

FACTS

Portfolio value	\$7.46 bn
Fund commenced	30 April 1995
Minimum investment	A\$10,000 or NZ\$10,000
Regular Investment Plan (min.)	A/NZ\$5,000 plus A/NZ\$200 mth/qtr
Income distribution date	Annual, 30 June
Unit valuation	Sydney Business Day
Unit prices C Class	App - 1.9856 Red - 1.9796
Unit prices P Class	App - 0.9418 Red - 0.9389

PERFORMANCE¹

	C Class %	P Class %	MSCI %
1 month	(6.6)	(6.6)	(1.3)
3 months	(7.7)	(7.6)	(8.4)
6 months	(7.5)	(7.4)	(2.9)
Calendar year to date	(7.7)	(7.6)	(8.4)
1 year	(6.7)	(6.5)	8.8
2 years (compound pa)	8.3	8.5	16.3
3 years (compound pa)	4.1	4.4	11.7
5 years (compound pa)	6.2		12.0
7 years (compound pa)	5.6		9.9
10 years (compound pa)	10.1		13.6
Since inception (compound pa)	11.4	5.1	7.4

INVESTED POSITIONS³

	LONG %	SHORT %	NET %	CCY %
Asia-Pacific	42.3	(5.8)	36.5	46.9
Australia	4.7	(0.3)	4.4	4.9
China	18.2		18.2	19.2
Hong Kong				2.9
India	2.2		2.2	2.2
Japan	12.7	(5.4)	7.3	13.3
Kazakhstan	0.2		0.2	0.2
New Zealand		(0.1)	(0.1)	(0.1)
South Korea	4.4		4.4	4.4
Europe	23.7	(1.5)	22.2	24.9
Austria	2.0		2.0	
Belgium	0.1		0.1	
Denmark	0.3	(0.2)	0.1	0.3
Finland	2.2		2.2	
France	2.8	(0.3)	2.5	
Germany	4.6	(0.4)	4.2	
Ireland	0.7		0.7	
Italy	1.7		1.7	
Netherlands	2.2		2.2	
Other Europe		(0.4)	(0.4)	
Spain	0.5		0.5	
Switzerland	0.6	(0.2)	0.4	0.5
United Kingdom	6.0		6.0	6.1
Euro				17.9
North America	21.3	(20.8)	0.5	25.6
Canada	3.1		3.1	3.6
United States of America	18.2	(20.8)	(2.6)	22.0
Other	2.5		2.5	2.5
Sub-Total	89.8	(28.1)	61.8	100.0
Cash	10.2	28.1	38.2	
Total	100.0		100.0	100.0

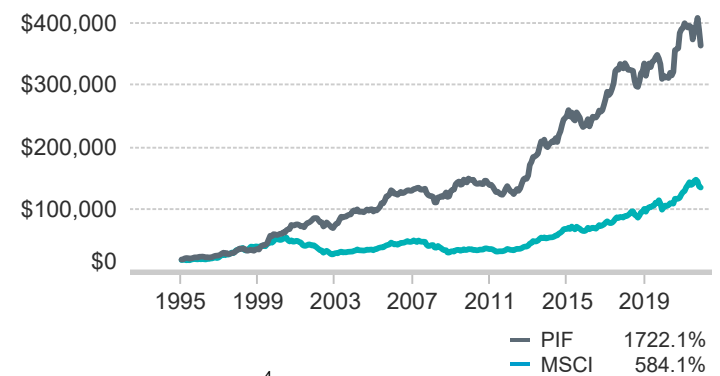
Long - 124 stocks, 2 swaps, 1 option Short - 34 swaps, 5 indices

FEES

Entry fee	Nil
Buy/sell spread	0.15%/0.15%
C Class	Investment management 1.35% p.a. Investment performance N/A
P Class	Investment management 1.10% p.a. Investment performance 15.00% p.a.*

* of the amount by which the Fund's return exceeds its index return

PERFORMANCE GRAPH²



TOP TEN POSITIONS⁴

STOCK	COUNTRY	INDUSTRY	%
Glencore PLC	Australia	Materials	4.0
Microchip Technology Inc	United States	Info Technology	3.2
Minebea Co Ltd	Japan	Industrials	3.1
Samsung Electronics Co	South Korea	Info Technology	2.8
ZTO Express Cayman Inc	China	Industrials	2.8
Ping An Insurance Group	China	Financials	2.7
China Overseas Land & Inv	China	Real Estate	2.5
Tencent Holdings Ltd	China	Comm Services	2.3
Mosaic Co	United States	Materials	2.3
UPM-Kymmene OYJ	Finland	Materials	2.2
Total			27.9

INDUSTRY BREAKDOWN³

SECTOR	LONG %	SHORT %	NET %
Industrials	18.5	(0.7)	17.8
Materials	16.5	(0.2)	16.3
Financials	13.4	(0.1)	13.3
Consumer Discretionary	11.6	(4.1)	7.5
Information Technology	11.9	(5.6)	6.3
Health Care	5.5	(0.1)	5.5
Energy	3.7		3.7
Communication Services	4.5	(0.9)	3.6
Real Estate	3.4		3.4
Consumer Staples	0.9	(0.3)	0.6
Other		(16.1)	(16.1)

Platinum Investment Management Limited ABN 25 063 565 006 AFSL 221935, trading as Platinum Asset Management ("Platinum") is the responsible entity of the Platinum International Fund (the "Fund"). The Fund's latest Product Disclosure Statement (the "PDS") provides details about the Fund. You can obtain a copy of the PDS from Platinum's website www.platinum.com.au, or by contacting Investor Services on 1300 726 700 (Australian investors only), or 0800 700 726 (New Zealand investors only), or 02 9255 7500, or via invest@platinum.com.au. The Fund's target market determination is available at www.platinum.com.au/Investing-with-Us/New-Investors. This information is general in nature and does not take into account your specific needs or circumstances. You should consider your own financial position, objectives and requirements and seek professional financial advice before making any financial decisions. Numerical figures have been subject to rounding. Platinum does not guarantee the performance of the Fund, the repayment of capital or the payment of income. The market commentary reflects Platinum's views and beliefs at the time of preparation, which are subject to change without notice. No representations or warranties are made by Platinum as to their accuracy or reliability. To the extent permitted by law, no liability is accepted by Platinum for any loss or damage as a result of any reliance on this information.

1. & 2. Source: Platinum for Fund returns and Factset Research Systems for MSCI returns. Investment returns are calculated using the Fund's NAV unit price (i.e. exclude a buy/sell spread) for C Class and P Class (as indicated), and represent the combined income and capital returns for each of these unit classes in the specified period. All returns are pre-tax, net of fees and costs and assume the reinvestment of distributions. Returns for P Class are net of any accrued investment performance fee. The returns are calculated relative to the MSCI All Country World Net Index in A\$ (the gross MSCI Index was used prior to 31/12/98). Since inception date for C Class is 30/04/95 and for P Class is 03/07/17. Since inception date of C Class has been used for the purposes of calculating since inception returns of the index. The investment returns depicted in the graph are cumulative on A\$20,000 invested in C Class units in the Fund since the C Class inception date. **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 the market value of the Fund's portfolio. The "Currency %" is the effective currency exposure as a percentage of the market value of the Fund's portfolio 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 the Fund's top ten long securities positions as a percentage of the market value of the Fund's portfolio (including long securities and long securities derivative positions).

All data where MSCI is referenced is the property of MSCI Limited ("MSCI"). No use or distribution of this data is permitted without the written consent of MSCI. This data is provided "as is" without any warranties by MSCI.

MSCI assumes no liability for or in connection with this data. Please see full MSCI disclaimer in <https://www.platinum.com.au/Special-Pages/Terms-Conditions>

MARKET UPDATE AND COMMENTARY

- Difficult month for the portfolio, driven by market response to the Russia-Ukraine conflict.
- Prior to the conflict, we saw encouraging “preview” of our base-case playing out.
- Strong long-term themes underpin portfolio, while short book exposed to deflation of “bubble”.

Market Commentary

Understandably, the Russia-Ukraine conflict dominated global markets in March. Notwithstanding the dreadful human cost, key impacts are being felt via supply disruptions and higher prices for energy and food. Longer term, regardless of resolution, Russia will be seen as a “pariah”. In our view, driven by Western commentators, the market is too negative on China’s independent view of the conflict. China is deeply integrated in, and benefits from, the global economic system; it should not jeopardise this. We should all accept that having two superpowers with differing ideologies, each trying to assert themselves, leads to various tensions.

The conflict is denting confidence in Europe, and China has a double-whammy of reform policies and a COVID outbreak, but the US economy appears immune at this stage. In recent weeks, this has impacted economically sensitive companies, albeit commodity companies have benefited from higher prices. More surprising perhaps, in light of US interest rate expectations exploding higher, has been a strong rebound in the back half of March for companies that benefit from lower rates (e.g. one might view the technology-heavy Nasdaq index as a proxy for this).

Perhaps the uncertainty caused by war and Chinese slowdown pushed people back to their “safety playbook” but we struggle with this behaviour given market bifurcation is at extremes. We think liquidity tightening means the ‘disruption-driven’ bull market is running out of steam. Immediately before the Ukraine situation, the benefits of reopening and stimulus aided the economically sensitive stocks, while interest rate pressure was impacting the highly valued technology stocks.

Many economically sensitive companies are trading on crisis-level valuations, while previous experience tells us bull markets can end slowly - it takes time for the dominant narrative to crack. Exposures to decarbonisation, travel, semiconductors, healthcare, Chinese consumers and well-priced financials dominate the portfolio.

Performance Analysis*

The backdrop for Q1 2022, was a global market decline of 8%, with cyclicals (ex-resources) and IT suffering the most. With this headwind, the long portfolio, cost 7%. IT/Communications, Industrials, Financials and Consumer Discretionary holdings, being economically sensitive, were weakest. We saw good outcomes in Materials, and Chinese Property with leading contributors on the long side: Mosaic, Glencore, Barrick Gold, First Quantum and Bayer (all exposed to rising commodity prices – Bayer tangentially through seeds) and China Overseas Land (property). The short book was a small cushion, contributing 1%, but had added over 3% in January and February, before a late March rally in expensive growth names, which we found hard to reconcile with fundamentals.

Valuation

The portfolio’s aggregate valuation metrics are attractive in both an absolute sense and relative to the market, with a 57% higher starting earnings yield and a 44% discount on an asset basis (see table below).

Metric	Platinum International Fund	MSCI AC World Net Index (A\$)
NTM Earnings Yield	9.4% (Price-to-Earnings ratio of 11x)	6.0% (Price-to-Earnings ratio of 17x)
NTM Dividend Yield	3.1%	2.5%
Price-to-Book Ratio	1.5x	2.7x
Enterprise Value-to-Sales	1.3x	1.9x

The valuations in the table in respect of the Fund have been calculated by Platinum and refer to the long portion of the portfolio, exclude negative net earnings and use FactSet consensus earnings. As at 31 March 2022.

*Source: Platinum. Contribution numbers are based on the total return of individual positions (in AUD) and are gross as they do not take into account the Fund’s fees and costs (other than brokerage). Past performance is not a reliable indicator of future returns.