

## FACTS

|  |                   |
|--|-------------------|
| Portfolio value                          | \$376.60 mn       |
| Portfolio commenced                      | 15 September 2015 |
| Current share price                      | \$0.950           |
| Current dividend yield                   | 8.95%             |
| Pre-tax NTA                              | \$1.0226          |
| Post-tax NTA                             | \$1.0512          |
| Maximum franked dividend                 | 9.82 cps          |
| NTA retained earnings & div profit resv. | 5.94 cps          |

## PERFORMANCE<sup>1</sup>

|                               | Company % (Pre-tax NTA) | MSCI % |
|-------------------------------|-------------------------|--------|
| 1 month                       | (8.4)                   | (6.0)  |
| 3 months                      | (11.1)                  | (10.9) |
| 6 months                      | (13.0)                  | (12.6) |
| Calendar year to date         | (11.1)                  | (10.9) |
| 1 year                        | (16.1)                  | (13.4) |
| 2 years (compound pa)         | 5.5                     | 4.6    |
| 3 years (compound pa)         | 6.1                     | 3.2    |
| 5 years (compound pa)         | 8.5                     | 7.1    |
| Since inception (compound pa) | 7.7                     | 7.5    |

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.

## INVESTED POSITIONS<sup>3</sup>

|                          | LONG % | SHORT % | NET % | CCY % |
|--------------------------|--------|---------|-------|-------|
| <b>Asia-Pacific</b>      | 84.4   | (5.5)   | 78.9  | 86.0  |
| China                    | 43.7   |         | 43.7  | 43.7  |
| Hong Kong                | 4.1    |         | 4.1   | 9.3   |
| Taiwan                   | 6.4    |         | 6.4   | 6.4   |
| India                    | 9.8    | (3.7)   | 6.1   | 6.3   |
| Indonesia                | 0.1    |         | 0.1   | 0.1   |
| Macao                    | 1.4    |         | 1.4   | 1.4   |
| Philippines              | 1.9    |         | 1.9   | 1.9   |
| Singapore                | 1.2    |         | 1.2   | 1.2   |
| South Korea              | 10.0   | (1.7)   | 8.2   | 10.0  |
| Vietnam                  | 5.8    |         | 5.8   | 5.8   |
| <b>North America</b>     |        |         |       | 14.0  |
| United States of America |        |         |       | 14.0  |
| <b>Sub-Total</b>         | 84.4   | (5.5)   | 78.9  | 100.0 |
| <b>Cash</b>              | 15.6   | 5.5     | 21.1  |       |
| <b>Total</b>             | 100.0  |         | 100.0 | 100.0 |

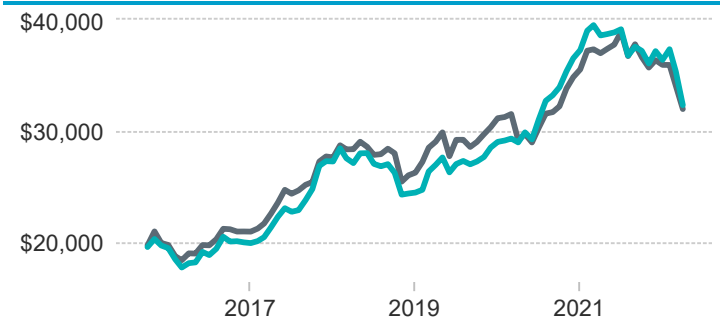
Long - 60 stocks, 1 swap Short - 1 swap, 3 indices

## 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 GRAPH<sup>2</sup>



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## TOP TEN POSITIONS<sup>4</sup>

| STOCK                     | COUNTRY     | INDUSTRY           | %           |
|---------------------------|-------------|--------------------|-------------|
| Taiwan Semiconductor      | Taiwan      | Info Technology    | 5.8         |
| Samsung Electronics Co    | South Korea | Info Technology    | 4.9         |
| Vietnam Ent Investments   | Vietnam     | Other              | 4.3         |
| InterGlobe Aviation Ltd   | India       | Industrials        | 4.1         |
| Tencent Holdings Ltd      | China       | Comm Services      | 3.9         |
| Ping An Insurance Group   | China       | Financials         | 3.7         |
| ZTO Express Cayman Inc    | China       | Industrials        | 3.4         |
| SK Hynix Inc              | South Korea | Info Technology    | 3.4         |
| China Resources Land Ltd  | China       | Real Estate        | 3.1         |
| Alibaba Group Holding Ltd | China       | Cons Discretionary | 3.1         |
| <b>Total</b>              |             |                    | <b>39.7</b> |

## INDUSTRY BREAKDOWN<sup>3</sup>

| SECTOR                 | LONG % | SHORT % | NET % |
|------------------------|--------|---------|-------|
| Consumer Discretionary | 17.2   |         | 17.2  |
| Information Technology | 16.4   | (1.1)   | 15.2  |
| Financials             | 12.5   |         | 12.5  |
| Industrials            | 12.2   |         | 12.2  |
| Real Estate            | 10.7   |         | 10.7  |
| Communication Services | 3.9    |         | 3.9   |
| Consumer Staples       | 3.4    |         | 3.4   |
| Materials              | 2.9    |         | 2.9   |
| Health Care            | 0.7    |         | 0.7   |
| Energy                 | 0.1    |         | 0.1   |
| Other                  | 4.3    | (4.3)   | (0.1) |

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1. & 2. Source: Platinum for portfolio returns and Fitch 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).

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## MARKET UPDATE AND COMMENTARY

- Another month of weak performance in Asia.
- China has no inflation problem.
- China is in a position to cut rates and taxes as others hike.

### A weak month in Asian equities

March saw another month of weak performance in Asia, by both regional indices and the portfolio. Over the month, our detractors were dominated by Chinese stocks amid a rush for the exits by global investors, in our view, along with our semiconductor holdings Samsung, SK Hynix and Taiwan Semiconductor Manufacturing. Positive contributors for the month included Alibaba, which bounced from very oversold conditions, our short positions and Indian and Vietnamese stocks. Investors may be inclined to ask “what is the point?”. After well over a decade of staggering outperformance by US equities, it feels normal for this to be the case and for emerging market and Chinese equities to underperform. However, it is worth mentioning that in the prior market cycle, non-US equities outperformed those listed in the US (see accompanying charts).

### China has no inflation problem

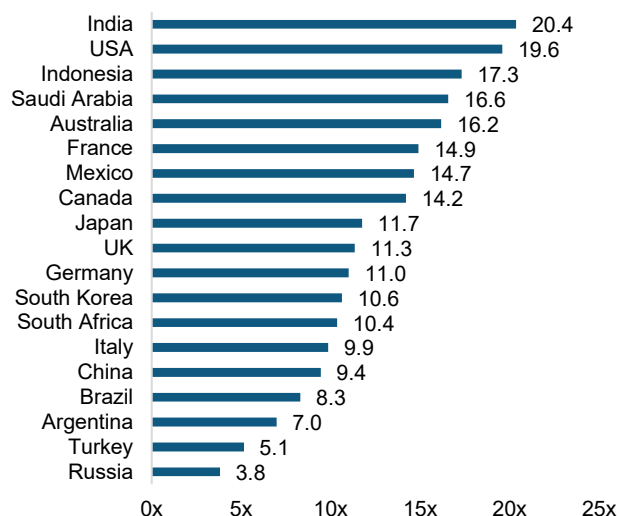
Moreover, China has run a relatively tight monetary and fiscal response to the COVID-related disruption for the last two years – with money supply, growth and inflation both running at a fraction of those in most other major economies: M2 growth in China peaked at just over 11% in the post-COVID period and was 9.2% higher in February 2022 than a year earlier; China’s consumer price index rose by just 0.9% over the 12 months to February 2022 (Source: FactSet).

### China loosening as others forced to tighten

As most other major economies seem set to enter rate raising cycles, China cut interest rates in January and seems likely to be gradually entering a rate cutting cycle. Early in March Chinese Premier Li Keqiang announced a range of measures designed to support the Chinese economy, including tax and fee reductions. So, as other economies are forced to reverse the effects of fiscal stimulus funded by government bond buying, China is in the reverse position, providing some moderate policy support to its economy. Late in March it became clear that China’s zero-COVID policy was to be extended, principally with lockdowns of Shanghai and various other cities. Unsurprisingly, China’s Purchasing Managers’ Index (PMI) fell sharply following a moderate expansion the prior month: the Caixin Manufacturing PMI fell at its sharpest rate in two years to a contractionary 48.1 (Source: Reuters).

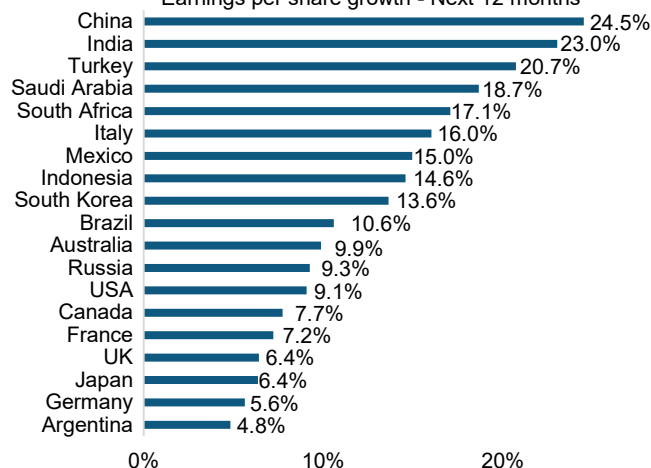
In summary, sentiment towards China among global investors is at an absolute low point, in our view. The reality is that the Chinese economy continues to lumber along, with strong earnings growth expected for its corporates, rumours of a property crisis receding (these were always vastly overblown) and officials in a position to offer moderate support in the form of interest rate and tax cuts. Most importantly, Chinese equities remain cheap and very under-owned by global investors. As such, we see China, and the region as a whole, as an important diversifier for investors and believe we are more than adequately compensated for political and sentiment risk by attractive starting valuations for what are very fine businesses.

Major market price-earnings ratios - Next 12 months

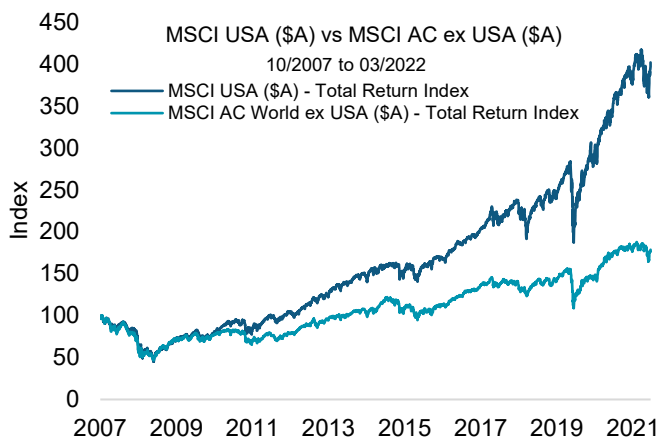


Source: Chart 1 – IBES consensus, in local currency. Correct as at 4 April 2022.

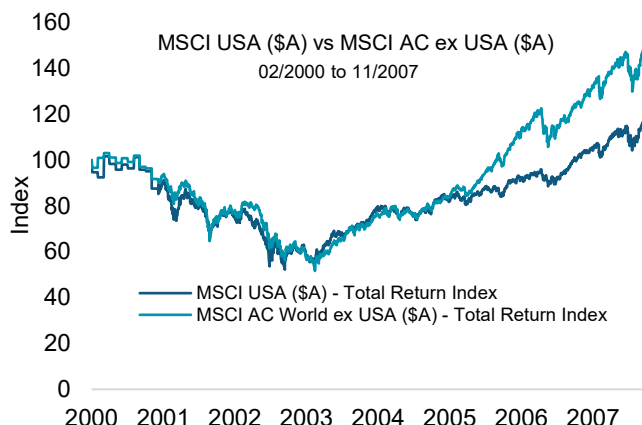
Earnings per share growth - Next 12 months



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



Source: Chart 3 – FactSet Research Systems. Correct as at 29 March 2022



Source: Chart 4 – FactSet Research Systems. Correct as at 29 March 2022