

PORTFOLIO MANAGERS



Rakesh Bordia  
With Pzena since 2007  
In Industry since 1998



Caroline Cai, CFA  
With Pzena since 2004  
In Industry since 1998



Allison Fisch  
With Pzena since 2001  
In Industry since 1999



Akhil Subramanian  
With Pzena since 2017  
In Industry since 2008

FUND FACTS

Responsible Entity	Equity Trustees Limited
Inception Date	26 October 2016
APIR*	ETL0483AU
ARSN*	613 119 681
Base Currency	AUD
Minimum Investment Amount	AS\$25,000
Fund AUM	AS\$192.3 Million
Management Expense Ratio*	0.95%
Liquidity	Daily
Benchmark Index	MSCI Emerging Markets, net in AS\$
Investment Universe	1,000 largest companies from non-developed countries
# of Positions	Generally 30-60
Buy/Sell Spread	0.50%/0.50%

Registered for distribution in Australia and New Zealand  
\*Displayed for wholesale share class.

ENQUIRIES

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For unit pricing visit: [www.eqt.com.au/insto](http://www.eqt.com.au/insto)

PERFORMANCE SUMMARY - AUD

	ANNUALISED					
	1M	QTD	One Year	Three Years	Five Year	Since Inception 26 Oct 2016
Pzena Emerging Markets Value Fund (gross of fees)	1.1%	5.7%	14.3%	16.2%	17.0%	11.7%
Pzena Emerging Markets Value Fund (net of fees)	1.0%	5.6%	14.2%	15.5%	16.1%	10.6%
MSCI Emerging Markets Index	0.4%	2.3%	13.2%	8.0%	7.6%	7.3%
MSCI Emerging Markets Value Index	1.4%	3.6%	12.7%	9.4%	9.4%	6.9%

The above performance numbers are based on unaudited financial statements. The MSCI Emerging Markets Index is used as a benchmark to indicate the investment environment existing during the time periods shown in this report. The MSCI Emerging Markets Index is a free float-adjusted market capitalization index that is designed to measure equity market performance of emerging markets, and provides equity returns including dividends net of withholding tax rates as calculated by MSCI. The MSCI Emerging Markets Index cannot be invested in directly. Pzena Emerging Markets Value Fund return reflects month end valuations as at the last business day of each month and the Since Inception returns are annualised.

**Past performance is not necessarily an indicator of future performance.**

PORTFOLIO CHARACTERISTICS

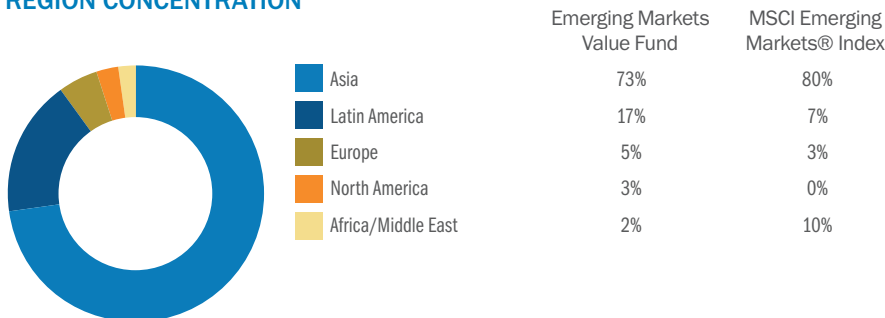
	Emerging Markets Value Fund	MSCI Emerging Markets® Index
Price to Normal Earnings <sup>A</sup>	8.3x	17.1x*
Price / Earnings (1-Year Forecast)	8.5x	12.5x
Price / Book	1.1x	1.8x
Dividend Yield	4.6	2.6
Median Market Cap (A\$B)	\$25.6	\$12.6
Weighted Average Market Cap (A\$B)	\$168.5	\$242.9
Active Share	79.7	-
Number of Stocks	56	1,206

Source: MSCI Emerging Markets Index, Pzena Analysis

<sup>A</sup>Pzena's estimate of normal earnings.

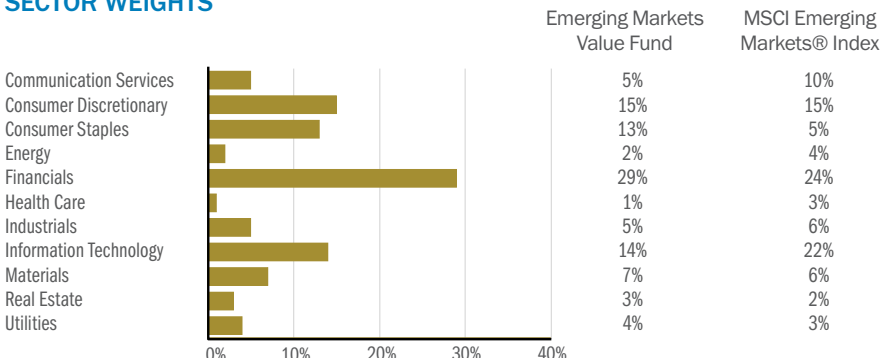
\* Emerging Markets Universe Median

REGION CONCENTRATION



Region weights adjusted for cash - may appear higher than actual.

SECTOR WEIGHTS



Sector weights adjusted for cash - may appear higher than actual. Numbers may not add due to rounding.

TOP 10 HOLDINGS

SAMSUNG ELECTRONICS CO. LTD.	5.1%
TAIWAN SEMICONDUCTOR MFG.	4.6%
WH GROUP LTD. (HK)	3.8%
ALIBABA GROUP HOLDING LTD.	3.8%
WEICHAH POWER CO. LTD. CLASS H	3.2%
CHINA OVERSEAS LAND & INVESTMENT LTD.	3.2%
AMBEV SA	3.1%
COGNIZANT TECH SOLUTIONS	2.8%
WILMAR INTERNATIONAL LTD.	2.7%
BAIDU INC. CLASS A	2.6%
Total	34.9%

Numbers may not add due to rounding.

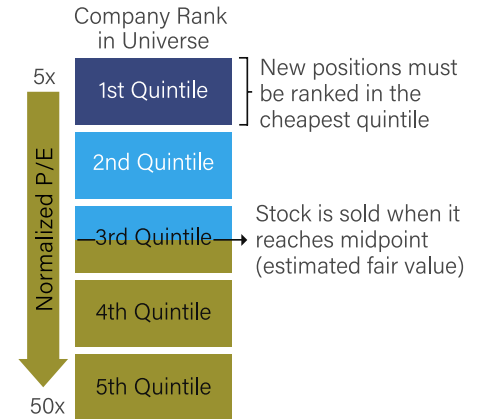
PLATFORMS

AMP  
 Asgard  
 BT Panorama  
 CFS Edge  
 Hub24  
 Macquarie  
 Mason Stevens  
 Netwealth  
 Praemium



INVESTMENT PROCESS

- Universe: 1000 largest companies from non-developed countries
- Fundamental research conducted on companies considered the most undervalued based on price relative to normalized earnings
- Co-Portfolio Managers construct a portfolio of deeply undervalued businesses requiring unanimous consent



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Pzena Investment Management, LLC ("PIM") received the "Highly Commended" designation for the 2024 Financial Newswire/SQM Research Fund Manager of the Year Awards for the Pzena Emerging Markets Value Wholesale Fund. This award was based on the time period 31 May 2021 - 31 May 2024. PIM did not provide any compensation in connection with obtaining this award.

Pzena Investment Management, LLC was awarded "Emerging Manager of the Year" by Money Management Australia in partnership with Lonsec for the year 2023. PIM did not provide any compensation in connection with obtaining this award. PIM did pay a standard rating fee to have its funds rated by Lonsec.

PORTFOLIO COMMENTARY - MARCH 2025

Emerging markets were relatively flat during the month of March, with uncertainty abound, with President Trump's announcement of tariffs looming large. Taiwan was a particular source of weakness, as semiconductor and electronics stocks fell amid concerns over potential targeted tariffs and economic growth. Indian equities regained some ground after many months of negative returns.

Within the benchmark, on a regional basis, Czech Republic, Greece, and India posted positive returns, in contrast to Taiwan, Turkey, and Thailand being the worst performing. Materials, utilities, and energy sectors rose the most during the month, with Information technology, and real estate declining during the month.

The MSCI Emerging Markets Index returned 0.42%, and its value series 1.36%, in AUD terms. The Pzena Emerging Markets Value Fund returned 1.06% for the month of March.

The underweight to the IT sector, overweight to consumer staples, and stock selection in industrials contributed to relative returns. Stock selection in the materials, energy, and utilities sectors detracted from relative returns.

By country, the underweight to Taiwan, and stock selection in Korea and Indonesia contributed to relative performance, whereas the underweight to India, and stock selection in South Africa and Turkey hurt relative returns.

Notable relative contributors were Taiwan Semiconductor Manufacturing (semiconductor foundry), WH Group (the world's largest pork company), and Ambev (Brazilian brewer).

Taiwan Semiconductor Manufacturing Co. was a relative contributor due to the portfolio's underweight relative to the benchmark (~5% vs. ~10% benchmark weight). Taiwan Semiconductor Manufacturing Co. declined amid tariff concerns. Additionally, the company announced further investment in US foundries which could prove to be margin dilutive.

WH Group posted a quarterly earnings beat as the US commodity pork business improved due to lower hog feed prices, alongside strengthening hog prices. Meanwhile, the Chinese business and US packaged meats business continued to

perform well, with WH Group announcing a dividend increase.

Ambev reported an earnings beat at the end of February. Volumes were lower-than-expected, however, the company's premiumization strategy boosted revenue and earnings. 2024 marked the second year in a row of both gross margin and EBITDA margin expansion.

Notable relative detractors were Natura & Co (Brazilian-based cosmetics seller), Cognizant Technology Solutions (IT service provider), and Akbank (Turkish lender).

Natura reported a challenging set of results. While topline growth was a positive in the quarter, margins were weaker than expected, even when excluding restructuring expenses. Natura also consumed cash from working capital buildup and there was limited progress on strategic alternatives for the Avon International business. We believe many of these headwinds are temporary and expect consultant productivity to bolster margins and cash flow moving forward.

Cognizant Technology Solutions declined as US geopolitical and macroeconomic uncertainty weighed on expectations for corporate IT spending.

Akbank declined along with the wider Turkish banking industry and local stock market following the arrest of Istanbul's mayor. Additionally, the Turkish central bank raised the overnight lending rate in a bid to stabilize the Turkish Lira. This could potentially impact funding costs, and, ultimately, net interest margins for banks.

We added to Taiwan Semiconductor, Beijing Oriental Yuhong (Chinese waterproofing materials producer), PT Bank Rakyat (Indonesian lender), on valuation. We exited Standard Chartered (Asia-focused trade bank), on strength. We trimmed Abu Dhabi Commercial Bank, GF Securities (Chinese securities broker, asset manager, and investment bank), Weichai Power (Chinese truck engine maker), on valuation.

Valuations continue to be attractive, and we remain overweight China, with Brazil and Korea also making up a sizable portion of the portfolio.

The estimated weighted average price to normal earnings ratio of the portfolio is 8.2x compared to the estimated universe median price to normal earnings of 17.1x.



## DISCLOSURES

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In New Zealand, any offer of this Wholesale Class of the Fund is limited to 'wholesale investors' within the meaning of clause 3(2) of Schedule 1 of the Financial Markets Conduct Act 2013 ('FMCA'). This document is not to be treated as an offer, and is not capable of acceptance by, any person in New Zealand who is not a Wholesale Investor.

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**In accordance with broadly accepted Australian Unit Trust practice, in early July, Pzena's unit trusts will undergo a 'blackout period' during which time any investor applications/redemptions will be delayed. While investor transactions will continue to be processed, the trusts must halt securities trading for the duration of the blackout period, which may impact performance based on the relative value of the trust's cash. Pricing for each valuation period during the blackout will be calculated following the trust administrator's completion of end of fiscal year distribution calculations in mid-July. At the conclusion of the blackout period daily unit pricing will resume, and the application/redemption process will return to normal.**

Ratings are not the only factor to be taken into account when deciding whether to invest in a financial product. Ratings can change in the future. Please refer to [www.ionsec.com.au](http://www.ionsec.com.au) for further information about the meaning of the rating and the rating scale.

For further information about the Financial NewsWire/SQM Research 'Highly Commended' designation, please refer to [www.financialnewswire.com.au/fund-manager-of-the-year-awards-2024/#methodology](http://www.financialnewswire.com.au/fund-manager-of-the-year-awards-2024/#methodology).

All investments involve risk, including loss of principal. The price of equity securities may rise or fall because of economic or political changes or changes in a company's financial condition, sometimes rapidly or unpredictably. Investments in foreign securities involve political, economic and currency risks, greater volatility and differences in accounting methods. These risks are greater for investments in Emerging Markets. The Fund emphasizes a "value" style of investing, which targets undervalued companies with characteristics for improved valuations. This style of investing is subject to the risk that the valuations never improve or that returns on "value" securities may not move in tandem with the returns on other styles of investing or the stock market in general.

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