



Net Tangible Assets & Monthly Investment Report

30 SEPTEMBER 2020

Company commentary

- Regional equity markets lose some momentum in line with moves seen globally
- Online classifieds position assist performance

In local currency terms, regional equity markets settled marginally lower after the period of strong performance witnessed in recent months. Global factors were the primary drivers of this, with investors navigating the impacts of a spike in COVID-19 cases in Europe as well as signs that the pace of the economic recovery in the US looks to be slowing in the absence of further stimulus measures.

From an Australian Dollar performance perspective, a rebounding US Dollar more than offset the impact of weaker equity prices on performance for both the benchmark and the portfolio where the majority of the currency exposure remains in US Dollars.

At the portfolio level, the performance of a majority of our core portfolio themes mirrored that of the broader market. Our gaming holdings, as well as positions in oil and gas infrastructure businesses – which are typically correlated with the oil price – detracted the most from performance.

Contributing positively to performance were the portfolio's online classifieds positions, most notably Frontier Digital Ventures.

Cross-Harbour Holdings also advanced after it received a conditional cash offer from its largest shareholder and Chairman. We subsequently exited the position.

Net Tangible Asset (NTA) backing per ordinary share (After fees and expenses, all figures are unaudited) ¹	September 2020
NTA before tax accruals	\$ 0.9215
NTA after tax (excluding deferred tax assets)	\$ 0.9147

Company performance (net of fees) ²	1 Month	1 Year	3 Years p.a.	Since inception p.a.	Total Return
PM Capital Asian Opportunities Fund	0.5%	-3.9%	-3.6%	3.4%	23.4%

1. Past performance is not a reliable indicator of future performance. 2. Performance adjusted for capital flows including those associated with the payment of dividends and tax, share issuance as a result of option exercise and the dividend reinvestment plan, and including the value of franking credits.

Portfolio investments	Weighting
Online Classifieds & Ecommerce	18.5%
Consumer	16.1%
Gaming	12.3%
Infrastructure	11.1%
Technology	8.4%
Materials (Copper)	10.3%
Financials	6.7%
Other	5.9%
Long Equities Position	89.3%
Net Invested Equities	89.3%
Total holdings	24

Current stock example	
iCar Asia	
Dali Food Group	
MGM China Holdings	
Sinopec Kantons	
China Merchants Holdings International	
Freeport-McMoRan	
Shinhan Financial	
Currency exposure*	100%
USD	65.4%
AUD	22.4%
KRW	8.2%
INR	4.9%
Other	-0.9%

Domicile of listing [^]	
	<ul style="list-style-type: none"> Hong Kong 38.1% Australia 21.3% North America 17.4% Korea 9.0% Vietnam 7.9% India 4.5% Malaysia 1.8%
Domicile of business [^]	
	<ul style="list-style-type: none"> Greater China 47.3% South East Asia 19.4% South Asia 16.1% International 11.2% Developed Asia 6.0%

[^] '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.

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 (AFSL 230222), the aim is to create long term wealth through a concentrated portfolio of typically 15-35 quality companies within Asia ex-Japan that it believes are trading at prices different to their intrinsic values.

Who manages the Company's portfolio?

Kevin Bertoli is the Portfolio Manager, who has over 14 years' industry experience and is supported by a team of experienced investment analysts. The PM Capital investment team is led by founder and CIO Paul Moore.

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 34 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 investment in the Company - it invests with and for you.

Key Company Details

ASX Code

PAF

ACN

168 666 171

Trading commenced

22 May 2014

Shares on issue

57,611,321

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. Announcement authorised by: Benjamin Skilbeck - Director.

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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