

30 JUNE 2021

# Net Tangible Assets & Monthly Investment Report

Total Return since inception <sup>2</sup>	Gross Dividend Yield (p.a.) <sup>1</sup>
<b>156.9%</b>	<b>7.2%</b>

## Company commentary

- Banks pull back as rates recede from recent highs
- Market begins to acknowledge Apollo's undervaluation

The month of June saw many holdings recede slightly, following strong gains in prior months. Our copper mining holdings followed the copper price as it pulled back from record highs, while domestic banking stocks followed the United States ten- and thirty-year government bond yields as they retracted after comments from the Federal Reserve. Macroeconomic factors may drive much of the short term price action but fundamentals for our banking holdings are strong. Late in the month the Federal Reserve released stress test results and, having comfortably passed, all our US bank holdings swiftly announced dividend increases. Additional share buybacks are also probable.

As we discussed in previous reports, we have been increasing our position in Apollo as we believed the share price weakness post the merger announcement with Athene was overdone. Apollo paid circa 7x earnings for a business generating a mid-teen return on equity and double-digit earnings growth. The all-stock merger will result in Apollo's share count rising ~30% while adding ~70% to earnings. While Apollo's share price appreciated 8.5% over the month and 33.4% over the quarter, we believe it continues to trade cheap on ~12x expected 2022 earnings given both its growth profile and the likelihood of S&P 500 inclusion next year.

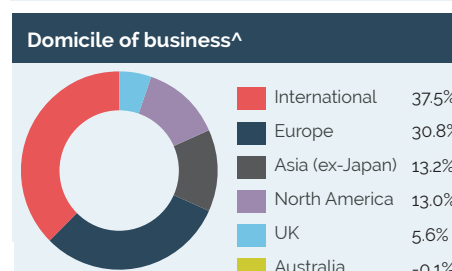
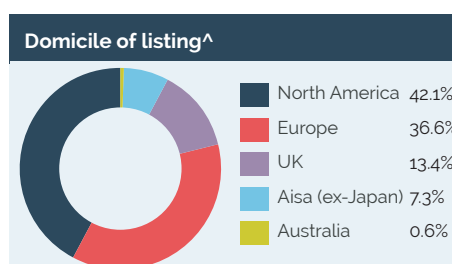
Net Tangible Asset (NTA) backing per ordinary share (After fees and expenses, all figures are unaudited) <sup>1</sup>	June 2021	Company performance (net of fees) <sup>2</sup>							
		1 Month	1 Year	3 Years p.a.	5 Years p.a.	7 Years p.a.	Since inception p.a.	Total Return	
NTA before tax accruals	\$ 1.7033								
NTA after tax (excluding deferred tax assets)	\$ 1.5236								
		-1.87%	54.0%	13.1%	18.0%	15.6%	13.3%	156.9%	

1. Past performance is not a reliable indicator of future performance. 2. Performance adjusted for capital flows including those associated with the payment of dividends and tax, share issuance as a result of option exercise and the dividend reinvestment plan.

Portfolio investments	Weighting <sup>^^</sup>	Current stock example	
Housing - Ireland and Spain	8.6%	Cairn Homes	
Global Domestic Banking	35.8%	Bank of America	
Global Oligopolies	1.3%	Deutsche Boerse	
Gaming - Macau	9.1%	MGM China holdings	
Alternative Investment Managers	8.5%	Apollo Global Management	
Industrial - Europe	6.5%	Siemens	
Materials	20.7%	Freeport-McMoRan	
Energy	7.7%	Royal Dutch Shell	
Other	12.1%		
<b>Long Equity Position</b>	<b>110.3%</b>	<b>Currency exposure<sup>^^^</sup></b>	
Short Equity Position	-22.7%	USD	37.9%
Net Invested Equities	87.6%	AUD	32.2%
		EUR	18.5%
		GBP	5.0%
		Other	6.4%
Total holdings	44		

<sup>^^</sup> Quoted before tax liability on unrealised gains.

<sup>^^^</sup> Stated as effective exposure.



<sup>^</sup> '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.

\* Based share price as at 30 June 2021, and the dividend guidance issued to the ASX on 12 May 2021. The intended fully franked dividend is subject to there being no material adverse changes in market conditions and the investment performance of the Company's portfolio. The Company's ability to continue paying fully franked dividends is dependent on the payment of tax on investment profits and there can be no guarantee that such profits will be generated in the future.

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 966% vs the MSCI World Net Total Return Index (AUD) of 264% to 30 June 2021.

#### Manager's comparable track record



#### Who manages the Company's portfolio?

The Portfolio Manager for the Fund and CIO is Paul Moore. Paul 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 35 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 - it invests with and for you.

#### Key Company Details

##### ASX Code

PGF

##### ACN

166 064 875

##### Trading commenced

12 December 2013

##### Shares on issue

352,804,435

##### 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](http://www.asx.com.au) for further information. Announcement authorised by: Benjamin Skilbeck - Director  
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