

Pendal Global Emerging Markets Opportunities Fund

ARSN: 159 605 811

Factsheet

Global Equities

31 May 2025

About the Fund

The Pendal Global Emerging Markets Opportunities Fund (**Fund**) is an actively managed portfolio of global emerging market shares.

Investment Return Objective

The Fund aims to provide a return (before fees, costs and taxes) that exceeds the MSCI Emerging Markets (Standard) Index (Net Dividends) in AUD over the long term. The suggested investment time frame is seven years or more.

Description of Fund

This Fund is designed for investors who want the potential for long-term capital growth, diversification across a broad range of global emerging market shares and are prepared to accept high variability of returns. The Fund can invest in shares in a range of emerging markets and may also hold cash.

As manager of the Fund, J O Hambro Capital Management (**JOHCM**) investment process for global emerging market shares aims to add value through a combination of country allocation as well as individual stock selection. JOHCM's country allocation process is based on analysis of a country's economic growth, monetary policy, market liquidity, currency, governance/politics and equity market valuation. The stock selection process focuses on buying quality growth stocks at attractive valuations.

The Fund has assets that are denominated in foreign currencies. This means that changes to the Australian dollar relative to foreign currencies may affect the value of the assets of the Fund. The Fund's foreign currency exposure will generally not be hedged to the Australian dollar but JOHCM may do so from time to time. JOHCM does not intend to use currency trading as an additional source of Fund returns.

Derivatives may be used to reduce risk and can act as a hedge against adverse movements in a particular market and/or in the underlying assets. Derivatives can also be used to gain exposure to assets and markets.

Investment Manager

The portfolio is managed by J O Hambro Capital Management Limited, wholly owned subsidiary of Perpetual Limited (ASX ticker: PPT).

Other Information

Fund size (as at 31 May 2025)	\$200 million
Date of inception	November 2012
Minimum Investment	\$25,000
Buy-sell spread ¹	For the Fund's current buy-sell spread information, visit www.pendalgroup.com
Distribution frequency	Yearly
APIR code	BTA0419AU

¹ The buy-sell spread represents a contribution to the transaction costs incurred by the Fund, when the Fund is purchasing and selling assets. The buy-sell spread is generally incurred whenever you invest or withdraw funds, and may vary from time to time without notice.

Fees and costs

You should refer to the latest Product Disclosure Statement for full details of the ongoing fees and costs that you may be charged.

Management fee ²	1.18% pa
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² This is the fee we charge for managing the assets and overseeing the operations of the Fund. The management fee is deducted from the Fund's assets and reflected in its unit price.

Performance

(%)	Total Returns (post-fee)	Total Returns (pre-fee)	Benchmark Return
1 month	5.16	5.27	3.67
3 months	6.62	6.93	2.72
6 months	13.57	14.23	9.91
1 year	19.35	20.76	16.81
2 years (p.a)	12.45	13.78	13.03
3 years (p.a)	9.88	11.18	9.02
5 years (p.a)	8.80	10.08	7.74
Since Inception (p.a)	8.32	9.74	7.60

Source: Pendal as at 31 May 2025

"Post-fee" returns assume reinvestment of distributions and is calculated using exit prices. "Pre-fee" returns exclude the effects of management costs and any taxes. Returns for periods greater than one year are annualised. Fund inception: November 2012.

Past performance is not a reliable indicator of future performance.

Country Allocation (as at 31 May 2025)

China	27.1%
Taiwan	10.7%
India	10.5%
Brazil	9.3%
United Arab Emirates	7.2%
Mexico	5.5%
Korea, Republic of	5.4%
Indonesia	4.9%
South Africa	4.4%
Hong Kong	4.3%
Other countries	8.4%
Cash	2.3%

Sector Allocation (as at 31 May 2025)

Energy	2.9%
Materials	8.0%
Industrials	3.7%
Consumer Discretionary	13.1%
Consumer Staples	4.5%
Health Care	0.7%
Information Technology	16.5%
Telecommunication Services	11.7%
Utilities	2.4%
Financials ex Property Trusts	26.7%
Property Trusts	7.7%
Cash & other	2.3%

Top 10 Holdings (as at 31 May 2025)

Taiwan Semiconductor Manufacturing Co Lt	8.4%
Tencent Holdings Ltd	7.7%
Hong Kong Exchanges & Clearing Ltd	4.3%
Meituan	3.8%
Trip.com Group Ltd	3.7%
Emaar Properties PJSC	3.6%
Itau Unibanco Holding SA	3.2%
MercadoLibre Inc	3.1%
HDFC Bank Ltd	3.0%
Sea Ltd	2.6%

Fund manager commentary

Uncertainty remains high in financial markets, both among participants and policymakers. At the core of this are policy interest rate decisions (and market expectations of those decisions) in the light of uncertainty about how global trade policy will affect both growth and inflation. Gita Gopinath, Deputy Managing Director of the International Monetary Fund (IMF), recently suggested the current tariff-driven environment is more challenging than the COVID era, as with the latter, "central banks everywhere were moving in the same direction in the sense of easing monetary policy very quickly, but this time around the shock has differential effects."

Looking at previous cycles, and considering the impact of a weaker dollar and incoming capital flows, we believe emerging markets are mostly in an extended period of cutting policy interest rates. Further, we believe this will be supportive of both emerging economies and emerging equity markets. 2024 saw policy rate cuts in many countries as the inflation surge from 2022 eased. However, this year many global central banks have been more cautious, either in statements or through the speed or extent of rate cuts. This is because volatility in trade policy creates significant uncertainty about both growth and inflation.

Within the emerging world, however, central banks have been able to continue cutting policy rates. The 19 independent emerging market central banks for MSCI EM Index members (Greece uses the Euro and the four Arabian Gulf nations have USD pegs) have delivered 24 policy rate cuts and only four hikes in the first five months of 2025, with three hikes in Brazil, where economic growth remains very strong, and one in Turkey that followed three large cuts.

There is a clear pattern within this. 2025 and 2026 GDP growth forecasts have been revised lower in Emerging Asia and sharply lower in developed markets, but have held largely steady in EMEA and Latin America. However, many of the central banks on hold are in Emerging Asia – China, Taiwan, Malaysia – despite this region having the more challenging growth outlook. We believe this is because these countries, with their export-based economic development models and large current account surpluses, have had a lower sensitivity to the strong U.S. dollar in recent years, and have been able to keep interest rates lower than in the current account deficit countries.

As an example, Taiwan had a 2024 current account surplus of 14.1% of GDP. The central bank has kept rates on hold at 2% for over a year, despite consumer price index (CPI) inflation in the first five months of 2025 averaging 2.2%. By comparison, South Africa

ran a 2024 current account deficit of 0.7% of GDP; CPI inflation in the first four months of 2025 averaged 3.1%, but the central bank started the year with policy rates at 7.75% and has been able to cut rates twice so far this year.

In terms of portfolio positioning, we expect global investor concerns about U.S. trade and economic policy to continue to drive capital flows into emerging markets. We think that will be supportive of currencies, allowing stronger growth, lower inflation and faster/further rate cuts. This, we believe, is the principal trigger of the positive feedback loop we have seen in emerging economies in previous up-cycles. Within emerging markets, we prefer more domestic demand-driven markets, with historically weaker current account balances and the ability to cut interest rates from higher real levels. We remain constructive on the asset class, and overweight Mexico, Indonesia, South Africa and Brazil.

For more information please call 1300 346 821,
contact your key account manager or visit [pendalgroup.com](https://www.pendalgroup.com)

PENDAL

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PFSL is the responsible entity and issuer of units in the Pendal Global Emerging Markets Opportunities Fund (Fund) ARSN: 159 605 811. A product disclosure statement (PDS) is available for the Fund and can be obtained by calling 1300 346 821 or visiting www.pendalgroup.com. The Target Market Determination (TMD) for the Fund is available at www.pendalgroup.com/ddo. You should obtain and consider the PDS and TMD before deciding whether to acquire, continue to hold or dispose of units in the Fund. An investment in the Fund is subject to investment risk, including possible delays in repayment of withdrawal proceeds and loss of income and principal invested.

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Performance figures are calculated in accordance with the Financial Services Council (FSC) standards. Where performance returns are quoted "Post fees" then this assumes reinvestment of distributions and is calculated using exit prices which take into account management costs but not tax you may pay as an investor. Where performance returns are quoted "Pre fees and tax", they exclude the effects of management costs and any taxes. Past performance is not a reliable indicator of future performance.

If market movements, cash flows or changes in the nature of an investment (e.g. a change in credit rating) cause the Fund to exceed any of the investment ranges or limits specified, this will be rectified by PFSL as soon as reasonably practicable after becoming aware of it. If PFSL does so, it will have no other obligations in relation to these circumstances. The procedures, investment ranges, benchmarks and limits specified are accurate as at the date of this factsheet and PFSL reserves the right to vary these from time to time.