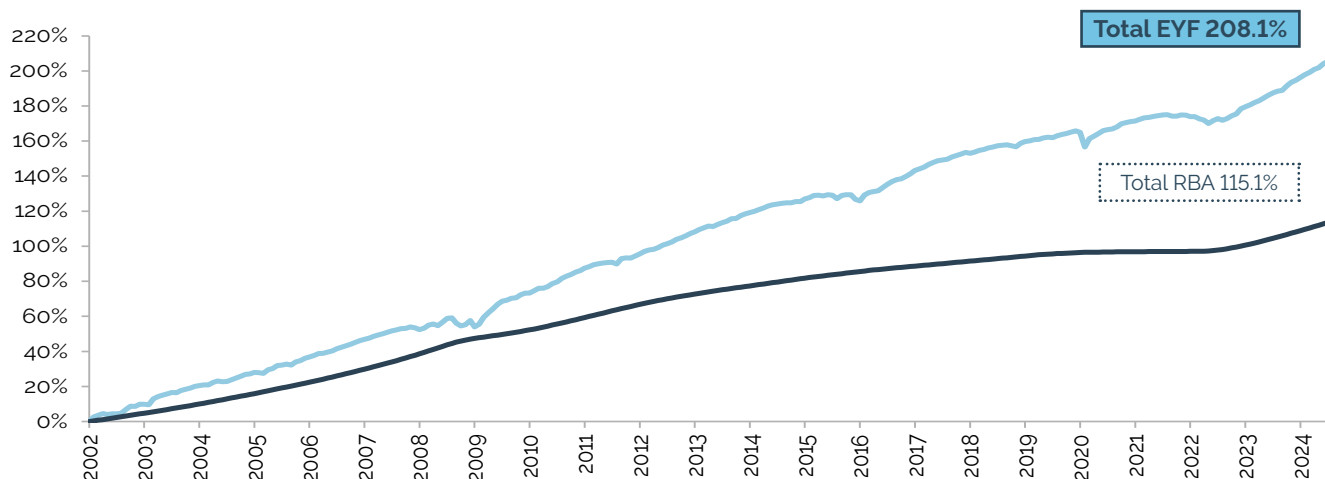


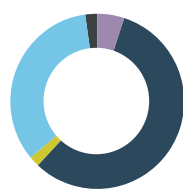
## Seeking regular income, low volatility

Fund performance <sup>†</sup> (net of fees)	Inception date	Exit price (\$ cum)	1 Month	3 Months	6 Months	1 Year	3 Years pa	5 Years pa	7 Years pa	10 Years pa	Since inception pa
<b>Enhanced Yield Fund*</b>	<b>02-2002</b>	<b>1.1412</b>	<b>0.5%</b>	<b>1.3%</b>	<b>3.0%</b>	<b>6.7%</b>	<b>4.0%</b>	<b>3.2%</b>	<b>3.0%</b>	<b>3.2%</b>	<b>5.1%</b>
RBA cash rate			0.4%	1.1%	2.2%	4.4%	3.0%	1.9%	1.7%	1.8%	3.4%
<b>Excess</b>			<b>0.1%</b>	<b>0.2%</b>	<b>0.8%</b>	<b>2.3%</b>	<b>1.0%</b>	<b>1.3%</b>	<b>1.3%</b>	<b>1.4%</b>	<b>1.7%</b>
<b>Enhanced Yield Fund (Class B units)**</b>	<b>05-2017</b>	<b>1.1780</b>	<b>0.5%</b>	<b>1.4%</b>	<b>3.1%</b>	<b>7.1%</b>	<b>4.1%</b>	<b>3.4%</b>	<b>3.2%</b>		<b>3.3%</b>
RBA cash rate			0.4%	1.1%	2.2%	4.4%	3.0%	1.9%	1.7%		1.7%
<b>Excess</b>			<b>0.1%</b>	<b>0.3%</b>	<b>0.9%</b>	<b>2.7%</b>	<b>1.1%</b>	<b>1.5%</b>	<b>1.5%</b>		<b>1.6%</b>

### Total return since inception



Calculations are based on exit price with distributions reinvested, after ongoing fees and expenses but excluding individual tax. Fund Inception 1 March 2002\*. 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.

Yield security maturity profile	100%	Portfolio investments	Current security example	Actual exposure	
0-1 Year	46.0%	Global Banking	Lloyds	 <ul style="list-style-type: none"> <li>Cash/Cash Equivalents 2.0%</li> <li>Senior investment grade (&lt;12 months) 35.0%</li> <li>Government Bonds 2.0%</li> <li>Core Corporate Bonds 56.0%</li> <li>Hybrid securities 5.0%</li> </ul>	
1-2 Years	22.0%	Domestic Banking	ANZ		
2-3 Years	18.0%	Global Industrial	SPIE		
3-4 Years	7.0%	Global Property	Aedas		
4 Years +	7.0%	Global Retail	Tesco		
		Domestic Infrastructure	Melbourne Airport		
Regional allocation	100%	Domestic Industrial	Ampol	* Senior investment grade securities with maturities of 12 months or less	
Australia	77.0%	Risk/return		Duration <sup>^</sup>	
United Kingdom	6.0%	Standard deviation (1 year)	0.56%	Interest rate	0.50
Europe	5.0%	Maximum drawdown	3.26%	Average term to maturity	1.54
North America	5.0%	Percentage of positive months	85.7%		
Other	5.0%				
Cash/Cash equivalents	2.0%				

<sup>^</sup>Estimates and should be used as a guide only.

## Fund commentary

- Bond market investors finally reverse course on overly optimistic rate cut expectations.
- Portfolio protected from sharply higher interest rates, and we are now taking advantage of what we believe to be elevated yields
- Portfolio also continuing to take advantage of corporate bond anomalies

After some stronger than expected inflation data both in the US and Australia, bond market investors have removed multiple rate cuts from their expectations over the next 6 to 12 months, with the Australian market now only pricing in one full rate cut by the end of 2025.

In light of this, having protected the Fund's capital by having effectively no fixed interest rate risk in the portfolio going into the month, we have now begun adding some fixed rate exposure back into the portfolio. We are basing this decision on the notion that economic activity is slowing in Australia, and at some point the Reserve Bank will have to start reducing interest rates.

If for some reason we don't see rate cuts over the next 6 to 12 months however, then we are simply locking in what we believe to be elevated yields currently.

On the corporate bond side, we added to our positions in fuel distribution and retail business Ampol, rail freight infrastructure operator Aurizon, and Melbourne tollroad operator Connecteast during the month, all at yields above 5%.

If bond market yields continue to rise, to the point that there are no cuts to official interest rates priced in over the next 12 months, we will likely add further to the portfolio's fixed interest rate exposure.

Monthly Return Series (From January 2005)\*

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	CYTD
2024	0.5%	0.5%	0.6%	0.4%	0.6%	0.3%	0.7%	0.5%	0.4%	0.5%			5.0%
2023	1.1%	0.4%	0.4%	0.4%	0.4%	0.6%	0.5%	0.5%	0.3%	0.1%	0.9%	0.7%	6.3%
2022	0.0%	-0.3%	0.0%	-0.4%	-0.3%	-0.7%	0.6%	0.4%	-0.4%	0.4%	0.6%	0.4%	0.2%
2021	0.2%	0.1%	0.4%	0.3%	0.1%	0.2%	0.2%	0.2%	0.0%	-0.3%	0.0%	0.2%	1.6%
2020	0.2%	-0.3%	-3.2%	1.8%	0.5%	0.6%	0.6%	0.2%	0.1%	0.4%	0.7%	0.3%	2.1%
2019	0.7%	0.4%	0.2%	0.3%	0.1%	0.4%	0.2%	-0.1%	0.4%	0.3%	0.2%	0.3%	3.3%
2018	0.3%	-0.2%	0.3%	0.4%	0.2%	0.3%	0.2%	0.3%	0.1%	0.1%	-0.2%	-0.2%	1.6%
2017	0.7%	0.7%	0.4%	0.4%	0.6%	0.5%	0.4%	0.2%	0.2%	0.5%	0.3%	0.3%	5.3%
2016	-1.1%	-0.3%	1.5%	0.6%	0.3%	0.2%	0.8%	0.7%	0.7%	0.5%	0.2%	0.6%	4.6%
2015	0.0%	0.7%	0.3%	0.5%	0.1%	-0.2%	0.3%	-0.1%	-0.8%	0.8%	0.2%	0.0%	1.7%
2014	0.5%	0.3%	0.3%	0.5%	0.4%	0.5%	0.3%	0.2%	0.2%	0.1%	0.0%	0.3%	3.7%
2013	0.7%	0.4%	0.7%	0.5%	0.5%	-0.1%	0.6%	0.4%	0.5%	0.6%	0.1%	0.7%	5.6%
2012	0.7%	0.6%	0.7%	0.4%	0.1%	0.5%	0.7%	0.5%	0.5%	0.7%	0.4%	0.6%	6.6%
2011	0.4%	0.8%	0.4%	0.6%	0.3%	0.2%	0.1%	0.0%	-0.5%	1.6%	0.2%	0.0%	4.3%
2010	0.5%	0.0%	0.9%	0.8%	0.0%	0.6%	0.9%	0.5%	1.1%	0.7%	0.5%	0.8%	7.5%
2009	1.5%	-2.3%	1.0%	2.5%	1.5%	1.4%	1.6%	1.1%	0.3%	0.6%	0.2%	1.0%	11.0%
2008	-0.4%	-0.6%	0.6%	1.0%	0.5%	-0.7%	1.3%	1.4%	0.2%	-1.9%	-1.0%	0.5%	0.8%
2007	0.6%	0.5%	0.5%	0.6%	0.6%	0.4%	0.5%	0.6%	0.4%	0.4%	0.1%	0.6%	6.0%
2006	1.0%	0.4%	0.6%	0.8%	0.2%	0.5%	0.5%	0.9%	0.5%	0.6%	0.6%	0.8%	7.7%

Find the complete historical monthly return series since inception at: [pmcapital.com.au/enhanced-yield-fund/investor-resources](http://pmcapital.com.au/enhanced-yield-fund/investor-resources).

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## Key Fund Details

### Fund category

Fixed income

### Investment style

Fundamental, bottom-up-research intensive approach

### Inception date

1 March 2002

### Fund size

\$593.2 million

### Strategy size

\$855.9 million

### Minimum direct investment

\$20,000

### Recommended investment time

Two years plus

### Fees (pa)

\*Performance Fee Option:

Management fee: 0.55%.

Performance fee: 25% of net excess above RBA Cash Rate (subject to a high watermark).

\*\*Management Fee Option - Class B units:

Management Fee: 0.79%.

### Buy/sell spread

+/- 0.10%

### Investor profile

The Fund may be appropriate for investors seeking capital preservation and potential return in excess of the Reserve Bank of Australia's (RBA) cash rate with a low degree of volatility.

### Important Notice

This Report is issued by PM Capital Limited ABN 69 083 644 731 AFSL 230222 as responsible entity for the PM Capital Enhanced Yield Fund (ARSN 099 581 558, 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 a recommendation, 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 Determination and the current Product Disclosure Statement (which are available on the PM Capital website), and obtain their own financial advice, prior to making an investment. 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. 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 RBA Cash Rate. See [www.rba.gov.au](http://www.rba.gov.au) for further information.

\* after fees

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