

Appendix 4D Half-year report

Listing Rule 4.2A

Company	Platinum Asia Investments Limited
ASX Code	PAI
Period ended	31 December 2021
Previous corresponding period ended	31 December 2020
ABN	13 606 647 358

Results for Announcement to the Market

This announcement to the market should be read in conjunction with the 30 June 2021 Annual Financial Report and the attached 31 December 2021 Interim Financial Report.

	% Movement	\$A'000
Total investment income	(134.2%)	(30,132)
Profit from ordinary activities after tax attributable to members	(140.2%)	(23,395)
Net profit for the period attributable to members	(140.2%)	(23,395)

The Directors consider that the pre-tax net tangible asset backing per share, after the deduction of fees and expenses, adjusted for corporate taxes paid and any capital flows, and assuming the reinvestment of dividends ("pre-tax NTA"), is a better measure of performance of the Company than the reported profits or losses. This is because the pre-tax NTA per share is the most accurate way to assess the investment performance of the Company's investment portfolio. For the 6 months to 31 December 2021, the Company's pre-tax NTA per share decreased from \$1.36 per share to \$1.18 per share. The decrease includes the payment of 6 cents per share in dividends and the equivalent of 3 cents per share in tax paid during the half-year.

The Company's compound annualised investment returns to 31 December 2021 (measured by its pre-tax NTA) compared to the benchmark are shown in the table below:

Investment Performance	6 months	1 year	3 years (% p.a.)	5 years (% p.a.)	Since inception (% p.a.)
PAI's performance	-7.0%	-2.3%	13.9%	12.6%	10.0%
MSCI All Country Asia ex Japan Net Index in \$A ¹	-7.5%	1.1%	10.9%	11.2%	9.8%

Source: Platinum Investment Management Limited (PAI returns) and FactSet Research Systems (MSCI returns). Note: Returns are calculated after the deduction of fees and expenses, adjusted for taxes paid and any capital flows and assume the reinvestment of dividends. Inception date is 15 September 2015. Returns have not been calculated using the Company's share price. 6 month returns are not annualised. **Past performance is not a reliable indicator of future performance.**

This return was achieved with an average net invested position of 85%, due to the Investment Manager's positioning in a period of market uncertainty. As previously reported, such positioning stems from the Investment Manager being actively focused on avoiding permanent impairment of capital and managing the downside risks by adjusting cash levels and taking short positions as appropriate. This capability differentiates the Company from the index.

The Directors continue to monitor the Company's share price relative to pre-tax NTA, which is currently at a discount, consistent with the broader global equities listed investment company market. However, the discount narrowed during the period, resulting in a total shareholder return of negative 6.1% including grossed up dividends for the 6 months ended 31 December 2021, exceeding the pre-tax NTA return for the same period.

With regards to outlook, the Investment Manager reports that: *“While the shorter-term economic picture is not entirely clear, opportunities still abound for the more entrepreneurial management teams across the region. We continue to believe the current valuations across much of Asia ex-Japan are undemanding and reasonably attractive for longer-term investors.”*

Dividends

The key features of the interim dividend declared by the Board are summarised in the table below.

Interim dividend declared	2.5 cents per share fully-franked
Ex-dividend date	24 February 2022
Record date	25 February 2022
The last date for receipt of election notices for the dividend reinvestment plan	28 February 2022
Payment date	18 March 2022

The interim dividend for the previous corresponding period was 4 cents per share fully-franked.

The Company's ability to pay franked dividends is dependent on the Company paying income tax. At 31 December 2021, after providing for the 2022 fully-franked interim dividend of 2.5 cents per share, the Company had an ability to pay fully-franked dividends of up to 9.2 cents per share.

The Board has a policy of dividend smoothing and endeavours to ensure that there are franking credits available to pay fully-franked dividends in the future. The Company does not believe it is in the Company's or Shareholders interests to pay unfranked dividends, resulting in a tax liability in the shareholders hands and reduced investment capacity for the Company to generate future returns.

Dividend Reinvestment Plan

The Dividend Reinvestment Plan (“DRP”) is in operation and the interim dividend of 2.5 cents per share qualifies. Participating shareholders will be entitled to be allotted the number of shares (rounded down to the nearest whole number) which the cash dividend would otherwise purchase at the relevant issue price.

The relevant issue price will be the volume-weighted average share price of the Company's shares sold on the ASX over the five business days subsequent to the date on which the Company's shares cease to trade cum-dividend. No DRP discount will apply to this dividend.

The terms and conditions of the DRP rules can be accessed at the Company's website at: https://www.platinum.com.au/PlatinumSite/media/ASX-Releases/pai_drp_1.pdf

Further information

Refer to the attached financial statements for financial data on the Company.

Joanne Jefferies
Company Secretary
17 February 2022

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Platinum Asia Investments Limited

ABN 13 606 647 358

**Interim Financial Report
For the half-year ended 31 December 2021**

**Platinum Asia Investments Limited
Corporate Directory**

Directors	Margaret Towers Ian Hunter Richard Morath (appointed 9 September 2021) Jim Clegg (appointed 9 September 2021) Malcolm Halstead (resigned 8 September 2021)
Company secretary	Joanne Jefferies
Investment manager	Platinum Investment Management Limited (trading as Platinum Asset Management ®) Platinum Investment Management Limited neither guarantees the repayment of capital nor the investment performance of Platinum Asia Investments Limited (“the Company”).
Shareholder liaison	Elizabeth Norman
Registered office	Level 8, 7 Macquarie Place Sydney NSW 2000 Phone 1300 726 700 (Australia only) Phone 0800 700 726 (New Zealand only) Phone +61 2 9255 7500 Fax +61 2 9254 5555
Share registrar	Link Market Services Limited Level 12, 680 George Street Sydney NSW 2000 Phone +61 1300 554 474 Fax +61 2 9287 0303
Auditor and taxation advisor	PricewaterhouseCoopers
Securities exchange listing	The securities of Platinum Asia Investments Limited are listed on the Australian Securities Exchange (ASX code: PAI).
Website	www.platinum.com.au/Our-Products/All-Products/Platinum-Asia-Investments-Limited

Platinum Asia Investments Limited
Directors' Report
31 December 2021

The Directors present their report, together with the interim financial statements of Platinum Asia Investments Limited (the "Company") for the half-year ended 31 December 2021.

Directors

The following persons were Directors of the Company during the whole of the half-year and up to the date of this report, unless otherwise stated:

Margaret Towers	Chairperson and Independent Non-Executive Director
Ian Hunter	Independent Non-Executive Director
Richard Morath	Independent Non-Executive Director (appointed 9 September 2021)
Jim Clegg	Independent Non-Executive Director (appointed 9 September 2021)
Malcolm Halstead	Independent Non-Executive Director (resigned 8 September 2021)

Principal Activities

The Company is a listed investment company established to provide capital growth over the long-term by investing in companies in the Asian Region ex Japan which the Investment Manager perceives to be undervalued by the market.

Operating and Financial Review

For the 6 months to 31 December 2021, the net loss before income tax was \$33,421,000 (31 December 2020: profit of \$83,018,000) and net loss after income tax was \$23,395,000 (31 December 2020: profit of \$58,199,000).

For the 6 months to 31 December 2021, the Company's investment portfolio delivered a return of negative 7.0%¹ (measured by its pre-tax NTA), compared to a return of negative 7.5% for the benchmark, the MSCI All Country Asia ex Japan Net Index (MSCI) in \$A terms². This return was achieved with an average net invested position of 85%, due to the Investment Manager's positioning in a period of market uncertainty. As previously reported, such positioning stems from the Investment Manager being actively focused on avoiding permanent impairment of capital and managing the downside risks by adjusting cash levels and taking short positions as appropriate. This capability differentiates the Company from the index.

The Directors consider that pre-tax net tangible asset backing per share, after the deduction of fees and expenses, adjusted for corporate taxes paid and any capital flows, and assuming the reinvestment of dividends ("pre-tax NTA"), is a better measure of performance of the Company than the reported profits. This is because the pre-tax NTA per share is the most accurate way to assess the investment performance of the Company's investment portfolio. For the 6 months to 31 December 2021, the Company's pre-tax NTA decreased from \$1.36 to \$1.18. The decrease includes the payment of 6 cents per share in dividends and 3 cents per share in tax paid during the half-year.

Total Shareholder Return (TSR) for the half-year, based on share price movement and grossed up dividends, between 1 July 2021 and 31 December 2021, was negative 6.1%. The TSR is higher than the pre-tax NTA return of negative 7.0% primarily due to a reduction in the discount of the share price to pre-tax NTA since 30 June 2021.

For the five years to 31 December 2021, the Company delivered an annualised compound return of 12.6% per annum, measured by the Company's pre-tax NTA, versus the MSCI return of 11.2%. The company's long-term (since inception) return of 10.0% per annum was approximately 0.2% greater than the MSCI return of 9.8% over the same period.

With regards to outlook, the Investment Manager reports that: *"While the shorter-term economic picture is not entirely clear, opportunities still abound for the more entrepreneurial management teams across the region. We continue to believe the current valuations across much of Asia ex-Japan are undemanding and reasonably attractive for longer-term investors."*

¹ Source: Platinum Investment Management Limited (PAI returns) and FactSet Operating Systems (MSCI returns). Returns have not been calculated using the Company's share price. **Past performance is not a reliable indicator of future performance.**

² MSCI Inc Disclaimer: Neither MSCI Inc nor any other party involved in or related to compiling, computing or creating the Index data (contained in this Financial Report) makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any of such data. Without limiting any of the foregoing, in no event shall MSCI Inc, any of its affiliates or any third party involved in or related to compiling, computing or creating the data have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. No further distribution or dissemination of the Index data is permitted without the express written consent of MSCI Inc.

Platinum Asia Investments Limited
Directors' Report
31 December 2021

The Investment Manager currently believes it is prudent to hold a reasonable level of net cash to take advantage of opportunities that may arise in the event of a significant market downturn.

For more information and the Company's most recent results please refer to: www.platinumasia.com.au.

COVID-19 has not had a direct impact on the ability of the Investment Manager to perform business activities. The Company has not received any COVID-19 related financial assistance or support.

Capital Management

The Directors continue to monitor the Company's share price relative to pre-tax NTA, which is currently at a discount, consistent with the broader global equities listed investment company market. Pleasingly the discount has narrowed since 30 June 2021. At this stage the Directors do not see the need to take action on the on-market share buy-back announced in April 2021.

Another objective of the Company's capital management policy is to smooth dividends over time and retain some franking credits to enable payment of fully-franked dividends in the future. The Company does not believe it is in the Company's or Shareholders interests to pay unfranked dividends, resulting in a tax liability in the shareholders hands and reduced investment capacity for the Company to generate future returns.

Dividends

The Directors declared a 2022 fully-franked interim dividend of 2.5 cents per share (\$9,180,000), with a record date of 25 February 2022 and payable to shareholders on 18 March 2022, out of the dividend profit reserve. Together with the 2021 final dividend of 6 cents per share, this represents a fully franked dividend yield of 7.8% based on the 31 December 2021 closing share price. At 31 December 2021, the available franking credit balance after providing for the 2022 interim dividend would enable the payment of a fully-franked dividend up to 9.2 cents per share.

The Dividend Reinvestment Plan ('DRP') is in operation. Participating shareholders will be entitled to be allotted the number of shares (rounded down to the nearest whole number) which the cash dividend would purchase at the relevant issue price. The relevant issue price will be the volume-weighted average share price of the Company's shares sold on the ASX over the five business days subsequent to the date on which the Company's shares cease to trade cum-dividend. No DRP discount will apply to the dividend.

Rounding of amounts

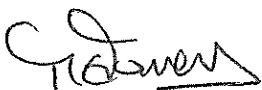
The Company is of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with this Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Auditor's independence declaration

A copy of the Auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on the following page.

This report is made in accordance with a resolution of Directors, pursuant to section 306(3)(a) of the *Corporations Act 2001*.

On behalf of the Directors



Margaret Towers
Chairperson
17 February 2022
Sydney



Ian Hunter
Director



Auditor's Independence Declaration

As lead auditor for the review of Platinum Asia Investments Limited for the half-year ended 31 December 2021, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.

A handwritten signature in black ink, appearing to read 'CJ Cummins', is written over a horizontal line.

CJ Cummins
Partner
PricewaterhouseCoopers

Sydney
17 February 2022

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Platinum Asia Investments Limited
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General information

The interim financial report is presented in Australian dollars, which is Platinum Asia Investments Limited's functional and presentation currency.

Platinum Asia Investments Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 8, 7 Macquarie Place
Sydney NSW 2000

The interim financial report was authorised for issue, in accordance with a resolution of Directors, on 17 February 2022.

Platinum Asia Investments Limited
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2021

	Note	Half-year ended	
		31 Dec 2021 \$'000	31 Dec 2020 \$'000
Investment income			
Dividends		2,819	1,878
Interest income		1	-
Net gains/(losses) on equities, foreign currency forward contracts and other derivatives		(35,095)	90,853
Net foreign exchange gains/(losses) on overseas bank accounts		2,143	(4,642)
Total investment income		(30,132)	88,089
Expenses			
Management fees	10	(2,514)	(2,587)
Performance fees	10	-	(1,388)
Custody		(166)	(209)
Share registry		(47)	(37)
Continuous reporting disclosure		(87)	(60)
Directors' fees		(94)	(93)
Auditor's remuneration and other services		(45)	(67)
Interest expense		(2)	(2)
Brokerage costs		(90)	(248)
Transaction costs		(34)	(181)
Insurance		(170)	(145)
Other expenses		(40)	(54)
Total expenses		(3,289)	(5,071)
Profit/(loss) before income tax (expense)/benefit		(33,421)	83,018
Income tax (expense)/benefit		10,026	(24,819)
Profit/(loss) after income tax (expense)/benefit for the half-year attributable to the owners of Platinum Asia Investments Limited		(23,395)	58,199
Other comprehensive income for the half-year, net of tax		-	-
Total comprehensive income/(loss) for the half-year attributable to the owners of Platinum Asia Investments Limited		(23,395)	58,199
Basic earnings per share (cents per share)	7	(6.38)	15.98
Diluted earnings per share (cents per share)	7	(6.38)	15.98

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Platinum Asia Investments Limited
Statement of financial position
As at 31 December 2021

	Note	As at 31 Dec 2021 \$'000	As at 30 June 2021 \$'000
Assets			
Cash at bank		1	8
Cash on deposit held within the portfolio		57,770	95,510
Receivables		382	1,281
Financial assets at fair value through profit or loss	3, 9	376,397	401,862
Total assets		434,550	498,661
Liabilities			
Payables		572	648
Financial liabilities at fair value through profit or loss	3, 9	344	-
Income tax payable	2(a)	2,893	8,924
Deferred tax liability	2(b)	2,747	17,698
Total liabilities		6,556	27,270
Net assets		427,994	471,391
Equity			
Issued capital	6	356,222	354,293
Accumulated losses		(32,602)	(9,207)
Capital reserve		7,934	7,934
Dividend profit reserve	4	96,440	118,371
Total equity		427,994	471,391

The above statement of financial position should be read in conjunction with the accompanying notes.

Platinum Asia Investments Limited
Statement of changes in equity
For the half-year ended 31 December 2021

	Note	Issued Capital \$'000	Accumulated Losses \$'000	Reserves \$'000	Total equity \$'000
Balance at 1 July 2021		354,293	(9,207)	126,305	471,391
Profit/(loss) after income tax (expense)/benefit for the half-year		-	(23,395)	-	(23,395)
Other comprehensive income/(loss) for the half-year, net of tax		-	-	-	-
Total comprehensive income/(loss) for the half-year		-	(23,395)	-	(23,395)
Transfer to dividend profit reserve	4	-	-	-	-
<i>Transactions with owners in their capacity as owners:</i>					
Proceeds from the issue of shares associated with the dividend reinvestment plan and unclaimed dividends	6	1,929	-	-	1,929
Dividends paid	4, 5	-	-	(21,931)	(21,931)
Balance at 31 December 2021		356,222	(32,602)	104,374	427,994

	Note	Issued Capital \$'000	Accumulated Losses \$'000	Reserves \$'000	Total equity \$'000
Balance at 1 July 2020		352,110	(9,207)	75,875	418,778
Profit/(loss) after income tax (expense)/benefit for the half-year		-	58,199	-	58,199
Other comprehensive income for the half-year, net of tax		-	-	-	-
Total comprehensive income/(loss) for the half-year		-	58,199	-	58,199
Transfer to dividend profit reserve		-	(58,199)	58,199	-
<i>Transactions with owners in their capacity as owners:</i>					
Proceeds from the issue of shares associated with the dividend reinvestment plan and unclaimed dividends	6	959	-	-	959
Dividends paid	5	-	-	(10,913)	(10,913)
Balance at 31 December 2020		353,069	(9,207)	123,161	467,023

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Platinum Asia Investments Limited
Statement of cash flows
For the half-year ended 31 December 2021

	Note	Half-year ended	
		31 Dec 2021 \$'000	31 Dec 2020 \$'000
Cash flows from operating activities			
Payments for purchase of financial assets		(88,760)	(269,548)
Proceeds from sale of financial assets		79,122	317,113
Dividends received		3,327	2,120
Interest received		-	(2)
Management fees paid	10	(2,573)	(2,528)
Performance fees paid		-	(1,827)
Other expenses paid		(465)	(1,252)
Income tax paid		(10,539)	(8,713)
Net cash from/(used in) operating activities		(19,888)	35,363
Cash flows from financing activities			
Dividends paid - net of dividend reinvestment plan	5, 6	(20,061)	(9,993)
Proceeds from issue of shares in relation to unclaimed dividends	6	59	39
Net cash from/(used in) financing activities		(20,002)	(9,954)
Net increase/(decrease) in cash and cash equivalents		(39,890)	25,409
Cash and cash equivalents at the beginning of the half-year		95,518	23,953
Effects of exchange rate changes on cash and cash equivalents		2,143	(3,527)
Cash and cash equivalents at the end of the half-year		57,771	45,835

The above statement of cash flows should be read in conjunction with the accompanying notes.

Platinum Asia Investments Limited
Notes to the financial statements
For the half-year ended 31 December 2021

Note 1. Basis of Preparation of the Interim Financial Report

These financial statements for the interim reporting period ended 31 December 2021 have been prepared in accordance with Australian Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Act 2001*, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34: *Interim Financial Reporting*.

These financial statements for the half-year ended 31 December 2021 do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2021 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated. Comparative information has been revised where appropriate to enhance comparability. Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current period.

New Accounting Standards and Interpretations

There are no standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 July 2021 that have a material impact on the amounts recognised in the prior periods or will affect the current or future periods.

Note 2. Income tax

(a) Income tax (payable)/receivable

The income tax receivable disclosed in the statement of financial position is comprised of:

	As at 31 Dec 2021 \$'000	As at 30 June 2021 \$'000
Current income tax provision (before foreign tax credits)	(4,928)	(24,097)
Foreign tax credits utilised	426	1,332
Current income tax provision	(4,502)	(22,765)
Income tax instalments paid	1,609	13,841
Income tax (payable)/receivable	(2,893)	(8,924)

(b) Recognition of deferred tax liability

The deferred tax liability figure in the statement of financial position is comprised of:

	As at 31 Dec 2021 \$'000	As at 30 June 2021 \$'000
Unrealised (gains)/losses on investments	(2,685)	(17,407)
Dividends accrued	(65)	(319)
Expense accruals	3	28
Deferred tax asset/(liability)	(2,747)	(17,698)

The realised tax balance will depend on the actual gains or losses generated as and when the investments are sold.

Platinum Asia Investments Limited
Notes to the financial statements
For the half-year ended 31 December 2021

Note 3. Financial assets and liabilities at fair value through profit or loss

	As at 31 Dec 2021 \$'000	As at 30 June 2021 \$'000
<i>Financial assets</i>		
Equity securities	376,372	401,416
Derivatives	25	446
	376,397	401,862
<i>Financial liabilities</i>		
Derivatives	344	-
	344	-

Note 4. Dividend profit reserve

The Company may set aside some or all of its undistributed profits to a separate dividend profit reserve, to facilitate the payment of future franked dividends, rather than maintaining these profits within accumulated losses. The current period loss after tax benefit was not transferred to the dividend profit reserve. The balance of this reserve is as follows.

	As at 31 Dec 2021 \$'000	As at 30 June 2021 \$'000
Opening balance 1 July 2021 (1 July 2020)	118,371	67,941
Transfer of profit after income tax expense	-	75,927
Dividends paid	(21,931)	(25,497)
Closing balance	96,440	118,371

Note 5. Dividends

Dividends paid

Dividends paid during the half-year were as follows:

	Half-year ended 31 Dec 2021 \$'000	Half-year ended 31 Dec 2020 \$'000
Final dividend paid for the 2020 financial year (3 cents per ordinary share)	-	10,913
Final dividend paid for the 2021 financial year (6 cents per ordinary share)	21,931	-
	21,931	10,913

Dividends not recognised at half-year end

On 17 February 2022, the Directors declared a 2022 fully-franked interim dividend of 2.5 cents per share (\$9,180,000), with a record date of 25 February 2022 and payable to shareholders on 18 March 2022, out of the dividend profit reserve.

Platinum Asia Investments Limited
Notes to the financial statements
For the half-year ended 31 December 2021

Note 5. Dividends (continued)

Franking credits

	31 Dec 2021 \$'000	30 June 2021 \$'000
Franking credits available at the balance date based at a tax rate of 30%	15,538	14,398
Franking (debits)/credits that will arise from the tax (receivable)/payable at balance date based on a tax rate of 30%	2,893	8,924
Franking credits available for future dividends based on a tax rate of 30%	18,431	23,322
Franking debits that will arise from the payment of dividends declared subsequent to the balance date based on a tax rate of 30%	(3,934)	(9,399)
Net franking credits available based on a tax rate of 30%	14,497	13,923

At 31 December 2021, the available franking credit balance after providing for the 2022 interim dividend would enable the payment of a fully-franked dividend up to 9.2 cents per share.

Note 6. Issued capital

Shares on issue as at 31 December 2021 (and 30 June 2021) were as follows:

	31 Dec 2021 Shares	30 June 2021 Shares	31 Dec 2021 \$'000	30 June 2021 \$'000
Ordinary shares – fully paid	367,185,616	365,522,941	356,222	354,293

Movements in ordinary share capital during the half-year were as follows:

Details	Date	Shares	\$'000
31 December 2021			
Balance	1 July 2021	365,522,941	354,293
Dividend reinvestment plan	16 Sep 2021	1,609,382	1,870
Reinvestment of unclaimed dividends (a)	8 October 2021	53,293	59
Balance	31 December 2021	367,185,616	356,222
31 December 2020			
Balance	1 July 2020	363,750,978	352,110
Dividend reinvestment plan	16 Sep 2020	820,449	920
Reinvestment of unclaimed dividends (a)	8 Oct 2020	35,229	39
Balance	31 December 2020	364,606,656	353,069

(a) Dividends that remain unclaimed after 6 months from payment date are automatically reinvested into additional shares in the Company.

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

Every member is entitled to one vote and upon a poll, each share shall have one vote.

Share buy-back

On 8 April 2021, the Company announced an on-market share buy-back program, in which shares will be bought-back, should the Board consider that such is in the interest of shareholders as a whole. No shares have been bought-back as at 31 December 2021.

Platinum Asia Investments Limited
Notes to the financial statements
For the half-year ended 31 December 2021

Note 7. Earnings per share

	Half-year ended 31 Dec 2021 \$'000	Half-year ended 31 Dec 2020 \$'000
Profit/(loss) after income tax attributable to the owners of Platinum Asia Investments Limited	(23,395)	58,199
	Number	Number
Weighted average number of ordinary shares used in calculating basic and diluted earnings per share	366,483,451	364,239,711
	Cents	Cents
Basic earnings per share	(6.38)	15.98
Diluted earnings per share	(6.38)	15.98

Note 8. Statement of post-tax Net Tangible Asset Backing (NTA)

Reconciling Net Tangible Asset backing (post-tax) in the statement of financial position to that reported to the ASX.

	As at 31 Dec 2021 \$'000	As at 30 June 2021 \$'000
Post-tax Net Tangible Asset backing per statement of financial position	427,994	471,391
Post-tax Net Tangible Asset backing as reported to the ASX	427,994	471,391

Note 9. Fair value measurement

Fair value hierarchy

AASB 13: *Fair Value Measurement* requires the Company to classify those assets and liabilities measured at fair value through profit or loss, using the following fair value hierarchy model (consistent with the hierarchy model applied to financial assets and liabilities at 30 June 2021):

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Unobservable inputs for the asset or liability.

The following table details the Company's assets and liabilities, measured or disclosed at fair value, using the three level hierarchy model.

As at 31 December 2021	Level 1 \$'000	Level 2 \$'000	Total \$'000
Assets			
Equity securities	367,504	8,868	376,372
Derivatives	-	25	25
Total assets	367,504	8,893	376,397
Liabilities			
Derivatives	8	336	344
Total liabilities	8	336	344

Platinum Asia Investments Limited
Notes to the financial statements
For the half-year ended 31 December 2021

Note 9. Fair value measurement (continued)

As at 30 June 2021	Level 1 \$'000	Level 2 \$'000	Total \$'000
Assets			
Equity securities	395,566	5,850	401,416
Derivatives	-	446	446
Total assets	395,566	6,296	401,862
Liabilities			
Derivatives	-	-	-
Total liabilities	-	-	-

Fair value of financial instruments not carried at fair value

The carrying value of trade receivables and trade payables are assumed to approximate their fair values.

Note 10. Investment Manager Fees

The Investment Manager receives a monthly management fee for investment services provided in accordance with the Investment Management Agreement. This Agreement provides for a management fee payable monthly and calculated at 1.1% (June 2021: 1.1%) per annum of the adjusted portfolio value (which includes cash and deposits).

A performance fee is payable at 15%, at 30 June, of the amount by which the portfolio's annual performance exceeds the return achieved by the MSCI (MSCI is the Morgan Stanley Capital International All Country Asia ex Japan Net Index in \$A). Where the portfolio's annual performance is less than the MSCI, the amount of the underperformance is aggregated, carried forward and deducted from the annual performance in the subsequent year before calculating any performance fee for that year. The aggregate underperformance is carried forward until a performance fee becomes payable.

For the 6 months to 31 December 2021, pre-tax performance of the portfolio was negative 6.78%³ and the corresponding MSCI was negative 7.53%. This represents an outperformance of 0.75% against the MSCI for the current half-year. Taking into account the aggregate underperformance of 3.48% from the prior periods, no performance fee has been accrued. A total aggregate underperformance of 2.73% will need to be made up before a performance fee will be payable.

Management fees and performance fees paid and payable for the half-year ended 31 December 2021 is shown below:

	Half year ended 31 Dec 2021 \$	Half year ended 31 Dec 2020 \$
Management fee expense	2,514,231	2,587,236
Management fees paid	2,573,354	2,527,518
Management fee payable	397,979	452,306
Performance fee expense	-	1,387,541
Performance fee paid	-	1,826,716
Performance fee payable	-	1,387,541

In the event of termination of the Agreement by the Company for convenience, the Investment Manager will be eligible to receive a termination fee equivalent to the management fee of 1.1% of the portfolio value (adjusted for any taxes paid/refunded, dividends paid and capital flows) and the performance fee (calculated as set forth above) if any, for the period from the first business day of the month in which termination is effective to the date which is the first anniversary of that date.

³ This figure represents the 6 month return of the "Portfolio Value" (as defined in of the Investment Management Agreement), which is defined as the aggregate value of each asset or investment of the Company's portfolio. This differs from the Company's 6 month pre-tax NTA return of negative 7.0% referred to in the Directors' Report, which also includes non-portfolio and non-investment related assets and liabilities.

Platinum Asia Investments Limited
Notes to the financial statements
For the half-year ended 31 December 2021

Note 11. Events after the reporting period

Apart from the dividend declared on 17 February 2022, as set out in Note 5 and the Directors' report, no other significant matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

Platinum Asia Investments Limited
Directors' Declaration
31 December 2021

In the Directors' opinion:

- the attached financial statements and notes, set out on pages 6 to 15, comply with the *Corporations Act 2001*, Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Company's financial position as at 31 December 2021 and of its performance for the half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to section 303(5)(a) of the *Corporations Act 2001*.

On behalf of the Directors



Margaret Towers
Chairperson



Ian Hunter
Director

17 February 2022
Sydney



Independent auditor's review report to the members of Platinum Asia Investments Limited

Report on the half-year financial report

Conclusion

We have reviewed the half-year financial report of Platinum Asia Investments Limited (the Company) which comprises the statement of financial position as at 31 December 2021, the statement of changes in equity, statement of cash flows and statement of profit or loss and other comprehensive income for the half-year ended on that date, significant accounting policies and explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Platinum Asia Investments Limited does not comply with the *Corporations Act 2001* including:

1. giving a true and fair view of the Company's financial position as at 31 December 2021 and of its performance for the half-year ended on that date
2. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report.

We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibilities of the directors for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement whether due to fraud or error.

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Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2021 and of its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

A handwritten signature in black ink, appearing to read 'PricewaterhouseCoopers', written in a cursive style.

PricewaterhouseCoopers

A handwritten signature in black ink, appearing to read 'CJ Cummins', written in a cursive style.

CJ Cummins
Partner

Sydney
17 February 2022