

Global Small Companies Equity Fund



UCITS Fact Sheet | 31 March 2022

Philosophy & Process

Harding Loevner believes a diversified portfolio of high-quality, durable-growth companies purchased at reasonable prices will provide superior investment returns with below-average risk over the long term. Our analysts conduct careful bottom-up research of individual companies and analyze the competitive dynamics of their industries to identify the best growth companies and to assess the value of their shares. To qualify for investment, companies must be well managed, financially strong, and possess clear competitive advantages relative to their peers.

Investment Objective

The investment objective of the active Fund is to achieve long-term capital appreciation through investments in equity securities of small companies based both inside and outside the United States.

Fund Facts

Domicile/Type	Ireland/UCITS
Base Currency	US Dollar
Benchmark	MSCI All Country World Small Cap Index
Fund Inception	13 December 2018
Total Fund Assets	US \$1.5M
Sales Charges	None
Number of Holdings	104
Total Expense Ratio	1.05%
Listing/Dealing	None/Daily
Investment Manager	Harding Loevner LP
Regulator	Central Bank of Ireland

Portfolio Managers

Christopher Mack, CFA
Co-Lead Portfolio Manager
Harding Loevner since 2004

Jafar Rizvi, CFA
Co-Lead Portfolio Manager
Harding Loevner since 2008

Class A – US Dollar Performance (% Total Return) as of 31 March 2022

Performance data quoted represents past performance; past performance does not guarantee future results.

	3 Months	1 Year	3 Years	Since Inception
Global Small Companies Equity Fund ¹	-14.74	-4.62	11.15	12.79
MSCI AC World Small Cap Index USD ²	-6.24	-0.35	11.75	13.38

Class A Inception date: 13 December 2018; Returns are annualized for periods greater than one year.

Class A – US Dollar Calendar Year Performance

	2019	2020	2021
Global Small Companies Equity Fund ¹	29.10	27.50	11.30
MSCI AC World Small Cap Index USD ²	24.65	16.33	16.10

Portfolio Positioning (% Weight)

Sector	Fund	Benchmark ³	Geography	Fund	Benchmark ³
Comm Services	7.0	3.2	Canada	1.2	3.6
Cons Discretionary	8.5	12.1	Emerging Markets	10.4	12.0
Cons Staples	8.7	4.6	Europe EMU	11.8	6.7
Energy	1.6	4.7	Europe ex-EMU	17.9	10.5
Financials	15.2	13.3	Frontier Markets ⁴	2.4	–
Health Care	16.3	9.6	Japan	11.1	8.5
Industrials	17.8	18.3	Middle East	1.8	1.0
Info Technology	19.7	12.7	Pacific ex-Japan	0.9	5.0
Materials	2.2	8.6	United States	40.1	52.7
Real Estate	0.0	9.9	Cash	2.4	–
Utilities	0.6	3.0			
Cash	2.4	–			

Portfolio Characteristics

Quality and Growth	Fund	Benchmark ³	Risk and Valuation	Fund	Benchmark ³
Profit Margin ⁵ (%)	9.8	8.3	Alpha ⁷	1.18	–
Return on Assets ⁵ (%)	6.5	5.0	Beta ⁷	0.84	–
Return on Equity ⁵ (%)	13.4	11.1	R-Squared ⁷	0.86	–
Debt/Equity Ratio ⁵ (%)	25.6	59.7	Active Share ⁸	70	–
Std. Dev. of 5 Year ROE ⁵ (%)	4.5	6.0	Standard Deviation ⁷	19.23	21.26
Sales Growth ^{5,6} (%)	11.2	7.5	Sharpe Ratio ⁷	0.54	0.52
Earnings Growth ^{5,6} (%)	12.6	11.6	Price/Earnings ⁹	22.5	13.4
Cash Flow Growth ^{5,6} (%)	10.1	8.2	Price/Cash Flow ⁹	17.9	9.1
Dividend Growth ^{5,6} (%)	8.4	5.4	Price/Book ⁹	3.0	1.8
Size			Dividend Yield ¹⁰	1.3	1.8
Wtd. Med. Mkt. Cap. (US\$B)	4.3	3.4			
Wtd. Avg. Mkt. Cap. (US\$B)	5.3	4.3			

Performance (% Total Return) as of 31 March 2022

	Class A	
	US Dollar	
	Fund ¹	Index ²
3 Months	-14.74	-6.24
1 Year	-4.62	-0.35
3 Years	11.15	11.75
Since Inception	12.79	13.38

Share class inception dates correspond to those listed in the table below; Returns are annualized for periods greater than one year.

Active Class Offerings

Class A	Inception	Min. Investment	SEDOL/CUSIP	ISIN	NAV	Distribution Policy	Total Exp. Ratio ¹¹	Fee Cap. ¹²
US Dollar	13 December 2018	US\$1M	BH0P434	IE00BH0P4346	US \$1.487	No Entitlement	1.05%	1.05%

The table above includes only active share classes with active investment. Additional currency classes may be available for investment beyond those listed. No share classes engage in currency hedging. Currency class designations do not represent disparate currency exposure.

Top Ten Holdings

	Sector	Market	% Assets
Altair Engineering	Info Technology	US	2.5
EnerSys	Industrials	US	2.4
Neurocrine Biosciences	Health Care	US	2.2
Simulations Plus	Health Care	US	2.0
Lakeland Financial	Financials	US	2.0
Reynolds	Cons Staples	US	2.0
Exponent	Industrials	US	1.9
MGP Ingredients	Cons Staples	US	1.8
CyberArk	Info Technology	Israel	1.8
Dechra	Health Care	UK	1.8
Ten Largest Holdings			20.4

Contact

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Risk Factors

Securities in the Fund are subject to market fluctuations and other risks inherent in investing in securities. Fund shares are priced daily and will fluctuate. The value of your principal investment will fluctuate accordingly and may be worth more or less than your original investment. Changes in exchange rates between currencies or the conversion from one currency to another may also cause the value of the investments to diminish or increase. An investment in a Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors. For further discussion of risk factors, refer to the Risk Factors section of the Company's prospectus and the applicable Fund's Supplement to the prospectus.

Endnotes

Pages 1 and 2

(1) Net of fees (2) Net of withholding taxes (3) MSCI All Country World Small Cap Index (4) Includes countries with less-developed markets outside the Index (5) Weighted median (6) Trailing five years, annualized (7) Trailing three years (8) Three-year average based on the Harding Loevner Global Small Companies model (9) Weighted harmonic mean (10) Weighted mean (11) Total expense ratio (TER) based on the most recent month's weighted average net assets (12) Harding Loevner has agreed to cap the TER as provided in the table above, based on the fiscal year-to-date's weighted average net assets.

Disclosures

Source (Alpha, Beta, R-Squared, Standard Deviation, Sharpe Ratio): eVestment Alliance (eA); Harding Loevner Funds plc Global Small Companies Fund, based on the Fund returns; MSCI Inc.

Source (Sector and Geographic Exposure, Largest Holdings and other Characteristics): FactSet; Harding Loevner Funds plc Global Small Companies Equity Fund; MSCI Inc. and S&P. Characteristics run date 05 April 2022, based on the latest available data in FactSet on this date.

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The information contained herein concerns a sub-fund (the "Fund") of Harding Loevner Funds plc (the "Company"), an umbrella-type open-ended investment company with segregated liability between sub-funds authorized in Ireland as an undertaking for collective investment in transferable securities (a "UCITS") pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended. Harding Loevner LP is the investment manager of the Company. The latest version of the prospectus and applicable KIIDs, as well as a summary of investor rights, may be obtained at hardingloevnerfundsplc.com.

There can be no assurance that the Fund's investment objective will be achieved and investment results may vary substantially over time. This document is a marketing communication, is for information purposes only, and does not constitute an offer or invitation to purchase shares in the Fund and has not been prepared in connection with any such offer or invitation. The Fund has the ability to terminate arrangements for marketing in accordance with Article 93a of Directive 2009/65/EC. Please consult the Company's prospectus, applicable Fund's Supplement, and applicable KIID before making any final investment decision.

