

## RG240 ANNUAL DISCLOSURE

The PM Capital Asian Companies Fund (“Fund”) is classified as a hedge fund in accordance with the ASIC Regulatory Guide 240 ‘Hedge funds: Improving disclosure’. This classification is based on the fact that the Fund exhibits two or more of the following characteristics of a hedge fund, being that they:

- aim to generate returns that are not highly correlated to published indices;
- charge a performance fee;
- use leverage;
- use derivatives; and/or
- use short selling.

Accordingly, we are pleased to provide retail investors with extra information on the Fund. This summary is as at 30 June 2019. For further information on the Fund, please see PM Capital’s website at [www.pmcapital.com.au](http://www.pmcapital.com.au).

### ASSET ALLOCATIONS & LIQUIDITY PROFILE

The actual allocation to each asset type within the Fund, and their respective liquidity profiles are:

Asset type	Allocation Weighting (%)	Liquidity <sup>1</sup>	Custody
International listed equities	49.87%	1 - 10 days	Held by custodian
International listed equities	22.68%	1 - 10 days	Held by PM Capital <sup>2</sup>
	0.68%	11-30 days	Held by PM Capital <sup>2</sup>
Australian listed equities	8.67%	1 - 10 days	Held by custodian
	7.21%	11-30 days	Held by custodian
Over-the-counter (OTC) derivatives	0.02%	1 - 10 days	Held by custodian
Cash and cash equivalent investments	10.87%	1 - 10 days	Held by custodian

In summary, approximately 92.12% of the Fund can be liquidated with 10 days.

### LIABILITIES & MATURITY PROFILE

Nil. Whilst the Fund does not use leverage, the Fund manages global currencies via cash accounts in multiple global domiciles, some of which may be in short-term overdraft from time to time. Nevertheless, on a consolidated Fund basis the Fund maintains a positive cash balance.

### LEVERAGE RATIO<sup>3</sup>

Nil – the Fund does not short sell or use leverage.

As at 30 June 2019 the Fund’s exposure was

Long Equity	89.11%
Credit securities	0.0%
Cash	10.89%

The Fund’s gross leverage is 0%, and the Fund’s net leverage is 0%.

1. The estimated time required to sell the asset at the value ascribed to that asset in the Fund’s most recent net asset value.

2. As at 30 June, approximately 76.65% of the Fund’s assets were held in Australia and globally by the independent third-party custodian (or their sub-custodians). The remaining assets were held by PM Capital its capacity as responsible entity in the name of the Fund and are segregated from the assets of PM Capital.

3. Including the embedded leverage within the assets of the Funds (excluding within the listed assets and bonds).

30 June 2019

## PM CAPITAL ASIAN COMPANIES FUND

(ARSN 130 588 439)

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The Fund may use overdrafts across global prime broking accounts for the purpose of managing currency exposures. Nevertheless, on a consolidated basis the Fund maintains a net positive cash balance.

### **DERIVATIVE COUNTERPARTIES**

Commonwealth Bank of Australia was appointed as a new derivative counterparty during the year.

The derivative counterparties to the Fund are:

- ANZ;
- Commonwealth Bank of Australia;
- State Street;
- Morgan Stanley & Co. International plc.

### **ANNUAL INVESTMENT RETURNS OVER FIVE YEARS**

The performance figures in the table below represent the Fund's annual investment returns, net of fees and charges, for the yearly periods shown. A yearly period is the financial year 1 July to 30 June.

<b>DATE</b>	<b>Net Performance Return (for the 12-month period)</b>
2019	-8.0%
2018	10.7%
2017	23.5%
2016	-7.3%
2015	21.7%

### **CHANGES TO KEY SERVICE PROVIDERS**

No changes.