

## FACTS<sup>1</sup>

Market capitalisation	\$377.49 mn
Listing date	21 September 2015
Current share price	\$1.020
Current dividend yield	2.45%
Pre-tax NTA	\$1.1247
Post-tax NTA	\$1.0988
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.

## PERFORMANCE<sup>2</sup>

	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.
<b>Company % (Pre-tax NTA)</b>	4.6	0.5	10.7	20.6	20.6	9.5	2.7	6.2	5.3	7.6
<b>MSCI %</b>	5.4	3.5	10.0	23.4	23.4	14.0	3.8	5.2	5.5	7.8

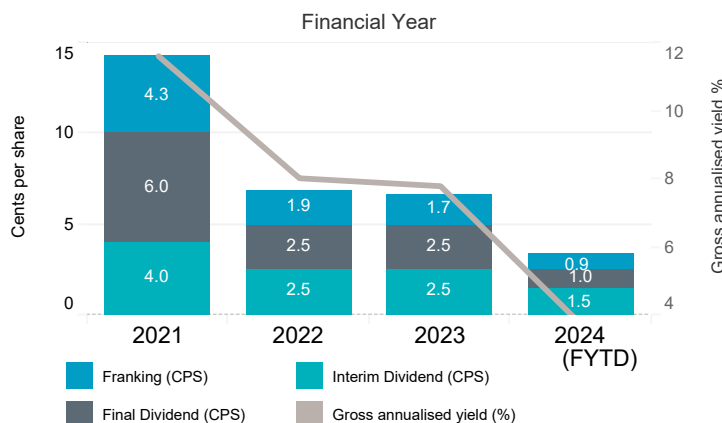
PAI's returns are calculated after the deduction of fees and expenses, adjusted for taxes paid and any capital flows and assume the reinvestment of dividends. PAI's returns have not been calculated using PAI's share price. Past performance is not a reliable indicator of future returns.

## INVESTED POSITIONS<sup>4</sup>

	LONG %	SHORT %	NET %	CCY %
<b>Asia-Pacific</b>	94.9		94.9	95.5
China	50.0		50.0	50.0
India	3.9		3.9	3.9
Indonesia	6.3		6.3	6.3
Philippines	2.2		2.2	2.1
South Korea	12.2		12.2	12.2
Taiwan	10.5		10.5	10.5
Thailand	2.0		2.0	2.0
Vietnam	7.2		7.2	7.2
Other Asia-Pacific	0.7		0.7	1.3
<b>Europe</b>				0.5
Other Europe				0.5
<b>North America</b>				4.0
United States of America				4.0
<b>Sub-Total</b>	94.9		94.9	100.0
<b>Cash</b>	5.1		5.1	
<b>Total</b>	100.0		100.0	100.0

Long - 56 stocks

## HISTORY OF FULLY FRANKED DIVIDENDS (CPS)<sup>3</sup>



## TOP TEN POSITIONS<sup>5</sup>

STOCK	COUNTRY	INDUSTRY	%
Taiwan Semiconductor	Taiwan	Info Technology	9.9
JD.com Inc	China	Cons Discretionary	5.0
SK Hynix Inc	South Korea	Info Technology	4.9
Tencent Holdings Ltd	China	Comm Services	4.8
Vietnam Ent Investments	Vietnam	Other	4.7
China Merchants Bank Co	China	Financials	4.0
ZTO Express Cayman Inc	China	Industrials	3.9
Ping An Insurance Group	China	Financials	3.8
Samsung Electronics Co	South Korea	Info Technology	3.7
Trip.com Group Ltd	China	Cons Discretionary	3.0
<b>Total</b>			<b>47.8</b>

## INDUSTRY BREAKDOWN<sup>4</sup>

SECTOR	LONG %	SHORT %	NET %
Consumer Discretionary	19.8		19.8
Information Technology	19.1		19.1
Industrials	12.1		12.1
Real Estate	10.9		10.9
Financials	9.4		9.4
Communication Services	9.2		9.2
Consumer Staples	4.8		4.8
Materials	3.0		3.0
Health Care	1.9		1.9
Other	4.7		4.7
<b>Sub-Total</b>	94.9		94.9
<b>Cash</b>	5.1		5.1
<b>Total</b>	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.

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## MARKET UPDATE AND COMMENTARY

- The portfolio returned 4.6% for December 2024. In calendar 2024 it delivered a return of over 20%.
- Taiwan continued its strong run, returning 3.4% for the month. It was boosted by its larger names, particularly chip foundry giant TSMC. Both Hong Kong and Shanghai's A Shares index were up, while Thailand, Indian and Korea were all negative.
- The portfolio holds around 5% cash, is around 95% long and has zero shorts, reflecting the compelling long-term investments we are finding in the region. In our view, Asia remains the best value of the major investment regions on a quality-adjusted basis.

### Performance Analysis\*

China-oriented markets performed well, with most of the rest of the region lagging. Given China's market weight within the region this resulted in strong performance for the month. To a degree this reversed performance trends earlier in the year where China underperformed (outside its immediate response to the October stimulus package).

The Chinese stocks that performed well across December come from a range of industries including Financials (Ping An Insurance), Consumer Services (Tencent Holdings) and Consumer Discretionary (Trip.com). The delivery business ZTO recovered some of its weak November performance. A weaker RMB was also a positive for foreign investors.

Korea was a laggard in 2024, ending the year down around 10% and falling 7% over the December quarter. Despite the Korean market's negative return on the back of political instability, chip company SK Hynix reversed last month's disappointment, returning 8.7% for the month. Our other key Korean holding, Samsung Electronics, was down 1.5%. Soulbrain, a Korean company who produce chemical materials used in the manufacturing of semiconductors, was also down over 6%.

TSMC, a critical stock for the Taiwanese market, cemented a strong year. Up over 8% in December, the stock delivered a return over 80% for the year, reflecting its crucial role in the AI revolution.

India's Nifty 50 was down 2%, dragging down what was a reasonable year which saw returns of 8%. Our property developer holding, Macrotech, returned 10% during December. InterGlobe Aviation also continued its good run, up 4.1%. These two holdings make up most of our current Indian exposure and have bucked the broader market trend over the past couple of months.

As at the end of December 2024, the portfolio retains its high net invested position. This reflects our high levels of conviction in the stocks in our portfolio and the attractive valuations we are seeing in the region.

### An attractively valued portfolio

The portfolio's aggregate valuation metrics are attractive in both an absolute sense and relative to the market, with a ~28% higher earnings yield and ~20% discount on price-to-book value (see table below).

Metric	Platinum Asia Investments Limited	MSCI AC Asia ex-Japan Net Index (A\$)
<b>NTM Earnings Yield</b>	10.1% (Price-to-Earnings ratio of 9.9x)	7.9% (Price-to-Earnings ratio of 12.6x)
<b>NTM Dividend Yield</b>	2.7%	2.6%
<b>NTM Enterprise Value-to-Sales</b>	1.1x	1.6x
<b>LTM Price-to-Book Ratio</b>	1.6x	2x

The valuations in the table have been calculated by Platinum and 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 December 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.**