

ASX Compliance  
20 Bridge Street  
Sydney NSW 2000

ASX ANNOUNCEMENT

By Email : [ListingsComplianceSydney@asx.com.au](mailto:ListingsComplianceSydney@asx.com.au)

26 August 2025

Dear Sir/Madam

## Pengana International Equities Limited

Pengana International Equities Limited ACN 107 462 966 (ASX:PIA) refers to your letter dated 21 August 2025. Responses to your questions are below, and this letter uses the defined terms in your letter.

**1. Did PIA, or anyone representing PIA, provide a statement to the media concerning the information in the Article?**

Yes.

**2. If the answer to question 1 is "yes":**

**2.1 please provide a copy of that correspondence (not for release to the market);**

Please see attached (the **Correspondence**).

**2.2 explain when (time and date), and by whom, the information was first provided to the media; and**

At approximately 4.27pm (AEST) on 20 August 2025, PIA's Chief Executive Officer Russel Pillemer spoke with a journalist. During the call Mr Pillemer provided an overview of a potential global private credit investment strategy (**Potential Investment**).

Due to the complex nature of the Proposed Investment, Mr Pillemer spoke to the journalist, aiming to help the journalist cover the story accurately, should it proceed.

At 5.19pm (AEST) on 20 August 2025, the Correspondence was sent to the journalist by a representative of the Company.

As disclosed in the announcements titled "PIA Proposed Enhancements to Portfolio and Dividend" and "PIA Presentation – Proposed Enhancements to Portfolio" to the market (together the **Announcements**), the Potential Investment remains conditional on, among other things, the execution of definitive transaction documentation, PIA shareholder approval and financing.

The Board does not consider the Proposed Investment to be information of the type that a reasonable person would expect to have a material effect on the price or value of PIA's

securities, and the tagging of the Announcements as "price sensitive" on MAP was an administrative error.

**2.3 does PIA consider this to be compliant with Listing Rule 15.7? If so, please explain the basis for that view.**

The verbal overview of the Proposed Investment and the Correspondence were provided to the journalist on a confidential basis, and not for publication or circulation. At no time between provision of the information to the journalist and the release of the Announcements was the market trading on an uninformed basis.

PIA acknowledges that the provision of the information to the media in this particular instance was not compliant with Listing Rule 15.7.

**3. If the answer to question 1 is "no", is there any other explanation as to how the information appeared in the Article?**

N/A.

**4. What arrangements does PIA have in place to ensure compliance with Listing Rule 15.7?**

PIA has in place a Continuous Disclosure Policy (**Policy**) (published on PIA's website) to ensure the timely and balanced disclosure of all material matters concerning PIA. The Policy provides, in the context of briefings and meetings with analysts and investors, that PIA will not disclose market sensitive information unless it has first provided that information to the market.

**5. In light of the Article, what additional steps will PIA take to ensure compliance with Listing Rule 15.7?**

PIA intends to update its Continuous Disclosure Policy to specifically acknowledge Listing Rule 15.7 and the requirement to ensure that information is released to ASX (and receipt acknowledged) before release to any third party (rather than analysts and investors as references in the current Policy). All directors, employee and contractors will be made aware of the updated Continuous Disclosure Policy.

**6. Please confirm PIA's responses to the above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its Board or an officer of PIA with delegated authority from the Board to respond to ASX on disclosure matters.**

This response has been authorised by PIA's Board of Directors.



21 August 2025

Reference: 111927

Ms Paula Ferrao  
Company Secretary  
Pengana International Equities Limited  
Suite 1, Level 27 Grosvenor Phillip Tower  
1 Farrer Place  
SYDNEY NSW AU 2000

By email only.

Dear Ms Ferrao

**Pengana International Equities Limited ('PIA'): Compliance with Listing Rule 15.7**

ASX refers to the following:

- A. The article appearing in the Australian Financial Review titled *"Pengana bets on private credit to close equity LIC discount"* published online at 8:02 AM AEST] on 21 August 2025 (the 'Article') which stated (relevantly) the following:
- (i) That PIA will take out a loan from an international bank and invest the proceeds in a portfolio of 23 private credit managers in a fund-of-funds managed by Mercer;
  - (ii) That PIA's "pitch to investors is that the leveraged exposure to private credit will boost the company's income";
  - (iii) That PIA "aims to earn a spread between high-yielding private credit investments and the lower rate of the loan, which will in turn increase the distribution to investors, paid monthly. This, it hopes, will increase fully franked dividends by 56 per cent";
  - (iv) That PIA "will set a 4.5 per cent target return for its private credit investment above the cost of debt. The manager will cover investors if the private credit portfolio returns are less than the costs of debt, underwriting and paying the difference... but if returns exceed the target above the cost of debt, Pengana can share the excess return with Mercer in a so-called risk-sharing relationship."
- B. PIA's announcement titled *"Announcing proposed enhancements to portfolio and dividends"* lodged with the ASX Market Announcements Platform ('MAP') and released at 8:32 AM AEST on 21 August 2025 in (the 'Announcement') which PIA disclosed (relevantly) the following:
- (i) That 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."
  - (ii) That "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."
  - (iii) That "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."

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- (iv) PIA has set a target return from the global private credit investment of 4.5% p.a. above its cost of debt; and
- (v) In the event that the global private credit returns are insufficient, the manager, Pengana Capital Group ('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 cost of the debt.
- C. Listing Rule 3.1 which states:
- "Once an entity is or becomes aware of any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities, the entity must immediately tell ASX that information"*
- D. Listing Rule 15.7 which states:
- "An entity must not release information that is for release to the market to any person until it has given the information to ASX and has received an acknowledgment that ASX has released the information to the market."*
- E. The note to Listing Rule 15.7 which states:
- "Note: This rule prohibits an entity giving information to the media even on an embargoed basis."*

As the Article was published prior to the Announcement being released on MAP, it appears that PIA may have breached Listing Rules 3.1 and/or 15.7.

### **Request for Information**

Having regard to the above, ASX asks PIA to respond separately to each of the following questions and requests for information:

1. Did PIA, or anyone representing PIA, provide a statement to the media concerning the information in the Article?
2. If the answer to question 1 is "yes":
  - 2.1 please provide a copy of that correspondence (not for release to the market);
  - 2.2 explain when (time and date), and by whom, the information was first provided to the media; and
  - 2.3 does PIA consider this to be compliant with Listing Rule 15.7? If so, please explain the basis for that view.
3. If the answer to question 1 is "no", is there any other explanation as to how the information appeared in the Article?
4. What arrangements does PIA have in place to ensure compliance with Listing Rule 15.7?
5. In light of the Article, what additional steps will PIA take to ensure compliance with Listing Rule 15.7?
6. Please confirm PIA's responses to the above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its Board or an officer of PIA with delegated authority from the Board to respond to ASX on disclosure matters.

ASX expects PIA to make reasonable enquiries to put itself in a position to answer the questions above.

### **When and where to send your response**

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This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **12:00 PM AEST Monday, 25 August 2025**. Your response should be sent by e-mail to **ListingsComplianceSydney@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office.

**Release of correspondence between ASX and entity**

We reserve the right to release all or any part of this letter, your reply and any other related correspondence between us to the market under listing rule 18.7A.

Kind regards

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ASX Compliance