

## FACTS<sup>1</sup>

Market capitalisation	\$336.51 mn
Listing date	21 September 2015
Current share price	\$0.910
Current dividend yield	4.40%
Pre-tax NTA	\$1.0307
Post-tax NTA	\$1.0308
Maximum franked dividend	1.48 cps
Management fee:	1.10% p.a. (excl. GST) of portfolio value plus
Performance fee:	15.00% p.a. (excl. GST) of outperformance over benchmark (MSCI All Country Asia ex Japan Net Index (A\$)). Performance fees are calculated after recovery of any underperformance carried forward from prior periods.

## PERFORMANCE<sup>2</sup>

	1 month	3 months	6 months	CYTD	1 year	2 years p.a.	3 years p.a.	5 years p.a.	7 years p.a.	Since inception p.a.
<b>Company % (Pre-tax NTA)</b>	2.4	12.6	9.2	9.4	5.2	4.3	(2.6)	5.2	6.9	7.0
<b>MSCI %</b>	1.7	11.6	11.9	8.9	9.4	5.2	(1.7)	3.5	5.9	6.9

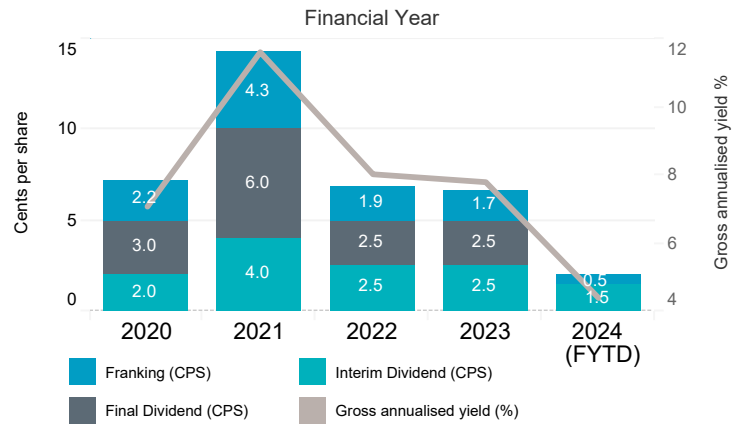
PAI's returns are calculated after the deduction of fees and expenses, adjusted for taxes paid and any capital flows and assume the reinvestment of dividends. PAI's returns have not been calculated using PAI's share price. Past performance is not a reliable indicator of future returns.

## INVESTED POSITIONS<sup>4</sup>

	LONG %	SHORT %	NET %	CCY %
<b>Asia-Pacific</b>	93.2		93.2	96.1
Australia				1.3
China	46.3		46.3	46.4
Hong Kong	1.7		1.7	3.0
India	5.0		5.0	5.2
Indonesia	4.4		4.4	4.5
Philippines	2.6		2.6	2.6
South Korea	15.0		15.0	15.1
Taiwan	8.8		8.8	8.8
Thailand	1.7		1.7	1.7
Vietnam	7.0		7.0	7.0
Other Asia-Pacific	0.6		0.6	0.6
<b>Europe</b>				0.4
Other Europe				0.4
<b>North America</b>				3.5
United States of America				3.5
<b>Sub-Total</b>	93.2		93.2	100.0
<b>Cash</b>	6.8		6.8	
<b>Total</b>	100.0		100.0	100.0

Long - 58 stocks, 1 swap

## HISTORY OF FULLY FRANKED DIVIDENDS (CPS)<sup>3</sup>



## TOP TEN POSITIONS<sup>5</sup>

STOCK	COUNTRY	INDUSTRY	%
Taiwan Semiconductor	Taiwan	Info Technology	7.8
Samsung Electronics Co	South Korea	Info Technology	5.7
SK Hynix Inc	South Korea	Info Technology	5.6
Vietnam Ent Investments	Vietnam	Other	4.8
ZTO Express Cayman Inc	China	Industrials	4.3
Tencent Holdings Ltd	China	Comm Services	4.0
JD.com Inc	China	Cons Discretionary	3.8
China Resources Land Ltd	China	Real Estate	3.5
Trip.com Group Ltd	China	Cons Discretionary	3.5
Ping An Insurance Group	China	Financials	3.1
<b>Total</b>			46.1

## INDUSTRY BREAKDOWN<sup>4</sup>

SECTOR	LONG %	SHORT %	NET %
Information Technology	19.9		19.9
Consumer Discretionary	19.2		19.2
Industrials	13.4		13.4
Real Estate	13.0		13.0
Financials	8.9		8.9
Communication Services	5.0		5.0
Consumer Staples	3.7		3.7
Materials	3.5		3.5
Health Care	1.8		1.8
Energy	0.1		0.1
Other	4.8		4.8
<b>Sub-Total</b>	93.2		93.2
<b>Cash</b>	6.8		6.8
<b>Total</b>	100.0		100.0

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1. Source: Platinum. The pre-tax NTA was calculated in accordance with Australian Accounting Standards, based on the fair value of all investments. The post-tax NTA is the pre-tax NTA after provision for tax on both realised and unrealised income and gains. The NTA is unaudited.

2. Source: Platinum for portfolio returns and Factset Research Systems for MSCI returns. The returns are calculated relative to the MSCI All Country Asia ex Japan Net Index in A\$. Past performance is not a reliable indicator of future returns. Platinum does not invest by reference to the weightings of the index. The index is provided as a reference only.

3. Shows dividends determined in respect of the relevant financial year. This information is historical. No guarantee is given about future dividends or the level of franking of such dividends.

4. The "Long %" is the exposure to long securities and long securities/index derivative positions, the "Short %" is the exposure to short securities and short securities/index derivative positions and the "Net %" is the total of the "Long %" and "Short %", each as a percentage of PAI's portfolio value. The "CCY %" is the effective currency exposure of PAI's portfolio as a percentage of its portfolio value, taking into account long and short securities, cash, forwards and long and short securities/index derivative positions. For the "Industry breakdown", index positions (whether through ETFs or derivatives) are only included under the relevant sector if they are sector specific, otherwise they are included under "Other".

4. and 5. Country classifications for securities reflect Bloomberg's "country of risk" designations, and currency classifications for securities reflect the relevant local currencies of the country classifications.

5. The "Top ten positions" show PAI's top ten long securities positions as a percentage of PAI's portfolio value (including long securities and long securities derivative positions). All data where MSCI is referenced is the property of MSCI Limited ("MSCI"). No use or distribution of this data is permitted without the written consent of MSCI. This data is provided "as is" without any warranties by MSCI. MSCI assumes no liability for or in connection with this data. Please see full MSCI disclaimer in <https://www.platinum.com.au/Special-Pages/Terms-Conditions>

## MARKET UPDATE AND COMMENTARY

- The Portfolio returned +2.4% for April 2024 and +5.2% for the rolling 12 months.
- This compares to the MSCI All Country Asia ex Japan Index (AUD) that returned 1.7% for April 2024.
- Our investments in China were the standout performers, contributing 3.5% to the monthly return.
- Even though the valuations in the Chinese market are back to GFC lows, we're very careful when selecting investments in China. We're looking for domestic champions with low levels of debt at compelling valuations.

### Performance Analysis\*

The Portfolio returned +2.4% for the month, compared to the index of +1.7%. PAF's Chinese holdings contributed 3.5% to the portfolio's monthly return, led by consumer and real estate stocks. We are very careful when selecting investments in China. We're looking for well-run companies with strong moats, low levels of debt and attractive valuations. We prefer domestically-focused companies like JD.com rather than export-focused companies because they are less susceptible to geopolitical tensions and tariff wars. Having said that, we also own world leading companies such as CATL. It manufactures the low-cost EV batteries that will be essential to reduce overall EV prices and therefor underpin further growth in the global EV market.

The top contributor to performance was Tencent Holdings, a Chinese internet and technology company that is the world's largest video game vendor and a leading social media company. The company's quarterly result boosted the market's confidence that the company is committed to improving shareholder returns, that the cyclical business is improving and the gaming division is turning around.

Online retailer JD.com is one of China's top three e-commerce platforms and has performed strongly over the past three months (share price up over 45% in HK dollars). JD.com benefits from the high level of online sales in China (30%). This compares to America where online sales are in the high teens and to Australia where online sales are only in the low teens. JD.com's revenue is derived from a domestic population, so again it largely insulated from any potential geopolitical escalation or tariff imposts.

Chinese real estate holdings have also contributed to performance. China's property market has been in the doldrums for the past few years, however we have seen the government recently announce stimulus measures targeted at the sector including urban village renovations and social housing programs. The key to the latest programs is that the government can buy excess housing inventory from developers to hold or rent out and/or buy housing in the secondary market to soak up inventory. The Portfolio's exposure to Chinese real estate is ~5%.

As at the end of April 2024, the Portfolio had a high net invested position, approximately 93%, comprising of no shorts and 7% cash. This reflects our high levels of conviction in the stocks in our portfolio and the very low valuations we are seeing in the region. This presents a very compelling investment opportunity for true long-term investors.

### An attractively valued portfolio

The Portfolio's aggregate valuation metrics are attractive in both an absolute sense and relative to the market, with a ~23% higher earnings yield and ~7% discount to book value (see table below). Platinum's contrarian investment process means we are focused on finding businesses that have better long-term growth prospects but are oversold or out of favour due to temporary setbacks and therefore have attractive valuations.

Metric	Platinum Asia Investments Limited	MSCI AC Asia Ex Japan Index (A\$)
<b>NTM Earnings Yield</b>	9.6 (Price to earnings ratio 10.4x)	7.8% (Price to earnings ratio 12.8x)
<b>NTM Dividend Yield</b>	3.1%	2.9%
<b>NTM Enterprise Value-to-Sales</b>	1.3x	1.5x
<b>LTM Price-to-Book Ratio</b>	1.4x	1.5x

The valuations in the table have been calculated by Platinum and for the Portfolio refer to the long portion of the portfolio, exclude negative net earnings and use FactSet consensus earnings. MSCI data is sourced from Rimes, FactSet and Platinum. As at 30 April 2024. NTM = next twelve months. LTM = last twelve months.

\*Source: Platinum. Contribution numbers are based on the total return of individual positions (in AUD) and are gross as they do not take into account the Portfolio's fees and costs (other than brokerage). **Past performance is not a reliable indicator of future returns.**