

Monthly Update: Australian Companies Fund

Applying global insights to profit from anomalies in the Australian market

Fund performance* (net of fees)	Inception Date	Exit Price (\$ cum)	1 Month	1 Year	3 Years pa	5 Years pa	7 Years pa	10 Years pa	Since Inception pa
Fund performance (net of pro forma fees)¹	01-2000	3.0722	1.7%	17.6%	20.6%	12.3%	10.9%	14.4%	12.8%
Fund performance (net of actual fees)			1.7%	17.6%	20.6%	11.9%	10.3%	13.1%	11.0%
S&P/ASX 200 Accumulation Index			2.1%	10.2%	8.4%	8.5%	6.8%	9.6%	8.1%

1. Fund performance (net of pro forma fees) has been calculated based on the new fee structure (implemented 1 December 2018), assuming it had applied from the Fund's inception. These returns do not represent the actual net Fund performance and are included for illustrative purposes only.

Growth of AUD \$100,000

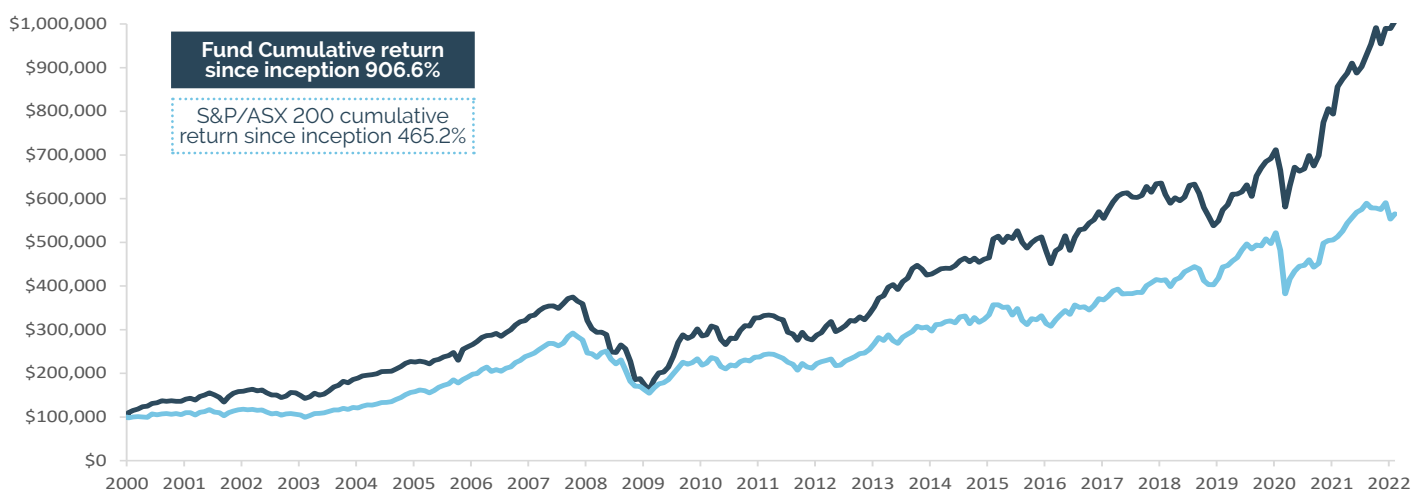
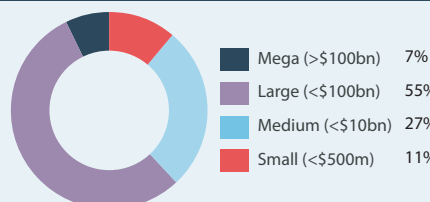


Chart reflects Fund growth net of actual fees. Calculations are based on exit price with distributions reinvested, after ongoing fees and expenses but excluding individual tax. Fund Inception 20 January 2000. These figures represent past performance only. No guarantees exist of future returns above or below these figures. Past performance is no indication of future performance. Neither PM Capital Limited nor any other person makes any representation as to the future performance or success of, the rate of income or capital return from, recovery of money invested in, or income tax or other taxation consequences of, any investment in the Fund

Portfolio investments	Weighting	Current stock example	Currency exposure*	100%
Banking	23%	ANZ	AUD	101%
Commodities - Industrial Metals	18%	OZ Minerals	CAD	3%
Commodities - Energy	17%	Woodside Petroleum	EUR	-1%
Gaming	6%	Crown Limited	USD	-3%
Alternative Investment Managers	5%	Apollo Global Management	*Stated at effective value.	
Consumer	5%	Lark Distillery		
Online Classifieds & Internet	4%	Frontier Digital Ventures		
Long Equities Position	77%	Investments by Market Capitalisation (AUD)[^]		
Short Equities Position	-1%			
Debt	4%	^Breakdown of portfolio's long equity holdings into market cap. bands.		
Net Invested Equities	80%			
Total holdings	20			

Fund commentary

Performance was well supported by commodities positions which advanced on rising geopolitical tensions in Europe.

Global commodity prices were well supported as investors evaluated the impact a conflict in Ukraine and subsequent sanctions on Russia will have on the supply of natural resources. The current market dynamic acted as a tailwind to performance, with Coronado, Woodside Petroleum and Freeport McMoRan material positive contributors.

Coronado was a standout performer after it reported a strong full year result with the company benefiting from the significant rise in metallurgical coal prices. At current spot prices Coronado is generating ~25% market capitalisation in cash every quarter.

Frontier Digital Ventures also detracted from performance over the month despite reporting a solid full year result. This underscored

the progress the company has made in its pursuit of their 'Classified 2.0 Strategy' which aims to embed the business at the centre of property and automotive transactions. Frontier Digital Ventures' performance mirrors that of other ASX listed online classified businesses REA Group and Seek Ltd. which have declined more than 20% from their 52-week highs. We hold short positions in both REA Group and Seek Ltd.

ING was down sharply late in the month as war broke out in Ukraine. The market correctly recognised ING has a small exposure to Russia, less than one percent of assets (albeit a greater share of equity capital), but the stock traded down disproportionately. We maintain our position in ING.

Top 10 stocks	
Stock name	Sector
Apollo Global Management	Diversified Financials
ANZ	Banks
Beach Energy Ltd	Energy
BHP	Materials
Coronado Global Resource	Energy
Crown	Consumer Services
ING Groep	Banks
NAB	Banks
Westpac	Banks
Woodside Petroleum	Energy

PM Capital Limited, founded in 1998, is a globally-focussed fund manager that invests money on behalf of private clients, the clients of financial advisers and institutions. PM Capital's goal is to build long term wealth by investing in global markets with patience and conviction.

Further Information

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Key Fund Details

Fund category

Australian equities

Investment style

Fundamental, bottom-up research intensive approach

Inception date

20 January 2000

Fund size

\$41.1 Million

Strategy size

\$41.1 Million

Number of stocks

As a guide, 15-25 stocks

Minimum direct investment

\$20,000

Recommended investment time

Seven years plus

Fees (pa)

Mgmt fee: 1.09% Perf. fee: 20% (subject to a high water mark) of the excess above the greater of the RBA cash rate and the S&P/ASX 200 Accumulation Index

Buy / sell spread

0.5% (Round trip)

Investor profile

The Fund may be appropriate for investors seeking capital appreciation over a seven plus year investment horizon

Important Notice

This Report is issued by PM Capital Limited ABN 69 083 644 731 AFSL 230222 as responsible entity for the PM Capital Australian Companies Fund (ARSN 092 434 467, the 'Fund'). It contains summary information only to provide an insight into how we make our investment decisions. This information does not constitute advice or recommendations, and is subject to change without notice. It does not take into account the objectives, financial situation or needs of any investor which should be considered before investing. Investors should consider the Target Market Determinations and the current Product Disclosure Statement (which are available from us), and obtain their own financial advice prior to making an investment decision. The PDS explains how the Fund's Net Asset Value is calculated. Past performance is not a reliable guide to future performance and the capital and income of any investment may go down as well as up due to various market forces. The investment objective is not a forecast, and is only an indication of what the investment strategy aims to achieve over the medium to long term.

1. Returns are calculated from exit price to exit price assuming the reinvestment of distributions for the period as stated and represent the combined income and capital return. The Index is the S&P / ASX 200 Accumulation Index. See www.asx.com.au for further information on the Index.

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