

Net Tangible Assets & Monthly Investment Report

31 OCTOBER 2020

Company commentary

- Freeport-McMoRan's Grasberg mine reaches cash flow inflection.
- Online classified marketplace holdings, iCar Asia and Frontier Digital Ventures, drive performance on company-specific news flow.

During the month, portfolio holding Freeport-McMoRan released its third quarter results which were ~20% above consensus. More importantly, however, the result also demonstrated another quarter of solid execution at Grasberg in Indonesia. Cash flows are now at an inflection point with Grasberg production ramping up meaningfully over the next two years.

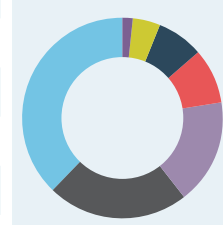
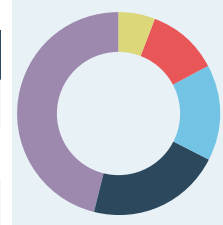
Frontier Digital Ventures raised A\$100 million, with the proceeds used to acquire three businesses from global marketplace operator Adevinta. The capital raising was well supported by investors, with the portfolio participating in the institutional entitlement offer. All three acquired businesses hold dominant market positions in their

verticals and fit with Frontier's existing portfolio of assets. The 3.5x price to sales multiple is not reflective of the quality of the assets; rather, seller Adevinta is rationalising a large portfolio after the acquisition of eBay's Classifieds business this year.

Portfolio holding iCar Asia received a non-binding takeover offer from Autohome Inc., the owner of China's largest automotive classifieds marketplace. The offer of A\$0.50 per share, a 51% premium to its closing price prior to the offer, values the company at A\$216 million. While iCar Asia's share price rose materially post the announcement, as at the end of the month it remained below the offer price given its non-binding nature.

Net Tangible Asset (NTA) backing per ordinary share (After fees and expenses, all figures are unaudited) ¹	October 2020	Company performance (net of fees) ²					
		1 Month	1 Year	3 Years p.a.	Since inception p.a.	Total Return	
NTA before tax accruals	\$ 0.9659						
NTA after tax (excluding deferred tax assets)	\$ 0.9567						
		PM Capital Asian Opportunities Fund	4.5%	-1.8%	-3.1%	4.0%	29.0%

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	Current stock example	Domicile of listing [^]	
Online Classifieds & Ecommerce	20.4%	iCar Asia	 <ul style="list-style-type: none"> Hong Kong 37.5% Australia 22.7% North America 17.0% Korea 8.9% Vietnam 7.5% India 4.7% Malaysia 1.7% 	
Consumer	15.9%	Dali Food Group		
Gaming	12.4%	MGM China Holdings		
Infrastructure	11.1%	Sinopec Kantons		
Materials (Copper)	10.4%	Freeport-McMoRan		
Technology	8.3%	Travelsky		
Financials	7.3%	Shinhan Financial		
Other	6.2%			
Long Equities Position	89.3%			
Net Invested Equities	92.0%			
Total holdings 23			Domicile of business [^]	
Currency exposure [*] 100%			 <ul style="list-style-type: none"> Greater China 46.1% South East Asia 21.4% South Asia 15.2% International 11.4% Developed Asia 5.9% 	
USD 64.9%				
AUD 29.3%				
KRW 8.4%				
INR 5.2%				
Other -7.8%				

[^] '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

56,909,183

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).

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