

Platinum Asia Investments Limited Investment Strategy

Platinum Asia Investments Limited (PAI) invests primarily in undervalued listed securities of companies in the Asian region (ex-Japan) across sectors. The portfolio will ideally consist of 50 to 100 securities that Platinum believes to be undervalued by the market. Cash may be held when undervalued securities cannot be found. However, the portfolio typically has 50% or more net equity exposure. Platinum may short-sell securities and indices that it considers overvalued.

PAI's key investment guidelines are summarised below.

Suggested time horizon	5 or more years
Geographic limits	<p>PAI may invest in companies that are listed or traded on a securities exchange in the Asia (ex-Japan) region as well as companies that are listed or traded on a securities exchange outside of the Asia (ex-Japan) region but whose business is predominantly conducted in or focused on the Asia (ex-Japan) region.</p> <p>Platinum defines "Asia (ex-Japan) region" as all countries and territories that occupy the eastern part of the Eurasian landmass (separated from Europe by the Ural Mountains) and its adjacent islands, including the Russian Far East, and excluding Japan.</p> <p>PAI may invest in listed companies based in China, Hong Kong, Taiwan, South Korea, Malaysia, Singapore, India, Thailand, Indonesia, Philippines, Sri Lanka, Pakistan and Vietnam.</p>
Industry/sector limits	N/A
Number of securities in portfolio	Typically 50 to 100 securities
Net equity exposure	Typically 50% or more of PAI's net asset value
Cash holdings	Typically 0 – 50% of PAI's net asset value
Limits on individual security holdings	10% of PAI's net asset value (at the time of investment)
Short-selling	<p>Subject to the limits regarding leverage and the use of derivatives, PAI may short-sell securities and indices for risk management and as a way to take opportunities to increase returns.</p> <p>See Platinum's risk management strategies for further details.</p>
Currency	<ul style="list-style-type: none"> ○ PAI's currency exposures are actively managed with the aim of capturing the returns and minimising the risks arising from the portfolio's exposure to foreign currency fluctuations, which can change the value of the equity investments measures in PAI's base currency (AUD). ○ Platinum may manage PAI's currency exposures using foreign exchange forwards, swaps, non-deliverable forwards, currency options and spot foreign exchange trades. <p>See Platinum's risk management strategies for further details.</p>
Leverage	<ul style="list-style-type: none"> ○ PAI does not borrow funds (except for short-term overdrafts for trade settlement), though borrowing up to 10% of PAI's net asset value (at the time of borrowing) is permitted. ○ PAI may be leveraged through the use of derivatives (see below for detail).
Derivatives	<ul style="list-style-type: none"> ○ PAI does not borrow funds (except for short-term overdrafts for trade settlement), though borrowing up to 10% of PAI's net asset value (at the time of borrowing) is permitted.

	<ul style="list-style-type: none"> ○ PAI may be leveraged through the use of derivatives (see below for detail). <p>See Platinum’s risk management strategies for further details.</p> <p>¹ Where options are employed, the underlying value will be the Delta-adjusted exposure. “Delta” is the theoretical measure of the sensitivity of the option price to a change in the price of the underlying asset (usually expressed as a percentage).</p>
Securities lending	Not undertaken.