

Global Small Companies Equity Fund



UCITS Fact Sheet | 31 December 2022

Philosophy and 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 AC World Small Cap Index
Fund Inception	13 December 2018
Total Fund Assets	US \$1.4M
Sales Charges	None
Number of Holdings	104
Total Expense Ratio	1.00%
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 I – US Dollar Performance (% Total Return) as of 31 December 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	11.47	-21.96	3.46	7.91
MSCI AC World Small Cap Index ²	10.45	-18.67	3.18	6.94

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

Class I – US Dollar

Calendar Year Performance	2019	2020	2021	2022
Global Small Companies Equity Fund ¹	29.10	27.50	11.30	-21.96
MSCI AC World Small Cap Index ²	24.65	16.33	16.10	-18.67

Portfolio Positioning (% Weight)

Sector	Fund		Geography	Fund	
	Benchmark ³			Benchmark ³	
Comm Services	6.2	3.0	Canada	1.1	3.5
Cons Discretionary	9.2	12.3	Emerging Markets	10.5	12.7
Cons Staples	9.2	5.0	Europe EMU	10.9	6.4
Energy	2.7	4.7	Europe ex EMU	16.1	9.6
Financials	17.8	13.8	Frontier Markets ⁴	2.2	-
Health Care	12.4	10.5	Japan	11.5	10.2
Industrials	19.8	19.0	Middle East	1.6	0.9
Info Technology	16.3	11.5	Pacific ex Japan	0.6	5.0
Materials	1.9	8.3	United States	41.6	51.7
Real Estate	0.0	8.7	Cash	3.9	-
Utilities	0.6	3.2			
Cash	3.9	-			

Portfolio Characteristics

Quality and Growth	Fund		Risk and Valuation	Fund	
	Benchmark ³			Benchmark ³	
Profit Margin ⁵ (%)	10.2	8.4	Alpha ⁷	0.6	-
Return on Assets ⁵ (%)	7.1	5.2	Beta ⁷	0.85	-
Return on Equity ⁵ (%)	14.4	11.5	R-Squared ⁷	0.88	-
Debt/Equity Ratio ⁵ (%)	30.6	60.8	Active Share ⁸	98	-
Std. Dev. of 5 Year ROE ⁵ (%)	3.5	5.1	Standard Deviation ⁷	21.72	23.83
Sales Growth ^{5,6} (%)	10.3	7.5	Sharpe Ratio ⁷	0.13	0.10
Earnings Growth ^{5,6} (%)	12.7	11.5	Price/Earnings ⁹	18.9	11.2
Cash Flow Growth ^{5,6} (%)	8.8	6.8	Price/Cash Flow ⁹	13.7	7.5
Dividend Growth ^{5,6} (%)	7.7	5.3	Price/Book ⁹	2.8	1.5
Size			Dividend Yield ¹⁰	1.6	2.3
Wtd. Med. Mkt. Cap. (US\$B)	3.9	2.8			
Wtd. Avg. Mkt. Cap. (US\$B)	4.6	3.5			

Performance (% Total Return) as of 31 December 2022

	Class I	
	US Dollar	
	Fund ¹	Index ²
3 Months	11.47	10.45
1 Year	-21.96	-18.67
3 Years	3.46	3.18
Since Inception	7.91	6.94

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 I	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 \$1.361	No Entitlement	1.00%	1.00%

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. The Fund changed the naming conventions of its share classes on December 30, 2022. Please review share class details carefully.

Ten Largest Holdings

	Sector	Market	% Assets
Neurocrine Biosciences	Health Care	US	2.8
MGP Ingredients	Cons Staples	US	2.5
RGA	Financials	US	2.5
EnerSys	Industrials	US	2.3
Exponent	Industrials	US	2.0
BorgWarner	Cons Discretionary	US	2.0
Reynolds	Cons Staples	US	2.0
Altair Engineering	Info Technology	US	1.9
Malibu Boats	Cons Discretionary	US	1.6
Atkore	Industrials	US	1.6
Ten Largest Holdings			21.2

Contact

Harding Loevner – Transfer Agency

c/o Northern Trust International Fund Administration Services (Ireland) Ltd. George's Court, 54-62 Townsend Street Dublin 2, Ireland

HardingLoevnerTAdublin@ntrs.com

Tel: +353 1 434 5085

Fax: +353 1 434 5289

hardingloevnerfundsplc.com

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 investment management fees listed in the most recent prospectus supplement and the operating expenses incurred in the most recent month end (12) Harding Loevner has agreed to cap the TER as provided in the table on the previous page.

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 Positioning, Largest Holdings and other Characteristics): FactSet; Harding Loevner Funds plc Global Small Companies Fund; MSCI Inc. and S&P. Characteristics run date: 04 January 2023, based on the latest available data in FactSet on this date.

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The Funds are actively managed UCITS. They are not managed in reference to a benchmark. Investors acquire shares of a Fund, not the underlying assets.

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