5 August 2022

The Manager
ASX Market Announcements
Australian Securities Exchange Limited
Sydney NSW 2000

Monthly Net Tangible Asset Update

The unaudited **pre-tax** net tangible asset (***pre-tax NTA***) backing per share of Platinum Asia Investments Limited (***PAI***) as at 31 July 2022 was $1.0044 per share (as at 30 June 2022 was $1.0566).

The unaudited **post-tax** net tangible asset (***post-tax NTA***) backing per share of PAI as at 31 July 2022 was $1.0357 per share (as at 30 June 2022 was $1.0730).

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.

At 29 July 2022, the PAI share price was $0.895.

The 31 July 2022 monthly update is attached to this announcement. For more information in relation to PAI please refer to the website at:

www.platinum.com.au/Our-Funds/Platinum-Asia-Investments-Limited

Authorised by
Joanne Jefferies | Company Secretary

Investor contact
Elizabeth Norman | Director of Investor Services and Communications
Platinum Investment Management Limited
Tel: 61 2 9255 7500
Fax: 61 2 9254 5555

Platinum Asia Investments Limited ASX: PAI

MONTHLY REPORT **31 July 2022**

FACTS

Portfolio value	$370.26 mn
Portfolio commenced	15 September 2015
Current share price	$0.895
Current dividend yield	9.50%
Pre-tax NTA	$1.0044
Post-tax NTA	$1.0357
Maximum franked dividend	10.79 cps
NTA retained earnings & div profit resv.	4.37 cps

FEES

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$))

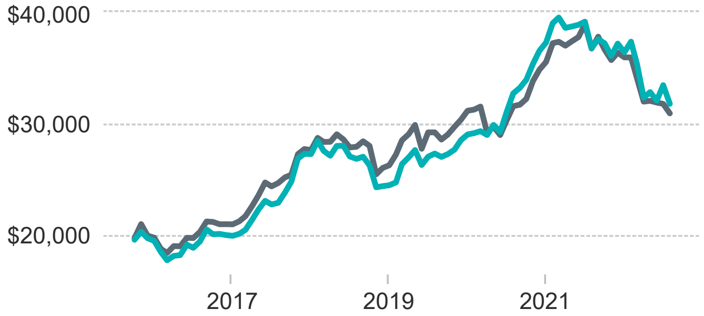
*The portfolio value is the market value of the investments in the portfolio after the deduction of fees and expenses, adjusted for taxes, corporate actions and dividends.

PERFORMANCE [1]

	Company % (Pre-tax NTA)	MSCI %
1 month	(5.0)	(2.6)
3 months	(3.2)	(3.5)
6 months	(14.8)	(13.8)
Calendar year to date	(12.6)	(13.8)
1 year	(13.5)	(15.7)
2 years (compound pa)	(1.4)	(1.0)
3 years (compound pa)	5.1	1.9
5 years (compound pa)	6.7	4.6
Since inception (compound pa)	7.0	6.6

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.**

PERFORMANCE GRAPH [2]



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.**

PAI (Pre-tax NTA)	59.6%
MSCI	55.3%

INVESTED POSITIONS [3]

	LONG %	SHORT %	NET %	CCY %
Asia-Pacific	88.3	(1.1)	87.2	89.7
China	46.8		46.8	46.5
Hong Kong	4.0		4.0	6.6
Taiwan	5.5		5.5	5.5
India	10.4	(1.1)	9.2	9.5
Indonesia	0.5		0.5	0.5
Macao	1.5		1.5	1.5
Philippines	1.8		1.8	1.8
Singapore	1.4		1.4	1.5
South Korea	10.3		10.3	10.2
Vietnam	6.0		6.0	6.0
North America				10.3
United States of America				10.3
Sub-Total	88.3	(1.1)	87.2	100.0
Cash	11.7	1.1	12.8	
Total	100.0		100.0	100.0

Long - 59 stocks, 1 swap Short - 1 swap, 1 index

TOP TEN POSITIONS [4]

STOCK	COUNTRY	INDUSTRY	%
Taiwan Semiconductor	Taiwan	Info Technology	5.0
Samsung Electronics Co	South Korea	Info Technology	4.5
ZTO Express Cayman Inc	China	Industrials	4.5
InterGlobe Aviation Ltd	India	Industrials	4.4
Vietnam Ent Investments	Vietnam	Other	4.3
Ping An Insurance Group	China	Financials	3.9
Tencent Holdings Ltd	China	Comm Services	3.8
SK Hynix Inc	South Korea	Info Technology	3.3
China Resources Land Ltd	China	Real Estate	3.2
Alibaba Group Holding Ltd	China	Cons Discretionary	3.0
		Total	39.8

INDUSTRY BREAKDOWN [3]

SECTOR	LONG %	SHORT %	NET %
Consumer Discretionary	19.6		19.6
Information Technology	15.7	(1.1)	14.6
Industrials	13.0		13.0
Real Estate	12.6		12.6
Financials	11.0		11.0
Communication Services	3.8		3.8
Materials	3.8		3.8
Consumer Staples	3.7		3.7
Health Care	0.7		0.7
Energy	0.1		0.1
Other	4.3		4.3

1. & 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$. The investment returns in the line graph are cumulative on A$20,000 invested in PAI since inception. **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. 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 exposure to long and short securities and long and short securities/index derivative positions, each as a percentage of PAI's portfolio value. The "Currency %" 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".

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

4. 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).

Platinum Asia Investments Limited ASX: PAI

MONTHLY REPORT 31 **July** 2022

Platinum ASSET MANAGEMENT

MARKET UPDATE AND COMMENTARY

- Weak performance in July, once again reflecting concerns on China.
- Chinese property development concerns are exaggerated - in our view.

Performance was weak in July, with our Chinese tech holdings (particularly Tencent and Alibaba) and our Chinese property development stocks key detractors. Positive contributors for the month were mixed by industry across China, South Korea and India (with notable performers including Estun Automation, LG Chem and Macrotech Developers). A short position against India's Nifty index also contributed positively.

China's property "crisis"

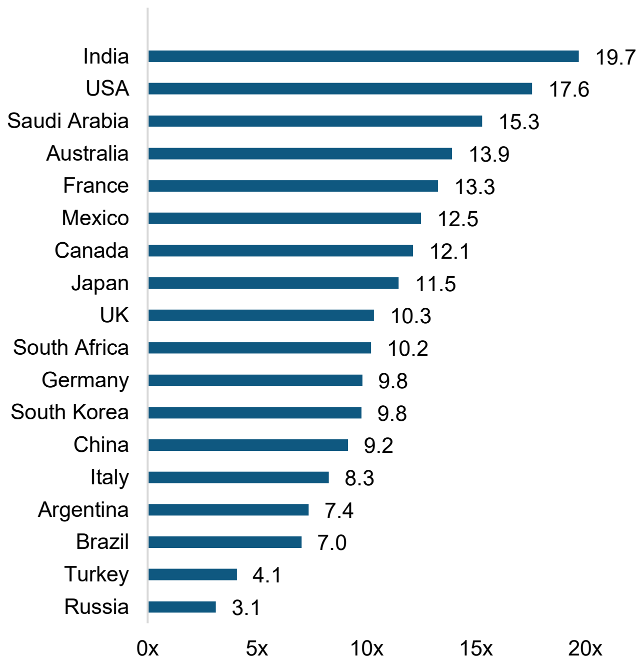
Once again, Western media is replete with stories of China's "property crisis". These are exaggerated, in our view. China embarked on a program of regulation designed to prevent speculation in property at least six years ago, summarised by Chinese President Xi Jinping's motto "a house is for living in, not speculating on", which he said toward the end of 2016 (Source: South China Morning Post). More recent reform efforts have been designed to curtail the activities of highly indebted property developers under China's "three red lines" guidelines. These guidelines are all related to the level of gearing that Chinese property developers can take on.

The central government has embarked on what we would characterise as a controlled demolition of small, highly geared property developers and is seeking to break the nexus between local property developers and local officials who raise revenue by selling land for development. This is disruptive. It is not a crisis. We would ask readers to look at the share prices of the better-quality Chinese property developers, such as China Resources Land or China Overseas Land & Investment – these have risen over the past year and are far from indicating distress. These are businesses with long track records of high returns on capital, under-leveraged balance sheets and a colossal runway of growth over decades, in our opinion, as China continues to urbanise.

There is a common belief that China has grossly overbuilt apartments and that there are ghost towns everywhere. We ask readers to consider the following facts. Over the past 20 years, China has completed residential construction of 11,015 million square metres (sqm). That is roughly 124 million apartments of 89sqm size, noting that 70 per cent of apartments in China need to be smaller than 90sqm by law (Source: CLSA). Assuming a household size of three people, those apartments are now housing around 371 million people, versus China's urban population of 848 million in 2019 (Source: State Council of the People's Republic of China). That means there are almost half a billion people living in properties of greater than 20 years of age – and China only started building modern housing when it liberalised the housing market in the 1990s. The older housing stock is of extremely poor quality, often with shared bathrooms and kitchens between multiple apartments. Further, China's urbanisation rate of 61% compares to 81% in South Korea and 92% in Japan (Source: World Bank). As such, we expect urbanisation to continue for several decades in China.

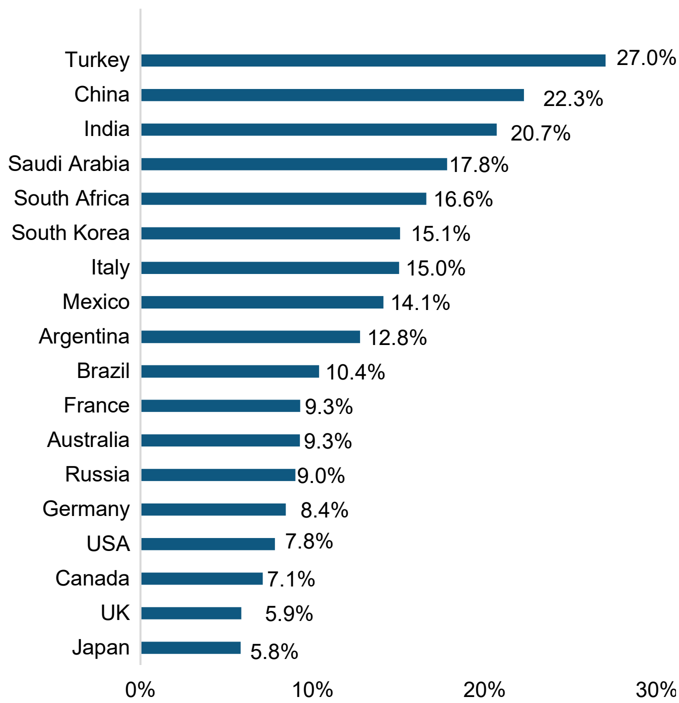
In the near term, the Chinese government is likely to step in to alleviate the distress of mortgagees who have drawn down mortgages for unfinished properties with developers who are in distress. However, government officials seem reluctant to let either mortgagees or banks fully off the hook as they seek to avoid moral hazard, even as they consider deploying some US$148 billion to alleviate the worst of the distress for mortgagees in particular (Source: Financial Times). Asian markets remain characterised by rapid earnings growth and reasonable multiples. The past month has seen equity investors flock back to familiar territory in US tech stocks as US 10-year bond yields have fallen. We continue to see far more value and potential in our holdings in Asia than is apparent in crowded sectors such as US tech and consumer.

Major market price-earnings ratios - Next 12 months



Source: Chart 1 – IBES consensus, in local currency. Correct as at 4 August 2022.

Earnings per share growth - Next 12 months



Source: Chart 2 – IBES consensus, in local currency. Correct as at 4 August 2022.