

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	3 Months	1 Year	3 Years pa	5 Years pa	7 Years pa	10 Years pa	Since Inception pa
Fund performance	01-2000	3.3167	8.0%	9.8%	24.4%	22.9%	12.9%	11.3%	13.4%	11.3%
S&P/ASX 200 Accumulation Index			6.9%	2.2%	15.0%	10.6%	9.2%	7.8%	10.2%	8.4%

Growth of AUD \$100,000

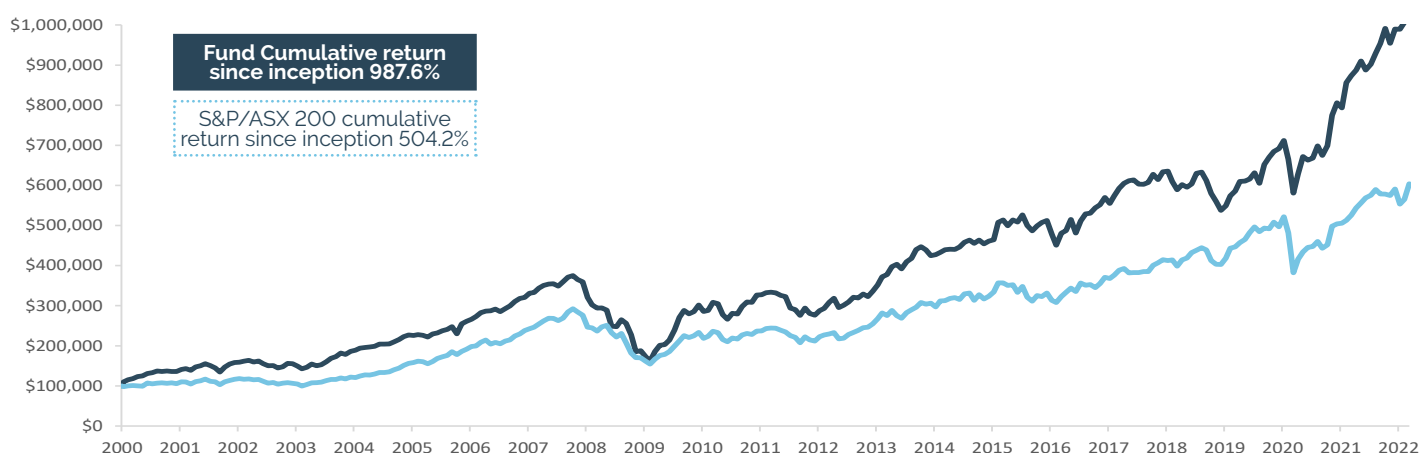
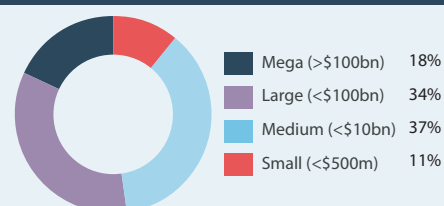


Chart reflects Fund growth net of actual fees. Calculations are based on exit price with distributions reinvested, after ongoing fees and expenses but excluding individual tax. Fund Inception 20 January 2000. These figures represent past performance only. No guarantees exist of future returns above or 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%
Commodities - Energy	23%	Woodside Petroleum	AUD	101%
Banking	21%	ANZ	USD	1%
Commodities - Industrial Metals	15%	OZ Minerals	EUR	-2%
Gaming	6%	Crown Limited	*Stated at effective value.	
Alternative Investment Managers	5%	Apollo Global Management		
Consumer	5%	Lark Distillery		
Online Classifieds & Internet	4%	Frontier Digital Ventures		
Long Equities Position	79%			
Short Equities Position	-1%			
Debt	4%			
Net Invested Equities	82%			
Total holdings	21			

Investments by Market Capitalisation (AUD)[^]



[^]Breakdown of portfolio's long equity holdings into market cap. bands.

Fund commentary

- Commodity positions underpinned the strong performance of the portfolio, as well as the broader ASX 200.
- Stanmore Resources was added to the portfolio with the Fund participating in the company's recent capital raise.

Commodity prices experienced a sharp spike in March as investors assessed the impact the escalating conflict between Russia and Ukraine will have on commodity markets. Most notable were the price moves in oil, coal, nickel and wheat given the importance Russia (and Ukraine) play in supplying those markets. Top portfolio performers included Woodside Petroleum, First Quantum and steelmaking-coal miners Coronado Resources and Stanmore Resources.

We took advantage of the strong performance of our commodity holdings to fine tune our exposures. Positions in Freeport McMoRan and First Quantum were exited after both names comfortably outperformed the copper peer group since the COVID-19 lows in March 2020. A

position in Stanmore was initiated via their capital raise in early March which was used to partially fund the company's acquisition of BHP's 80% interest in two Queensland steelmaking coal mines. Stanmore will be covered in more detail in the March quarterly report.

In contrast to our commodity holdings, ING Groep was the main detractor to performance due to its exposure to Russia. We continue to hold ING as we believe the stock has over-reacted. While ING has quantified the Russian exposure at €6.7bn (or less than 1% of its loan book), the market cap fell over €18bn. This coupled with over €8bn of excess capital, should see no disruption to dividends and a resumption of their buyback later this year.

Key Fund Details

Fund category

Australian equities

Investment style

Fundamental, bottom-up research intensive approach

Inception date

20 January 2000

Fund size

\$45.1 Million

Strategy size

\$45.1 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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Top 10 stocks	
Stock name	Sector
Alumina Limited	Materials
Apollo Global Management	Diversified Financials
ANZ	Banks
BHP	Materials
Coronado Global Resource	Energy
Crown	Consumer Services
NAB	Banks
Stanmore Resources	Energy
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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