PM Capital Global Opportunities Fund Limited (ASX:PGF)

A World of Opportunity

May 2015 Roadshow

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PM CAPITAL Limited

ABN 69 083 644 73

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PM CAPITAL Global Opportunities Fund Limited

ACN 166 064 875

PGF FY2015 year-to-date results

- First Half to 31 Dec 2015 EPS of 15.3 cents
  - Against an IPO application price of $1.00

☑

- 9 Months to 31 March 2015 NTA Per Share Growth
  - 38.6% NTA before tax accruals

☑

REWARD FROM PRUDENCE AND CAREFUL DEPLOYMENT OF IPO PROCEEDS

Why PM CAPITAL?

Investment philosophy **Old fashioned stock-pickers**	• Good business at a good price. • A portfolio of businesses, not just shares/securities. • Focused on mispriced and under-researched businesses.
Investment process **Research intensive, global perspective**	• Bottom-up research process. • Ongoing peer group review. • Investment team divided by global industry sector.
Business structure **Alignment of interests**	• Staff are owners and investors. • An academy of investing.
Investment objective **Long term capital growth**	• We are true long-term investors. • We invest based on our conviction, not benchmark weighting. • No conviction = no investment.

A track record of consistent performance

Same philosophy, same process, 25+ years

Performance (net of fees) 31 March 2015	1 Year	3 Years p.a.	5 Years p.a.	Since Inception p.a.	Total return since inception
Global Companies Fund	**30.4%**	**31.8%**	**15.6%**	**9.1%**	**315.0%**
MSCI World Index ($A)	28.6%	24.2%	14.1%	3.8%	83.5%

Unit holders that have invested in the Global Companies Fund since inception, have **232% more capital** than if they had invested in the index.

EQUITY RETURNS DO NOT COME IN A STRAIGHT LINE - IT IS THE END OF THE JOURNEY THAT MATTERS

The table and information illustrates the historical performance returns of the PM CAPITAL Global Companies Fund (ARSN 092 434 618, 'GCF') since inception of 28/10/98 relative to its benchmark as at 31/03/15. This does **NOT** represent the performance of the Company, and has been provided to demonstrate the Manager's track record in deploying its investment philosophy and process for the GCF (being an unlisted unit trust). Past performance is not a reliable indicator of future performance. The GCF is structured differently to the Company in that it is an unlisted unit trust structure.

PM Capital Global Opportunities Fund (PGF)

Proposition: Superior risk/reward offshore

Net Tangible Assets (NTA) Before Tax Accruals on Income and Unrealised Capital Gains 31 March 2015	Total Return Since Inception (6 December 2013)
PM Capital Global Opportunities Fund Limited (PGF)	**33.07%**
S&P / ASX 200 Accumulation Index	20.47%

The offshore investment proposition

- A greater breadth of opportunity ☑
- A superior risk/reward ☑
- A fundamentally elevated Australian dollar ~
- Paradoxically, SMSF's hold less than 1%* of their assets offshore ☑

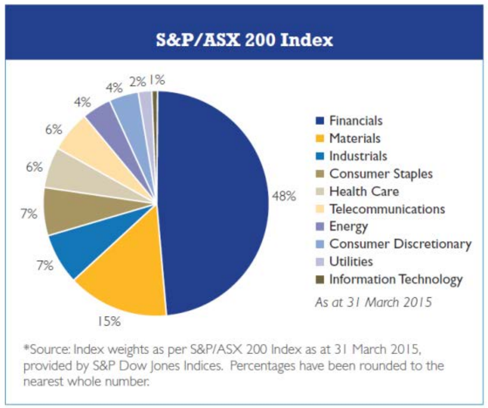
THE TIME IS RIGHT FOR GLOBAL EQUITIES?

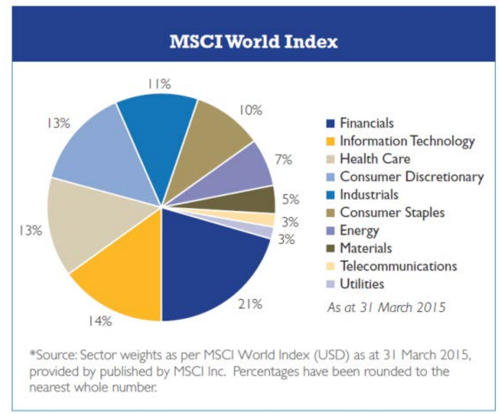
***Source:** Australian Taxation Office as at 31/03/15

A greater breadth of opportunity

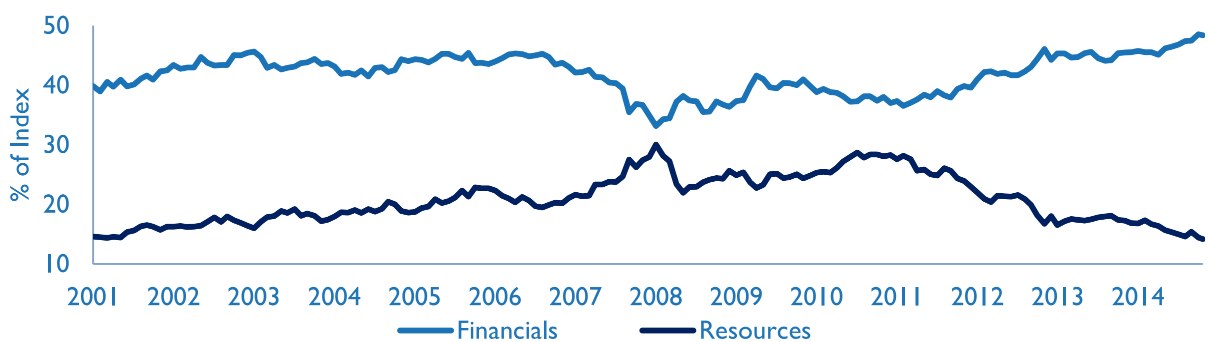
Limited opportunities in Australia

- Materials and Financials combined = more than 60% of the S&P/ASX 200 Index.





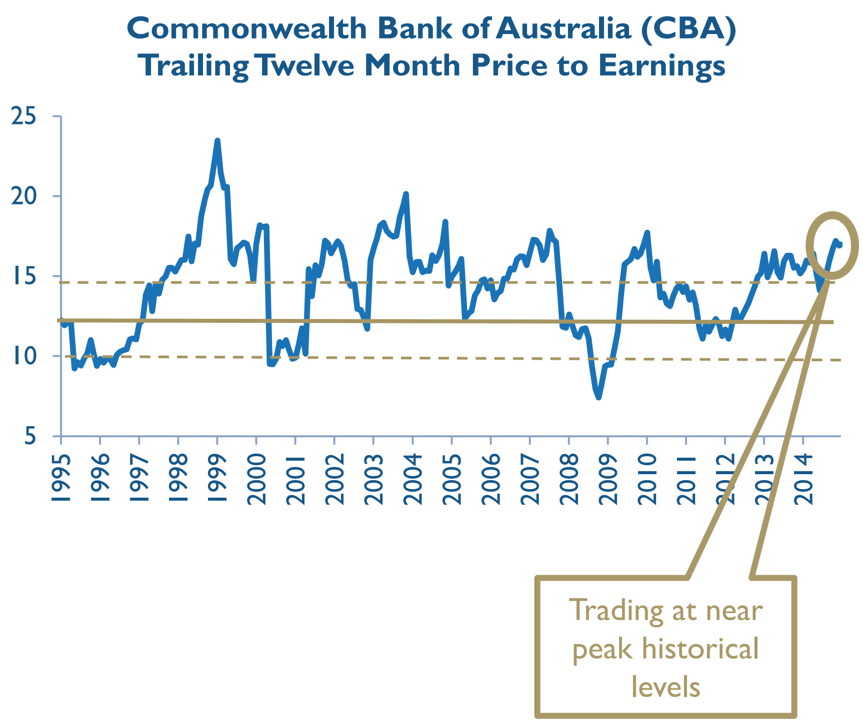
- The Financials sector represents the largest % of the S&P/ASX 200 Index since inception in 2001.

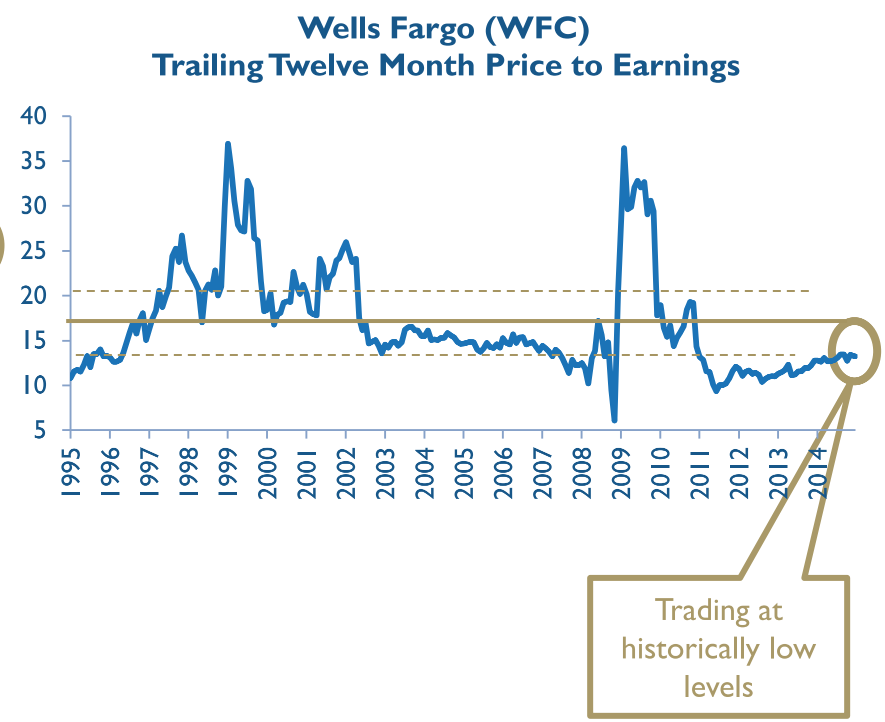


- The top 10 holdings in Australia account for more than 50% of the S&P/ASX 200 Index.
- A narrow subset of opportunities remain.

A superior risk/reward

CBA and WFC historical valuation

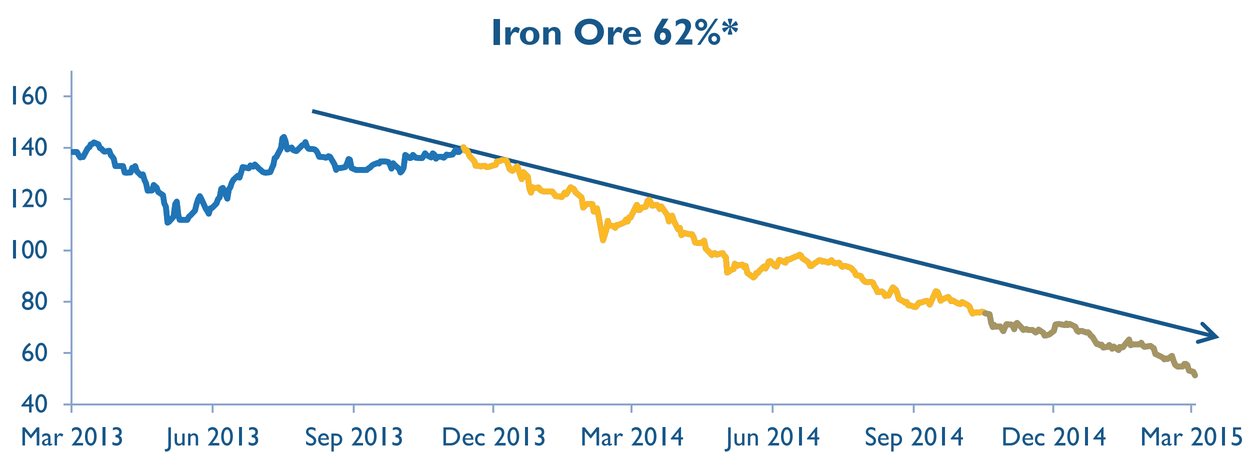


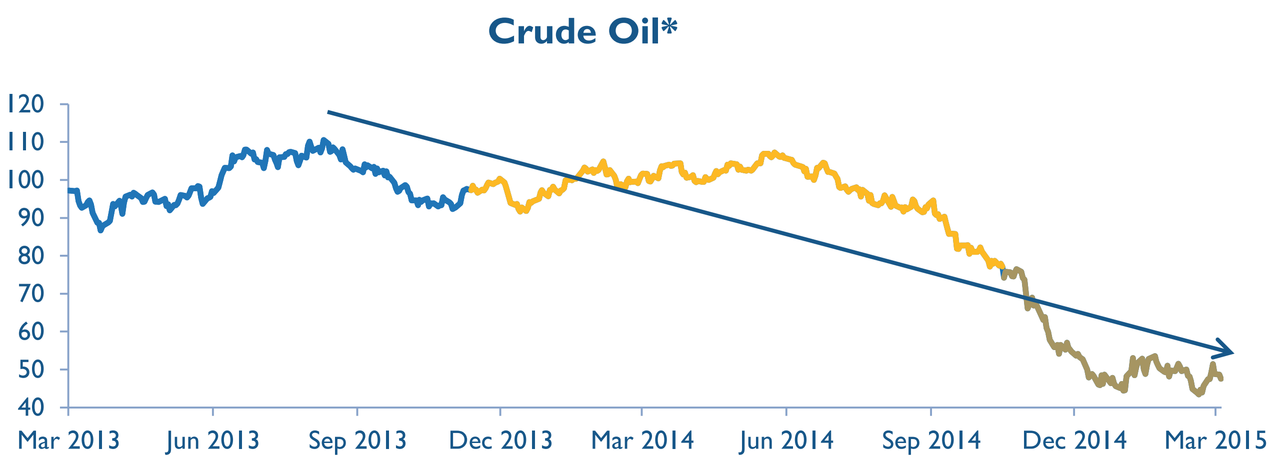


Source: Factset as at 31/03/15

A fundamentally elevated Australian dollar

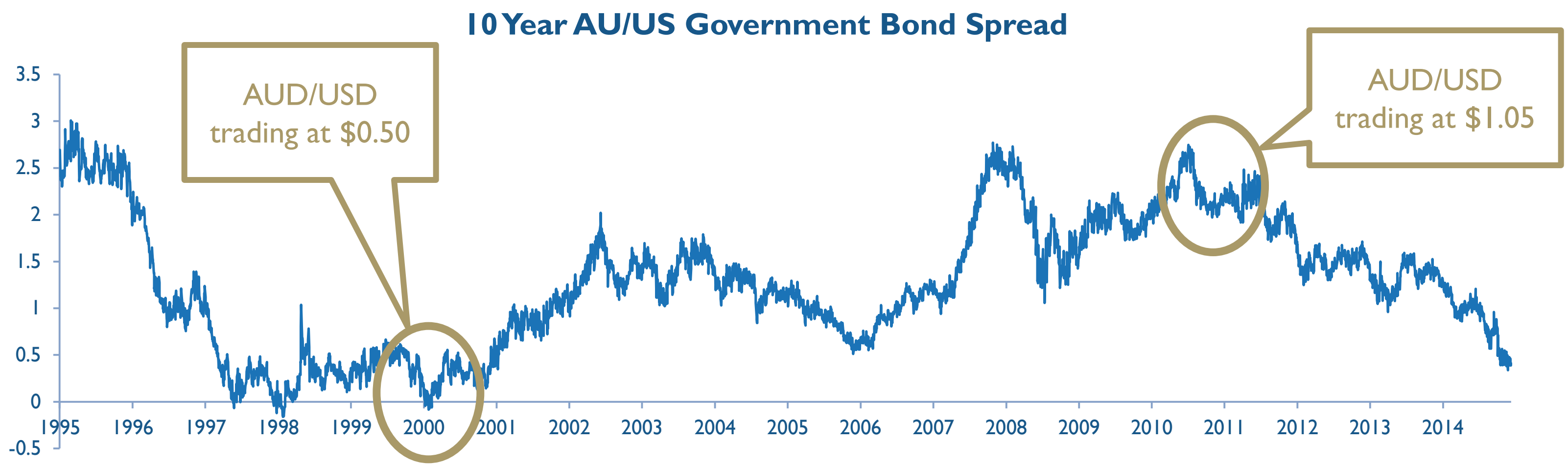
Commodity prices

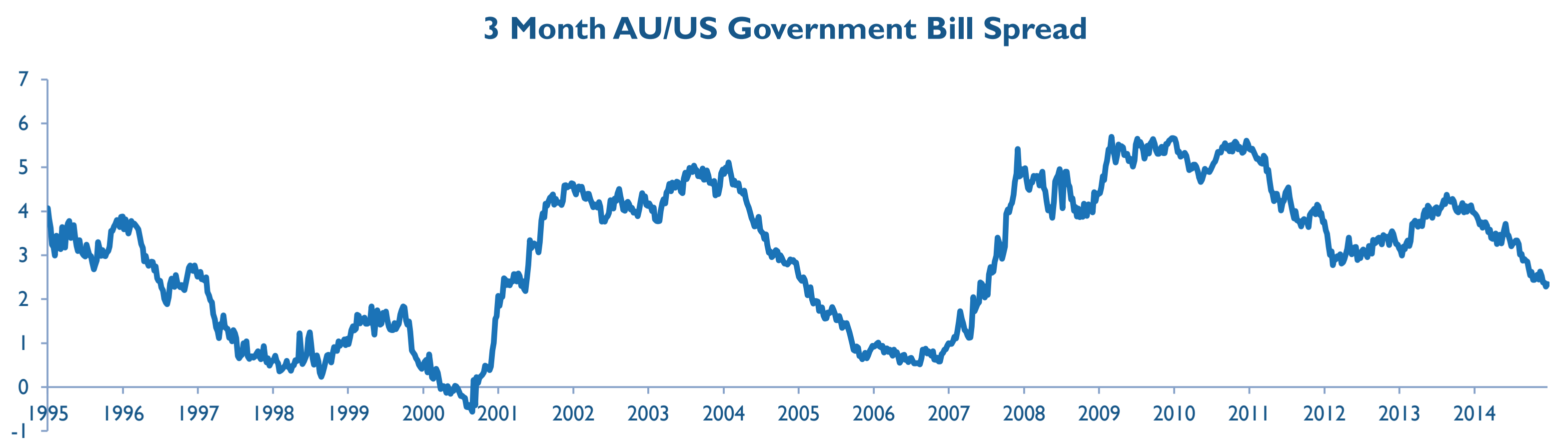




***Source:** Bloomberg from 06/12/13 (PGF inception) to 31/03/15

Yet the gap is closing

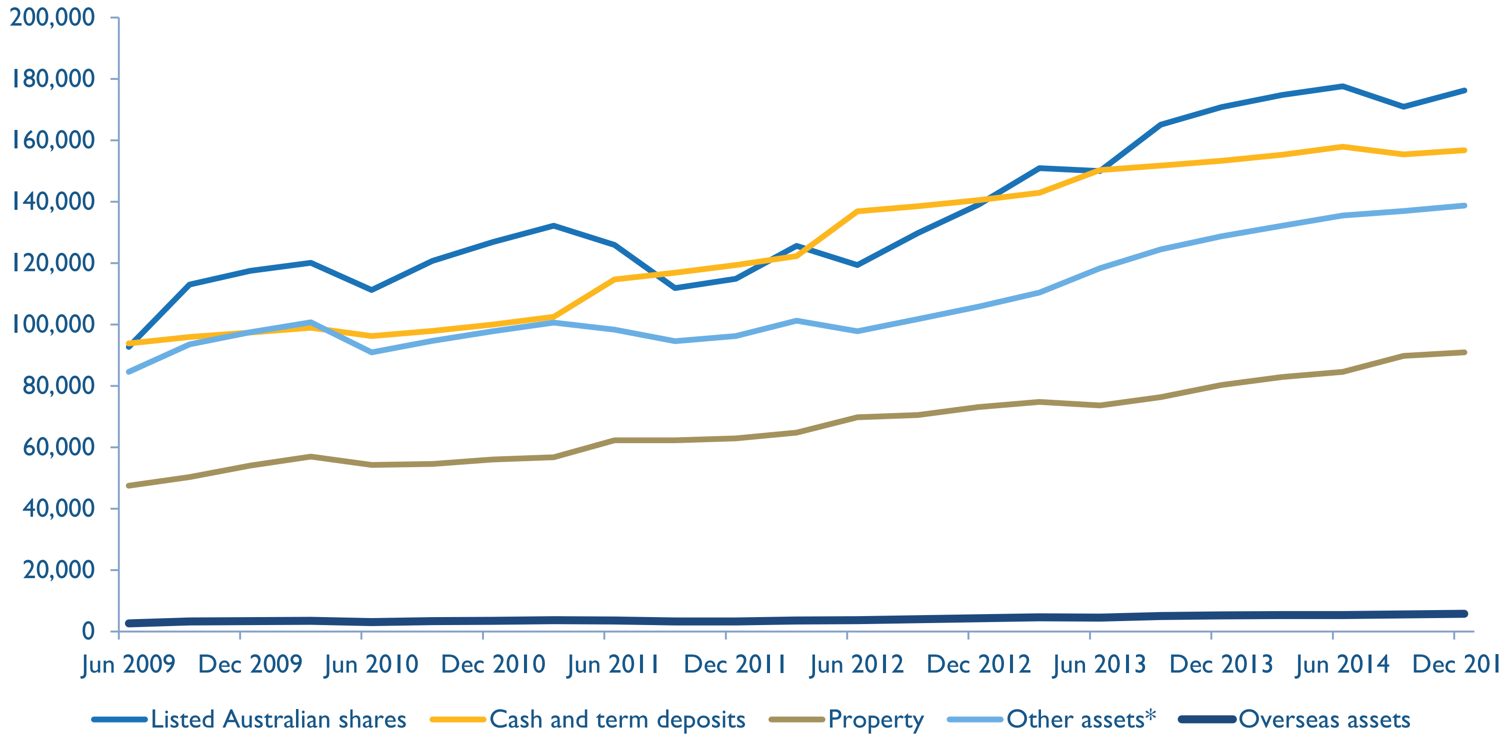




***Source:** Bloomberg from 31/03/95 to 31/03/15

SMSF's hold <1%# of their assets offshore

SMSF asset allocation ($m)



*Other assets include; managed investments, unlisted Australian shares, debt securities, loans, borrowing arrangements, insurance policies and other assets

#Source: Australian Taxation Office as at 31/12/14

European observations- April 2015

- **Two steps forward one step back**
  - London hot
  - Ireland strong
  - Spain growing
  - Greece 50/50
    - Cheap but not Argentina or Las Vegas
- **Like the US, it is now all about earnings**

Negative interest rates?

Switzerland has become the first government in history to sell benchmark 10-year debt at a negative interest rate… and the issue was comfortably oversubscribed.

The Swiss issue followed an equally remarkable auction by the Spanish government this week, with Madrid issuing short-term debt at a negative yield less than three years after requesting an international loan to rescue its struggling banking system.

Source: The Financial Times Online; Elaine Moore and Ferdinando Giugliano, 09/04/15

Equity returns, well ahead of cash, bonds & property

	Pre-Tax Yield	Gearing / Debt	Growth
Bonds			
Swiss	-0.2%	Record	2% ?
European	1.0%	levels of	2% ?
US	1.9%	government	2% - 3% ?
Australian	2.3%	debt	2% - 3% ?
Property			
Retail (US)	4.5%	EV is 25% debt / 75% equity	5%
Residential (US)	3.5%	EV is 25% debt / 75% equity	5%
Equity			
Visa	7.0%	No debt	10%+
Google	7.3%	No debt	10%+
Heineken	8.0%	EV is 25% debt / 75% equity	5-6%
Wells Fargo	11.0%	N/A	4-5%

Sustainable yield and growth the focus.

Source: PM CAPITAL internal estimates as at 31/03/15

Straw hats in winter, severe cyclical recovery, good businesses, focused portfolio

1. From crisis comes opportunity – Phoenix (Property) rising from the ashes

- US - Residential - Las Vegas - Howard Hughes, Realogy
- Ireland - Commercial and Residential – Hibernia
- Spain - Commercial and Residential – Hispania
- Greece?

2. Yield - domestic banking franchises

- US - Wells Fargo
- UK – Lloyds
- Europe – ING
- Ireland - Bank Of Ireland

3. Growth – "monopolistic" service providers

- Exchanges - CME Group, Intercontinental Exchange, Deutsche Börse
- Internet – Google
- Payments system - MasterCard, Visa

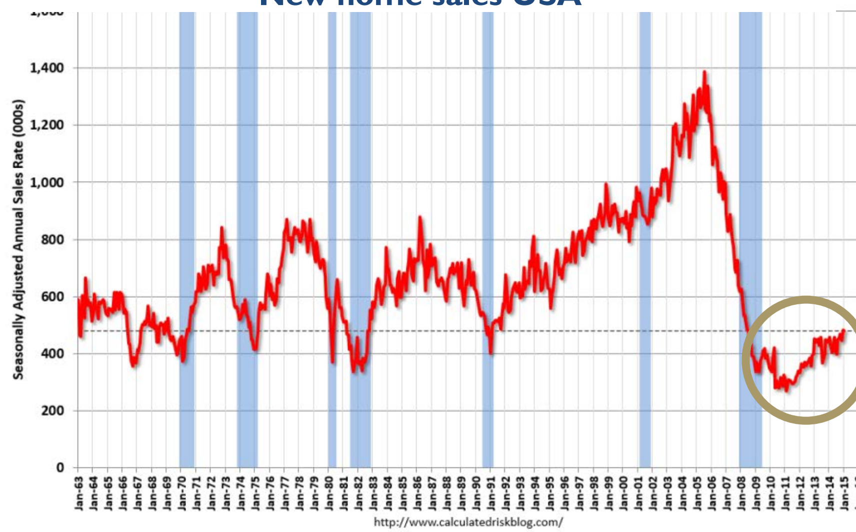
4. Industry consolidation - beverages

- Global brewing - Anheuser-Busch InBev, Heineken
- Global spirits - Pernod Ricard

1. From crisis comes opportunity

US housing

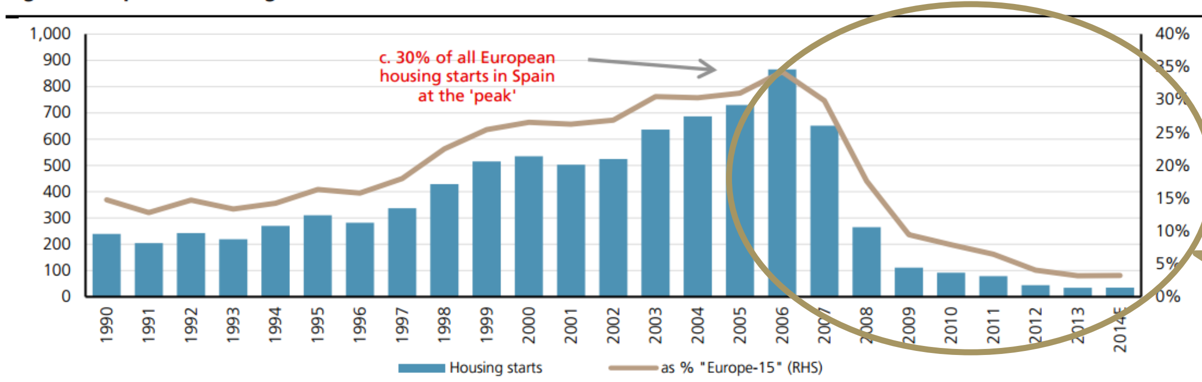
New home sales USA*



US housing recovery still early in the cycle

European property

Figure 77: Spanish housing starts



Source: UBS and Euroconstruct

Spanish housing starts, severely depressed

2. Yield - domestic banking franchises

FY16 consensus forecasts	Domicile	Market share position	Trend ROE	Trend dividend yield / including franking	Price to Earnings (P/E)	Price to Book (P/B)	Loans/ Equity
CBA	Australia	1	16 - 17%	4.5% / 6.5%	16.1	2.8x	12.5
Wells Fargo	US	1	13 - 15%	7.0%	12.0	1.5x	5.0
Lloyds Bank	UK	1	12 - 13%	7.7%	10.0	1.1x	
ING	Benelux	1	10 - 12%	7.4%	10.5	1.0x	
Bank of Ireland	Ireland	1	10 - 12%	7.4%	12.3	1.3x	

Source: These are indicative figures only, based on PM CAPITAL Limited's internal estimates

3. Growth - "monopolistic" service providers

		5 Year Earnings per Share (EPS) Growth	Market Position
ice Global markets in clear view	Intercontinental Exchange	21.6%	+90% interest rate futures
VISA	VISA / MasterCard	15.5%	#1 global payments
Google	Google	17.6%	90% search

Source: PM CAPITAL Limited internal estimates and company annual reports

4. Industry consolidation - beverages

PM CAPITAL Global Companies Fund Historic Positions*

	Jun-04	Jun-05	Jun-06	Jun-07	Jun-08	Jun-09	Jun-10	Jun-11	Jun-12	Jun-13	Jun-14	Mar-14
European												
AmBev	2%	A										
Interbrew/Inbev	3%	3%	3%	3%	2%	3%	4%	5%	4%	3%	2%	2%
Carlsberg	5%	3%	2%									
Scottish and Newcastle PLC			3%	3%	C							
Heineken Holdings		2%	4%	6%	7%	5%	5%	5%	5%	3%	3%	4%
SABMIller									2%			
Americas												
Anheuser Busch Cos Inc				3%	5%	D						
Molson Brewing	2%	B										
FEMSA					1%	E						
Groepo Modelo					4%	3%	2%	F				
Asia												
Kirin Brewery	2%	3%		2%								
Asahi Breweries	2%	4%	4%	2%	2%	2%	2%					
HiteJinro					1%	1%	1%	1%	1%			
Global Spirits												
Diageo PLC												2%
Pernod Ricard												2%
Total exposure	**16%**	**15%**	**16%**	**19%**	**22%**	**14%**	**14%**	**11%**	**12%**	**6%**	**5%**	**10%**

A. Merger with Interbrew
B. Merger with Coors
C. Acquired by Heineken & Carlsberg
D. Merger with InBev
E. Beer business sold to Heineken
F. Acquired by Anheuser Busch Inbev

* Reference to the unlisted PM Capital Global Companies Fund

The PGF Option (PGFO) opportunity

- **~10% more capital at work; $1.05 share price versus $1.15 fully diluted Pre-Tax NTA***

- **~20% more capital at work versus the two largest international Listed Investment Companies (LICs) on the ASX***

- **Despite a strong historic performance record as follows:**

Investment Manager – PM CAPITAL Global Equities Track Record	1 Year	3 Years p.a.	5 Years p.a.
PM CAPITAL Global Companies Fund	30.4%	31.8%	15.6%

The table illustrates the historical performance returns of the PM CAPITAL Global Companies Fund (ARSN 092 434 618, 'GCF') since inception of 28/10/98 relative to its benchmark as at 31/03/15. This does **NOT** represent the performance of the Company, and has been provided to demonstrate the Manager's track record in deploying its investment philosophy and process for the GCF (being an unlisted unit trust). Past performance is not a reliable indicator of future performance.

- **PM CAPITAL plus related entities holds approximately 8.3m shares (4.46%)** in PGF; the largest relevant interest in PGF**

* NTA before tax accruals on income and unrealised capital gains. As at 31/03/15. ** As at 30 April 2015. This is not financial advice, and does not infer an investment recommendation.

The PGF Option (PGFO) opportunity

- **Impact of buying at a premium to NTA vs a discount**
- **An illustrative example. Assumptions:**
  - 7.5% NTA compound growth rate
  - Normalisation of share price to NTA
  - 5 year horizon

Starting NTA	Starting Share Price	Year 5 NTA and Ending Share Price	Total Return
$100	$110	$144	31%
$100	$100	$144	44%
$100	$90	$144	60%

PGFO considerations

PGF Options give a right to invest in PGF at $1.00 per share

- Cease trading 23 June 2015
- Expire 30 June 2015

If you do nothing your options will expire worthless versus their inherent value of between $0.10 - $0.15, as follows:

	Fully Diluted for all Options Outstanding as at 31 March 2015*		
	NTA per Share	**Option Exercise Price**	**Inherent Option Value**
Net Asset Value (Before Tax Accruals)	$1.15	$1.00	$0.15
NTA After Income Tax Accrual (Before Accrual for Tax on Unrealised Gains)	$1.13	$1.00	$0.13
NTA After Tax Accrual on Unrealised Gains	$1.10	$1.00	$0.10

*** Assumes exercise of 100% of options outstanding. Inherent option value higher if all options not exercised.**

What can I do with my PGF Options (PGFO)?

Carefully consider your alternatives. If you do nothing your options will expire worthless. Option holders have four choices;

1) Exercise your options

- This entitles you to subscribe for one PGF share at $1.00 for each option you own. The last date for the exercise and payment is 30 June 2015. If you wish to exercise your options, you may request that Boardroom Pty Ltd send you a Notice of Exercise of Options Form for you to sign and return to Boardroom Pty Limited. Payment can be made by either cheque or BPAY.

2) Sell your options 'on market'

- In the event you choose not to exercise your options, you may wish to consider selling your options on the ASX. The closing price for PGFO on 30 April 2015 was $0.048. You may sell your options on market between now and when the options cease trading on 23 June 2015 (last day of quotation).

3) Combination of both 1 and 2

4) Do nothing

- Your options will cease trading on the ASX on 23 June 2015 and expire on 30 June 2015. If you do not exercise or sell your options, they will expire and have no value.

This does not take into account the objectives, financial situation or needs of any investor which should be considered before making an investment decision. You should obtain and consider company announcements at www.asx.com.au and seek your own financial and tax advice prior to making an investment decision.

Option Exercise Objectives of the Company

The objectives of the Company associated with the additional capital from the exercise of options are to:

- Lower PGF's fixed costs per share
- Increase the Company's relevance in the market & raise its profile
- Improve liquidity in the market for the Company's shares
- Broaden the shareholder base
- Provide capital for new investment opportunities without selling existing investments

The aforementioned points combined with increasing tenure as a LIC are typically correlated with closing the share price discount to NTA.

THANK YOU

QUESTIONS