

# Annual General Meeting

27 October 2020

# Statutory accounts

- ◆ For the financial year ended 30 June 2020, the Company made a statutory pre-tax operating profit of \$55.3m and a post-tax operating profit of \$38.6m.
- ◆ The profit is a direct result of the outstanding investment returns achieved for the year ended 30 June 2020.



# Investment performance

as at 30 June 2020

- ◆ The Company's overall investment return for the 2020 financial year was 14.6%. This investment return is very pleasing, in both an absolute sense and when compared to the 3.6% return for the MSCI AC Asia ex Japan Net Index (\$A).
- ◆ Key factors:
  - COVID-19 and resultant lock downs led to a steep sell-off in equity markets during March 2020.
  - The Company was well positioned for the market bounce in April 2020.



# Investment performance

as at 30 June 2020

Period	Pre-Tax NTA Return *	MSCI All Country Asia ex Japan Net Index (\$A)
1 year (compound p.a.)	14.6%	3.6%
3 years (compound p.a.)	10.7%	7.4%
Since inception** (compound p.a.)	9.7%	9.2%

\*The pre-tax NTA returns are calculated using the Company's ("PAI's") pre-tax net tangible asset backing per share for the specified period (as released to the ASX) and represent the combined capital and income return of the Company's investments after the deduction of fees and expenses, adjusted for corporate taxes paid (ie, corporate taxes paid are added back to the portfolio value) and any capital flows, and assumes the reinvestment of all dividends. Returns are not calculated using the Company's share price.

\*\* 15 September 2015.



# Dividends

- ◆ The Company declared a 2020 fully-franked final dividend of 3 cents per share, bringing the total dividends declared for the 2020 financial year to 5 cents per share. This represented a dividend yield of 4.95% based on the 30 June 2020 closing share price of \$1.01.
- ◆ As at 30 September 2020, the Company's franking account balance provides an ability to pay fully-franked dividends of up 8.49 cents per share.
- ◆ The Board has a policy of dividend smoothing and endeavours to ensure that there are sufficient franking credits available to pay fully-franked dividends in the future.

Source: Platinum Investment Management Limited ("Platinum").



# Capital management

- ◆ The Board has been actively monitoring the share price discount.
- ◆ On 8 April 2020 the Company announced an on-market share buy-back for up to 10 per cent of the Company's issued share capital to be implemented over a period of up to 12 months.
- ◆ No shares have been bought-back to date.
- ◆ Investment returns are strong.
- ◆ Portfolio is comprised of highly liquid stocks.
- ◆ The listed investment company structure is an alternative investment vehicle to listed investment trusts and active ETFs, which provides an opportunity for more consistent and, in most cases, fully franked dividends to shareholders

Source: Platinum Investment Management Limited ("Platinum").



# Investment outlook

- ◆ For the first three months of this financial year, the Company delivered a pre-tax NTA investment return of 9.22%, against a return of 6.3% for the MSCI Asia ex-Japan Net Index (\$A).
- ◆ At 23 October 2020, the most recent weekly pre-tax NTA released to the market was \$1.2909.

The Investment Manager has recently noted:

*“....Most Asian economies witnessed a robust rebound in activity over the quarter.....*

*The re-opening of economies post lockdown has affirmed our belief that strong companies would emerge stronger while the weaker competitors would dwindle...*

*The stocks we added to during the sell-off reflected this conviction and indeed, many have delivered remarkable returns.....*

*Irrespective of the headlines, Asia is demonstrating remarkable economic resilience, valuations are generally lower than those of developed markets and reforms are positioning the region in good stead over the next five to 10 years.....*

*We expect further volatility in the markets may once again provide us with an opportunity to accumulate interesting names in Asia.”*



# Proxy results

Resolution 1. Re-election of Ian Hunter as a Director

<b>FOR</b>	<b>AGAINST</b>	<b>OPEN-USABLE CHAIR</b>	<b>OPEN-USABLE NON-CHAIR</b>
85,434,171	367,266	355,495	457,928
98.64%	0.42%	0.41%	0.53%



# Proxy results

## Resolution 2. Adoption of the Remuneration Report

<b>FOR</b>	<b>AGAINST</b>	<b>OPEN-USABLE CHAIR</b>	<b>OPEN-USABLE NON-CHAIR</b>
84,112,343	1,733,670	355,000	457,928
97.06%	2.00%	0.41%	0.53%



# Platinum Asia Investments Limited

- ◆ Investment manager's report
- ◆ Close of meeting



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