

7 November 2024

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 31 October 2024 (as attached).

For more information in relation to PAI, please refer to the website at:

www.platinumasia.com.au

Authorised by

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FACTS¹

Market capitalisation	\$388.60 mn
Listing date	21 September 2015
Current share price	\$1.050
Current dividend yield	2.38%
Pre-tax NTA	\$1.1266
Post-tax NTA	\$1.1001
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)	0.6	12.1	10.4	20.8	20.5	19.3	3.0	7.3	5.6	7.8
MSCI %	1.0	5.1	10.6	20.4	23.7	19.1	3.2	5.7	5.3	7.7

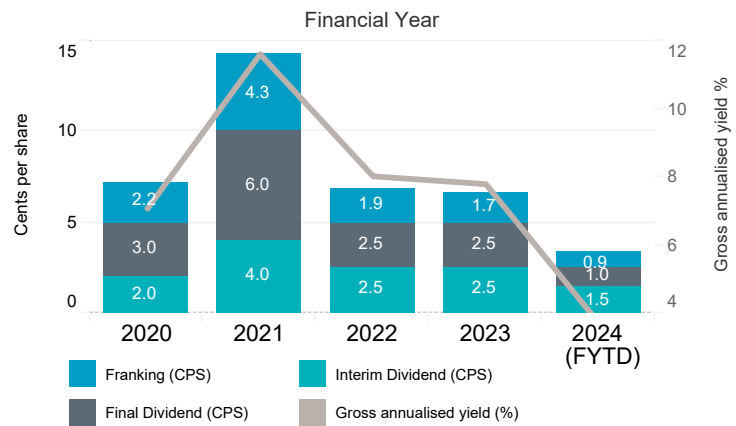
PAI's returns are calculated after the deduction of fees and expenses, adjusted for taxes paid and any capital flows and assume the reinvestment of dividends. PAI's returns have not been calculated using PAI's share price. Past performance is not a reliable indicator of future returns.

INVESTED POSITIONS⁴

	LONG %	SHORT %	NET %	CCY %
Asia-Pacific	95.0		95.0	95.3
China	49.9		49.9	49.9
India	3.4		3.4	3.4
Indonesia	6.4		6.4	6.4
Philippines	2.4		2.4	2.4
South Korea	13.1		13.1	13.1
Taiwan	10.1		10.1	10.1
Thailand	2.0		2.0	2.1
Vietnam	6.7		6.7	6.7
Other Asia-Pacific	1.0		1.0	1.1
Europe				0.5
Other Europe				0.5
North America				4.2
United States of America				4.2
Sub-Total	95.0		95.0	100.0
Cash	5.0		5.0	
Total	100.0		100.0	100.0

Long - 57 stocks

HISTORY OF FULLY FRANKED DIVIDENDS (CPS)³



TOP TEN POSITIONS⁵

STOCK	COUNTRY	INDUSTRY	%
Taiwan Semiconductor	Taiwan	Info Technology	9.4
SK Hynix Inc	South Korea	Info Technology	5.3
JD.com Inc	China	Cons Discretionary	5.3
Tencent Holdings Ltd	China	Comm Services	4.4
ZTO Express Cayman Inc	China	Industrials	4.3
Vietnam Ent Investments	Vietnam	Other	4.3
Samsung Electronics Co	South Korea	Info Technology	4.0
Ping An Insurance Group	China	Financials	3.9
China Merchants Bank Co	China	Financials	3.6
Trip.com Group Ltd	China	Cons Discretionary	3.2
Total			47.7

INDUSTRY BREAKDOWN⁴

SECTOR	LONG %	SHORT %	NET %
Consumer Discretionary	20.6		20.6
Information Technology	19.3		19.3
Real Estate	12.0		12.0
Industrials	11.8		11.8
Financials	9.0		9.0
Communication Services	8.2		8.2
Consumer Staples	4.6		4.6
Materials	3.3		3.3
Health Care	1.8		1.8
Other	4.3		4.3
Sub-Total	95.0		95.0
Cash	5.0		5.0
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 0.6% for October 2024.
- Chinese holdings gave up a portion of their extraordinary September returns and Indian stocks were weak. More generally, emerging market stocks struggled on expectations that US rates would stay elevated.
- The portfolio holds 5% cash, is around 95% long and has zero shorts, reflecting the compelling long-term opportunities in the Asia region.

Performance Analysis*

The portfolio is up over 20% for the year to end October.

Chinese stocks gave up some of the stellar returns of the prior month (where they were boosted by stimulus announcements). In the main they remain firmly ahead of where they were at the end of August and in total made a slight positive contribution to returns. As discussed previously, property remains a bellwether for the Chinese economy. We have seen primary property sales improve and a couple of tier one cities have seen secondary sales improvement. This is positive but only a single datapoint, thus care should be taken not to extrapolate this out too far.

The Indian market was weak, with the Nifty 50 falling 6.2%. InterGlobe (IndiGo airlines) was down -17% and therefore detracted from portfolio returns. This takes only some of the gloss off what has been an outstanding period for InterGlobe which is up more than four times since we first invested in mid-2020. The long term trajectory for Indian travel remains a highly interesting growth story, however after such a strong run we have been trimming the position.

World-leading chip foundry, TSMC, our largest portfolio position, was the strongest contributor to monthly returns, being up around 6% and leading the Taiwan TAIEX higher. SK Hynix, another semiconductor holding, was up nearly 7%.

More generally, while the US election created a strong element of uncertainty, increasing rates across the US yield curve has also been a cause for concern in emerging markets equities. The potential for stickier inflation is increasing long term rate expectations which has weighed on broad market returns for the month.

We continue to trim a number of our larger, stronger returning portfolio positions. For example, Trip.com, a positive contributor for the month, was up nearly 50% for the last three months, Alibaba up 22% and Ping An Insurance up over 40%. We trimmed all these positions to lock in profits and manage risk.

We introduced Kuaishu Technology into the portfolio. Kuaishu is a Chinese mobile app for sharing short form videos, live streaming and ecommerce. This is the number three player in what is a very large and quite fragmented market where short form video is the second largest market for internet users. Some 96% use short form video services, just behind instant messaging at 97%. Kuaishu's valuation and potential profit growth profile provide an interesting opportunity in what is a cyclical low point in the advertising industry.

As at the end of October 2024, the portfolio retains its high net invested position at approximately 95% with no shorts and around 5% 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.

An attractively valued portfolio

The portfolio's aggregate valuation metrics are attractive in both an absolute sense and relative to the market, with a ~24% higher earnings yield and ~6% discount on price-to-book value (see table below).

Metric	Platinum Asia Investments Limited	MSCI AC Asia ex-Japan Net Index (A\$)
NTM Earnings Yield	9.7% (Price-to-Earnings ratio of 10.3x)	7.8% (Price-to-Earnings ratio of 12.9x)
NTM Dividend Yield	3.0%	2.9%
NTM Enterprise Value-to-Sales	1.4x	1.6x
LTM Price-to-Book Ratio	1.5x	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 October 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.**