian Listed Investment Company whose operating activity involves investing its Australian capital into global businesses.

The Company is listed on the Australian Securities Exchange ("ASX") under the code PIA.

PIA's investment manager is Pengana Investment Management Limited ("PIML"), a wholly owned subsidiary of Pengana Capital Group ("PCG"). PCG also provides financial management and marketing support.

Harding Loevner LP ("Harding Loevner") is PCG's investment team managing PIA's global equity investments.

Corporate objective

PIA's objective is to provide shareholders with regular, reliable and fully franked dividends as well as capital growth.

Investment strategy

The strategy is to invest in shares in global high-quality, growing businesses to deliver superior risk-adjusted returns.

In addition, PIA has announced a proposal to diversify its assets and income streams by adding a strategy to leverage an investment in unlisted global private credit. This proposal will be subject to shareholder approval at the Company's 2025 annual general meeting.

Benefits of investing in PIA

- Skilled investment team
- A truly active strategy
- Investment in high quality businesses at compelling valuations
- Focus on risk and return
- Responsible investment process
- Investment approach that is suitable across differing market environments

Benefits of investing in PIA's LIC structure

Quarterly fully franked dividends

Shares can be bought and sold on the ASX

Investment activities are not affected by redemptions or unexpected cash inflows or outflows

Regular reporting to shareholders e.g. semi-annual financial reports, monthly performance reports and weekly NTA

Shareholders can interact with directors and management

The company is subject to ASX and ASIC supervision

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CHAIRMAN'S LETTER

Dear fellow shareholders,

Pengana International Equities Limited (PIA) presents its results for the year to 30 June 2025 and announces a Proposal to invest in Global Private Credit to diversify the company's assets, which is expected to increase both earnings and fully franked dividends to be paid to shareholders each month.

The Proposal, outlined below, is subject to final approval by the boards of PIA and Pengana Capital Group Limited (PCG), finalisation of transaction documents and financing arrangements, receipt of an independent expert's report, and shareholder approval, which will be sought at the Company's Annual General Meeting to be held on 10 October this year.

FY2025 highlights

- Total Shareholder Return (TSR): 11%
- Net profit after tax: $34 million
- Earnings per Share (EPS): 13.13 cents
- Profit reserves and franking account sufficient to pay a dividend of 15.5 cents per share, fully franked at 25%

Performance for the Year

The Total Portfolio Return[i] (TPR), which comprises the dividends paid and the increase in value of the NTA before provision for tax on unrealised gains, was 12.6%.

The Total Shareholder Return (TSR)[ii], which combines dividends paid with changes in the share value, was 11%. The TSR increases to 13% if the value of franking credits is taken into account.

Financial Position

The Company is in a sound financial position with the value of its global listed investment portfolio at 30 June 2025 being $351 million and cash of $9 million.

Capital Management

During the year shareholders received four quarterly fully franked dividends of 1.35 cents per share each.

The Company's aggregated turnover for the year was less than $50 million, mainly as a result of decreased portfolio turnover. Consequently, PIA qualifies for the lower tax rate of 25% for the 2026 financial year. Accordingly, dividends paid in the 2026 financial year will be franked at the rate of 25%.

Your directors consider PIA is well positioned to continue paying fully franked dividends as the company has strong profit reserves and franking credit balances. At 30 June 2025, PIA has a franking account balance and sufficient profit reserves to pay a dividend of 15.5 cents per share, fully franked at 25%.

The dividend reinvestment plan (DRP) enables shareholders to reinvest their dividends into PIA shares without incurring any other transaction costs such as brokerage. This may result in shares being issued at a discount to NTA and therefore the issue may be marginally dilutive.

In the year to 30 June 2025, 1,253,276 shares were issued under the DRP at a discount to the NTA. As this issue was marginally dilutive, the Company bought back the same number of shares issued.

It is the Board's intention to continue to buy back shares to reduce the dilutive effect of issuing DRP shares at a discount to NTA and the buyback has been extended for a further 12 months to September 2026.

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Investment Manager's Outlook

In the financial year ending 30 June 2025, the portfolio delivered sound risk adjusted investment returns to shareholders, although it modestly underperformed the MSCI World Total Return Index.

Strong stock selection in Communication Services and Consumer Discretionary, along with the absence of Energy holdings, contributed positively. Underperformance was primarily driven by select holdings in Industrials and IT, as well as an overweight position in Health Care and underweight exposure to Financials. Regionally, the US and Europe detracted from relative performance, while Japanese holdings added value. From a style perspective, shares of fast-growing companies outperformed, while value stocks also saw gains.

Harding Loevner remains committed to delivering superior risk-adjusted returns through disciplined investment and stewardship. The portfolio includes several companies well-positioned to benefit from AI developments, spanning semiconductor design, manufacturing, and consumer experience innovation. The potential for profit growth is increasingly evident across multiple sectors, not just Information Technology.

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Proposal Details

PIA directors are proposing to increase and diversify the company's assets by investing in a highly diversified global private credit portfolio.

The Proposal's objectives are to create an additional, steady income stream that is largely independent of equity market movements, improving the reliability of shareholder returns and reducing reliance on global share market performance.

The new private credit strategy will be managed by PCG. PCG will not receive management fees for these services. Mercer, appointed as investment consultant by Pengana Credit Pty Ltd, is one of the largest asset allocators in the world with over 20 years of experience in private credit investing and brings institutional-level expertise in manager sourcing, due diligence, and portfolio construction.

PCG and Mercer have built Australia's most comprehensive and diversified multi-manager, multi-channel global private credit capability offering Australian investors unparalleled access to a highly attractive and sought after sector previously only available to large institutional investors.

Implementation

The funding of the global private credit portfolio will be obtained via a loan from a major international bank, drawn at a competitive rate and secured against the existing equity portfolio. If the returns from the global credit portfolio are insufficient to meet the cost of the loan, PCG will cover the shortfall.

The proceeds of this loan will be invested in a well-diversified portfolio of global private credit funds managed by highly rated US and European private credit managers with long-term track records. This will provide exposure to more than 3,500 mid-market companies.

The portfolio will be diversified across geographies, sectors, and credit strategies, avoiding the heavy commercial real estate concentration found in many Australian private credit products.

PIA has set a target return from the global private credit investment of 4.5% p.a. above its cost of debt (Target Return).

In the event that global private credit returns are insufficient, PCG has agreed to cover the debt costs, and, in return, PCG will share in the global private credit returns for each year to 30 June to the extent that they exceed the Target Return.

Importantly, PIA's existing global equities portfolio will remain unchanged in size (equal to the net asset value (NAV)) of the company and will remain under the management of Harding Loevner. PIA's current global equity ethical screen will continue to be applied to the global equity portfolio.

Increased dividends – to be paid monthly

The reliable income from the global private credit allocation is expected to increase PIA's earnings per share, enabling a significant uplift in fully franked dividends.

Once fully implemented, the Board intends to target a dividend increase of 56% (up 3 cents per share to 8.4 cents per share). Based on the 31 July 2025 share price of $1.255 this would represent a gross yield (including franking credits) of 8.9% p.a., or 8.0% p.a. based on the 31 July post-tax NAV of $1.4041.

To further enhance cashflow for shareholders, PIA will transition to monthly dividend payments, with the first monthly dividend expected to be paid in mid-November 2025.

Benefits of PIA's updated structure

Following the implementation of these enhancements, PIA shareholders will benefit from access to a unique offering that no other Australian investment vehicle, listed or unlisted, can offer to its investors. PIA will offer:

- Exposure to professionally managed portfolio of listed global equities;
- Exposure to professionally managed leveraged portfolio of unlisted global private credit;
- Fully franked dividends paid monthly; and
- Liquidity through its ASX listing.

The Proposal is subject to final approval by both PCG and PIA boards, finalisation of transaction documents and financing arrangements, receipt of an independent expert's report, and shareholder approval.

We invite shareholders to join us for an in-depth discussion on these changes, as well as a shareholder Q&A on Thursday the 4th of September at 11am (Sydney time). Please register for the webinar via this link. https://pengana.com/pia-announcement/

More details of the Proposal will be contained in the Notice of Meeting (including the independent expert's report), to be sent to shareholders in early September 2025.

Your support is highly valued, and we look forward to seeing you at the 2025 Annual General Meeting this October.

Yours sincerely,



Frank Gooch
Independent Chair
Sydney
21 August 2025

[i] TPR refers to "Total Portfolio Return" TPR for periods greater than 12 months are annualised. TPR 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.

[ii] TSR refers to "Total Shareholder Return" TSR for periods greater than 12 months are annualised. TSR figures refer to the movement in closing share prices as quoted in the ASX, assuming the reinvestment of dividends. Past performance is not a reliable indicator of future performance, the value of investments can go up and down.

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Directors' report

The Directors present their report on Pengana International Equities Limited (the "Company"), for the financial year ended 30 June 2025.

Directors

The names of Directors in office at any time during or since the end of the year are:

Francis Gooch	Independent Non-Executive Director and Chair
Russel Pillemer	Managing Director
David Groves	Non-Executive Director
Sandi Orleow	Independent Non-Executive Director and Chair of Audit, Risk & Compliance Committee

Directors have been in office since the start of the financial year to the date of this report, unless stated otherwise.

Information on Directors

During the year, the following persons held office as Director:

Francis (Frank) Gooch - B.Bus, CPA
Independent, Chair (appointed Non-executive Director 5 June 2017, Chair 6 December 2017)

Mr Gooch was appointed as a Non-executive Director of the Company on 5 June 2017 and he is a member of the Company's Audit, Risk and Compliance Committee.

Mr Gooch has over 28 years' experience in the LIC industry after having been an executive of Milton Corporation Limited since 1996. He became Chief Executive in 1999 and was made the Managing Director in 2004. Mr Gooch retired from Milton on 31 July 2018.

Mr Gooch has also served as chair of the LIC industry body, Australian Listed Investment Companies Association. Prior to joining Milton Corporation Limited Mr Gooch was an executive at Macquarie Bank Limited for 11 years.

Russel Pillemer - B.Com, CA
Non-independent, Managing Director (appointed Non-executive Director 5 June 2017, Managing Director 21 February 2019)

Mr Pillemer is the Managing Director of the Company.

Mr Pillemer is also a Director and Chief Executive Officer of Pengana Capital Group Limited.

Mr Pillemer co-founded Pengana in 2003 and has been its Chief Executive Officer since inception. Prior to founding Pengana, Mr Pillemer worked in the Investment Banking Division of Goldman Sachs in New York where he specialised in providing advice to funds management businesses. Before moving to New York, he was responsible for leading Goldman Sachs' Australian Financial Institutions Group. Mr Pillemer was previously Chair of Centric Wealth Group and a Principal of Turnbull Pillemer Capital.

He is a Chartered Accountants Australia and New Zealand member and has a Bachelor of Commerce (Hons) from the University of New South Wales.

David Groves - BCom., MCom., CA
Non-independent, Non-executive Director (appointed 13 January 2017)

Mr Groves is a Non-executive Director of the Company. He is also a member of the Company's Audit, Risk and Compliance Committee.

Mr Groves has over 25 years' experience as a company director. He is the Non-executive Independent Chair of Pengana Capital Group Limited (ASX:PCG), and was Non-executive Independent Chair of H&G High Conviction Limited (ASX:HCF) until May 2025. He is also a Non-executive Director of MA Redcape Hotel Fund RE Limited as responsible entity of the MA Redcape Hotel Fund. He is a former Director of EQT Holdings Ltd, Tassal Group Ltd and GrainCorp Ltd and a former executive with Macquarie Bank Limited and its antecedent, Hill Samuel Australia. Mr Groves is a member of the Council of Wollongong University. He is a member of Chartered Accountants Australia and New Zealand.

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Directors' report (continued)

Information on Directors (continued)

Sandi Orleow - CFA, GAICD
Independent, Non-executive Director (appointed 1 September 2019)

Ms Orleow is a Non-executive Director of the Company. She is also Chair of the Company's Audit, Risk and Compliance Committee.

Ms Orleow is an experienced non-executive director with deep expertise in financial services, superannuation, investments and business transformation. She has worked across multiple geographies and has proven success in leveraging established processes into new markets and building new profit centres. Including setting up the South African office of a large Canadian consulting business and setting up the specialist private markets consulting proposition for a large global consultant in Australia.

Ms Orleow has served and continues to serve on a range of boards and committees including those of government entities, private and listed companies, superannuation, and member-based organisations. Her current roles include; Director Sydney Financial Forum, Non-Executive Director ECP Asset Management; and is the Chair of the CFA (Chartered Financial Analyst) Australia Diversity Council.

Ms Orleow is a CFA Charterholder, a graduate of the Australian Institute of Company Directors and a Banking + Finance Oath Signatory.

Company Secretary

Paula Ferrao - B. Bus
Company Secretary (appointed 2 June 2017)

Ms Ferrao is the Company Secretary of the Company.

Ms Ferrao is also Company Secretary and Executive Director of Pengana Capital Group Limited, and member of the Finance Council of the Trustees of the Sisters of the Good Samaritan. Ms Ferrao was previously interim Chief Executive Officer of Hunter Hall International Limited from January 2017 until its merger with Pengana Holdings Pty Ltd on 1 June 2017. Prior to that she was Chief Financial Officer of Hunter Hall International Limited since 2010.

Ms Ferrao has 25 years' experience in the funds management industry with strong expertise in financial reporting and tax for listed corporate entities, listed investment companies, managed investment schemes and public offer superannuation funds and in all aspects of fund operations.

Operating and Financial Review

Operating results

Net income after tax for the year was $33.8 million, which equated to 13.13 cents per share. The portfolio delivered a return, net of fees and expenses, of 12.56% for the financial year ended 30 June 2025. Performance figures refer to the movement in net assets per share, reversing out the payment of dividends and before tax paid or accrued on realised and unrealised gains.

The Portfolio continues to focus on high-quality growing businesses which are positioned to take advantage of long-term secular growth trends that are less sensitive to the economic cycle.

The Board has continued the on-market buyback of shares to minimise any dilution arising from the operation of the DRP. Effectively, all of the DRP shares issued in respect of the September 2024, December 2024, March 2025 and June 2025 dividends were bought back.

During the year, the portfolio delivered a net taxable gain. As tax will be paid on these gains the franking account balance will increase, such that the current annual fully franked dividend of 5.4 cents per share could be sustained into to the 2027 financial year. As aggregated turnover of the financial year ending 30 June 2025 was below the aggregated turnover threshold, PIA will qualify for the lower tax rate of 25% and consequently, dividends paid in the 2026 financial year will be franked at a 25% tax rate.

The recent narrow concentration of share market returns leaves many high-quality growth stocks attractively valued. This provides opportunities for bottom-up fundamental investors to outperform over the long-term. Valuation levels and diversification remain critical as the Portfolio seeks to identify opportunities across sectors and geographies.

Financial Position

At 30 June 2025, the Company's equity investments were valued at $350.5 million and it held $8.7 million in cash. Total assets amounted to $365.9 million.

The Company's net tangible assets (NTA) at 30 June 2025 stood at $352.8 million.

The Company has no borrowings.

For further information on operating results and the financial position of the Company please refer to the Chair's letter.

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Directors' report (continued)

Dividends paid/payable

	30 June 2025 $'000	30 June 2024 $'000
Final fully franked dividend of 1.35 cents per share, franked at 25.0%, to be paid on 15 September 2025. (2024: Final fully franked dividend, franked at 30.0%, of 1.35 cents per share.)	**3,472**	3,472
Interim fully franked dividends, franked at 30.0%, of 1.35 cents per share paid on 15 December 2024, 15 March and 15 June 2025 (2024: Interim fully franked dividends, franked at 25.0%, of 1.35 cents per share.)	**10,414**	10,413
	13,886	13,885

Dividend policy

The Board has adopted a dividend policy to pay dividends on a quarterly basis and frank them to the maximum extent possible subject to the availability of profit reserves and franking credits.

Strategy and future outlook

The Company aims to meet its investment objective of generating long-term consistent returns whilst reducing volatility and the risk of losing capital, and to pay a stable stream of fully franked dividends to our shareholders.

The Board seeks to improve communication with shareholders, deploy value creating capital management strategies and be disciplined in managing the Company's expenses.

The Company's portfolio remains primarily invested in equities and given the volatility in investment markets it is extremely difficult to forecast profit for the coming year. The Company provides weekly NTA announcements to the Australian Securities Exchange (ASX), and they can also be accessed via the website of the Company's Investment Manager: www.pengana.com

Whilst the portfolio is currently unhedged the Company may use forward foreign exchange contracts for risk management purposes.

The Board has announced a proposal to diversify both its assets and income streams by adding a leveraged investment in unlisted global private credit. Shareholder approval of the proposal will be sought at the Company's Annual General Meeting, which is due to be held on 10 October this year.

Significant changes in the state of affairs

There were no other significant changes in the state of affairs during the reporting period.

Events subsequent to balance sheet date

On 22 July 2025, the Board declared the final dividend of 1.35 cents per share fully franked at 25% for financial year 2024/2025. This dividend is not recognised as a liability at 30 June 2025 and has an ex-date of 29 August 2025 and will be paid on 15 September 2025.

The after tax NTA per share of the Company at 15 August 2025 was $1.38, an increase of 0.76% or $0.010 from the $1.37 recorded as at 30 June 2025.

On 21 August 2025 the Board announced a proposal to diversify both its assets and income streams by adding a leveraged investment in unlisted global private credit. Shareholder approval of the proposal will be sought at the Company's Annual General Meeting, which is due to be held on 10 October this year.

Other than the above, the Directors are not aware of any other matter or circumstance not otherwise dealt within this financial report that has significantly or may significantly affect the Company's operations, the results of those operations or the Company's state of affairs in future years.

Remuneration report (Audited)

The Board presents the Remuneration Report for the Company for the year ended 30 June 2025, which forms part of the Directors' Report and has been prepared in accordance with *the Corporations Act 2001* and the *Corporations Regulations 2001*.

1. Remuneration Governance

The Company has no employees and so remuneration is limited to Directors' fees.

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Directors' report (continued)

Remuneration report (Audited) (continued)

The Board is responsible for ensuring that the level of fees paid to the Directors is reasonable.

2. Details of key management personnel

Key Management Personnel (KMP) for the year ended 30 June 2025 are those persons who are identified as having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Non-executive Director (NED) of the Company.

Names and positions held by Directors and Officers of the Company in office at any time during the financial year are:

Name	Title	Appointment and resignation date
Frank Gooch	Independent Non-Executive Director and Chair	Appointed Independent Non-Executive Director 5 June 2017 and Chairman 6 December 2017
Russel Pillemer	Managing Director	Appointed Non-Executive Director 5 June 2017 and Managing Director 21 February 2019
David Groves	Non-Executive Director	Appointed 13 January 2017
Sandi Orleow	Independent Non-Executive Director and Chair of Audit, Risk & Compliance Committee	Appointed 1 September 2019

All operational and administrative duties are performed by Pengana Capital Group Limited (PCG), the parent company of the Investment Manager. No employees of PCG are remunerated by the Company. All KMP held their positions for the whole of the year ended 30 June 2025.

3. Remuneration

a. Remuneration Policy

Directors are remunerated by way of fees and superannuation contributions.

Each year the fees are determined by the Board of Directors who take into account the responsibilities, qualifications and experience of the directors as well as the demands made on directors and the remuneration of non-executive directors of comparable Australian companies.

Fees (including superannuation contributions):

	30 June 2025	30 June 2024	**Change**
	$	$	**%**
Chair	**66,900**	66,600	0.5
Non-Executive Directors	**44,600**	44,400	0.5
Chair - Subcommittee	**5,575**	5,550	0.5

b. Aggregate Fees Limit

The Aggregate Fee Limit available to directors of $250,000 was approved by shareholders in 2013.

c. Equity-based Remuneration

Non-executive directors are remunerated by way of cash benefits. The Company currently has no intention to remunerate non-executive directors by any way other than cash benefits.

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Directors' report (continued)

Remuneration report (Audited) (continued)

3. Remuneration (continued)

d. Directors Remuneration

The following table outlines the remuneration provided to NEDs for the years ended 30 June 2025 and 30 June 2024.

30 June 2025	**Short-term benefits**	**Post-employment benefits**	**Total remuneration**
	Directors' fees	Superannuation	Total
Non-executive Directors	$	$	$
Frank Gooch	**60,000**	**6,900**	**66,900**
David Groves	**44,600**	**-**	**44,600**
Sandi Orleow	**45,000**	**5,175**	**50,175**
	149,600	**12,075**	**161,675**

30 June 2024	Short-term benefits	Post-employment benefits	Total remuneration
	Directors' fees	Superannuation	Total
Non-executive Directors	$	$	$
Frank Gooch	60,000	6,600	66,600
David Groves	43,300	1,100	44,400
Sandi Orleow	45,000	4,950	49,950
	148,300	12,650	160,950

Russel Pillemer, who is also a Director and Chief Executive Officer of Pengana Capital Group Limited (ASX: PCG), the parent company of PIA's Investment Manager, is not remunerated by PIA.

There has been no change to Directors Fees other than statutory Superannuation Guarantee increases since 2018.

Given the extended period since Director Fees (excluding legislated superannuation changes) have remained unchanged, the Board resolved on 14 August 2025 to increase fees (excluding superannuation benefits) by 5% with effect from 1 July 2025.

e. Service Agreements

Remuneration and other terms of employment for the Independent Non-executive Directors are formalised in service agreements with the Company.

Frank Gooch, Chair, Independent Non-executive Director and member of the Audit, Risk and Compliance Committee and of the Independent Board Committee

- Commenced on 5 June 2017 (Appointed Chair 6 December 2017)
- No term of agreement has been set unless the Director is not re-elected by shareholders of the Company
- Annual fees, inclusive of superannuation, for the year ended 30 June 2025 of $66,900.

Russel Pillemer, Managing Director

- Commenced on 5 June 2017 (Appointed Managing Director 21 February 2019)
- Mr Pillemer is not remunerated by the Company, and being the Managing Director is not required to stand for re-election.

David Groves, Non-independent Non-executive Director and member of the Audit, Risk and Compliance Committee

- Commenced on 13 January 2017
- No term of agreement has been set unless the Director is not re-elected by shareholders of the Company
- Annual fees, inclusive of superannuation, for the year ended 30 June 2025 of $44,600.

Sandi Orleow, Independent Non-Executive Director and Chair of Audit, Risk & Compliance Committee

- Commenced on 1 September 2019
- No term of agreement has been set unless the Director is not re-elected by shareholders of the Company
- Annual fees, inclusive of superannuation, for the year ended 30 June 2025 of $50,175.

END OF AUDITED REMUNERATION REPORT

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Directors' report (continued)

Meeting of Directors

During the financial year, meetings of Directors (including committees) were held. Attendances were:

	Full Board		Audit, Risk and Compliance Committee		Board-Sub Committee	
	Eligible	Attended	Eligible	Attended	Eligible	Attended
Frank Gooch	15	15	4	4	-	-
Russel Pillemer	15	14	-	-	-	-
David Groves	15	15	4	4	-	-
Sandi Orleow	15	15	4	4	-	-

Directors Share Holdings

Please see below details of Directors share holdings as at 30 June 2025.

Director's shareholding	Held at 1 July 2024	Purchases	Sales	Other	Held at 30 June 2025
Frank Gooch	**70,000**	**-**	**-**	**-**	**70,000**
Russel Pillemer	**23,809**	**88,524**	**-**	**-**	**112,333**
David Groves	**52,446**	**-**	**-**	**-**	**52,446**
Sandi Orleow	**15,000**	**-**	**-**	**-**	**15,000**

Environmental Issues

The Company's operations are not subject to any environmental regulation under the law of the Commonwealth and State or Territory.

Proceedings on Behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

Rounding of amounts

The Company is of a kind referred to in the Australian Securities and Investments Commission (ASIC) Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, relating to the rounding off of amounts in the Directors' report. Amounts in the Directors' report have been rounded off in accordance with that instrument to the nearest thousand dollars, or in certain areas, to the nearest dollar (unless stated otherwise).

Indemnification and Insurance of Directors and Officers

The Company insures each of the Directors and Officers in office against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Directors and Officers of the Company, other than conduct involving a wilful breach of duty in relation to the Company. Details of the amount of premium paid in respect of insurance policies are not disclosed as such disclosure is prohibited under the terms of the contract.

Indemnification of Auditors

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial year.

Auditor

Ernst & Young was appointed as the auditor on 16 November 2016 in accordance with section 327 of the *Corporations Act 2001*.

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Directors' report (continued)

Non-Audit Services

Ernst & Young received or are due to receive $7,000 for the provision of non-audit services.

The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The nature and scope of each type of non-audit service provided means that auditor independence was not compromised.

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under s307C of the *Corporations Act 2001* is set out on the following page and forms part of this report.

Signed in accordance with a resolution of the Board of Directors.



Frank Gooch
Chair
Sydney
21 August 2025

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Shape the future
with confidence

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Auditor's Independence Declaration to the Directors of Pengana International Equities Limited

As lead auditor for the audit of Pengana International Equities Limited for the financial year ended 30 June 2025, I declare to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit*;*

b) no contraventions of any applicable code of professional conduct in relation to the audit; and

c) no non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Pengana International Equities Limited during the financial year.

Ernst & Young

Jaddus Manga
Partner
21 August 2025

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Liability limited by a scheme approved under Professional Standards Legislation

	Note	Year ended 30 June 2025 $'000	Year ended 30 June 2024 $'000
Investment Income			
Interest received		**438**	395
Dividend received		**3,268**	2,821
Net gains/(losses) on financial instruments at fair value through profit or loss		**45,994**	50,141
Foreign exchange (losses)/gains on foreign currency denominated cash		**(15)**	6
Other operating income		**2**	-
Total investment income/ (loss)		**49,687**	53,363
Management fees	2	**(4,460)**	(4,025)
		(4,460)	(4,025)
Expenses			
Directors' fees		**(162)**	(161)
Audit and assurance fees	2	**(73)**	(70)
Brokerage expenses		**(136)**	(283)
Share registry fees		**(80)**	(102)
ASX listing fees		**(101)**	(95)
Custody and administration fees		**(101)**	(101)
Other expenses		**(315)**	(304)
		(968)	(1,116)
Total expenses		**(5,428)**	(5,141)
Profit/(loss) before income tax		**44,259**	48,222
Income tax expense	3	**(10,498)**	(14,597)
Net profit/(loss) after income tax		**33,761**	33,625
Other comprehensive income for the year, net of tax		**-**	-
Total comprehensive income/(loss) for the year		**33,761**	33,625
Basic and diluted earnings per share (cents per share)	4	**13.13**	13.08

The statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

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	Note	As at 30 June 2025 $'000	30 June 2024 $'000
Assets			
Cash and cash equivalents	5	**8,710**	14,042
Trade and other receivables	6	**6,064**	279
Financial assets at fair value through profit or loss	7	**350,503**	337,501
Current tax asset		**605**	-
Deferred tax assets	3	**49**	34
Total assets		**365,931**	351,856
Liabilities			
Trade and other payables	8	**2,096**	2,097
Current tax liabilities		**-**	15,614
Deferred tax liabilities	3	**11,036**	1,210
Total liabilities		**13,132**	18,921
Net assets		**352,799**	332,935
Equity			
Issued capital	9	**319,540**	319,552
Profit reserve	11	**227,958**	208,082
Retained losses	10	**(194,699)**	(194,699)
Total equity attributable to shareholders of the company		**352,799**	332,935

The statement of financial position should be read in conjunction with the accompanying notes.

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	Note	Issued Capital $'000	Profit Reserve $'000	Retained Losses $'000	Total $'000
Balance at 1 July 2023		319,212	188,337	(194,699)	312,850
Profit for the year		-	-	33,625	33,625
Transfer to profit reserve		-	33,625	(33,625)	-
Transactions with shareholders in their capacity as owners:					
Dividend reinvestment plan issues	9	1,145	-	-	1,145
Dividends paid	12	-	(13,880)	-	(13,880)
Share buyback	9	(805)	-	-	(805)
Balance as at 30 June 2024		319,552	208,082	(194,699)	332,935
Balance as at 1 July 2024		**319,552**	**208,082**	**(194,699)**	**332,935**
Profit for the year		**-**	**-**	**33,761**	**33,761**
Transfer to profit reserve		**-**	**33,761**	**(33,761)**	**-**
Transactions with shareholders in their capacity as owners:					
Dividend reinvestment plan issues	9	**1,450**	**-**	**-**	**1,450**
Dividends paid	12	**-**	**(13,885)**	**-**	**(13,885)**
Share buyback	9	**(1,462)**	**-**	**-**	**(1,462)**
Balance at 30 June 2025		**319,540**	**227,958**	**(194,699)**	**352,799**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

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	Note	Year ended 30 June 2025 $'000	30 June 2024 $'000
Cash flows from operating activities			
Proceeds from sale of investments		**139,655**	421,503
Payments for purchase of investments		**(112,486)**	(402,072)
Brokerage expenses (paid)		**(136)**	(283)
Dividends received		**3,194**	2,943
Interest received		**450**	390
Other income received		**10**	-
Management fees paid		**(4,412)**	(4,007)
Income tax refund/(paid)		**(16,906)**	264
Payment to suppliers		**(789)**	(860)
Net cash inflow from operating activities	13	**8,580**	17,878
Cash flows from financing activities			
Dividends paid	12	**(12,435)**	(12,735)
Share buyback	9	**(1,462)**	(805)
Net cash outflow from financing activities		**(13,897)**	(13,540)
Net (decrease)/increase in cash and cash equivalents		**(5,317)**	4,338
Cash and cash equivalents at the beginning of the year		**14,042**	9,698
Foreign exchange (losses)/gains on foreign currency denominated cash		**(15)**	6
Cash and cash equivalents at the end of the year	5	**8,710**	14,042

The above statement of cash flows should be read in conjunction with the accompanying notes.

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1 Corporate information and summary of material accounting policies

The financial statements of Pengana International Equities Limited ("the Company"), for the year ended 30 June 2025 were authorised for issue in accordance with a resolution of the Directors on 21 August 2025. The Directors have the power to amend the financial statements after issue.

Pengana International Equities Limited is a for-profit company limited by shares incorporated and domiciled in Australia. The Company's principal place of business is Suite 27.01, Level 27, Governor Phillip Tower, 1 Farrer Place Sydney, NSW 2000 Australia.

Further information on the nature of the operations and principal activities of the Company is provided in the Directors' report.

Basis of preparation

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards (AASB) and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial report has been prepared on a historical cost basis unless stated otherwise and is presented in Australian dollars. Investments in financial assets and liabilities are recorded at fair value through profit and loss.

The statement of financial position is presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and are not distinguished between current and non-current.

Compliance with International Financial Reporting Standards

The financial report also complies with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

New standards and interpretations not yet adopted

There are no standards that are not yet effective and that are expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

Summary of material accounting policies

The following is a summary of the material accounting policies adopted by the Company in the preparation of the financial report. They have been consistently applied unless otherwise stated.

(a) Revenue and other income

Dividend income is recognised on the date shares are quoted ex-dividend net of WHT. Interest income is recognised on an accruals basis.

All revenue is stated net of the amount of Goods and Services Tax (GST).

(b) Expenses

All expenses are recognised on an accrual basis. Management and performance fees are set out in Note 2.

(c) Cash and cash equivalents

Cash and cash equivalents include cash on hand and call deposits with banks or financial institutions that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, with original maturities of three months or less.

(d) Financial assets and liabilities

Recognition and measurement

Financial assets and liabilities are recognised when the Company becomes a party to the binding contractual provisions to the instrument. For financial assets this is equivalent to the date that the Company commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

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1 Corporate information and summary of material accounting policies (continued)

(*d*) Financial assets and liabilities (continued)

Financial assets and liabilities are recognised on initial recognition at fair value. Financial instruments are classified into the following categories and fair values of financial instruments are determined on the following basis:

(i) *Investments*

Financial assets and liabilities at fair value through profit and loss are measured initially at fair value excluding any transaction costs that are directly attributable to the acquisition of the financial asset or liability. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit or Loss and Other Comprehensive Income. After initial recognition, investments are classified as "fair value through profit or loss". Gains and losses on investments are recognised in the Statement of Profit or Loss and Other Comprehensive Income. Gains and losses do not include interest or dividend income.

Last market close price is used for all investments quoted in an active market. Where this price falls outside the bid-ask spread, discretion is used as to whether the most appropriate price is the bid price or last market close price.

De-recognition

Investments are de-recognised when the right to receive cashflows from the investments has expired or the Company has transferred substantially all risks and rewards of ownership.

(ii) *Trade and other receivables*

Trade and other receivables are initially recognised at fair value. They are subsequently stated at amortised cost. At each reporting date, the Company shall measure the loss allowance on trade receivables at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Company shall measure the loss allowance at an amount equal to 12-month expected credit losses. Significant financial difficulties of the broker, probability that the broker will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required. If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance. Trade receivables include pending trades which are measured at fair value.

(iii) *Trade and other payables*

Trade and other payables are initially recognised at fair value. They are subsequently stated at amortised cost. Trade payables include pending trades which are measured at fair value.

(e) Foreign currency translation

Foreign currency transactions are translated into Australian Dollars (AUD) the reporting and functional currency of the Company, at the functional currency spot rates of exchange at the date of the transaction.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of foreign assets and liabilities at year end exchange rates are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

Translation differences on monetary assets and liabilities, forward foreign exchange hedging contracts, exchange traded options and investments are reported as part of the change in fair value of investments on the Statement of Profit or Loss and Other Comprehensive Income. All other foreign exchange gains and losses are presented in the Statement of Profit or Loss and Other Comprehensive Income within investment income.

Assets and liabilities denominated in a foreign currency are translated at the functional currency spot rates of exchange at reporting date.

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1 Corporate information and summary of material accounting policies (continued)

(f) Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax adjusted for changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

Deferred tax is provided for using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Upon adoption of AASB interpretation 23 *Uncertainity over Income Tax Treatments*, the Company considered whether it has any uncertain tax positions. The Company determined, based on its tax compliance, that it is probable that its tax treatments will be accepted by the taxation authorities. The interpretation did not have an impact on the financial statements of the Company as there is no uncertainty relating to any tax treatments.

(g) Goods and Services Tax

The GST incurred on the costs of various services provided to the Company by third parties such as custodial services and investment management fees has been passed onto the Company.

Where applicable, investment management fees, custodial fees and other expenses have been recognised in the statement of profit or loss and other comprehensive income net of the amount of GST recoverable from the Australian Taxation Office (ATO). Accounts payable are inclusive of GST. The net amount of GST recoverable from the ATO is included in receivables in the statement of financial position.

Cash flows relating to GST are included in the statement of cash flows on a gross basis.

(h) Profit Reserve

The profit reserve consists of amounts transferred from current and prior period profits and are preserved for future dividend payments.

(i) Critical accounting estimates and judgements

The Directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company. For the majority of the financial instruments held by the Company, quoted market prices are readily available.

(j) Rounding of amounts

Unless otherwise shown in the financial statements, amounts have been rounded to the nearest thousand dollars and are shown in AUD'000. Pengana International Equities Limited is a company of the kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191.

(k) New and amended standards and interpretations

There are no standards that are not yet effective and that are expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

(l) Comparative figures

Comparative information has been reclassified where required for consistency with current year's presentation.

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2 Expenses

a. Management fees

In accordance with the Investment Management Agreement between the Company and Pengana Investment Management Limited (the Investment Manager), the Investment Manager is entitled to a management fee of 1.2% (excluding GST and RITC) per annum based on the gross value of the investment portfolio, payable on a monthly basis.

The amounts paid and payable to the Investment Manager in accordance with the Investment Management Agreement were:

	30 June 2025	30 June 2024
	$'000	$'000
Management fees	**4,460**	4,025

b. Performance fees

In accordance with the Investment Management Agreement between the Company and Pengana Investment Management Limited (the Investment Manager), the Investment Manager is entitled to a performance fee of 15% (excluding GST and RITC) of any outperformance when the investment return of the portfolio outperforms the MSCI World Total Return Index, Net of Dividends Reinvested in AUD, subject to achievement of a crystallisation hurdle. The method of calculating the fee is detailed in the Investment Management Agreement.

As at 30 June 2025, performance fees paid and payable was nil (30 June 2024: nil).

	30 June 2025	30 June 2024
	$'000	$'000
Performance fees	**-**	-

c. Auditor's remuneration

During the year the following fees were paid or payable by the Company for services provided by the auditor of the Company, Ernst & Young.

	30 June 2025	30 June 2024
	$'000	$'000
Ernst & Young		
Audit and assurance services		
Audit and review of financial statements	**73**	70
Total remuneration for audit and other assurance services	**73**	70
Non-assurance services		
Tax compliance services	**7**	7
Total remuneration for taxation services	**7**	7
Total remuneration of Ernst & Young	**80**	77

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3 Income tax expense

	Year ended	
	30 June 2025	30 June 2024
	$'000	$'000
a. Income tax expense attributable for the year differs from the prima facie amount payable on the operating profit. The difference is reconciled as follows:		
Profit before income tax expense	**44,259**	48,222
Prima facie income tax expense on net profit at 25.0% (2024: 30.0%)	**(11,065)**	(14,467)
Effect on deferred tax rate change from 30.0% to 25.0% (2024: 25% to 30%)	**196**	(439)
Foreign withholding tax	**494**	443
Adjustments to prior period	**(123)**	(134)
	(10,498)	(14,597)
b. The major components of income tax expense are:		
Current income tax benefit/(expense)	**(687)**	(15,614)
Adjustment for deferred tax of prior period due to change in tax rate	**196**	(439)
Deferred income tax benefit/(expense)	**(10,007)**	1,456
	(10,498)	(14,597)
c. Deferred tax liabilities relate to the following:		
Net unrealised gain on investments	**(10,982)**	(1,173)
Other temporary differences	**(54)**	(37)
	(11,036)	(1,210)
d. Deferred tax assets relate to the following:		
Other temporary differences	**49**	34
	49	34

Under the provisions of the tax legislation, a company will qualify for the lower company tax rate of 25% for the financial year 2024/2025 if it is a "base rate entity" for the income year. A company is a "base rate entity" for an income year only if:

- No more than 80% of the company's assessable income for the year is passive income; and
- The aggregated turnover of the company is less than the relevant aggregate turnover ($50m for the financial year 2024/2025).

The Company's "aggregated turnover" for the financial year 2024/2025 amounted to approximately $21.4m (2023/2024: $116.6m).

As the Company's "aggregated turnover" for the financial year 2024/2025 was less than $50 million, the Company satisfied the definition of base rate entity for the financial year 2024/2025. The tax rate for financial rare for financial year 2024/2025 was 25%.

4 Earnings per share (EPS)

	30 June 2025	30 June 2024
	$'000	$'000
Net profit/(loss) after income tax used in the calculation of basic and diluted EPS	**33,761**	33,625
	No. of Shares	No. of Shares
Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS	**257,159,706**	257,082,452
Weighted average number of ordinary shares outstanding during the year used in calculation of diluted EPS	**257,159,706**	257,082,452

The basic and diluted earnings per share have been calculated using the net profit after income tax attributable to the shareholders of the Company as the numerator.

5 Cash and cash equivalents

	As at	
	30 June 2025	30 June 2024
	$'000	$'000
Cash at custodian	**8,710**	14,042
	8,710	14,042

6 Trade and other receivables

	As at	
	30 June 2025	30 June 2024
	$'000	$'000
Dividends receivable	**181**	107
Interest receivable	**26**	38
Outstanding investment settlements receivable	**5,731**	-
GST receivable	**84**	87
Other receivables	**42**	47
	6,064	279

There are no past due or impaired receivables at reporting date. All trade receivables are expected to be received within 12 months from the reporting date.

7 Financial assets at fair value through profit or loss

	As at	
	30 June 2025	30 June 2024
	$'000	$'000
Listed shares	**350,503**	337,501
	350,503	337,501

8 Trade and other payables

	As at	
	30 June 2025	30 June 2024
	$'000	$'000
Management fees payable	**375**	327
Outstanding investment settlements payable	**1,621**	1,713
Other expenses payable	**100**	57
	2,096	2,097

All trade payables are expected to be settled within 12 months from the reporting date.

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9 Issued capital

	30 June 2025 No. of shares	30 June 2024 No. of shares
Issued ordinary shares at the beginning of the reporting period	**257,172,693**	256,842,806
Dividends reinvested (DRP)	**1,253,276**	1,046,473
Share buyback	**(1,253,276)**	(716,586)
Issued ordinary shares at reporting date	**257,172,693**	257,172,693

	30 June 2025 $'000	30 June 2024 $'000
Issued ordinary shares at the beginning of the reporting period	**319,552**	319,212
Dividends reinvested (DRP)	**1,450**	1,145
Share buyback	**(1,462)**	(805)
Issued ordinary shares at reporting date	**319,540**	319,552

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote. A reconciliation of the number of ordinary shares outstanding is shown in the table above.

Capital risk management

The Directors manage the Company's capital by regularly ensuring that the Company employs its capital in the most efficient manner. The Directors believe that shareholder value is maximised through effective management of dividends distributed to shareholders, share buy-backs and issue of capital. These capital management initiatives will be used when deemed appropriate by the Directors. To achieve this, the Directors monitor the weekly and month end net tangible asset results, investment performance, the Company's expenses and share price movements.

In the year to 30 June 2025, 1,253,276 shares were issued under the DRP. A total of 1,253,276 shares were brought back to offset the dilutive effect of shares issued, representing 100% of the DRP shares issued.

It is the Board's intention to continue to buy back shares to reduce the dilutive effect of issuing DRP shares at a discount to NTA and has extended the buyback for a further 12 months to September 2026.

The Board has adopted a dividend policy to pay dividends on a quarterly basis and frank them to the maximum extent possible subject to the availability of profit reserves and franking credits.

During the year ended 30 June 2025, the Company paid dividends of $13,884,864 (30 June 2024: $13,879,597).

The capital structure of the Company consists of equity attributable to equity holders, comprising issued capital, reserves and retained earnings as disclosed in the Statement of Changes of Equity.

The Company is not subject to externally imposed capital requirements.

10 Retained losses

	As at	
	30 June 2025 $'000	30 June 2024 $'000
Balance at the beginning of the year	**(194,699)**	(194,699)
Current year profit/(loss)	**33,761**	33,625
Transfer to profit reserve	**(33,761)**	(33,625)
Balance at the end of the year	**(194,699)**	(194,699)

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11 Profit reserve

	As at	
	30 June 2025	30 June 2024
	$'000	$'000
Balance at the beginning of the year	**208,082**	188,337
Transfer from retained losses	**33,761**	33,625
Final fully franked dividend, franked at 30%, of 1.35 cents paid 16 September 2024 (2024: 1.35 cents fully franked at 25%).	**(3,471)**	(3,467)
Interim fully franked dividends, franked at 30%, of 1.35 cents paid on 16 December 2024, 17 March 2025 and 17 June 2025 (2024: 1.35 cents fully franked at 25%)	**(10,414)**	(10,413)
Balance at the end of the year	**227,958**	208,082

The profit reserve consists of declared profits, available for the payment of future dividends.

12 Dividends

	Year ended	
	30 June 2025	30 June 2024
	$'000	$'000
a. Dividends paid		
Final fully franked dividend, franked at 30%, of 1.35 cents paid 16 September 2024 (2024: 1.35 cents fully franked at 25%).	**3,471**	3,467
Interim fully franked dividends, franked at 30%, of 1.35 cents paid on 15 December 2024, 15 March 2025 and 15 June 2025 (2024: 1.35 cents fully franked at 25%)	**10,414**	10,413
	13,885	13,880
b. Dividend reinvestment plan		
Final fully franked dividend, franked at 30%, of 1.35 cents paid 16 September 2024 (2024: 1.35 cents fully franked at 25%).	**(276)**	(291)
Interim fully franked dividends, franked at 30%, of 1.35 cents paid 15 December 2024, 15 March 2025 and 15 June 2025 (2024: 1.35 cents fully franked at 25%)	**(1,174)**	(854)
	(1,450)	(1,145)
Net dividends paid in cash	**12,435**	12,735
c. Franking account		
Balance at the beginning of the year	**3,478**	8,369
Franking credits from tax paid/(refund)	**16,906**	(264)
Payment of interim fully franked dividends	**(4,462)**	(3,471)
Prior year final fully franked dividend	**(1,488)**	(1,156)
Franking account balance at year end	**14,434**	3,478
Declared but not paid final fully franked dividend	**(1,157)**	(1,488)
Franking account balance post payment of final dividend	**13,277**	1,990

On 22 July 2025, the Board declared the final dividend of 1.35 cents per share fully franked at 25% for financial year 2024/2025. This dividend is not recognised as a liability at 30 June 2025 and has an ex-date of 29 August 2025 and will be paid on 15 September 2025.

As at 30 June 2025, the $13.28m franking account balance post payment of final dividend is equivalent to 5.16 cents (2024: 0.77 cents) per share, which equates to approx 15.49 cents per share of fully franked dividends franked at 25%.

The Company's ability to continue to pay franked dividends is dependent upon the receipt of franked dividends from investments and the payment of tax.

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12 Dividends (continued)

c. Franking account (continued)

Under the provisions of the tax legislation, a company will qualify for the lower company tax rate of 25% for the financial year 2024/2025 if it is a "base rate entity" for the income year. A company is a "base rate entity" for an income year only if:

- No more than 80% of the company's assessable income for the year is passive income; and
- The aggregated turnover of the company is less than the relevant aggregate turnover ($50m for the financial year 2024/2025).

The Company's "aggregated turnover" for the financial year 2024/2025 amounted to approximately $21.4m (2023/2024: $116.6m).

As the Company's "aggregated turnover" for the financial year 2024/2025 was less than $50 million, the Company satisfied the definition of base rate entity for the financial year 2024/2025. The tax rate for financial rare for financial year 2024/2025 was 25%.

13 Cash flow information

	Year ended	
	30 June 2025	30 June 2024
	$'000	$'000
(a) Reconciliation of net cash flow from operating activities to net (loss)/profit after income tax:		
Net profit/(loss) after income tax	**33,761**	33,625
Change in fair value of investments and foreign cash held	**(45,979)**	(50,147)
Cash proceeds from sale of investments	**139,655**	421,503
Cash payments for purchase of investments	**(112,486)**	(402,072)
Change in other receivables	**(54)**	103
Change in other payables	**91**	5
Net change in deferred tax asset and liability	**9,811**	(1,017)
Change in income tax receivables/payables	**(16,219)**	15,878
Net cash inflow from operating activities	**8,580**	17,878
(b) Non-cash financing activities		
Issue of shares under the dividend reinvestment plan (DRP)	**1,450**	1,145
	1,450	1,145

14 Financial risk management

The Company holds the following financial instruments:

	30 June 2025	30 June 2024
	$'000	$'000
Financial assets		
Cash and cash equivalents	**8,710**	14,042
Trade and other receivables	**6,064**	279
Financial assets at fair value through profit or loss	**350,503**	337,501
	365,277	351,822
Financial liabilities		
Trade and other payables	**2,096**	2,097
	2,096	2,097

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14 Financial risk management (continued)

Financial risk exposures and management

The main risks the Company is exposed to through its financial instruments are market risk and credit risk.

a. Market risk

(i) Price risk

The Company is exposed to equity securities price risk arising from investments held by the Company and classified on the Statement of Financial Position as fair value through profit or loss of $350.5m (2024: $337.5m).

Sensitivity analysis

At reporting date, if the equity prices had been 10% higher or 15% lower, profit before income tax of the Company would have increased by $35.1m or decreased by $52.6m (2024: profit increased by $33.8m or decreased by $50.6m).

The analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis as for 2024.

The Company has no concentrations in individual equity positions greater than 5.0% (2024: 5.0%) or more of the Company's equity portfolio.

(ii) Foreign exchange risk

As at 30 June 2025 the portfolio (net assets excluding net tax liabilities) was invested 96.3% in international equities (2024: 95.6%). The portfolio had an exposure to foreign cash and investments of $351m (2024: $337.5m).

The Company did not use forward foreign exchange contracts during the year to 30 June 2025. There were no forward exchange hedging contracts held as at 30 June 2025 and 30 June 2024.

Sensitivity analysis

At reporting date a 15% strengthening/weakening of the Australian Dollar at 30 June 2025 would have decreased/increased profit or loss before income tax by $52.6m (2024: $39.5m). The analysis assumes that all other variables, in particular interest rates, remain constant. The sensitivity analysis has been performed under the assumption that the Australian Dollar strengthened or weakened +/-15% (2024:+/-15%) against the major currencies to which the Company is exposed.

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14 Financial risk management (continued)

a. Market risk (continued)

(ii) Foreign exchange risk (continued)

The Company's total net exposure to fluctuations in foreign currency exchange rates at the reporting date was as follows:

30 June 2025	**Cash**	**Investments**	**Trade and other receivables/ payables & Dividend payable**	**Tax asset/ liability**	**Total**
Assets (AUD)	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Australian Dollar	**8,698**	**-**	**140**	**654**	**9,492**
Euro	**-**	**21,247**	**-**	**-**	**21,247**
United States Dollar	**12**	**235,644**	**5,798**	**-**	**241,454**
Danish Krone	**-**	**2,086**	**-**	**-**	**2,086**
Hong Kong Dollar	**-**	**14,380**	**-**	**-**	**14,380**
British Pound	**-**	**15,242**	**30**	**-**	**15,272**
Indonesian Rupiah	**-**	**2,340**	**-**	**-**	**2,340**
Singapore Dollar	**-**	**4,493**	**-**	**-**	**4,493**
Swedish Krona	**-**	**12,943**	**-**	**-**	**12,943**
Swiss Franc	**-**	**7,172**	**-**	**-**	**7,172**
Canadian Dollar	**-**	**3,444**	**-**	**-**	**3,444**
Chinese Yuan	**-**	**4,967**	**-**	**-**	**4,967**
Japanese Yen	**-**	**23,475**	**96**	**-**	**23,571**
Mexican Peso	**-**	**3,070**	**-**	**-**	**3,070**
	8,710	**350,503**	**6,064**	**654**	**365,931**
Liabilities (AUD)					
Australian Dollar	**-**	**-**	**475**	**11,036**	**11,511**
United States Dollar	**-**	**-**	**1,621**	**-**	**1,621**
	-	**-**	**2,096**	**11,036**	**13,132**

30 June 2024	Cash	Investments	Trade and other receivables/ payables	Tax asset/ liability	Total
Assets (AUD)	$'000	$'000	$'000	$'000	$'000
Australian Dollar	14,015		169	34	14,218
Euro	-	33,738	-	-	33,738
United States Dollar	26	249,398	63	-	249,487
Danish Krone	-	2,693	-	-	2,693
Hong Kong Dollar	-	8,972	-	-	8,972
British Pound	-	9,140	-	-	9,140
Indonesian Rupiah	-	2,950	-	-	2,950
Swedish Krona	-	7,576	-	-	7,576
Swiss Franc	-	5,604	-	-	5,604
Brazilian Real		1,961	15	-	1,976
Japanese Yen	-	15,103	32	-	15,135
Mexican Peso	1	366	-	-	367
	14,042	337,501	279	34	351,856
Liabilities (AUD)					
Australian Dollar	-	-	384	16,824	17,208
United States Dollar	-	-	1,346	-	1,346
Mexican Peso	-	-	367	-	367
	-	-	2,097	16,824	18,921

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14 Financial risk management (continued)

a. Market risk (continued)

(iii) Interest rate risk

The main interest rate risk for the Company arises from its cash holdings. The Company's exposure to interest rate risk is immaterial.

	30 June 2025	30 June 2024
	$'000	**$'000**
Cash and cash equivalents		
Cash balance subject to floating interest rate	8,710	14,042

b. Credit risk

The Company measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management consider both historical analysis and forward looking information in determining any expected credit loss. At 30 June 2025, trade and other receivables, and cash are held with counterparties with a credit rating of A-1 or higher (2024: A-1). Management consider the probability of default to be close to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligations in the near term. As such, no loss allowance is deemed to be necessary based on 12-month expected credit losses.

The Company's major credit risk arises from assets and cash and cash equivalents held with the custodian, BNP Paribas (credit rating: A-1).

The Company manages credit risk associated with financial assets by only trading with reputable brokers and via established securities exchanges.

c. Liquidity risk

Based on an assumption of trading 10% of the trailing three month daily average volume 100% of the portfolio could be realised in one month (2024: 100% in one month).

Maturities of financial liabilities

Financial liabilities held by the Company include due to brokers and other payables. The below table shows the maturities of financial liabilities held by the Company.

30 June 2025	**Less than 1 month**	**1 to 3 months**	**3 to 6 months**	**6 to 12 months**	**Total**
Financial liabilities	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Outstanding investment settlements payable	**1,621**	**-**	**-**	**-**	**1,621**
Other payables	**475**	**-**	**-**	**-**	**475**
Total	**2,096**	**-**	**-**	**-**	**2,096**

30 June 2024	Less than 1 month	1 to 3 months	3 to 6 months	6 to 12 months	Total
Financial liabilities	$'000	$'000	$'000	$'000	$'000
Outstanding investment settlements payable	1,713	-	-	-	1,713
Other payables	384	-	-	-	384
Total	2,097	-	-	-	2,097

d. Net fair values

The following table provides an analysis of financial instruments as at reporting date that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which fair value is observable.

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14 Financial risk management (continued)

d. Net fair values (continued)

• Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets and liabilities.

• Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

• Level 3 fair value measurement are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The transfers between levels only happen at the end of the reporting period.

There has been no transfer between levels from the previous reporting period.

30 June 2025	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets	**$'000**	**$'000**	**$'000**	**$'000**
Listed investments at fair value	**350,503**	**-**	**-**	**350,503**
Total	**350,503**	**-**	**-**	**350,503**

30 June 2024	Level 1	Level 2	Level 3	Total
Financial assets	$'000	$'000	$'000	$'000
Listed investments at fair value	337,501	-	-	337,501
Total	337,501	-	-	337,501

The carrying amount of cash and cash equivalents, trade and other receivables and trade and other payables approximate their fair values.

15 Related party transactions

Details of key management personnel

Key Management Personnel (KMP) for the year ended 30 June 2025 are those persons who are identified as having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Non-executive Director (NED) of the Company.

Names and positions held by Directors and Officers of the Company in office at any time during the financial year are:

Name	**Title**	**Appointment date**
Frank Gooch	Independent Non-Executive Director and Chair	Appointed Independent Non-Executive Director 5 June 2017 and Chairman 6 December 2017
Russel Pillemer	Managing Director	Appointed Non-Executive Director 5 June 2017 and Managing Director 21 February 2019
David Groves	Non-Executive Director	Appointed 13 January 2017
Sandi Orleow	Independent Non-Executive Director and Chair of Audit, Risk & Compliance Committee	Appointed 1 September 2019

The Company has no employees. All operational and administrative duties are performed by Pengana Capital Group Limited (PCG), the parent company of the Investment Manager. No employees of PCG are remunerated by the Company. All KMP held their positions for the whole of the year ended 30 June 2025.

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15 Related party transactions (continued)

Related party transactions

Transactions between related parties are on commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

For year ended 30 June 2025, performance fees paid and payable were nil (30 June 2024: nil).

	30 June 2025	30 June 2024
	$	$
a. Pengana Capital Group Limited		
The Company reimburses Pengana Capital Group Limited for any expenses that are paid on behalf of the Company as appropriate under the Company's constitution.	**(57,174)**	(63,234)
b. Pengana Investment Management Limited (Investment Manager)		
Management fees paid and payable as governed by the Investment Management Agreement	**(4,459,805)**	(4,025,058)

16 Statement of operations by segment

The Company has identified its operating segments based on the internal reports that are reviewed and used by the Chief Investment Officer of the Investment Manager in assessing and determining the allocation of resources.

The Company operates in one business segment, being investment in securities.

17 Subsequent events

On 22 July 2025, the Board declared the final dividend of 1.35 cents per share fully franked at 25% for financial year 2024/2025. This dividend is not recognised as a liability at 30 June 2025 and has an ex-date of 29 August 2025 and will be paid on 15 September 2025.

The after tax NTA per share of the Company at 15 August 2025 was $1.38, an increase of 0.76% or $0.010 from the $1.37 recorded as at 30 June 2025.

On 21 August 2025 the Board has issued a proposal to shareholders for the Company to make an investment in private credit. Shareholder approval of the proposal will be sought at the Company’s Annual General Meeting, which is due to be held on 10 October this year.

Other than the above, the Directors are not aware of any other matter or circumstance not otherwise dealt within this financial report that has significantly or may significantly affect the Company's operations, the results of those operations or the Company's state of affairs in future years.

18 Contingent liabilities

There were no contingent liabilities at 30 June 2025 and 30 June 2024 that required disclosure.

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Consolidated entity disclosure statememt

Disclosure of subsidiaries and their country of tax residency, as required by the Corporations Act 2001, does not apply to the company as the company is not required by accounting standards to prepare consolidated financial statements and, the company does not have any investments requiring consolidation.

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Directors' declaration

In accordance with a resolution of the Directors of Pengana International Equities Limited, I state that:

In the opinion of the directors of the Company:

a) the financial statements and notes of Pengana International Equities Limited for the financial year ended 30 June 2025 are in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the Company's financial position as at 30 June 2025 and of its performance for the year ended on that date; and
- complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

b) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 1; and

c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

d) the consolidated entity disclosure statement required by section 295(3A) of the Corporations Act is true and correct.

This declaration has been made after receiving the declarations required to be made to the directors by the Chief Executive Officer and Chief Financial Officer of the Investment Manager in accordance with section 295A of the *Corporations Act 2001* for the financial year ended 30 June 2025.

On behalf of the Board,



Frank Gooch
Chairman
Sydney
21 August 2025

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with confidence

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Independent auditor's report to the members of Pengana International Equities Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Pengana International Equities Limited (the Company), which comprises the statement of financial position as at 30 June 2025, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

a. Giving a true and fair view of the Company's financial position as at 30 June 2025 and of its financial performance for the year ended on that date; and

b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

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Investment of Listed Equities

Why significant	How our audit addressed the key audit matter
As at 30 June 2025, the value of listed equities, was AUD 350,502,823 which equates to 96% of the total assets of the Company as disclosed in Note 14. As disclosed in the Company's accounting policy Note 1d of the financial report, these financial assets are recognised at fair value through profit or loss in accordance with the requirements of Australian Accounting Standards. Pricing, exchange rates and other market drivers can have a significant impact on the value of these financial assets and the financial report. Accordingly, valuation and existence of the investment portfolio was considered a key audit matter.	Our audit procedures included the following: Assessed the effectiveness of the controls relating to the recognition and valuation of investments. Obtained and assessed the assurance report on the controls of the Company's administrator in relation to Fund Administration Services for the year ended 30 June 2025 and assessed the auditor's qualifications, competence and objectivity, and results of their procedures. Agreed all investment holdings, including cash accounts, to third party confirmations at 30 June 2025. Assessed the fair value of all investments in the portfolio held at 30 June 2025 to independently sourced market prices. We also assessed the adequacy and appropriateness of the disclosures included in Note 14 to the financial report in accordance with the requirements of Australian Accounting Standards.

Management and Performance Fees

Why significant	How our audit addressed the key audit matter
For the year ended 30 June 2025, management and performance fees paid to the service provider, Pengana Investment Management Limited, totalled AUD 4,459,805 and Nil respectively, which equates to 82% of total expenses and are the most significant operating expense for the Company, as disclosed in Note 2. The Company's accounting policy for management and performance fees is disclosed in Note 2 to the financial report. Performance fees are recognised in the financial report if the performance hurdles for the Company have been met at the end of the relevant measurement period, which is the date that the	Our audit procedures included the following: Assessed the effectiveness of the relevant controls in relation to the calculation of management and performance fees at the service provider responsible for the calculation. Obtained and assessed the assurance report on the controls of the Company's administrator in relation to Fund Administration Services for the year ended 30 June 2025 and assessed the auditor's qualifications, competence and objectivity and results of their procedures.

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Why significant	How our audit addressed the key audit matter
performance criteria is met and the liability has been crystallised. Due to the quantum of these expenses and the impact that market volatility can have on performance fees, this was considered a key audit matter.	Recalculated management fees, in accordance with the relevant Services agreement, including agreeing the fee rate to the calculation. Recalculated the performance fee, including testing the inputs into the calculation model and whether the calculation was in line with the relevant Services agreement. Assessed that the criteria for accrual of a performance fee were not met and no fee liability was accrued at 30 June 2025. We also assessed the adequacy and appropriateness of the disclosures included Note 2 to the financial report in accordance with the requirements of Australian Accounting Standards.

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's 2025 annual report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of:

a. The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and;

b. The consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

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i. The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

ii. The consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors of the Company.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 7 to 9 of the directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of Pengana International Equities Limited for the year ended 30 June 2025, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Ernst & Young

Jaddus Manga
Partner
Sydney
21 August 2025

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ASX additional information

The shareholder information set out below was applicable as at 23 July 2025.

Distribution of shareholders

Analysis of number of equitable security holders by size of holding:

Category (size of holding)	Number of unitholders	Number of units	% of units
1 - 1,000	**425**	**157,200**	**0.06**
1,001 - 5,000	**824**	**2,681,124**	**1.04**
5,001 - 10,000	**864**	**7,059,927**	**2.75**
10,001 - 100,000	**2,636**	**85,959,943**	**33.42**
100,001 and over	**306**	**161,314,499**	**62.73**
Total	**5,055**	**257,172,693**	**100**

Range	Holders
Holders holding less than a marketable parcel	**227**

Substantial shareholders

The following shareholders have notified the Company that they are the substantial shareholders:

	Number of ordinary shares	% of total issued ordinary shares
Washington H. Soul Pattinson and Company Limited	**30,734,274**	**11.95**
Wilson Asset Management Group	**21,970,947**	**8.45**
Saba Capital Management GP, L.L.C.	**25,611,711**	**9.96**

20 Largest shareholders - ordinary shares

	Number of ordinary shares	% of total issued ordinary shares
Citicorp Nominees Pty Limited	**34,661,743**	**13.48**
Washington H Soul Pattinson And Company Limited	**24,370,580**	**9.48**
BNP Paribas Nominees Pty Ltd Barclays	**7,068,131**	**2.75**
HSBC Custody Nominees (Australia) Limited	**6,930,810**	**2.70**
Netwealth Investments Limited	**6,514,586**	**2.53**
BNP Paribas Nominees Pty Ltd	**4,256,992**	**1.66**
Pengana Capital Ltd	**3,454,815**	**1.34**
HSBC Custody Nominees (Australia) Limited	**2,996,664**	**1.17**
BNP Paribas Nominees Pty Ltd Hub24 Custodial Serv Ltd	**2,298,270**	**0.89**
Pengana Investment Management Limited	**2,042,720**	**0.79**
Netwealth Investments Limited	**1,986,505**	**0.77**
Pengana Investment Management Ltd	**1,412,095**	**0.55**
Mr Anthony John Simmonds & Mrs Maureen Simmonds	**1,315,231**	**0.51**
Morgcam Pty Ltd	**957,896**	**0.37**
Mr Orlando Berardino Di Iulio & Ms Catharina Maria Koopman	**925,000**	**0.36**
Kindilan foundation Pty Ltd	**758,000**	**0.29**
Morgan Stanley Australia Securities (Nominee) Pty Ltd	**729,166**	**0.28**
Ditech Pty Ltd	**700,000**	**0.27**
Ms Carolyn Margaret Earl & Mr John William Nissen	**675,000**	**0.26**
Sanctuary Gate Pty Ltd	**650,000**	**0.25**

As at 23 July 2025 there were 5,055 shareholders.

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Voting rights

Subject to the Company's constitution:

- At meetings of shareholders, each shareholder is entitled to vote in person, by proxy, by attorney or by representative;
- On a show of hands, each shareholder present in person, by proxy, by attorney or by representative is entitled to one vote;
- On a poll, each shareholder present in person, by proxy, by attorney or by representative is entitled to one vote for every share held by the shareholder.

In the case of joint holdings, only one joint holder may vote.

Voting by proxy

Shareholders may appoint a proxy or attorney to represent them at a shareholder meeting. If a proxy is appointed and the shareholder attends the meeting then that proxy is automatically revoked.

A corporate shareholder may appoint a proxy, an attorney or a corporate representative.

Dividend payments

The Company offers shareholders the following choices of how dividend entitlements can be received:

- Cheque mailed to the shareholder’s registered address
- Direct Credit Deposit – the dividend is paid directly to the nominated bank account. Direct credits avoid delay in postal delivery and the possibility of lost cheques and are therefore a preferred option
- Dividend reinvenstment - shareholders can elect to reinvest their dividends under the terms of the Company's Dividend Reinvestmemt Plan, available from the Company's website www.pengana.com/pia

Transaction in securities

	30 June 2025	30 June 2024
Total number of transactions in securities during the year	**555**	675
Total brokerage paid or accrued during the year	**136,191**	283,255

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Investments at market value as at 30 June 2025 (unaudited)

Company Name	Security Code	Market Value $'000	% of Gross Assets
Communication Services			
TENCENT HOLDINGS LTD	BMMV2K8	8,780	2.4 %
NETFLIX INC	2857817	14,353	4.0 %
META PLATFORMS INC	B7TL820	12,605	3.5 %
TRADE DESK INC	BD8FDD1	4,429	1.2 %
ALPHABET INC	BYVY8G0	14,555	4.0 %
		54,722	**15.1 %**
Consumer Discretionary			
AMAZON CONSERV DAC	AMAUSD	14,227	3.9 %
COMPASS GROUP PLC	BD6K457	4,451	1.2 %
SONY CORP	SONJPY	8,633	2.4 %
BOOKING HOLDINGS INC	BDRXDB4	7,385	2.0 %
		34,696	**9.6 %**
Consumer Staples			
ALIMENTATION COUCHE-	BL56KN2	3,444	1.0 %
WAL MART DE MEXICO S	BW1YVH8	3,070	0.9 %
		6,514	**1.8 %**
Financials			
AIA GROUP LTD	B4TX8S1A	5,600	1.5 %
BANK CENTRAL ASIA TB	B01C1P6	2,339	0.6 %
DBS GROUP HOLDINGS	DBBSGD	4,493	1.2 %
PROGRESSIVE CORP	2705024	3,368	0.9 %
HDFC BANK LTD	2781648	5,197	1.4 %
CME GROUP INC	2965839	8,958	2.5 %
TRADEWEB MARKET INC	BJXMVK2	9,222	2.5 %
VISA INC	B2PZN04	3,488	1.0 %
		42,665	**11.8 %**
Health Care			
ROCHE HOLDING AG	ROCCHF	3,888	1.1 %
SHENZHEN MINDRAY BIO	BHQK864	4,967	1.4 %
GENMAB A/S	4595739	2,086	0.6 %
HALEON PLC	BMX86B7	6,014	1.7 %
CHUGAI PHARMACEUTICA	CHPJPY	6,399	1.8 %
VERTEX PHARMACEUTICA	2931034	11,166	3.1 %
ABBVIE INC	B92SR70	3,887	1.1 %
ALCON AG	BJXBP41	5,399	1.5 %
JOHNSON & JOHNSON	JONUSD	3,182	0.9 %
THERMO FISHER SCIENT	THEUSD	3,351	0.9 %
DANAHER CORP	DHRUSD	3,906	1.1 %
		54,245	**14.9 %**
Industrials			
SGS SA	BMBQHZ4	3,284	0.9 %
SCHNEIDER ELECTRIC S	SCHEFR	12,018	3.3 %
DIPLOMA PLC	182663	4,777	1.3 %
ALFA LAVAL AB	7332687	5,124	1.4 %
ATLAS COPCO AB	BLDBN41	2,745	0.8 %
EPIROC AB	BMD58R8	5,074	1.4 %
AMETEK INC	2089212	6,442	1.8 %
DEERE & CO	2261203	9,654	2.7 %
HEICO CORP	2419217	7,985	2.2 %
ATKORE INTERNATIONAL	BDHF495	4,872	1.3 %
		61,975	**17.1 %**
Information Technology			
ASML HOLDING NV	B929F46	5,845	1.6 %
DISCO CORP	6270948	4,593	1.3 %
KEYENCE CORP	6490995	3,849	1.1 %
ADOBE INC	2008154	5,023	1.4 %
AMPHENOL CORP	2145084	4,910	1.4 %
SALESFORCE COM INC	2310525	1,500	0.4 %
NVIDIA CORP	2379504	5,747	1.6 %
SAP SE	2775135	5,626	1.6 %

Investments at market value as at 30 June 2025 (unaudited) (continued)

Company Name	Security Code	Market Value $'000	% of Gross Assets
APPLIED MATERIALS IN	APMUSD	4,303	1.2 %
ACCENTURE PLC	B4BNMY3	4,570	1.3 %
SERVICENOW INC	B80NXX8	4,711	1.3 %
BROADCOM INC	BDZ78H9	7,508	2.1 %
GLOBANT SA	BP40HF4	2,147	0.6 %
MICROSOFT CORP	MICUSD	17,066	4.7 %
SYNOPSYS INC	SNPUSD	5,074	1.4 %
TAIWAN SEMICONDUCTOR	TAIUSD	5,713	1.6 %
		88,185	**24.3 %**
Materials			
SYMRISE AG	B1JB4K8	3,384	0.9 %
		3,384	**0.9 %**
Real Estate			
COSTAR GROUP INC	2262864	4,117	1.1 %
		4,117	**1.1 %**
Total portfolio		**350,503**	**96.5 %**

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Registry
Computershare Investor Services Pty Limited, Level 4, 44 Martin Place, Sydney NSW 2000. Investor Enquiries (02) 8216 5700.

Stock exchange listing
Quotation has been granted for all the ordinary shares of the Company on all Member Exchanges of the Australian Securities Exchange Limited ("ASX"). The Company shares are traded under the symbol PIA. Details of trading activity are published in most daily newspapers and also obtainable from the ASX website: www.asx.com.au.

Investment management agreement
The Company has appointed Pengana Investment Management Limited (the Investment Manager), under an Investment Management Agreement dated 29 January 2004, to manage the investment portfolio of the Company. The Investment Manager manages and supervises all investments of the Company, including providing monthly valuations, for the term of the contract.

Term
The Investment Management Agreement is for an initial period of 25 years commencing on the date the Company listed on the ASX (March 2004), unless terminated earlier in accordance with terms of the Investment Management Agreement.

Powers of Manager
For the purpose of carrying out its functions and duties under the Investment Management Agreement, the Manager has the powers of a natural person and absolute and unfettered discretion to manage the investment portfolio and to do all things and execute all documents necessary for the purpose of managing the investment portfolio.

Management fee
In return for the performance of its duties as Manager of the Company's investment portfolio, the Manager is entitled to a management fee of 1.2% (excluding GST and RITC) per annum of the gross value of the investment portfolio, payable on a monthly basis.

Performance fee
The Manager is also entitled to a Performance Fee, equal to 15% (excluding GST and RITC) of any out-performance of the investment portfolio compared to its benchmark the MSCI World Accumulation Net Return Index in Australian Dollars. The fee is aggregated daily and paid annually, subject to the following:

i) if the aggregate Performance Fee for a Financial Year (including any amounts accrued from a previous year) is a positive amount but the Investment Return of the investment portfolio is not greater than zero, then that Performance Fee shall be carried forward (as an accrual) to the following Financial Year,

ii) if the aggregate Performance Fee for a Financial Year (including any positive or negative amount carried forward from the previous year) is a positive amount but the payment of the accrued Performance Fee would cause the adjusted Investment Return of the investment portfolio for the year to be negative, that portion of the Performance Fee that would cause the Investment Return of the investment portfolio to be negative shall be carried forward (as an accrual) to the following Financial Year,

iii) if the aggregate Performance Fee for a Financial Year is a negative amount, no Performance Fees shall be payable to the Manager in respect of that Financial Year, and the negative amount shall be added to the Performance Fee of the succeeding year.

Reimbursement of Expenses
The Company must reimburse to the Manager, in addition to its remuneration and rights of indemnification or reimbursement conferred under any other provision of the Investment Management Agreement or by law, all charges and expenses reasonably and properly incurred by the Manager in respect of the Company.

Distribution support
The Manager shall use commercially reasonable endeavours to promote PIA and distribute the Securities of PIA to current and prospective investors or procure the provision of such promotional and distribution services.

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PRINCIPAL AND REGISTERED OFFICE

Pengana International Equities Limited
Suite 27.01, Level 27, Governor Phillip Tower, 1 Farrer Place
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Telephone (61 2) 8524 9900
Facsimile (61 2) 8524 9901
Website www.pengana.com
Email clientservice@pengana.com

INVESTMENT MANAGER

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New Jersey 08807, United States

DIRECTORS

Frank Gooch
Independent Non-Executive Director and Chairman

Russel Pillemer
Managing Director

David Groves
Non-Executive Director

Sandi Orleow
Independent Non-Executive Director

COMPANY SECRETARY

Paula Ferrao

AUDITOR

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SHARE REGISTRY

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