

FACTS¹

Market capitalisation	\$343.90 mn
Listing date	21 September 2015
Current share price	\$0.930
Current dividend yield	2.69%
Pre-tax NTA	\$0.9951
Post-tax NTA	\$1.0090
Maximum franked dividend	0.26 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 Asia ex Japan 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.	Since inception p.a.
Company % (Pre-tax NTA)	(1.0)	(1.6)	1.9	6.7	1.4	3.8	(2.5)	5.1	5.5	6.4
MSCI %	(1.9)	4.0	7.4	12.4	10.5	7.8	(1.0)	5.0	5.4	7.0

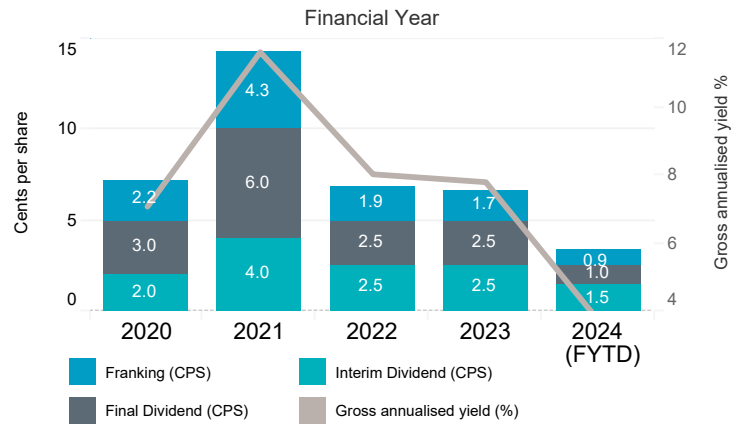
PAI's returns are calculated after the deduction of fees and expenses, adjusted for taxes paid and any capital flows and assume the reinvestment of dividends. PAI's returns have not been calculated using PAI's share price. Past performance is not a reliable indicator of future returns.

INVESTED POSITIONS⁴

	LONG %	SHORT %	NET %	CCY %
Asia-Pacific	94.2		94.2	97.4
China	43.7		43.7	43.7
Hong Kong	1.1		1.1	3.3
India	4.4		4.4	4.4
Indonesia	6.5		6.5	6.5
Philippines	3.3		3.3	3.3
South Korea	15.0		15.0	15.0
Taiwan	10.3		10.3	10.3
Thailand	1.8		1.8	1.9
Vietnam	7.6		7.6	7.6
Other Asia-Pacific	0.5		0.5	1.3
Europe				0.5
Other Europe				0.5
North America				2.1
United States of America				2.1
Sub-Total	94.2		94.2	100.0
Cash	5.8		5.8	
Total	100.0		100.0	100.0

Long - 58 stocks

HISTORY OF FULLY FRANKED DIVIDENDS (CPS)³



TOP TEN POSITIONS⁵

STOCK	COUNTRY	INDUSTRY	%
Taiwan Semiconductor	Taiwan	Info Technology	9.3
SK Hynix Inc	South Korea	Info Technology	5.4
Samsung Electronics Co	South Korea	Info Technology	5.4
Vietnam Ent Investments	Vietnam	Other	4.8
Tencent Holdings Ltd	China	Comm Services	4.5
ZTO Express Cayman Inc	China	Industrials	4.4
JD.com Inc	China	Cons Discretionary	3.9
China Merchants Bank Co	China	Financials	3.3
Ayala Land Inc	Philippines	Real Estate	3.3
Ping An Insurance Group	China	Financials	3.2
Total			47.5

INDUSTRY BREAKDOWN⁴

SECTOR	LONG %	SHORT %	NET %
Information Technology	20.6		20.6
Consumer Discretionary	19.6		19.6
Industrials	12.9		12.9
Real Estate	12.6		12.6
Financials	7.7		7.7
Communication Services	6.6		6.6
Consumer Staples	4.0		4.0
Materials	3.7		3.7
Health Care	1.7		1.7
Other	4.8		4.8
Sub-Total	94.2		94.2
Cash	5.8		5.8
Total	100.0		100.0

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1. 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.

2. Source: Platinum for portfolio returns and Factset Research Systems for MSCI returns. The returns are calculated relative to the MSCI All Country Asia ex Japan Net Index in A\$. 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. 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.

4. 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 PAI's portfolio value. The "CCY %" 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".

4. 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.

5. 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). 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 -1.0% for August 2024.
- Our investments in Indonesia and the Philippines were strong contributors. In aggregate, our Chinese and South Korean holdings detracted from returns, although this hides a dispersion of individual company outcomes.
- The portfolio is around 94% long and has zero shorts. We continue to find compelling long-term investment opportunities in the region.

Performance Analysis*

Asia was not immune to the volatility in early August as global markets reacted to the Bank of Japan raising rates and to weak ISM index and non-farm payroll data in the US. These point to a weaker economic environment.

All Asian markets were off over the first few days, although most, with the exception of China and Korean markets, recovered during the month with Indian, Taiwan and Hong Kong markets ending higher than they started in local currency terms. Indonesia was again the standout market delivering almost 6% in local currency terms. A strong AUD resulted in lower AUD returns.

The Portfolio's Indonesian stocks, including property developer Pakuwon Jati and conglomerate Astra International continued their strong run. The Philippine property developer, Ayala Land, was up 20%.

Chinese holdings detracted 0.7% from performance during the month as Greater China's indices continued to make new calendar year lows. At the very end of the month, Chinese authorities eased mortgage policies. This included interest rate reductions for first-home purchasing, the ability to re-mortgage and reduced down payment requirements for both first-home and second-home purchases.

Individually, our Chinese stocks delivered a range of results over August:

- Online travel giant Trip.com was up nearly 9%
- ZTO, the parcel delivery service, was up around 10%. ZTO continues to move away from the highly cost-competitive areas of the market and is focusing on segments where customers value their high quality and timely service. This enabled them to maintain pricing while the rest of the market fell, while also continuing to see volumes grow.
- Concerns over the weak Chinese consumer proved specifically challenging for companies like PDD Holdings, an ecommerce retailer and owner of Temu, who warned of slowing revenue growth amid heightened competition. PDD fell around 25% as a result. While we had almost halved the position earlier in the year this still made it a significant detractor from performance.
- Conversely, DingDong, an ecommerce company focused on fresh food, had an exceptional month and was up around 20%.

Our South Korean holdings – specifically SK Hynix and Samsung - detracted from monthly performance.

As at the end of August 2024, the portfolio had a very high net invested position, approximately 94%, comprising of no shorts and around 6% cash. This reflects our high levels of conviction in the stocks in our portfolio and the very low valuations we are seeing in the region, particularly within China and ASEAN countries. This presents a compelling investment opportunity for true long-term investors who may be underweight the Asian region in their equities portfolios.

An attractively valued portfolio

The portfolio's aggregate valuation metrics are attractive in an absolute and relative sense, with a ~28% higher earnings yield and ~13% discount to book value (see table below).

Metric	Platinum Asia Investments Limited	MSCI AC Asia ex-Japan Net Index (A\$)
NTM Earnings Yield	10.2% (Price-to-Earnings ratio of 9.8x)	8.0% (Price-to-Earnings ratio of 12.5x)
NTM Dividend Yield	3.2%	2.9%
NTM Enterprise Value-to-Sales	1.3x	1.5x
LTM Price-to-Book Ratio	1.4x	1.6x

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 August 2024. 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 Portfolio's fees and costs (other than brokerage). **Past performance is not a reliable indicator of future returns.**