

Platinum Asia Investments Limited

ABN 13 606 647 358

**Interim Financial Report
For the half-year ended 31 December 2020**

**Platinum Asia Investments Limited
Corporate Directory**

Directors	Margaret Towers Ian Hunter Malcolm Halstead
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 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 2020

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 2020.

Directors

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

Margaret Towers	Chairperson and Independent Non-Executive Director
Ian Hunter	Independent Non-Executive Director
Malcolm Halstead	Independent Non-Executive Director

Principal Activities

The Company is a listed investment company established to provide capital growth over the long-term through investing primarily in listed securities of companies in the Asian Region ex Japan that are perceived, by the Investment Manager, Platinum Investment Management Limited, to be undervalued. This includes companies listed on securities exchanges outside the Asian Region ex Japan, but whose business is predominantly conducted in or focused on the Asian Region ex Japan.

Operating and Financial Review

For the 6 months to 31 December 2020, the operating profit for the Company before tax was \$83,018,000 (31 December 2019: operating profit before tax of \$27,496,000). The operating profit for the Company after tax was \$58,199,000 (31 December 2019: operating profit after tax of \$19,224,000). The Directors have declared a fully-franked interim dividend of 4 cents per share, which represents a grossed-up dividend yield of approximately 7.8% based on the 31 December 2020 share price. After the payment of this dividend, the Company retains approximately 7.20 cents per share in franked dividend capacity to assist in the payments of future dividends¹.

For the 6 months to 31 December 2020, the Company's investment portfolio delivered a return of 19.8%² (measured by its pre-tax NTA), compared to a return of 17.1% for the benchmark, the MSCI All Country Asia ex Japan Net Index (MSCI) in \$A terms³.

The Directors consider that pre-tax net tangible asset backing per share ("NTA"), 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. Using the pre-tax NTA allows investors to make a more meaningful comparison between the investment performance of the portfolio and the index. For the 6 months to 31 December 2020, the Company's pre-tax NTA per share increased from \$1.17 to \$1.34. This is after the payment of 3 cents per share in dividends during the half-year.

Total Shareholder Return (TSR) for the half year, based on share price appreciation and dividends paid, between 1 July 2020 and 31 December 2020, was 26.2%. The TSR is higher than the pre-tax NTA return of 19.8% primarily due to a reduction in the discount of the share price to pre-tax NTA since 30 June 2020.

With regards to outlook, the Investment Manager reports that: *"We believe that with a lessening of global trade tensions and the distribution of vaccines over the course of 2021, we are likely to see an ongoing global recovery. We would highlight that the strong data, commodity price and currency movements ... come amid ongoing lockdowns and disruption in major economies, both in Asia and globally, and the recovery is likely to gain momentum as major economies emerge from these disruptions. We are likely to continue to pivot the portfolio toward more value and economically sensitive exposures, such as industrials and financials, with a view to the potential for a robust synchronous recovery globally."*

¹ Based on 31 December 2020 franking account balance.

² 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.**

³ 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 2020

On 29 December 2020, the Company was informed that the portfolio manager, Dr Joseph Lai had resigned from Platinum Investment Management Limited ("Platinum" or the "Investment Manager"). Andrew Clifford, CIO and co-manager of Platinum's global strategies, took over the management of the Company's portfolio with immediate effect.

Andrew Clifford and Cameron Robertson will co-manage the portfolio commencing 1 April 2021, with Andrew to manage the majority of the portfolio's assets. Andrew previously managed Platinum's Asia ex-Japan strategy from its initial inception in 2003 through to 2014. He remains as a co-manager on a number of Platinum's global portfolios. Cameron joined Platinum in 2010, having initially focused on resources and industrial companies, and later on the technology and communications sectors. Cameron was appointed as co-manager of the Platinum International Technology Fund in early 2017 and was previously the sector lead of the technology / communications team.

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 discount to pre-tax NTA. Pleasingly the discount has significantly narrowed since 30 June 2020. At this stage the Directors do not see the need to take action on the on-market share buy back announced in April 2020.

Dividends

On 16 February 2021, the Directors declared a 2021 fully-franked interim dividend of 4 cents per share (\$14,584,000), with a record date of 26 February 2021 and payable to shareholders on 18 March 2021, out of the dividend profit reserve. At 31 December 2020, the available franking credit balance after providing for the 2021 interim dividend would enable the payment of a fully-franked dividend up to 7.20 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.

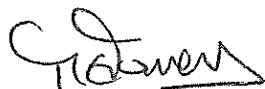
Platinum Asia Investments Limited
Directors' Report
31 December 2020

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
16 February 2021
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 2020, 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
16 February 2021

PricewaterhouseCoopers, ABN 52 780 433 757
One International Towers Sydney, Watermans Quay, Barangaroo, GPO BOX 2650, SYDNEY NSW 2001
T: +61 2 8266 0000, F: +61 2 8266 9999, www.pwc.com.au
Level 11, 1PSQ, 169 Macquarie Street, Parramatta NSW 2150, PO Box 1155 Parramatta NSW 2124
T: +61 2 9659 2476, F: +61 2 8266 9999, www.pwc.com.au

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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 16 February 2021.

Platinum Asia Investments Limited
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2020

	Note	Half-year ended	
		31 Dec 20 \$'000	31 Dec 19 \$'000
Investment income			
Dividends		1,878	2,145
Interest		-	294
Net gains on equities/derivatives		89,217	30,628
Net gains/(losses) on foreign currency forward contracts		1,867	(1,601)
Net foreign exchange (losses) on overseas bank accounts		(4,642)	(451)
Total investment income		<u>88,320</u>	<u>31,015</u>
Expenses			
Management fees	10	(2,587)	(2,202)
Performance fees	10	(1,388)	-
Custody		(209)	(247)
Share registry		(37)	(70)
Continuous reporting disclosure		(60)	(64)
Directors' fees		(93)	(93)
Auditor's remuneration and taxation services		(67)	(55)
Interest		(2)	-
Brokerage costs		(248)	(285)
Transaction costs		(412)	(371)
Insurance		(145)	(62)
Other expenses		(54)	(70)
Total expenses		<u>(5,302)</u>	<u>(3,519)</u>
Profit before income tax expense		83,018	27,496
Income tax (expense)		<u>(24,819)</u>	<u>(8,272)</u>
Profit after income tax (expense) for the half-year attributable to the owners of Platinum Asia Investments Limited		58,199	19,224
Other comprehensive income for the half-year, net of tax		-	-
Total comprehensive income for the half-year attributable to the owners of Platinum Asia Investments Limited		<u>58,199</u>	<u>19,224</u>
Basic earnings per share (cents per share)	7	15.98	5.30
Diluted earnings per share (cents per share)	7	15.98	5.30

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 2020

		As at	
	Note	31 Dec 20 \$'000	30 June 20 \$'000
Assets			
Cash at bank		31	5
Cash on deposit held within the portfolio		45,804	23,948
Receivables		13,085	576
Financial assets at fair value through profit or loss	3	434,441	405,617
Income tax receivable	2(b)	-	1,974
Total assets		493,361	432,120
Liabilities			
Payables and accruals		1,988	3,082
Financial liabilities at fair value through profit or loss	3	1,230	1,024
Income tax payable	2(b)	5,153	-
Deferred tax liability	2(a)	17,967	9,236
Total liabilities		26,338	13,342
Net assets		467,023	418,778
Equity			
Issued capital	6	353,069	352,110
Retained earnings		(9,207)	(9,207)
Capital reserve		7,934	7,934
Dividend profit reserve	4	115,227	67,941
Total equity		467,023	418,778

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 2020

	Note	Issued Capital \$'000	Retained earnings \$'000	Reserves \$'000	Total equity \$'000
Balance at 1 July 2020		352,110	(9,207)	75,875	418,778
Profit after income tax expense for the half-year		-	58,199	-	58,199
Other comprehensive income for the half-year, net of tax		-	-	-	-
Total comprehensive income for the half-year		-	58,199	-	58,199
Transfer of profit after income tax for the half-year to the dividend profit reserve	4	-	(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	4, 5	-	-	(10,913)	(10,913)
Balance at 31 December 2020		353,069	(9,207)	123,161	467,023

	Note	Issued Capital \$'000	Retained earnings \$'000	Reserves \$'000	Total equity \$'000
Balance at 1 July 2019		350,756	(9,207)	51,773	393,322
Profit after income tax benefit for the half-year		-	19,224	-	19,224
Other comprehensive income for the half-year, net of tax		-	-	-	-
Total comprehensive loss for the half-year		-	19,224	-	19,224
Transfer of profit after income tax for the half-year to the dividend profit reserve	4	-	(19,224)	19,224	-
<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	662	-	-	662
Dividends paid	4, 5	-	-	(7,246)	(7,246)
Balance at 31 December 2019		351,418	(9,207)	63,751	405,962

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 2020

	Note	Half- year ended	
		31 Dec 20 \$'000	31 Dec 19 \$'000
Cash flows from operating activities			
Payments for purchase of financial assets		(269,548)	(265,898)
Proceeds from sale of financial assets		317,113	238,099
Dividends received		2,120	2,957
Interest (paid)/received		(2)	374
Management fees paid		(2,528)	(2,186)
Performance fees paid		(1,827)	-
Other expenses paid		(1,252)	(1,040)
Income tax (paid)/received		(8,713)	945
Net cash from/(used in) operating activities		35,363	(26,749)
Cash flows from financing activities			
Dividends paid - net of dividend reinvestment plan	5, 6	(9,993)	(6,663)
Proceeds from issue of shares in relation to unclaimed dividends	6	39	79
Net cash (used in) financing activities		(9,954)	(6,584)
Net increase/(decrease) in cash and cash equivalents		25,409	(33,333)
Cash and cash equivalents at the beginning of the half-year		23,953	70,181
Effects of exchange rate changes on cash and cash equivalents		(3,527)	353
Cash and cash equivalents at the end of the half-year		45,835	37,201

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

Platinum Asia Investments Limited
Note to the financial statements
31 December 2020

Note 1 Basis of Preparation of the Interim Financial Report

These financial statements for the interim reporting period ended 31 December 2020 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 2020 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 2020 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 2020 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 2020	30 June 2020
	\$'000	\$'000
Current income tax provision (before foreign tax credits)	(16,224)	(10,024)
Foreign tax credits utilised	384	411
Current income tax provision	<u>(15,840)</u>	<u>(9,613)</u>
Income tax instalments paid during the half-year/year	10,687	11,587
Income tax (payable)/receivable	<u>(5,153)</u>	<u>1,974</u>

(b) Recognition of deferred tax liability

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

	As at	
	31 Dec 20	30 June 20
	\$'000	\$'000
Unrealised gains on investments	(17,946)	(9,158)
Dividends accrued	(44)	(117)
Expense accruals	23	39
Deferred tax liability	<u>(17,967)</u>	<u>(9,236)</u>

Platinum Asia Investments Limited
Note to the financial statements
31 December 2020

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

	As at	
	31 Dec 20 \$'000	30 Jun 20 \$'000
<i>Financial assets:</i>		
Equity securities	433,029	405,617
Foreign currency forward contracts	1,412	-
Total financial assets at fair value through profit or loss	434,441	405,617
<i>Financial liabilities:</i>		
Derivatives	-	651
Foreign currency forward contracts	1,230	373
Total financial liabilities at fair value through profit or loss	1,230	1,024

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 retained earnings. The current period profit after tax was transferred to the dividend profit reserve. The balance of this reserve is as follows.

	As at	
	31 Dec 20 \$'000	30 June 20 \$'000
Opening balance 1 July 2020 (1 July 2019)	67,941	43,839
Transfer of operating profit after tax from retained earnings	58,199	38,608
Dividends paid (see Note 5)	(10,913)	(14,506)
Closing Balance	115,227	67,941

Note 5. Dividends

Dividends paid

Dividends paid during the half-year were as follows:

	Half-year ended	
	31 Dec 20 \$'000	31 Dec 19 \$'000
Final dividend paid for the 2019 financial year (2 cents per ordinary share)	-	7,246
Final dividend paid for the 2020 financial year (3 cents per ordinary share)	10,913	-
	10,913	7,246

Dividends not recognised at half-year end

On 16 February 2021, the Directors declared the payment of the 2021 interim fully-franked dividend of 4 cents per fully paid ordinary share. The aggregate amount of the dividend expected to be paid on 18 March 2021, but not recognised as a liability at half-year-end, is \$14,584,000.

Franking credits

	As at	
	31 Dec 20 \$'000	30 June 20 \$'000
Franking credits available at the balance date based on a tax rate of 30%	17,494	13,457
Franking debits that will arise from the tax receivable at balance date based on a tax rate of 30%	-	(1,974)
Franking credits available based on a tax rate of 30%	17,494	11,483

At 31 December 2020, the available franking credit balance after providing for the 2021 interim dividend would enable the payment of a fully-franked dividend up to 7.20 cents per share.

Platinum Asia Investments Limited
Note to the financial statements
31 December 2020

Note 6. Issued capital

Shares on issue as at 31 December 2020 (and 30 June 2020) were as follows:

	31 Dec 20	31 Dec 20	30 June 20	30 June 20
	Shares	\$'000	Shares	\$'000
Ordinary shares - fully paid	364,606,656	353,069	363,750,978	352,110

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

Details	Date	Shares	\$'000
31 December 2020			
Opening balance	1 July 2020	363,750,978	352,110
Dividend reinvestment plan (a)	16 Sep 2020	820,449	920
Reinvestment of unclaimed dividends (b)	8 Oct 2020	35,229	39
Closing balance	31 December 2020	364,606,656	353,069
31 December 2019			
Opening balance	1 July 2019	362,297,596	350,756
Dividend reinvestment plan (a)	23 Sep 2019	638,517	583
Reinvestment of unclaimed dividends (b)	2 Oct 2019	82,629	79
Closing balance	31 December 2019	363,018,742	351,418

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

Share buy-back

On 8 April 2020, 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 2020.

Note 7. Earnings per share

	Half-year ended	
	31 Dec 20	31 Dec 19
	\$'000	\$'000
Profit after income tax attributable to the owners of Platinum Asia Investments Limited	58,199	19,224
	Number	Number
Weighted average number of ordinary shares used in calculating basic and diluted earnings per share	364,239,711	362,685,482
	Cents	Cents
Basic earnings per share	15.98	5.30
Diluted earnings per share	15.98	5.30

Note 8. Statement of Post-Tax Net Tangible Asset Backing (NTA)

Reconciling Net Tangible Asset Backing (post-tax) in accordance with Australian Accounting Standards to that reported to the ASX.

	As at	
	31 Dec 20 \$'000	30 June 20 \$'000
Post-tax Net Tangible Asset Backing per statement of financial position	467,023	418,778
Changes to estimated tax and accruals	(84)	-
Post-tax Net Tangible Asset Backing as reported to the ASX	466,939	418,778
Post-tax Net Tangible Asset Backing per share as reported to the ASX	1.2807	1.1513

Note 9. Fair value measurement

Fair value hierarchy

AASB 13: *Fair Value Measurement* requires the Company to disclose its assets and liabilities held at fair value through profit or loss using the following fair value hierarchy model:

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 through profit or loss, using the three level hierarchy model.

As at 31 Dec 20	Level 1 \$'000	Level 2 \$'000	Total \$'000
Assets			
Equity securities	433,029	-	433,029
Foreign currency forward contracts	-	1,412	1,412
Total assets	433,029	1,412	434,441
Liabilities			
Derivatives	-	-	-
Foreign currency forward contracts	-	1,230	1,230
Total liabilities	-	1,230	1,230
As at 30 June 20			
Assets			
Equity securities	405,617	-	405,617
Foreign currency forward contracts	-	-	-
Total assets	405,617	-	405,617
Liabilities			
Derivatives	436	215	651
Foreign currency forward contracts	-	373	373
Total liabilities	436	588	1,024

Platinum Asia Investments Limited
Note to the financial statements
31 December 2020

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 2020: 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 2020, pre-tax performance of the portfolio was 19.26%⁴ and the corresponding MSCI was 17.10%. This represents an outperformance of 2.16% against the MSCI for the current half-year. As there was no carried forward underperformance from the prior periods, the Company's net cumulative outperformance, for the purposes of calculating the performance fee, was 2.16%. As a result, a performance fee of \$1,387,541 was accrued at 31 December 2020.

Management fees and performance fees paid and payable for the half-year ended 31 December 2020 is shown below:

	Half-year ended	
	31 Dec 20	31 Dec 19
	\$	\$
Management fee expense	2,587,236	2,202,460
Management fee paid	2,527,518	2,185,984
Management fee payable	452,306	378,912
Performance fee paid	1,826,716	-
Performance fee accrued	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.

Note 11. Events after the reporting period

Apart from the dividend declared on 16 February 2021, as set out in Note 5 and the Directors' report, no other significant matter or circumstance has arisen since 31 December 2020 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.

⁴ 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 19.8% referred to in the Directors' Report, which also includes non-portfolio and non-investment related assets and liabilities.

Platinum Asia Investments Limited
Directors' Declaration
31 December 2020

In the Directors' opinion:

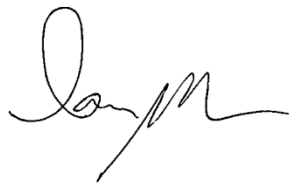
- the attached financial statements and notes, set out on pages 7 to 15, comply with the *Corporations Act 2001*, Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Company's financial position as at 31 December 2020 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

16 February 2021
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 2020, 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 2020 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 our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibility 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.

Auditor's responsibility 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

PricewaterhouseCoopers, ABN 52 780 433 757

One International Towers Sydney, Watermans Quay, Barangaroo, GPO BOX 2650, SYDNEY NSW 2001
T: +61 2 8266 0000, F: +61 2 8266 9999, www.pwc.com.au

Level 11, 1PSQ, 169 Macquarie Street, Parramatta NSW 2150, PO Box 1155 Parramatta NSW 2124
T: +61 2 9659 2476, F: +61 2 8266 9999, www.pwc.com.au

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and fair view of the Company's financial position as at 31 December 2020 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.

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A handwritten signature in black ink, appearing to read 'CJ Cummins', is written over a faint, light-colored signature line.

CJ Cummins
Partner

Sydney
16 February 2021