



# Monthly Update Australian Companies Fund

PM CAPITAL

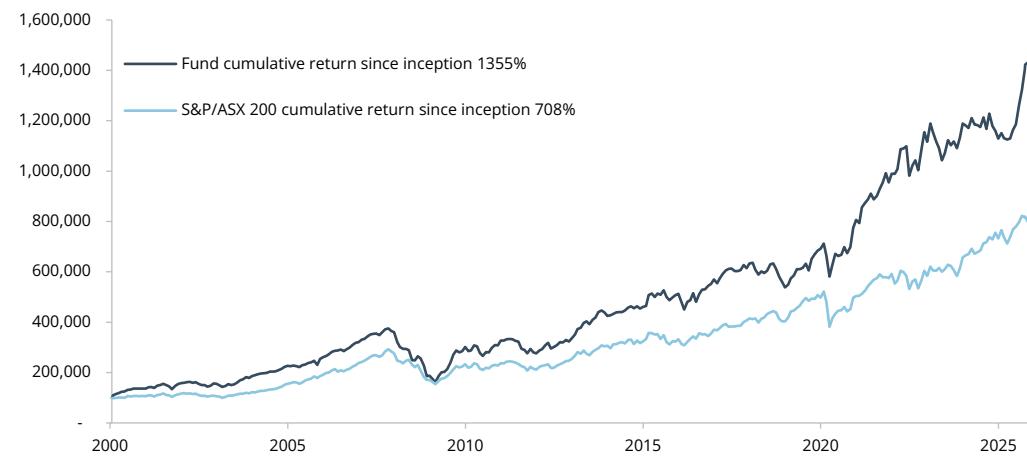
31 December 2025

Seeking to build long-term wealth by applying global insights to profit from anomalies in the Australian market.

## Performance as at 31 December 2025

	Inception date	Exit price (\$ cum)	1 Month	3 Months	1 Year	3 Years p.a.	5 Years p.a.	7 Years p.a.	10 Years p.a.	Since inception p.a.
<b>Fund performance<sup>1</sup></b>	01-2000	<b>4.0852</b>	<b>1.7%</b>	<b>3.7%</b>	<b>28.9%</b>	<b>9.2%</b>	<b>12.5%</b>	<b>15.3%</b>	<b>11.0%</b>	<b>10.9%</b>
S&P/ASX 200 Accumulation Index			1.3%	-1.0%	10.3%	11.4%	9.9%	10.5%	9.3%	8.4%

## Growth of \$100,000



## Top 10 holdings

BHP Group Ltd
Capstone Copper Corp CDI
Centuria Industrial REIT
Challenger Ltd
ING Groep N.V.
Newmont Corporation
Northern Star Resources Ltd
Royalty Pharma plc
Rural Funds Group
Stanmore Resources Ltd

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 Pty 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.

## Fund commentary

The PM Capital Australian Companies Fund (Fund) rose 1.7% in December, outperforming the S&P/ASX 200 which increased 1.3% for the month. Performance was driven primarily by the Fund's holdings across materials, particularly copper and gold.

Copper prices reached a record high of over US\$12,000 per tonne at the London Metals Exchange, with tight supply the key driver. The Fund's copper holding **Capstone Copper** rallied 15%, with the commodity price rally also boosting **BHP**, which gained 9% during December. Despite trading at its highest price since 2024, BHP has largely lagged the broader copper price rally and its major producing peers, despite almost 50% of earnings now derived from copper.

Gold also reached a record high in December following a 25-basis point interest rate cut by the US Federal Reserve, despite inflation remaining somewhat elevated. The move was driven by data showing a cooling US labour market, combined with ongoing geopolitical instability driving safe-haven demand for gold. Higher gold prices benefitted **Newmont**, which rose 8% locally over the month and allowed us to reduce the Fund's largest holding and take some profits on the position.

Yield sensitive financial stocks also performed well, supported by the US Federal Reserve rate cuts and the RBA holding steady, boosting the yield prospects of local financials. Against this backdrop, Fund holding **Challenger** rose 6% during the month. We expect Challenger to benefit from a higher-for-longer rate environment in Australia, supporting investment margins. The market is also increasingly pricing in the anticipated benefits of APRA's proposed capital requirement reforms, which are intended to improve capital efficiency for annuity providers.

The Fund closed its position in **Woodside** during the month, ahead of the stock falling almost 10% on concerns around the US-to-Europe gas arbitrage. We had become increasingly concerned on Woodside's commodity exposure, particularly the potentially multi-billion dollar Louisiana LNG project, which relies on low US gas prices and high global LNG prices - a dynamic that has materially reversed since the project was acquired.

<sup>1</sup>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. See [www.asx.com.au](http://www.asx.com.au) for further information on the S&P/ASX 200 Index.



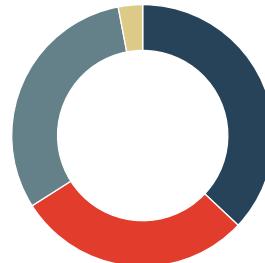
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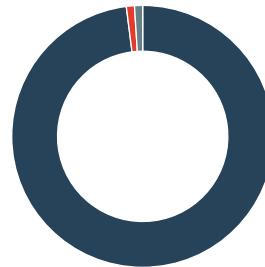
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Portfolio investment theme	Weighting
Commodities - Industrial metals	33%
Diversified Financials	9%
Real Estate	8%
Consumer Staples	6%
Banking	5%
Leisure & Entertainment	3%
Online Classifieds & Internet	2%
Other	13%
<b>Long Equity Position</b>	<b>79%</b>
Short Equities Position	-3%
<b>Net invested equities</b>	<b>76%</b>
Cash, Corporate Debt & Bonds	24%
<b>Net invested</b>	<b>100%</b>
<b>No. long equity positions</b>	<b>19</b>

## Investments by Market Capitalisation (AUD)<sup>2</sup>



## Currency Exposure<sup>3</sup> 100%



<sup>2</sup> Breakdown of portfolio's long equity holdings into market cap. bands.

<sup>3</sup> Stated at effective value.

## Key Fund Details

Fund category	Australian Equities
Investment style	Fundamental, bottom-up research-intensive approach
Inception date	20 January 2000
Fund size	\$152.3 million
Strategy size	\$152.3 million
Number of stocks	As a guide, 15-25 stocks
Minimum direct investment	\$20,000
Recommended investment time	Seven years plus
Fees (pa)	Management 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	+/- 0.25%
Investor profile	The Fund may be appropriate for investors seeking capital appreciation over a seven plus year investment horizon



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31 December 2025

## Award-winning investment team

Paul Moore, one of Australia's most respected investors, is PM Capital's Chief Investment Officer. PM Capital's highly experienced investment team work closely together to develop industry and company insights, identify global and local opportunities, and exploit market volatility.



**Paul Moore**  
Chief Investment Officer

**Kevin Bertoli**  
Co-Portfolio Manager

**John Whelan**  
Co-Portfolio Manager

In a distinguished career spanning four decades, Paul oversees PM Capital's investment process, and leads and mentors its investment team.

With a focus on global equities, Kevin plays a lead role in the firm's investments across commodities, technology and the consumer sector. He joined PM Capital in 2006.

John draws on his experience in global debt and equity markets to lead PM Capital's investments in the financial, industrials and real estate sectors. He joined PM Capital in 2009.

## Further information

[pmcapital.com.au](http://pmcapital.com.au)

T: 02 8243 0888

E: [pmcapital@pmcapital.com.au](mailto:pmcapital@pmcapital.com.au)

## Representative contacts: Regional Managers

**Nicholas Healey**

**VIC, TAS, SA**

T: 0447 814 784

E: [nhealey@pmcapital.com.au](mailto:nhealey@pmcapital.com.au)

**Ivor Kay**

**QLD, WA, NT**

T: 0435 960 129

E: [ikay@pmcapital.com.au](mailto:ikay@pmcapital.com.au)

**John Palmer**

**NSW, ACT**

T: 0447 471 042

E: [jpalmer@pmcapital.com.au](mailto:jpalmer@pmcapital.com.au)

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