

Simple ideas, simple businesses

Seeking to build long-term wealth by finding and exploiting investment anomalies around the world

Global Companies Fund	Inception date	Exit price (\$ cum)	1 Month	3 Months	1 Year	3 Years pa	5 Years pa	7 Years pa	10 Years pa	Since inception pa
Fund performance	10-1998	7.2519	-0.3%	0.7%	21.0%	16.9%	16.0%	14.1%	13.4%	10.4%
MSCI World Net Total Return Index (AUD)			2.5%	11.9%	30.8%	12.2%	14.0%	14.0%	13.1%	6.9%

Growth of AUD \$100,000

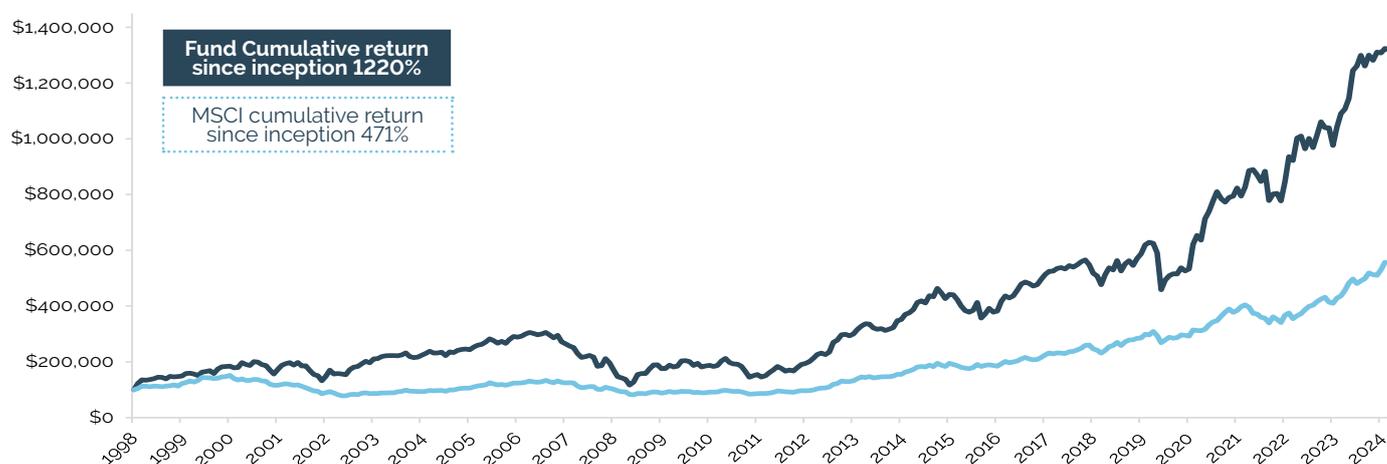
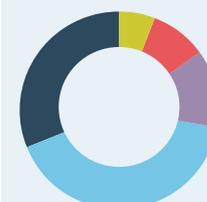
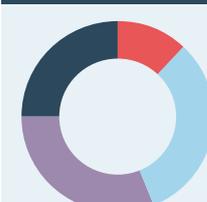


Chart reflects Fund growth net of actual fees. Calculations are based on exit price with distributions reinvested, after ongoing fees and expenses but excluding individual tax. Fund Inception 28 October 1998. These figures represent past performance only. No guarantees exist of future returns above or 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 investment theme	Weighting	Current stock example	Domicile of listing [^]
Domestic Banking - Europe	24%	ING Groep	 <ul style="list-style-type: none"> North America 31% Europe 41% United Kingdom 13% Australia 9% Asia (Ex-Japan) 6%
Commodities - Industrial metals	17%	Freeport-McMoRan	
Industrials	14%	Siemens AG	
Domestic Banking - USA	10%	Bank of America	
Leisure & Entertainment	10%	Wynn Resorts	
Commodities - Energy	7%	Shell	
Housing Ireland & Spain	5%	Cairn Homes	
Alternative Investment Managers	3%	Apollo Global Management	
Other	11%		
Long Equity Position	101%		
Direct Short Position	-4%		Investments by Market Capitalisation (USD)[*]  <ul style="list-style-type: none"> Mega (>\$100bn) 25% Large (<\$100bn) 31% Medium (<\$30bn) 32% Small (<\$5bn) 12%
Index Short Position	-8%		
Net invested equities	89%		
Total holdings	46		
		Currency exposure^{**} 100%	
		AUD 77%	
		USD 6%	
		GBP 6%	
		HKD 5%	
		EUR 4%	
		Other 2%	

[^] 'Domicile of Listing' represents the location of stock exchange listing of each entities' head office.

^{*} Breakdown of portfolio's long equity holdings into market cap. bands.

^{**} Stated at effective value.

Fund commentary

The fund's European holdings delivered strong performance last month, with nine of the ten top contributors domiciled in Europe. European homebuilders were among the strongest performers, with Cairn Homes and Neinor Homes advancing +13% and +11%, respectively. These gains were driven by robust housing market growth fuelled by rising demand and limited supply in their respective markets. Similarly, European banks rebounded from their November weakness, led by the fund's holdings in Intesa Sanpaolo and Bank of Ireland, both of which rose +6%. Airbus also delivered a strong performance, rallying +5% over the month, supported by healthy operational performance, strong aircraft deliveries in November and December, and easing supply chain challenges.

In contrast, eight of the ten weakest contributors were US based holdings, with commodity stocks underperforming and US banks relinquishing some of their prior month's gains. The commodities sector remained sluggish, pressured by weak macroeconomic data from China, a stronger US Dollar, and sentiment dampened by the US election outcome. While physical copper prices were only down 2% during the month, the fund's primary copper holdings—Freeport-McMoRan and Teck Resources—declined by 14% and 13%, respectively. The gold sector experienced similar dynamics, with equity values declining significantly more than physical gold prices. Gold has declined 6% from its October record high, yet the world's largest gold miner, Newmont, has dropped 23% over the same period. Recent asset sales at favourable valuations should position Newmont to refocus on its core, high-quality portfolio. With net debt now at manageable levels, the company is well placed to return excess free cash flow to shareholders. The fund used this period of weakness to increase its holding in Newmont.

Currency market volatility also weighed on relative performance, as the Australian Dollar depreciated 5% against the US Dollar during December.

During the month, the fund initiated a position in French pharmaceutical company Sanofi. Despite its growing franchise in immunology and inflammation drugs and a broad pipeline of mid- to late-stage drugs in clinical trials, Sanofi trades at a low valuation. This creates an opportunity for long-term growth.

Top 10 stocks	
Stock name	GICS Sector
Allied Irish Bank	Banks
Airbus	Industrials
Apollo Global Management	Alternative Investment Managers
Bank of America	Banks
CaixaBank	Banks
ING Groep	Banks
Shell	Energy
Siemens AG	Industrial
Teck Resources	Metals & Mining
Wynn Resorts	Consumer Services

Further information

www.pmcapital.com.au T: +61 2 8243 0888 E: pmcapital@pmcapital.com.au

Representative contacts: Regional Managers

Nicholas Healey VIC, TAS, SA T: 0447 814 784 E: nhealey@pmcapital.com.au

Ivor Kay QLD, WA, NT T: 0435 960 129 E: ikay@pmcapital.com.au

John Palmer NSW, ACT T: 0447 471 042 E: jpalm@pmcapital.com.au

Key Fund Details

Fund category

Global equities

Investment style

Fundamental, bottom-up research intensive approach

Inception date

28 October 1998

Fund size

\$1.22 billion

Strategy size

\$2.76 billion

Number of stocks

As a guide, 25-45 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 MSCI World Net Return Index (AUD).

Buy/sell spread

+/- 0.25%

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 Global Companies Fund (ARSN 092 434 618, 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 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 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. The Index is the MSCI World Net Total Return Index in Australian dollars, net dividends reinvested. See www.msci.com for further information on the Index. Address: Level 11, 68 York Street, Sydney, NSW 2000