ARSN 658 996 251 | ASX Code: PGTX

Quarterly Investment Manager's Report

31 March 2023

Platinum®
GLOBAL TRANSITION FUND
(QUOTED MANAGED HEDGE FUND)

Platinum®
ASSET MANAGEMENT

Investment Update

Platinum Global Transition Fund (Quoted Managed Hedge Fund) (PGTX)

Jodie Bannan
Portfolio Manager

Liam Farlow
Portfolio Manager

Performance

(to 31 March 2023)

	QUARTER	6 MTHS	SINCE INCEPTION
PGTX	6.9%	8.1%	6.3%

* After fees and costs, before tax, and assuming reinvestment of distributions. Inception date: 1 July 2022 (Note. The Fund began investing on 1 July 2022 but was launched to investors on 15 February 2023).

Source: Platinum Investment Management Limited. Historical performance is not a reliable indicator of future performance.

See note 1, page 11.

In Brief:

- Key contributors to the Fund's performance during the quarter included Infineon Technologies, Kingspan and Samsung SDI.
- Our semiconductor holdings, ASML, Microchip and Taiwan Semiconductor Manufacturing, also provided a strong contribution to performance, reflecting overall strength in the sector.
- Since the Fund's inception in July 2022, we have gradually increased our exposure to equity markets, and at times, used single-stock and index shorts to minimise capital losses.
- The Fund currently has a net invested position of 72%, with 25% in cash and 3% in shorts.
- We can find many different ways to invest and make money across a variety of companies benefiting from the energy transition. However, like any capital investment cycle, we will see periods of overinvestment in certain markets and periods of underinvestment, and it is these cycles that we seek to take advantage of.

PGTX returned 6.9% for the quarter.[1]

The largest contributor to performance in the quarter was power semiconductor supplier **Infineon Technologies** (+33%), which rallied after releasing stronger-than-expected profit results as the auto and industrials end markets remain resilient. Other contributors included insulation panels supplier **Kingspan** (+25%), which gained on expectations that profits will be better than feared in a commercial real estate downturn, and battery producer **Samsung SDI** (+24%), which rose on strong growth in electric vehicle demand.

Our semiconductor holdings, **ASML** (+24%), **Microchip Technology** (+19%) and **Taiwan Semiconductor Manufacturing** (+19%) also rallied strongly following commentary from various management teams suggesting the first half of 2023 is likely to mark the bottom of the current downturn and conditions could progressively improve throughout the rest of the year.

Key detractors included **Nine Dragons Paper** (-17%), which was weighed down by recession fears and the potential impact on China's containerboard sector. Pulp producers **Suzano** (-11%) and **UPM-Kymenne** (-11%) also weakened on concerns of a downcycle in pulp and paper.

It is our view that to produce good absolute returns from investing in equities, it is critical to minimise the impact of large bear markets. We believe that long-term compound returns will likely be improved by avoiding a good portion of the downside during these periods. For this reason, since the Fund's inception in July 2022, we have gradually increased our exposure to equity markets, and at times, used single-stock and index shorts to minimise capital losses.

PGTX closed the quarter with a net invested position of 72%, with 25% in cash and 3% in shorts.

1 References to returns and performance contributions (excluding individual stock returns) in this PGTX report are in AUD terms, unless otherwise specified. Individual stock returns are quoted in local currency terms and sourced from FactSet Research Systems, unless otherwise specified.

Disposition of Assets

REGION	31 MAR 2023	31 DEC 2022
Europe	23%	17%
Asia	23%	19%
North America	18%	14%
Japan	5%	4%
Australia	4%	0%
Other	2%	2%
Cash	25%	46%
Shorts	-3%	-4%

See note 2, page 11. Numerical figures have been subject to rounding.
Source: Platinum Investment Management Limited.

Net Sector Exposures

SECTOR	31 MAR 2023	31 DEC 2022
Materials	25%	22%
Information Technology	24%	16%
Industrials	14%	11%
Energy	4%	4%
Utilities	4%	0%
Health Care	3%	0%
Consumer Discretionary	0%	0%
Other	0%	-3%
TOTAL NET EXPOSURE	72%	50%

See note 3, page 11. Numerical figures have been subject to rounding.
Source: Platinum Investment Management Limited.

Top 10 Holdings

COMPANY	COUNTRY	INDUSTRY	WEIGHT
Infineon Technologies AG	Germany	Info Technology	4.7%
MinebeaMitsumi Co Ltd	Japan	Industrials	4.6%
Samsung SDI Co Ltd	South Korea	Info Technology	4.2%
ASML Holding NV	Netherlands	Info Technology	4.1%
LG Chem Ltd	South Korea	Materials	4.1%
Contemporary Amperex	China	Industrials	4.0%
AGL Energy Ltd	Australia	Utilities	3.8%
Microchip Technology Inc	US	Info Technology	3.7%
Crown Holdings Inc	US	Materials	3.6%
Siemens AG	Germany	Industrials	3.5%

As at 31 March 2023. See note 4, page 11.
Source: Platinum Investment Management Limited.

For further details of PGTX's invested positions, including country and industry breakdowns and currency exposures, updated monthly, please visit https://www.platinum.com.au/Our-Products/All-Products/PGTX-Quoted-Managed

Commentary and Portfolio Positioning

While the Fund has been investing since July 2022, it was only launched to investors in February 2023. As such, this is the Fund's first quarterly report, and accordingly, we will devote our commentary to setting the scene, explaining our approach to investing, and providing some context to our overall portfolio positioning.

When people hear the words "energy transition", often the very obvious comes to mind - a shift away from fossil fuel-derived energy towards more renewables, like wind and solar. Perhaps it's about electric vehicles (EVs) or disruptors like Tesla? Maybe it's green hydrogen? There is a preconceived view that only a narrow set of companies will benefit from this transition, and consequently, it might be a crowded trade or quite a high-risk area to invest in.

The energy transition is a popular theme, but if investors focus on the very obvious beneficiaries of the transition, such as the companies that trade on high valuations or are loss-making and taking significant capital risk for highly uncertain returns, then we agree that this is not an attractive place to invest. These are the types of investments the Platinum Global Transition Fund (Quoted Managed Hedge Fund) will avoid.

Platinum's take on the transition is different with respect to the opportunity set. We believe this will be the largest capital investment cycle ever attempted; it will take decades to achieve and require trillions of dollars of investment every year. Replacing fossil fuels and all the supporting infrastructure we rely on every day is a globally accepted change that will have wide-reaching impacts on many different industries, component supply chains and geographies. The pace of change will also vary depending on the level of readiness for each country, government transition policies, and government support, and it will be hard to do because it is a significant engineering challenge.

Decarbonising electricity generation through investment in solar and wind is an immediate focus, but these solutions alone will not get us where we need to be. We will need new sources of energy storage, including batteries and hydrogen, and electricity grids will need to be upgraded to integrate more renewables. We will continue to rely on sources of baseload power, including nuclear and natural gas, for a long time yet, and we should expect continued investment in these areas too.

Electrifying transport through the production of EVs and other areas of mobility is underway, and it is happening much faster than expected in some parts of the world. However, this shift requires significant investment in the production of raw materials, such as copper, nickel and lithium, and component parts, including batteries, electric motors, power semiconductors, sensors and charging infrastructure. We will need automation and robotics to build more energy-efficient mines, manufacturing plants to produce these inputs, and components for the final assembly of the vehicles.

We can find many different ways to invest and make money across a variety of companies benefiting from this change. However, like any capital investment cycle, we will see periods of overinvestment in certain markets and periods of underinvestment, and it is these cycles that we seek to take advantage of. As the transition will span decades, we can also afford to be patient and wait for favourable entry points. It will not be a linear change. The best opportunities are in the less obvious or overlooked companies, and identifying points of inflection early allows us to invest at attractive valuations.

Our investments in battery companies are a case in point. The second half of last year presented us with a good opportunity to invest in Korean battery producers **LG Chem** and **Samsung SDI**.[2] In our view, the market was concerned that a recession would see consumers pull back on purchasing discretionary items like cars and that the energy crisis in Europe would permanently impact European manufacturing, including the automotive sector. In our assessment, investors were anticipating that investment in EVs would also slow down. However, the automotive manufacturers never signalled any intent to do so because a pause in capital investment means not selling EVs in two to five years' time. The US Inflation Reduction Act[3] also provided a substantial tailwind for the pace of change in North America. The automotive industry is highly competitive, and if peers continue to invest, then the risk of not following suit could mean a significant loss of market share, notwithstanding a recession.

2 For more on how batteries are enabling the energy transition, see our video: https://www.platinum.com.au/Insights-Tools/The-Journal/Batteries-Enabling-the-Energy-Transition

3 The Inflation Reduction Act includes large investments in fighting climate change, making health care and prescription drugs more affordable, and taxing wealthy corporations. Source: https://www.whitehouse.gov/briefing-room/statements-releases/2022/08/15/by-the-numbers-the-inflation-reduction-act/

Near-term earnings risks have not abated, but by taking a longer-term view, we believe that the demand for batteries is likely to continue to grow very fast as not only passenger vehicles become electrified but also the need for energy storage in many industrial end markets, grid stabilisation and increasingly, people's homes. There are only a few battery companies with the scale capable of benefiting from this long runway of growth ahead, and yet LG Chem and Samsung SDI could be bought at valuations below 20x forward earnings.[4]

China's Contemporary Amperex Technology Co. Limited (**CATL)** was not, in our view, attractive to own in 2022, as it was trading on 40x forward earnings. It might be the largest battery producer in the world, but the risks associated with this investment are not too dissimilar from investing in Korean producers. It paid to be patient, and likewise, we were able to invest in CATL at a more attractive 20x forward earnings earlier this year as there was a temporary fall in Chinese EV sales. CATL is a company expected to grow earnings by nearly 30% per year for the next few years.[5] There will be moments in time when investors become overly enthusiastic about a company's future earnings prospects and bid them up to high valuations, but sentiment can also change very quickly if near-term momentum fades and investors shy away from owning them.

It is these fears over shorter-term setbacks that present great investment opportunities, and we were likewise able to build positions in EV component companies, including power semiconductor supplier **Infineon Technologies** and factory automation and software supplier **Siemens**, which is benefiting from the substantial build-out in battery and EV manufacturing capacity.

Another opportunity that presented itself as a result of a shorter-term setback was our recent investments in aluminium can producers **Ball** and **Crown**. Over the last four years, the beverage can industry has experienced a revival, with growing trends to replace plastic with more sustainable packaging. Aluminium is considered a great substitute because >70% of cans produced are already recycled today,[6] which helps consumer goods companies meet their goals of using more recyclable packaging. A structural inflection in demand growth was then amplified by COVID, driving more at-home beverage consumption.[7]

4 Source: All earnings multiples (P/Es) quoted in this report are sourced from FactSet Research Systems.

5 Source: Consensus earnings from FactSet.

6 World Aluminium, International Aluminium Institute statistics.

7 Source: Beverage can industry data and company commentary.

The beverage can industry is highly consolidated, with three large companies accounting for ~80% of the market.[8] All three producers were capacity-constrained and encouraged by their customers to invest in production to meet growing demand. However, a rapid expansion in industry capacity then coincided with the emergence of high inflation and decisions by beverage customers (i.e. Pepsi, Coca-Cola) to push through higher prices to consumers at the expense of volume. Demand for cans collapsed just as new capacity was being launched; producer profit margins were squeezed, and share prices fell between 30-40%.[9] While the 'new normal' level of growth and profitability remains uncertain, all three can producers have since scaled back capacity expansion plans,[10] and profitability is likely to improve in the coming months as inflation eases. Higher free cash flow generation should allow for a deleveraging of balance sheets and an increase in shareholder distributions. We believe the share price correction in Ball and Crown more than compensated for the risk, and our recent investment offers exposure to a growing structural trend for more sustainable packaging.

The opportunities to invest in the energy transition are enormous and considerably broader than many may think. As always, though, valuations are key, and investors need to be wary of jumping on the much-hyped opportunities. At Platinum, we take a long-term view; we are patient and look for opportunities where others may not. This same process applies to the Platinum Global Transition Fund (Quoted Managed Hedge Fund), and we look forward to sharing our insights and portfolio updates as this exciting sector grows and evolves.

8 Aluminium can company reports.

9 Source: FactSet Research Systems.

10 Source: Company announcements.

Macro Overview: The 'Out of Favour' and Areas of Significant Change Offer Opportunity

by Andrew Clifford, Co-Chief Investment Officer

CEO and Co-CIO Andrew Clifford sat down with Head of Investment Specialists (Retail) Dean McLelland in late March to share his thoughts on the stability of the global banking system, interest rates, the state of play in Europe and China's reopening - and what they all mean for the markets in 2023 and Platinum's portfolios. An edited transcript of the conversation is below.*

DM: Banks were the biggest news during the quarter and while many people have heard of Credit Suisse, Silicon Valley Bank in the US was probably not a household name until quite recently. How are you thinking about the stability of the financial system and the likely economic impacts?

AC: I'd like to start by revisiting what we've been saying about the investment environment that we're in. Interest rates have been going up for a year now, and the US Federal Reserve (Fed) has been unwinding its quantitative easing, so this is a completely different investment environment from the one that we've been in for the last decade.

When you have tight monetary policy, this is when financial accidents occur, and Silicon Valley Bank (SVB) and Credit Suisse are not the first of those. We have to remember that last year there was a big scare around UK pension funds, which was thankfully averted, and there was also the collapse of the crypto exchanges. Ultimately, when money is tight, whether that's through higher interest rates or less availability of credit, that's when things become exposed. That's what occurred with SVB, and it reflects the way the US banking system operates.

I think the important thing to take away from this is that people are worried about whether there are going to be further bank collapses and how this will flow through to the economy. While SVB's depositors have been rescued, we can't confidently say that the problems in the US banking sector have been resolved. However, the US is experienced in handling bank failures, they have lots of small bank collapses all the time, and the formula they've rolled out for SVB is a standard approach.

However, even if we do move beyond this, it has made the tight money situation even worse. Regional banks in the US have made lots of investments in 30-year fixed interest securities at 1.5% or 2%, and now their cost of money, which they pay on much shorter time frames, has risen substantially and is much higher than that, so they're losing money on an ongoing basis. When banks are in this situation, whether they survive it or not, and I think they will largely survive it, they will be even more restrictive in their lending. We're already seeing that in the loan surveys from the regional banks in the US. Regional banks are a really important part of business lending; they represent more than half of commercial real estate loans, and they play a large part in small business lending. The outcome of the collapse of SVB reinforces the very difficult environment the economy and markets are in.

* The full interview is available in audio format on The Journal page of our website https://www.platinum.com.au/Insights-Tools/The-Journal. Interview was recorded on 29 March 2023.

DM: Do you think central banks will reverse course and start cutting rates from here?

AC: This current banking crisis is predominantly a US phenomenon, and the Fed is in a really difficult position. While there are plenty of signs that inflation is peaking and that the economy is on the cusp of slowing down, it hasn't actually happened yet. The labour market is still strong, wages continue to grow quickly and used car prices, which was a crazy market through COVID where used cars became incredibly expensive, then the prices rolled over, are now rising again. I think that the difficulty here is if the Fed cuts rates in response to the banking crisis but inflation doesn't settle down, all sorts of unexpected consequences can play out, like yields on 30-year or 10-year bonds rising rather than falling. Ultimately, when we are thinking about the investment environment, even if rates do peak at current levels and central banks start to cut, that difficulty in obtaining credit is going to be with us for some time. It takes 12-18 months for rate increases to flow through to the economy, and it's only been a year since the first interest rate increase. We still have all the rate increases over the course of 2022 and the first quarter of this year to really take effect. Yes, central banks may reverse course but I'm not sure that will bring the economy or investors any immediate joy.

DM: Moving to Europe, Credit Suisse aside, perhaps the financial system appears more resilient than what we see in the US and perhaps here in Australia as well, but there is still a war going on, and the energy crisis, while it wasn't as bad as many feared, certainly hasn't been resolved. How are you thinking about Europe?

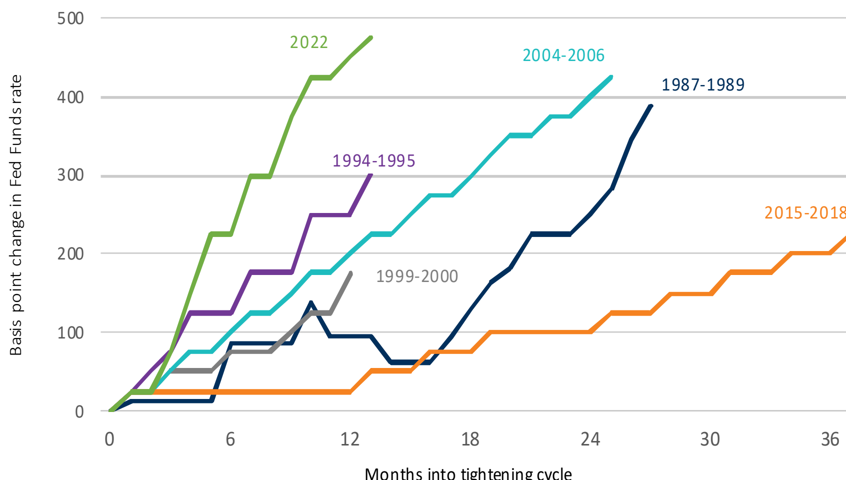
AC: The banking systems in Europe and elsewhere are different to the US, with the latter dominated by fixed 30-year mortgages. By and large, most other countries are dominated by variable-rate mortgages, even if they're fixed for two or three years. This means the banking systems elsewhere, and certainly in Europe, don't take on that interest rate risk. The transmission mechanism will therefore be different because it will be the homeowners with a mortgage and businesses that have borrowed money who will be hurt rather than in the US, where it's the banks that will pay the price for taking that risk. The potentially worrying thing is if there is a significant downturn, where the banks will be hurt elsewhere in the world as borrowers start to struggle to pay off their loans. I think the remarkable thing about Europe is that we've had a war there for over a year now and a huge increase in energy prices at the start of 2022, but yet that economy has remained incredibly robust. There has been no major pickup in unemployment, and economic growth is still positive, even though some industries that rely on gas have had to close down. There was a bit of luck involved, with large parts of the northern hemisphere experiencing a warmer-than-normal winter and China's economy being very slow, which allowed Europe to source alternative gas much more easily than expected. Europeans have responded to the higher energy prices by cutting consumption. At the moment, gas storage is filling up very quickly, so we're partway through resolving that, but we are also in the hands of the weather. In summary, despite what they experienced with soaring energy prices early in 2022, the economy still managed to perform remarkably well.

DM: With the Chinese economy reopening and the market recovering remarkably at the end of last year, China has been largely out of the spotlight in the first quarter of this year. How are you seeing the Chinese economy and market at the moment?

AC: There were a lot of negatives that lined up against China in recent years. First of all, there were a number of economic reforms that caused significant uncertainty in the business community. Some people will talk about the crackdown on the technology sector, but it was really a regulatory reform of that sector. We also saw policy mistakes in trying to control property prices that led to the property market crashing. There were the COVID lockdowns, and of course, the US was also imposing sanctions and tariffs on the country. So, it's been a very difficult environment, and from there, we only have one way to go. The easiest one to tackle was the end of the lockdowns, and data on people's mobility shows a return to normal levels. Overseas travel hasn't returned to pre-COVID levels, as there are apparently shortages in approving visas, but all of the reopening activities that we've seen elsewhere are starting to happen in China.

Financing has been provided to the property sector to ensure developments get completed, and we have seen a strong rebound in property sales in the larger cities - not back to the levels they were, but a very substantial bounce from the bottom, and there has even been a slight uptick in property prices. That all bodes well for the economy. Some shorter-term observations are that consumer spending is not yet experiencing the same bounce back in ferocity that we saw in other places after they reopened from COVID lockdowns, so it would seem there's still some degree of caution amongst consumers at the moment, but I think that is simply a question of time. Lastly, the government has signalled very clearly that their work on regulatory reform around e-commerce is now complete, so we expect confidence to start to build. After a period of absence, Jack Ma recently returned to China, and symbolically, I think that's a very positive development for the business community. There was also the announcement about Alibaba splitting up its business into six different units.

Fig. 1: US Interest Rate Tightening Cycles



Source: Evercore ISI Research.

DM: So, there has been a lot of improvement in economic fundamentals, but it still feels like the sentiment towards investing in China has not rebounded in the same way, would that be fair?

AC: I think that's right. It's very clear that people are still cautious about China. You can't go from many commentators calling this market uninvestable to a bull market, so undoubtedly, there's a lot of caution, and I think the pattern of coming out of any bear market is that it takes time before the concerns that drove share prices lower are peeled away. I would expect that as we go through the year and we see companies reporting better sales and profits, people will gradually come back to the market, and ultimately, what will bring people back is if China has a good year this year. I have no doubt that those who were calling it uninvestable will, by and large, return and invest in that market.

DM: There are a lot of different economic and geopolitical concerns still at play, can you bring them together in terms of your outlook for major markets?

AC: What's been interesting in the last couple of quarters is the relatively poor performance of the US market; meanwhile, many European markets are not far from their all-time highs, and China has had a very good bounce off the bottom. The question that is debated on the front pages in the US is whether the bear market has finished. While we've had a good bounce from the lows of 2022, I believe it's likely there is more downside to come. This has been the biggest increase in interest rates we have experienced in the last 40-odd years, and it's the fastest increase in interest rates we've seen by a very long way (see Fig. 1). The reason I would be worried about the general level of the US market is that interest rates have a very clear relationship with corporate earnings, and when we have rate increases like these, corporate earnings will be very weak, and invariably, that leads to a weak US stock market. Whereas I think China is in a completely different cycle, and Europe, again, is in its own cycle. Having said that, I think that for investors to overly focus on the headline levels of markets really misses the point. There are huge divergences within countries and sectors, and there are companies or industries that have already been sold down heavily, and that's where opportunities lie. While I do think there's more to go in this bear market, I continue to see 2023 as a year of opportunity for investors.

DM: Where are you seeing these opportunities?

AC: We focus our search for opportunities in two key areas. One area is in those companies, industries and countries that are out of favour, where investors' cognitive biases tend to lead them to be too focused on recent events. The other set of opportunities is where there's a lot of change going on, whether it's regulatory, technological or in the competitive environment. There are some really big changes going on in the world today, most notably that the global economy needs to undergo a massive investment cycle to decarbonise, and that is presenting a huge array of opportunities. The opportunity set here is much broader than many people think. Electric cars, wind turbines, solar panels and wind farms are often what most people think of, but really, there's a huge number of companies that will benefit, for example, companies that make semiconductors for electric vehicles or solar panels. There will be opportunities in commodities in a range of areas, and again, people think of lithium and copper, but something like pulp, traditionally just used to make paper, is going to be needed to replace plastics, and there are some really interesting

activities that come out of making pulp that present opportunities from decarbonisation.[1]

Since COVID, there have been concerns about the reliance on China and the desire for companies to reshore their production or diversify their production bases. That gives rise to opportunities in a lot of different ways, such as relocating those factories to developed markets, which will need high levels of automation on account of the higher labour costs, so companies that provide that sort of equipment stand to benefit. In the developing markets, countries like Thailand and Vietnam are already benefiting from the huge move of production to their shores, creating investment opportunities.

There is also China, which we've already discussed at length; it is still deeply unloved but also fits into this idea of change. China is a leader in so many areas around leading-edge technology. The whole decarbonisation effort will heavily rely on China.

Finally, the shift in interest rates will have long-term impacts on particular types of businesses or companies that go beyond just the first-order effect. Banks that have strong deposit franchises, for example, should do much better in a higher interest rate environment because previously they were gaining no benefit from their deposit franchises, while insurance companies will get better returns on the investment of their floats (the money they hold onto from the time customers pay their insurance premium until they make an insurance claim). Alternatively, in areas where there is significant competition from start-ups, a lot of venture capital money will be withdrawn, and these start-ups are going to have to become profitable. In the banking sector, lots of neobanks (online banks with no physical branch networks) are falling by the wayside, and e-commerce businesses now need to break even. They're not going to get more money for many ventures. Many will fail, and those who are left standing will potentially have won the land grab and developed very valuable businesses.

In summary, while it's easy to get caught up in the doom and gloom printed in the headlines, there are a lot of opportunities for investors in this market, and that is what we are focusing on.

1 Portfolio manager Jodie Bannan discusses how wood pulp is being used to produce sustainable packaging alternatives to plastic and also lower CO_2-emitting biofuels and bioplastics in this short video: https://www.platinum.com.au/Insights-Tools/The-Journal/Video-Investing-for-Net-Zero

MSCI Regional Index
Net Returns to 31.3.2023 (USD)

REGION	QUARTER	1 YEAR
All Country World	**7.3%**	**-7.4%**
Developed Markets	**7.7%**	**-7.0%**
Emerging Markets	**4.0%**	**-10.7%**
United States	**7.6%**	**-8.9%**
Europe	**10.4%**	**1.4%**
Germany	14.7%	2.2%
France	14.6%	8.8%
United Kingdom	6.1%	-0.8%
Italy	14.7%	9.1%
Spain	15.7%	11.9%
Japan	**6.2%**	**-5.2%**
Asia ex-Japan	**4.3%**	**-8.9%**
China	4.7%	-4.7%
Hong Kong	-2.4%	-5.3%
Korea	9.6%	-14.4%
India	-6.4%	-12.2%
Australia	2.8%	-9.2%
Brazil	-3.2%	-18.7%

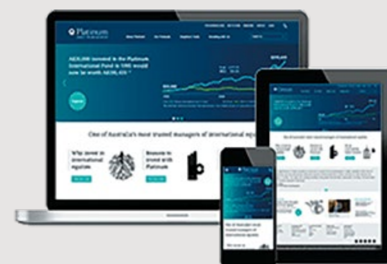
Source: FactSet Research Systems.
Total returns over time period, with net official dividends in USD.
Historical performance is not a reliable indicator of future performance.

MSCI All Country World Sector Index
Net Returns to 31.3.2023 (USD)

SECTOR	QUARTER	1 YEAR
Information Technology	20.4%	-7.5%
Communication Services	17.2%	-15.5%
Consumer Discretionary	14.2%	-12.1%
Industrials	6.7%	-1.3%
Materials	5.3%	-9.4%
Consumer Staples	3.4%	0.6%
Real Estate	0.5%	-19.8%
Utilities	-0.7%	-6.4%
Financials	-1.5%	-10.8%
Health Care	-1.7%	-4.1%
Energy	-3.1%	6.5%

Source: FactSet Research Systems.
Total returns over time period, with net official dividends in USD.
Historical performance is not a reliable indicator of future performance.

The Journal



Visit https://www.platinum.com.au/Our-Products/All-Products/PGTX-Quoted-Managed to find a repository of information about the Platinum Global Transition Fund (Quoted Managed Hedge Fund) (PGTX), including:

- NAV history and intra-day iNAV
- Distribution history and the Distribution Reinvestment Plan
- ASX releases and financial statements
- Monthly updates on performance, portfolio positioning and top 10 holdings.

You can also find a range of thought-provoking articles and videos on our website. For ad hoc commentary on the latest market trends and investment themes, look up **The Journal** under **Insights & Tools**. If you find yourself short on time to read our in-depth reports and articles, check out our brief market updates in **video** format, or have a listen to our **audio podcasts**.

Recent highlights include:

- **2023 Investor Presentation: Thinking Differently - What the Market has Overlooked and how 2023 is the Year of Opportunities.**[1] A video of Platinum's recent 2023 investor and adviser presentation is now available for viewing. Co-CIO Andrew Clifford provides an update on Platinum's performance and positioning, and our panel of portfolio managers Nik Dvornak, Cameron Robertson and Jodie Bannan discuss four key opportunities Platinum is investing in.
- **Article - Why Today's Headwinds Have Accelerated a Multi-Generational Shift.**[2] The energy transition is rapidly accelerating. Portfolio managers Jodie Bannan and Liam Farlow outline why the opportunity is too good to ignore and compelling investments they are currently seeing.
- **Video – Platinum Global Transition Fund (Quoted Managed Hedge Fund) Launched Today.**[3] The transition away from fossil fuel-derived energy creates multiple investment opportunities – from the electrification of transport to power generation, energy storage, and packaging - just to name a few! Portfolio managers Jodie Bannan and Liam Farlow chat with Dean McLelland about areas they are investing in.
- **Video - A Reality Check for Tech?**[4] After two years of excess and bubble-like valuations, the tech sector suffered a significant setback in 2022. While valuations are looking more attractive, will we finally see a return to investors valuing tech companies based on the strength of their business models and long-term potential earnings power rather than hype? Portfolio managers Alex Barbi and Jimmy Su share their insights and where Platinum is finding opportunities in tech.

1 https://www.platinum.com.au/Insights-Tools/The-Journal/2023-Investor-Presentation
2 https://www.platinum.com.au/Insights-Tools/The-Journal/Why-Today-s-Headwinds-Have-Accelerated-a-Multi-Gen
3 https://www.platinum.com.au/Insights-Tools/The-Journal/Video-Platinum-Launches-Global-Transition-Fund
4 https://www.platinum.com.au/Insights-Tools/The-Journal/A-Reality-Check-for-Tech

Notes: Unless otherwise specified, all references to "Platinum" in this report are references to Platinum Investment Management Limited (ABN 25 063 565 006 AFSL 221935).

"PGTX" refers to the Platinum Global Transition Fund (Quoted Managed Hedge Fund) (ARSN 658 996 251, ASX Code: PGTX).

Risk warning: By investing in companies involved in manufacturing or resource extraction, PGTX will not by its nature be a low carbon emissions portfolio relative to the broader listed global equity market and may have investments in companies that currently have material fossil fuels businesses.

Some numerical figures in this publication have been subject to rounding adjustments. References to individual stock or index performance are in local currency terms, unless otherwise specified.

1. PGTX's returns are calculated by Platinum using PGTX's net asset value unit price (i.e. excluding the buy/sell spread) and represent the combined income and capital returns over the specified period. PGTX's returns are net of fees and costs, pre-tax, and assume the reinvestment of distributions. The investment returns shown are historical and no warranty is given for future performance. Historical performance is not a reliable indicator of future performance. Due to the volatility in PGTX's underlying assets and other risk factors associated with investing, investment returns can be negative, particularly in the short term.
2. The geographic disposition of assets (i.e. other than "cash" and "shorts") shows PGTX's exposures to the relevant countries/regions through its long securities positions and long securities/index derivative positions, as a percentage of its portfolio market value. Country classifications for securities reflect Bloomberg's "country of risk" designations. "Shorts" show PGTX's exposure to its short securities positions and short securities/index derivative positions, as a percentage of its portfolio market value. "Cash" in this table includes cash at bank, cash payables and receivables and cash exposures through long derivative transactions.
3. The table shows PGTX's net exposures to the relevant sectors through its long and short securities positions and long and short securities/ index derivative positions, as a percentage of its portfolio market value. 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. The table shows PGTX's top ten positions as a percentage of its portfolio market value taking into account its long securities positions and long securities derivative positions.

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