

# Platinum Asia Fund Complex ETF- ASX: PAXX

MONTHLY REPORT 31 May 2025



## FACTS

Portfolio value	\$60.62mn
Fund commenced	12 September 2017
Fund launch	14 September 2017
Income distribution date	Annual, 30 June
Unit valuation	Sydney Business Day
Net asset value (\$ per unit)	4.8941

## FEES

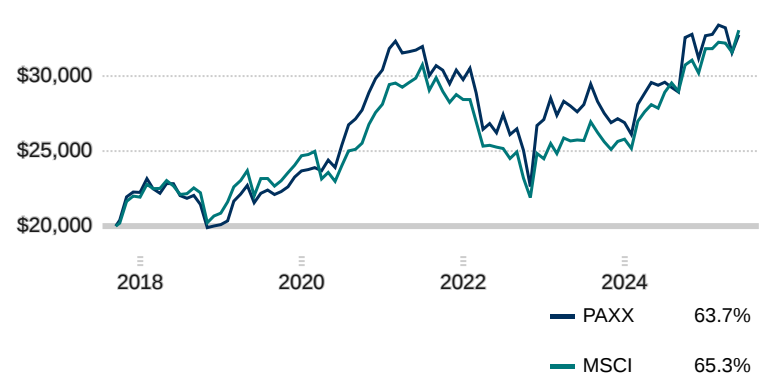
Entry fee	Nil
Buy/sell spread	0.15%/0.15%
(Platinum Asia Fund)	Investment management 1.10% p.a.
	Investment performance 15.00% p.a.*

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

## PERFORMANCE<sup>1</sup>

	FUND %	MSCI %
1 month	3.8	4.7
3 months	(1.9)	2.5
6 months	5.0	9.4
Calendar year to date	0.2	3.9
1 year	11.4	18.7
2 years (compound pa)	8.9	13.3
3 years (compound pa)	7.7	9.4
5 years (compound pa)	6.5	7.5
7 years (compound pa)	5.3	5.5
10 years (compound pa)	-	-
Since inception (compound pa)	6.6	6.7

## PERFORMANCE GRAPH<sup>2</sup>



## INVESTED POSITIONS OF PLATINUM ASIA FUND<sup>3,4</sup>

DESCRIPTION	LONG %	SHORT %	NET %	CCY %
<b>Asia-Pacific</b>	<b>98.1</b>		<b>98.1</b>	<b>98.7</b>
China	49.0		49.0	49.0
India	5.1		5.1	5.1
Indonesia	6.4		6.4	6.6
Philippines	2.0		2.0	2.0
South Korea	15.7		15.7	15.9
Taiwan	10.5		10.5	10.5
Thailand	1.8		1.8	1.8
Vietnam	7.1		7.1	7.1
Other Asia-Pacific	0.6		0.6	0.8
<b>Europe</b>				<b>0.3</b>
Other Europe				0.3
<b>North America</b>				<b>1.0</b>
United States of America				1.0
<b>Sub-Total</b>	<b>98.1</b>		<b>98.1</b>	<b>100.0</b>
<b>Cash</b>	<b>1.9</b>		<b>1.9</b>	
<b>Total</b>	<b>100.0</b>		<b>100.0</b>	<b>100.0</b>

54 Long Positions

## TOP 10 POSITIONS OF PLATINUM ASIA FUND<sup>6,7</sup>

STOCK	COUNTRY	INDUSTRY	NET %
Taiwan Semiconductor	Taiwan	Info Technology	9.8
SK Hynix Inc	South Korea	Info Technology	5.9
Tencent Holdings Ltd	China	Comm Services	5.5
JD.com Inc	China	Cons Discretionary	4.6
Vietnam Enterprise Investments Ltd	Vietnam	Other	4.6
Samsung Electronics Co	South Korea	Info Technology	4.0
Ping An Insurance Group	China	Financials	3.7
ZTO Express Cayman Inc	China	Industrials	3.5
China Merchants Bank Co	China	Financials	3.4
China Resources Land Ltd	China	Real Estate	3.1
Total			48.2

## INDUSTRY BREAKDOWN OF PLATINUM ASIA FUND<sup>5</sup>

SECTOR	LONG %	SHORT %	NET %
Information Technology	20.5		20.5
Consumer Discretionary	20.0		20.0
Industrials	14.6		14.6
Real Estate	11.0		11.0
Communication Services	9.4		9.4
Financials	8.6		8.6
Other	4.6		4.6
Consumer Staples	4.6		4.6
Materials	2.8		2.8
Health Care	2.0		2.0
Energy	0.1		0.1

Platinum Investment Management Limited ABN 25 063 565 006 AFSL 221935, trading as Platinum Asset Management ("Platinum") is the responsible entity of the Platinum Asia Fund Complex ETF (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](http://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](mailto:invest@platinum.com.au). The Fund's target market determination is available at <https://www.platinum.com.au/target-market-determinations>. 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.

<sup>1,2</sup> 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 Asia ex Japan Net Index in A\$. Since inception date for C Class is 04/03/03 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.

<sup>3,5</sup> 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".

<sup>4,7</sup> 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.

<sup>6</sup> The "Top ten positions" show PAF's top ten long securities positions as a percentage of the market value of PAF's portfolio (including long securities and long securities derivative positions). Position counts represent aggregated securities holdings, obtained through both direct securities holdings and indirect securities holdings via equity derivatives. 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

This commentary relates to the underlying fund, the Platinum Asia Fund.

- Asian equities rebounded sharply in May after a turbulent April as the temporary US-China tariff truce sparked renewed optimism and drove a broad-based rally.
- The Platinum Asia Fund returned nearly 4% for the month and is up around 11% for the year. Performance was led by strong gains in technology and especially AI supply chain stocks such as TSMC, Tencent, Samsung Electronics and SK Hynix. The Fund is focused on undervalued companies with strong domestic franchises, particularly in China.

### Fund and market highlights

May 2025 marked a clear turning point for Asian equities, as the region rebounded from a turbulent April dominated by US tariffs targeting China and Vietnam.

The temporary de-escalation in US-China trade tensions - with both countries agreeing to a 90-day period of reduced tariffs - was a powerful positive catalyst for market sentiment. This policy shift injected renewed optimism into global markets. This provided a much-needed reprieve for Asian markets, driving a broad-based rally. Against this backdrop, the Platinum Asia Fund delivered a return of just under 4% for May, bringing the one-year return to nearly 11%.

The improvement in sentiment was evident across most Asian markets. Taiwan led the region with a 12% gain, followed by Vietnam at 10%, Korea at 7% and China at 2% (using MSCI country indices in Australian dollars). India, which had outperformed in previous months, was the notable laggard, rising by only 1%. We are cautious on India as elevated valuations do not fully account for the inherent risks in emerging markets.

A notable feature of the month was the strong recovery in technology and AI supply chain stocks, both globally and within Asia. After a broad selloff from January through April, these sectors staged an impressive rebound. Key portfolio holdings such as TSMC, Tencent, Samsung Electronics and SK Hynix all posted significant gains in their local currencies, contributing meaningfully to the Fund's performance. The ASEAN region, where we maintain a 17% allocation, also benefited from the improved global outlook. Several ASEAN economies are now in rate-cutting cycles and a potentially more stable trade environment bolsters the case for domestic demand - and for investment in these markets.

Portfolio positioning remained broadly stable during May, reflecting our conviction in the current portfolio. We took profits in China Merchants Bank and reduced our exposure to China Vanke, one of our property developer holdings. At the same time, we added to our position in HD Hyundai Marine Solution, a company we highlighted in our March 2025 Quarterly Report as an underappreciated leader in ship after-market servicing.

### Outlook

The events of May reinforce our focus on undervalued companies with strong domestic franchises, particularly in China. While the outlook for US trade policy remains uncertain and geopolitical tensions persist, we believe Asian earnings are still cyclically suppressed and that many of our target companies are trading at valuations that don't reflect their long-term growth potential. The portfolio remains close to fully invested, with a significant allocation to China. We expect further evidence of China's support for its domestic economy will help cushion our holdings from external headwinds.

While we remain mindful of the potential for continued market volatility, the policy pivot in May has created a window of stability and opportunity for our companies and the broader Asian market. We continue to take advantage of stock-picking opportunities whilst staying focused on risk-management as Asian markets adapt to the evolving trade/geopolitical landscape.

### Portfolio Valuations

The portfolio's aggregate valuation metrics are attractive in an absolute sense and relative to the market, with a 27% higher earnings yield and a 20% discount on a price-to-book basis.

Metric	Platinum Asia Fund	MSCI AC Asia ex-Japan Net Index (A\$)
NTM Earnings Yield	9.8% (Price-to-Earnings ratio of 10.2x)	7.7% (Price-to-Earnings ratio of 13x)
NTM Dividend Yield	2.8%	2.6%
NTM Enterprise Value-to-Sales	0.1x	1.8x
LTM Price-to-Book Ratio	1.6x	2x

The valuations in the table have been calculated by Platinum and for the Fund 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 May 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 Fund's fees and costs (other than brokerage). **Past performance is not a reliable indicator of future returns.**