

Net Tangible Assets & Monthly Investment Report

31 MAY 2019

Company commentary

- Heightened trade tensions prompt a sharp selloff in regional equity markets
- Near term uncertainties to increase volatility short term; long term investment theses remain largely intact

Gaming and copper positions retraced their year to date gains as investors positioned for a slowing Chinese economy. As the debate shifted from tariff increases to bans on individual companies (Huawei), investors have also contemplated the retaliatory measures at China's disposal, with Macau gaming companies one area mentioned as being at risk. We believe the risk of any action in relation to Macau remains low, particularly for MGM China and Melco who are either local or have large local partners.

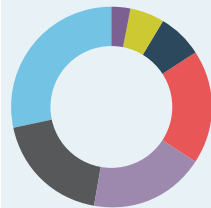
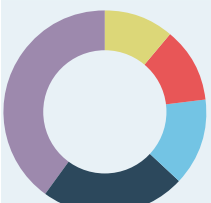
Baidu was the largest performance detractor after providing a weak Q2 guidance. Management described seeing a soft advertising environment across both search and feed businesses as well as video streaming

service iQiyi. Increased inventory as well as reduced demand from sectors facing regulatory scrutiny (gaming/ healthcare) drove the softness. To offset tougher operating conditions Baidu will slow investment expenditure over the remainder of the year. Management also announced a \$1 billion buyback. Weibo, a competitor to Baidu in the domestic search market, also referred to a slowing advertising environment during its earnings call.

Positive contributors to performance included Malaysian cement company Lafarge, which received a takeover offer from YTL Cement. Having accepted the offer, we exited the stock. ASEAN property and automotive classifieds company Frontier Digital Ventures also contributed to returns.

Net Tangible Asset (NTA) backing per ordinary share (After fees and expenses, all figures are unaudited) ¹	April 2019	May 2019	Change	Perf. since incept. - p.a. ⁴	Perf. since incept. - total ⁴
NTA before tax accruals plus franking credits ²	1.1801	1.0908	-7.6%	5.2%	29.0%
NTA after tax ³	1.1240	1.0616	-5.6%		

1. Past performance is not a reliable indicator of future performance. 2. 31 May 2019 includes \$0.064 of franking credits. 3. Net Tangible Assets (NTA) refers to the net assets of the Company after the accruals for net current and deferred tax liabilities/assets. 4. Performance adjusted for capital flows including those associated with the payment of dividends, share issuance as a result of option exercise, and the dividend reinvestment plan, and including the value of franking credits.

Portfolio investments		Weighting	Current stock example	Domicile of listing^														
Online Classifieds & Ecommerce		21.0%	iCar	 <table><tr><td>Hong Kong</td><td>28.3%</td></tr><tr><td>Korea</td><td>18.8%</td></tr><tr><td>North America</td><td>18.7%</td></tr><tr><td>Australia</td><td>18.3%</td></tr><tr><td>Malaysia</td><td>7.2%</td></tr><tr><td>India</td><td>5.5%</td></tr><tr><td>Singapore</td><td>3.2%</td></tr></table>	Hong Kong	28.3%	Korea	18.8%	North America	18.7%	Australia	18.3%	Malaysia	7.2%	India	5.5%	Singapore	3.2%
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Consumer - Breweries		7.3%	Heineken Malaysia															
Consumer - Other		10.5%	Dali Food Group															
Financials		15.3%	DBS Group															
Gaming		13.9%	MGM China Holdings															
Capital Goods & Infrastructure		11.5%	Turquoise Hill Resources															
Oil & Gas Infrastructure		9.0%	Sinopec Kantons	 <table><tr><td>Greater China</td><td>39.9%</td></tr><tr><td>South East Asia</td><td>23.0%</td></tr><tr><td>International</td><td>13.8%</td></tr><tr><td>Developed Asia</td><td>12.1%</td></tr><tr><td>South Asia</td><td>11.2%</td></tr></table>	Greater China	39.9%	South East Asia	23.0%	International	13.8%	Developed Asia	12.1%	South Asia	11.2%				
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Technology - Hardware		5.1%	Samsung preference shares															
Long Equities Position		93.6%																
Short Equities Position		-1.6%																
Net Invested Equities		92.0%																
Total holdings		28																
			Currency exposure*															
		USD	36.1%															
		AUD	27.6%															
		HKD	26.7%															
		INR	6.1%															
		Other	3.5%															
Total exposure		100.0%																

^ 'Domicile of Listing' represents the location of stock exchange listing of each entities' head office, whereas 'Domicile of Business' represents the location of the predominant business of those entities. * Stated as Effective Exposure.

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PM Capital Limited ('the Manager'), founded in 1998, is a globally-focussed fund manager that invests money on behalf of private clients, the clients of financial advisers and institutions. PM Capital's goal is to build long term wealth by investing in global markets with patience and conviction.

Company profile

The PM Capital Asian Opportunities Fund Limited (ASX:PAF, ACN 168 666 171) is intended to provide investors with an opportunity to invest in the Asian Region (ex-Japan)¹ via an Australian Securities Exchange (ASX) listed investment company. The company began trading on the ASX on 22 May 2014.

Managed by PM Capital Limited, the aim is to create long term wealth through a concentrated portfolio of typically 15-35 quality companies within Asia ex-Japan that we believe are trading at prices different to their intrinsic values.

Who manages the Company's portfolio?

PAF's investment portfolio is managed by PM Capital (AFSL 230222). Kevin Bertoli is the Portfolio Manager, who has over 13 years' industry experience and is supported by a team of experienced investment analysts. The investment team is led by founder and CIO Paul Moore who has over 32 years' experience in successfully managing investment funds.

PM Capital believes in being a patient investor, one that has conviction, one that finds opportunities where others can only see risk. We only invest in what we know, deeply, via our fundamental research.

Investment philosophy

PM Capital aims to build long term wealth together with our co-investors by finding and exploiting investment anomalies around the world. Using a focused, patient and considered approach to finding simple investment ideas produces the best environment for creating that long term wealth.

Our experience has shown us that while the market is largely efficient, it can, and regularly does, misprice a small proportion of companies. Our unique process is based on scanning the world for those companies (hence the radar in our logo), discovering the associated valuation anomalies and extracting value from them. We buy good businesses at a good price; businesses that we believe are being valued differently to their long term intrinsic value, but will return to their correct value over time.

Why the PM Capital Asian Opportunities Fund Limited?

Asia-specific: The Company focuses on companies listed or operating in Asia (ex-Japan)¹, giving unrestricted exposure to the world's fastest growing region.

Established: The Company's process has been shown to be effective, based on a philosophy developed by Paul Moore, over 32 years. This has produced attractive long term capital growth.

Unrestricted: We have an authentic investment process where our exposure to countries, industry sectors or market capitalisation is determined solely by our conviction in the risk/reward opportunities that we identify in individual stocks.

Opportunistic and focused: The Company's portfolio is not built around a general market benchmark or index - it is highly focused based on our fundamental, bottom-up investment process. As a guide, the portfolio holds around 15 to 35 deeply researched stocks that we believe give the best opportunity to produce strong long term returns.

Co-investment: Shareholders receive access to a unique subset of opportunities to which they may otherwise find difficult to access. The Manager has a significant investments in the Company - they invest for and with you.

Key Company Details

ASX Code

PAF

ACN

168 666 171

Trading commenced

22 May 2014

Shares on issue

56,892,865

Category

Asian (ex-Japan)¹ equities

Investment style

Fundamental, bottom-up, research-intensive approach

Number of stocks

As a guide 15-35 stocks

Suggested investment time

Seven years plus

Investor profile

PAF may be appropriate for investors seeking to profit from long-term capital appreciation over a seven plus year investment horizon through a concentrated portfolio of Asian Equities.¹

Important Notice

PM Capital Asian Opportunities Fund Limited ACN 168 666 171 (PAF) has prepared the information in this announcement. This announcement has been prepared for the purposes of providing general information only and does not constitute an offer, invitation, solicitation or recommendation with respect to the purchase or sale of any securities in PAF. Nor does it constitute financial product or investment advice nor take into account your investment objectives, taxation situation, financial situation or needs. An investor must not act on the basis of any matter contained in this announcement in making an investment decision but must make its own assessment of PAF and conduct its own investigations and analysis. See the ASX Company Announcements platform at www.asx.com.au for further information. Past performance is not a reliable indicator of future performance. All positions are reported net of all liabilities including tax.

1. The Asian region (ex-Japan) includes Hong Kong, China, Taiwan, Korea, Indonesia, India, Sri Lanka, Malaysia, Philippines, Thailand, Vietnam, Pakistan and Singapore, but excludes Japan. The Company may also obtain exposure to companies listed on other global exchanges where the predominant business of those companies is conducted in the Asian region (ex-Japan).

Further Information

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