

Net Tangible Assets & Monthly Investment Report



PGF's investment manager, PM Capital, is a market leader, having successfully operated PGF's investment strategy via the unlisted PM Capital Global Companies Fund since October 1998. This unlisted Fund's performance adjusted to reflect PGF's fee structure has produced a total pre-tax return of:

Manager's comparable
20 yr track record

636%*

Vs

172%

MSCI World Net Total
Return Index (AUD)

Company commentary

- US banks pass Federal Reserve stress tests leading to increased total shareholder payouts
- Howard Hughes considering its options

During the month, our US domestic banking holdings easily met the Federal Reserve's 2019 Comprehensive Capital Analysis & Review (CCAR) test requirements. The banks are authorised to pay out more than 100% of earnings this year via dividends and share buybacks, equivalent to a greater than 10% payout yield on current stock prices. The CCAR results reinforce our thesis that the banks are well-capitalised and increasingly focused on shareholder returns – an approach that should lead to higher valuations.

One of our long term holdings, US real estate developer Howard Hughes Corporation, appreciated 20% during

the month on news the firm has hired an adviser to consider possible alternatives to try and close the significant gap between its share price and net asset value. This may include creating a spinoff or joint venture group, recapitalising, or selling the company entirely.

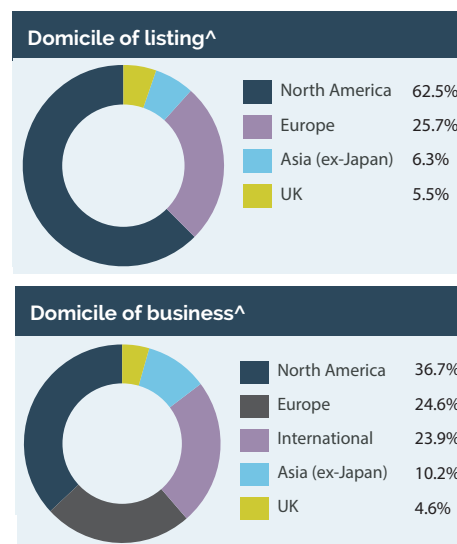
Howard Hughes's share price has lagged the market over the past several years and a sale may help to realise the business's true value. Despite appreciating strongly on the news, we believe the stock remains undervalued and we are currently engaged with management in discussing all potential options.

Net Tangible Asset (NTA) backing per ordinary share (After fees and expenses, all figures are unaudited) ¹	May 2019	June 2019	Change	Perf. since incept. - p.a. ⁴	Perf. since incept. - total ⁴
NTA before tax accruals plus franking credits ²	1.2905	1.3493	4.6%	11.0%	78.3%
NTA after tax ³	1.2119	1.2533	3.4%		

1. Past performance is not a reliable indicator of future performance. 2. 30 June includes \$0.031 of franking credits. 3. Net Tangible Assets (NTA) refers to the net assets of the Company after the accruals for net current and deferred tax liabilities/assets. 4. Performance adjusted for capital flows including those associated with the payment of dividends, share issuance as a result of option exercise, and the dividend reinvestment plan, and including the value of franking credits.

Portfolio investments	Weighting ^{^^}	Current stock example
Post GFC Housing Recovery - US	11.7%	Howard Hughes Corporation
Post GFC Property Recovery - Europe	6.4%	Cairn Homes
Global Domestic Banking	32.4%	Bank of America
Service Monopolies	18.9%	Alphabet
Gaming - Macau	7.0%	MGM China holdings
Alternative Investment Managers	18.4%	KKR & Co L.P.
Materials	4.9%	Freeport-McMoran Copper
Other	8.7%	
Long Equity Position	108.4%	
Short Equity Position	-19.7%	
Net Invested Equities	88.7%	
Total holdings	52	

Currency exposure ^{^^^}	100%
USD	52.6%
EUR	18.6%
GBP	6.5%
AUD	19.7%
HKD	2.6%



[^] 'Domicile of Listing' represents the location of stock exchange listing of each entities' head office, whereas 'Domicile of business' represents the location of the predominant business of those entities.

^{^^} Quoted before tax liability on unrealised gains.
^{^^^} Stated as effective exposure.

PM Capital Limited ('the Manager'), founded in 1998, is a leading Australian based fund manager that has successfully achieved its goal of building long term wealth for its clients by investing in global markets with patience and conviction.

Company profile

The PM Capital Global Opportunities Fund Limited (ASX:PGF, ACN 166 064 875), which began trading of the ASX on 12 December 2013, provides investors with an opportunity to invest in global equities via an Australian Securities Exchange (ASX) listed investment company.

Managed by PM Capital (AFSL 230222), the aim is to create long term wealth through a concentrated portfolio of around 40 global companies that it believes are trading at prices different to their intrinsic values.

PM Capital has been operating its global investment strategy via an unlisted fund since October 1998. This unlisted fund's performance adjusted to reflect PGF's fee structure has produced a total pre-tax return of 636% vs the MSCI World Net Total Return Index (AUD) of 172% to 30 June 2019.

Manager's comparable track record

636%*

Vs

MSCI
172%

Who manages the Company's portfolio?

PM Capital's investment team is led by founder and CIO Paul Moore who has over 32 years' experience in successfully managing investment funds. Paul Moore is the Portfolio Manager and is supported by a team of experienced investment analysts.

Investment philosophy

PM Capital aims to build long term wealth together with our co-investors by finding and exploiting investment anomalies around the world. Using a focused, patient and considered approach to finding simple investment ideas produces the best environment for creating that long term wealth.

Our experience has shown us that while the market is largely efficient, it can, and regularly does, misprice a small proportion of companies. Our unique process is based on scanning the world for those companies (hence the radar in our logo), discovering the associated valuation anomalies and extracting value from them. We buy good businesses at a good price; businesses that we believe are being valued differently to their long term intrinsic value, but will return to their correct value over time.

Why the PM Capital Global Opportunities Fund Limited?

Established: The Company's process has been shown to be effective, based on a philosophy developed by Paul Moore, over 32 years.

Unrestricted: We have an authentic investment process where our exposure to countries, industry sectors or market capitalisation is determined solely by our conviction in the risk/reward opportunities that we identify in individual stocks. No conviction at the stock level = no investment.

Opportunistic and focused: The Company's portfolio is not built around a general market benchmark or index - it is highly focused based on our fundamental, bottom-up investment process. The portfolio only holds those stocks that we believe give the best opportunity to produce strong long term returns.

Co-investment: The Manager has a significant investment in the Company - its invests with and for you.

Key Company Details

ASX Code

PGF

ACN

166 064 875

Trading commenced

12 December 2013

Shares on issue

352,020,714

Category

Global equities (long/short)

Investment style

Fundamental, bottom-up, research-intensive approach

Number of stocks

As a guide, around 40 globally listed equities.

Suggested investment time

Seven years plus

Investor profile

PGF may be appropriate for investors seeking to profit from long-term capital growth over an investment horizon of seven years or longer, through investment in a concentrated portfolio of global (including Australian) equities and other investment securities.

Important Notice

PM Capital Global Opportunities Fund Limited ACN 166 064 875 (PGF) has prepared the information in this announcement. This announcement has been prepared for the purposes of providing general information only and does not constitute an offer, invitation, solicitation or recommendation with respect to the purchase or sale of any securities in PGF. Nor does it constitute financial product or investment advice nor take into account your investment objectives, taxation situation, financial situation or needs. An investor must not act on the basis of any matter contained in this announcement in making an investment decision but must make its own assessment of PGF and conduct its own investigations and analysis. Past performance is not a reliable indicator of future performance. All positions are reported net of all liabilities including tax. See the ASX Company Announcements platform at www.asx.com.au for further information.

* For illustrative purposes only. This number reflects the performance to 30 June 2019 and incorporates a correction to the 31 May 2019 performance due to a typographical error.

Further Information

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