

## 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
<b>Fund performance</b>	<b>10-1998</b>	<b>7.9411</b>	<b>3.6%</b>	<b>9.2%</b>	<b>26.2%</b>	<b>17.5%</b>	<b>19.6%</b>	<b>15.2%</b>	<b>13.3%</b>	<b>10.7%</b>
MSCI World Net Total Return Index (AUD)			-0.4%	4.9%	21.1%	16.0%	14.7%	14.2%	12.4%	6.9%

### Growth of AUD \$100,000

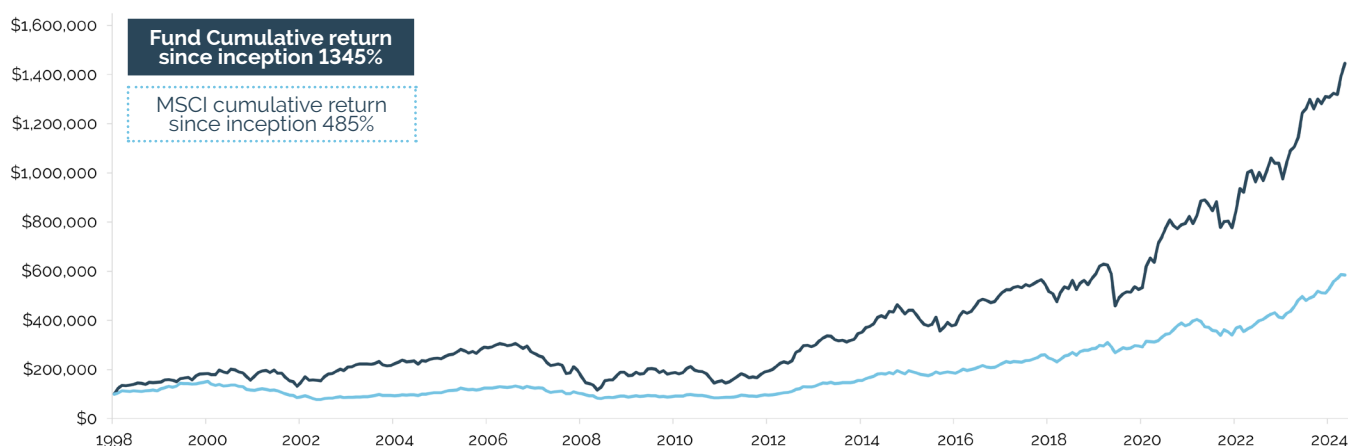
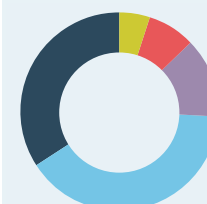
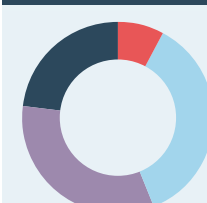


Chart reflects Fund growth net of actual fees. Calculations are based on exit price with distributions reinvested, after ongoing fees and expenses but excluding individual tax. Fund inception 28 October 1998. These figures represent past performance only. No guarantees exist of future returns above or 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 <sup>^</sup>
Domestic Banking - Europe	26%	ING Groep	 <ul style="list-style-type: none"> <li>North America 34%</li> <li>Europe 40%</li> <li>United Kingdom 13%</li> <li>Australia 8%</li> <li>Asia (Ex-Japan) 5%</li> </ul>
Commodities - Industrial metals	18%	Freeport-McMoRan	
Industrials	14%	Siemens AG	
Domestic Banking - USA	10%	Bank of America	
Leisure & Entertainment	9%	Wynn Resorts	
Commodities - Energy	6%	Shell	
Consumer Staples	6%	Heineken	
Healthcare	4%	Sanofi	
Other	9%		
<b>Long Equity Position</b>	<b>102%</b>		
Direct Short Position	-3%		<b>Investments by Market Capitalisation (USD)*</b>  <ul style="list-style-type: none"> <li>Mega (&gt;\$100bn) 23%</li> <li>Large (&lt;\$100bn) 33%</li> <li>Medium (&lt;\$30bn) 36%</li> <li>Small (&lt;\$5bn) 8%</li> </ul>
Index Short Position	-6%		
<b>Net invested equities</b>	<b>93%</b>		
<b>Total holdings</b>	<b>45</b>		
		<b>Currency exposure**</b> <b>100%</b>	
		AUD 70%	
		EUR 9%	
		USD 8%	
		GBP 7%	
		HKD 4%	
		Other 2%	

<sup>^</sup> '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 exited its position in **JP Morgan**, concluding an investment spanning over a decade. The Fund is pleased with the stock's long-term performance—a dollar invested in JP Morgan ten years ago delivered nearly six times the total shareholder return, compared to approximately three-and-a-half times for the S&P 500 over the same period.

JP Morgan remains one of the best-managed banks in the U.S., but with CEO Jamie Dimon in the twilight of his career and profitability at elevated levels, the Fund took advantage of the favourable moves to realize gains. The stock now trades at a healthy valuation premium to direct peers Bank of America and Wells Fargo, and at a reduced valuation discount to other high-quality U.S. financial stocks such as Charles Schwab Corp, which the Fund also recently divested. The stock's rally in early February provided an opportune moment to exit this long-standing investment.

### European Bank Holdings

The Fund's European bank holdings delivered strong performance in February, aligning with our investment thesis centered on the normalisation of interest rates, market consolidation in the banking sector, and high shareholder returns through dividends and buybacks. While this thesis has been playing out, we have more recently observed a step up in European loan growth, particularly in the markets where our exposure is concentrated.

Although valuations have increased from their lows, the Fund continues to benefit from double-digit shareholder returns through dividends and buybacks, alongside mid-single-digit loan growth.

### Heineken Holdings

Heineken Holdings advanced +21% after its 2024 results exceeded expectations and management issued upbeat guidance for the year ahead. This suggests that the positive momentum seen in late 2024 looks set to continue.

The company has faced a challenging operating environment over the past two years, particularly in its emerging markets. However, inflationary pressures—previously a headwind—now look to be normalising, providing a stable base for growth.

Management also announced a €1.5 billion share buyback, which was positively received.

Top 10 stocks	
Stock name	Sector
Allied Irish Bank	Banks
Bank of America	Banks
CaixaBank	Banks
ING Groep	Banks
Lloyds Banking Group	Banks
Newmont Mining Corp	Metals & Mining
Shell	Energy
Siemens AG	Industrial
Teck Resources	Metals & Mining
Wynn Resorts	Consumer Services

## Further information

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## Key Fund Details

### Fund category

Global equities

### Investment style

Fundamental, bottom-up research intensive approach

### Inception date

28 October 1998

### Fund size

\$1.38 billion

### Strategy size

\$3.05 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](http://www.msci.com) for further information on the Index. Address: Level 11, 68 York Street, Sydney, NSW 2000