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

**Platinum Capital Limited (ASX: PMC)
Monthly Investment Update and Net Tangible Asset (NTA) Report**

Platinum Capital Limited hereby releases the Monthly Investment Update and NTA Report for the month ended 31 January 2025 (as attached).

For more information in relation to PMC, please refer to the website at:
www.platinumcapital.com.au

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FACTS¹

Market capitalisation	\$420.4 mn
Listing date	29 June 1994
Current share price	\$1.420
Current dividend yield	4.23%
Pre-tax NTA	\$1.5472
Post-tax NTA	\$1.5161
Maximum franked dividend	3.92 cps
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 World Net Index (A\$)). Performance fees are calculated after recovery of any underperformance carried forward from prior periods.

PERFORMANCE²

	1 month	3 months	6 months	CYTD	1 year	2 years p.a.	3 years p.a.	5 years p.a.	7 years p.a.	10 years p.a.	Since inception p.a.
Company % (Pre-tax NTA)	0.8	0.8	0.2	0.8	8.2	4.5	2.8	5.2	4.2	6.2	10.8
MSCI %	2.6	9.9	12.4	2.6	27.9	25.1	12.9	12.6	13.0	12.2	8.3

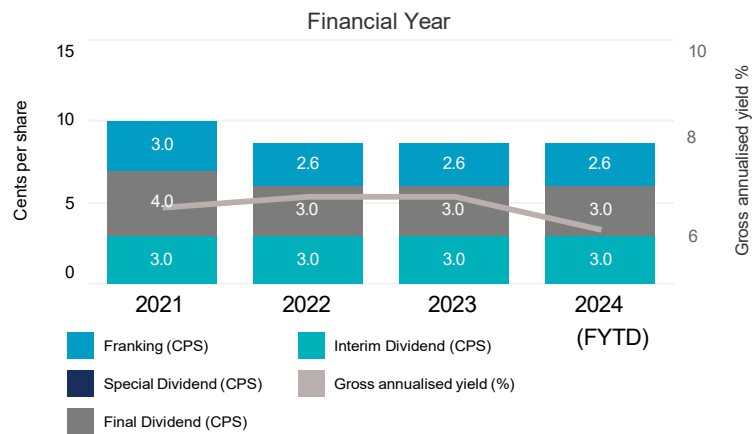
PMC's returns are calculated after the deduction of fees and expenses, adjusted for taxes paid and any capital flows and assume the reinvestment of dividends. PMC's returns have not been calculated using PMC's share price. Past performance is not a reliable indicator of future returns.

INVESTED POSITIONS⁴

DESCRIPTION	LONG %	SHORT %	NET %	CCY %
Asia-Pacific	35.4	(0.7)	34.8	46.1
Australia		(0.5)	(0.5)	0.8
China	18.6		18.6	18.6
Japan	3.4		3.4	12.2
Macao	2.6		2.6	2.6
South Korea	6.0		6.0	6.0
Taiwan	4.0		4.0	4.0
Hong Kong				1.2
Israel	0.8		0.8	0.8
Other Asia-Pacific		(0.1)	(0.1)	(0.1)
Europe	29.2		28.9	29.4
Austria	2.0		2.0	
Denmark	2.8		2.8	2.8
Euro				8.8
Finland	3.5		3.5	
Italy	1.1		1.1	
Netherlands	1.3		1.3	
Switzerland	5.0		5.0	5.0
United Kingdom	13.1		12.8	12.8
North America	23.4	(9.9)	13.5	23.8
Canada	2.3		2.3	3.5
United States of America	21.2	(9.9)	11.3	20.3
Other	0.7		0.7	0.7
Sub-Total	88.7	(10.6)	77.9	100.0
Cash	11.3	10.6	22.1	
Total	100.0		100.0	100.0

Long - 49 stocks, Short - 17 stocks

HISTORY OF FULLY FRANKED DIVIDENDS (CPS)³



TOP TEN POSITIONS⁵

STOCK	COUNTRY	INDUSTRY	NET %
Alphabet Inc	United States	Comm Services	5.0
Taiwan Semiconductor	Taiwan	Info Technology	4.0
TransUnion	United States	Industrials	3.8
ZTO Express Cayman Inc	China	Industrials	3.7
UBS Group AG	Switzerland	Financials	3.6
UPM-Kymmene OYJ	Finland	Materials	3.5
Samsung Electronics Co	South Korea	Info Technology	3.5
Allfunds Group PLC	UK	Financials	3.3
St James Place PLC	UK	Financials	3.3
JD.com Inc	China	Cons Discretionary	3.2
Total			36.9

INDUSTRY BREAKDOWN⁴

SECTOR	LONG %	SHORT %	NET %
Financials	26.9	(0.9)	26.0
Industrials	15.3	(2.2)	13.1
Information Technology	12.3	(2.5)	9.8
Consumer Discretionary	9.1	(1.2)	7.9
Communication Services	7.9		7.9
Energy	5.1		5.1
Materials	4.5		4.5
Real Estate	3.6		3.6
Consumer Staples	2.6		2.6
Health Care	1.5	(0.3)	1.2
Other		(3.5)	(3.5)

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- Source: Platinum. 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. The NTA is unaudited.
 - Source: Platinum for portfolio returns and Factset Research Systems for MSCI returns. The returns are calculated relative to the MSCI All Country World Net Index in A\$ (except the gross MSCI index was used prior to 31/12/96). 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.
 - Shows dividends determined in respect of the relevant financial year. This information is historical. No guarantee is given about future dividends or the level of franking of such dividends.
 - 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 total of the "Long %" and "Short %", each as a percentage of PMC's portfolio value. The "CCY %" is the effective currency exposure of PMC'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".
 - and 5. Country classifications for securities reflect Bloomberg's "country of risk" designations, and currency classifications for securities reflect the relevant local currencies of the country classifications.
 - The "Top ten positions" show PMC's top ten long securities positions as a percentage of PMC's portfolio value (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

- The portfolio returned 0.8% in January 2025, with European and US long positions the main contributors.
- The US market swung dramatically as the Trump rally was interrupted thanks to the emergence of DeepSeek, a seemingly low-cost Chinese alternative to Chat-GPT and other large language models (LLMs). DeepSeek could reshape the US-centric AI narrative that has underpinned the extraordinary performance of Nvidia and other Mag Seven stocks.

Market Overview

Global markets rose in AUD terms in January (MSCI AC World +2.6%). Unusually, the US (MSCI US +3.0%, S&P500 +2.7%) lagged the rest of the world (MSCI AC World ex-US +3.8%).

The US market swung dramatically in January. President Trump's pro-business agenda, and his 'golden age for the US' speech at the World Economic Forum propelled the US S&P500 to a record close on January 23rd. That rally faltered on January 27th as investors digested the emergence of Deep Seek, a Chinese AI competitor to Chat-GPT and other LLMs. The emergence of this new competitive threat in the AI space – plus President Trump's proposed export restrictions on Nvidia's China-specific H20 chips – led to the realisation that markets may have been dangerously extrapolating Nvidia's market dominance and future profitability. In a single day, Nvidia shed US\$589bn in market value (a new record) as the stock fell 17% (source: Forbes) and the NASDAQ fell around 6%.

In recent years, European markets have been seen as less interesting given the dominance of the AI/US tech narrative. However, this proved a benefit when technology stocks cratered in January – technology stocks make up around 8% of the MSCI AC Europe Index vs 31% for MSCI USA (source: MSCI, 31/01/25 data). We saw many strong company earnings results and improving regional data in PMIs, retail sales and inflation. The European export sector continues to benefit from stronger global growth and a weaker Euro. In January the MSCI AC Europe was up nearly 7%.

In Asia, South Korea (MSCI Korea +5%) and Taiwan (MSCI Taiwan +3%) performed well, and the announcement of lower-than-feared 10% tariffs on US imports from China was positive (MSCI China +1%). India - where we have struggled to find investments at attractive valuations - posted its fourth consecutive monthly fall (MSCI India down -2%), as the outlook for the economy and company earnings deteriorated. Japan was flat.

Performance Analysis

Our European financials were strong, with British advice and wealth management company, St. James's Place up 21%. Swiss financial services giant UBS (+17%), and Austrian retail bank, Raiffeisen Bank (+11%) also did well. Swiss luxury goods maker Richemont was a strong contributor – up 28%. In the US, our holdings in Alphabet (+8%), Transunion (+7%) and Intercontinental Exchange (+7%) were also top 10 contributors.

Concerns around trade frictions meant our Chinese stocks including Tencent, ZTO Express and Ping An Insurance were all down 5-10%. Online retailer JD.com (+15%) was a bright spot. Sports footwear and apparel company Puma (-31%) disappointed – new product launches have lacked impact and management announced a delay in the recovery of profitability. We chose to exit the position. The portfolio's short positions were a small detractor for the month.

The Nvidia/AI correction was a reminder of the overly concentrated shape of global markets (the US exposure is 66% of MSCI's All Country World Index and 74% of the Developed Market World Index). Tech sector exposure is at 25% for each index (Source: MSCI, 31/01/25 data). We remain focused on valuation disciplines as the market environment is reminiscent of that seen during the 2021 bubble peak.

An attractively valued portfolio

The portfolio's aggregate valuation metrics are attractive in an absolute sense and relative to the market, with a 67% higher earnings yield and a 52% discount on a price-to-book basis.

Metric	Platinum Capital Limited	MSCI AC World Net Index (A\$)
NTM Earnings Yield	9.0% (Price-to-Earnings ratio of 11.1x)	5.4% (Price-to-Earnings ratio of 18.4x)
NTM Dividend Yield	2.6%	1.9%
NTM Enterprise Value-to-Sales	1.8x	2.7x
LTM Price-to-Book Ratio	1.6x	3.3x

The valuations in the table have been calculated by Platinum and for the portfolio refer to the long portion of the portfolio, exclude negative net earnings and use FactSet consensus earnings. MSCI data is sourced from Rimes, FactSet and Platinum. As at 31 January 2025. NTM = next twelve months. LTM = last twelve months.

*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 portfolios fees and costs (other than brokerage). **Past performance is not a reliable indicator of future returns.**