

7 March 2023

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

**Platinum Asia Investments Limited (ASX: PAI)
Monthly Investment Update and Net Tangible Asset (NTA) Report**

Platinum Asia Investments Limited hereby releases the Monthly Investment Update and NTA Report for the month ended 28 February 2023 (as attached).

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

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FACTS¹

Market capitalisation	\$328.40 mn
Listing date	21 September 2015
Current share price	\$0.890
Current dividend yield	5.62%
Pre-tax NTA	\$0.9965
Post-tax NTA	\$1.0170
Maximum franked dividend	5.49 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)	(3.7)	2.3	2.7	1.0	(6.1)	(8.3)	4.1	3.7	9.2	7.1
MSCI %	(2.6)	(0.1)	(0.4)	1.4	(7.9)	(8.3)	(0.2)	2.0	7.8	6.3

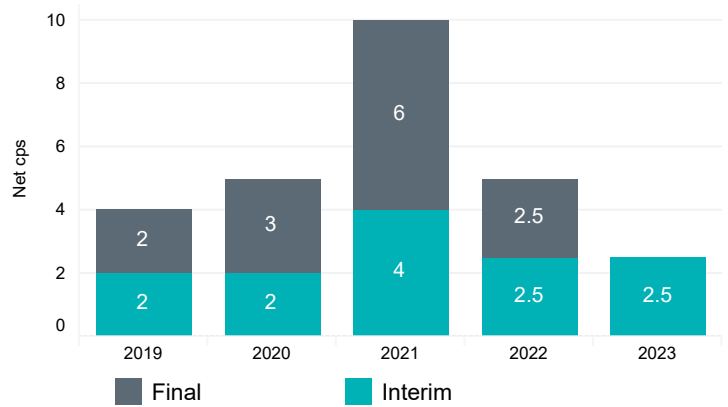
PAI's returns are calculated after the deduction of fees and expenses, adjusted for taxes paid and any capital flows and assume the reinvestment of dividends. PAI's returns have not been calculated using PAI's share price. Past performance is not a reliable indicator of future returns.

INVESTED POSITIONS⁴

	LONG %	SHORT %	NET %	CCY %
Asia-Pacific	91.7	(5.2)	86.5	91.3
China	50.2	(0.3)	50.0	50.0
Hong Kong	3.8		3.8	8.1
India	6.8	(4.9)	1.9	2.1
Macao	1.9		1.9	1.9
Philippines	2.5		2.5	2.5
Singapore	1.0		1.0	1.2
South Korea	12.0		12.0	12.1
Taiwan	6.1		6.1	6.1
Vietnam	5.8		5.8	5.8
Other Asia-Pacific	1.5		1.5	1.5
North America				8.7
United States of America				8.7
Sub-Total	91.7	(5.2)	86.5	100.0
Cash	8.3	5.2	13.5	
Total	100.0		100.0	100.0

Long - 63 stocks, 1 swap Short - 2 swaps, 2 indices

HISTORY OF FULLY FRANKED DIVIDENDS (CPS)³



TOP TEN POSITIONS⁵

STOCK	COUNTRY	INDUSTRY	%
Taiwan Semiconductor	Taiwan	Info Technology	5.4
ZTO Express Cayman Inc	China	Industrials	4.6
Ping An Insurance Group	China	Financials	4.5
Samsung Electronics Co	South Korea	Info Technology	4.5
Vietnam Ent Investments	Vietnam	Other	4.0
InterGlobe Aviation Ltd	India	Industrials	3.9
Tencent Holdings Ltd	China	Comm Services	3.6
China Resources Land Ltd	China	Real Estate	3.4
Trip.com Group Ltd	China	Cons Discretionary	3.2
SK Hynix Inc	South Korea	Info Technology	3.1
Total			40.1

INDUSTRY BREAKDOWN⁴

SECTOR	LONG %	SHORT %	NET %
Consumer Discretionary	19.9		19.9
Information Technology	15.4	(1.0)	14.4
Industrials	13.4		13.4
Real Estate	12.9		12.9
Financials	11.7		11.7
Materials	5.1		5.1
Consumer Staples	4.7	(0.3)	4.5
Communication Services	3.6		3.6
Health Care	0.9		0.9
Energy	0.1		0.1
Other	4.0	(3.9)	0.1
Sub-Total	91.7	(5.2)	86.5
Cash	8.3	5.2	13.5
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 paid during the calendar year. This information is historical. No guarantee is given about future dividends or the level of franking of such dividends (if any).

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 -3.7% in February, after a very strong 24.3% return in the previous three months.
- Asian indices were largely lower as the markets consolidated the strong positive move seen in recent months.
- We remain confident in our positions across the region, though are mindful of geopolitical tensions.

Market Commentary

China's reopening rally pauses

Positive data on new home prices rising for the first time in a year couldn't prevent China's reopening rally from pausing in February as markets pondered the depth of the broader economic recovery (source: Reuters). Investors also grappled with prospects for higher-for-longer US interest rates, ongoing US-China tensions and a dearth of news flow from China ahead of the National People's Congress in early March. Geopolitical tensions between China and the US continued over the month, initially after a Chinese balloon was shot down over the US and then on reports that Beijing was considering supplying weapons to Moscow. Platinum's contrarian investment approach seeks out stocks that the market is overlooking or mispricing due to change. We believe that the Chinese equity market falls into the first category. Having said that, we are very mindful of the geopolitical tensions around China and seek to primarily invest in companies that manufacture and/or have their major source of revenue within China, with compelling medium-term prospects and valuations.

Gains pared in large-cap tech stocks

Investors were worried over a potential squeeze on margins after several Chinese internet names announced large-scale expansion plans. After these companies withheld investment during the government regulatory crackdown on technology companies and the COVID lockdown periods, Meituan said it would hire more people in Hong Kong to take on ByteDance, and JD.com announced a subsidy program to compete against Pinduoduo. Sentiment among technology names was also dampened by the disappearance of Renaissance's CEO and speculation that Beijing could be looking to focus its regulatory attention back on this sector again.

Elsewhere in Asia

The India S&P BSE SENSEX weakened 1.0% in February (source: FactSet), with sentiment still bruised by losses in Adani Group stocks (please note we don't hold any Adani Group stocks in the portfolio). The Adani Group is said to have faced a margin call before the repayment of a US\$1.1 billion loan, and it unexpectedly cancelled its follow-up public offer and offered to prepay some loans backed by share pledges. As we said in our January 2023 monthly report, we have recently viewed the Indian equity market as expensive and have not been able to find many investments there that meet Platinum's criteria of being overlooked and unloved by the broader market and also offering an attractive starting valuation.

Performance Analysis*

Performance was lower in February, with the portfolio down 3.7% for the month compared to the MSCI AC Asia Ex Japan Index, which fell 2.6%. This short-term result is not unexpected given the strength of the recovery from the lows in October 2022. Top contributors to February's performance were Chinese diesel engine developer and manufacturer Weichai Power, Hong Kong property developer Hang Lung Properties and a short position over India's Nifty Index. Detractors included Chinese e-commerce website JD.com, Chinese parcel delivery service ZTO Express and Chinese tech stock Alibaba Group.

Valuation

Given the portfolio's stronger-than-market performance in the December 2022 quarter and in the month of January 2023, it is no surprise that the portfolio's aggregate earnings yield is slightly lower than the market (see table below). We continue to focus on finding businesses that have better long-term growth prospects than the opportunity set but are at attractive valuations.

Metric	Platinum Asia Investments Limited	MSCI AC Asia Ex Japan Index (A\$)
NTM Earnings Yield	7.6% (Price to earnings ratio 13.2x)	7.9% (Price to earnings ratio 12.7x)
NTM Dividend Yield	2.6%	3.2%
NTM Enterprise Value-to-Sales	1.4x	1.1x
LTM Price-to-Book Ratio	1.5x	1.5x

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. As at 28 February 2023. 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.**