

Net Tangible Assets & Monthly Investment Report

31 OCTOBER 2017

Company commentary

Performance was strong amid investors holding a much more favourable view of the region's economic prospects, particularly China.

Performance was again strong in October, driven by wider market movements as opposed to any meaningful stock specific announcements. While overall performance was notable, the lower combined beta of the portfolio and its meaningful cash holdings did limit gains.

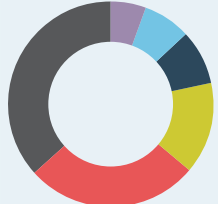
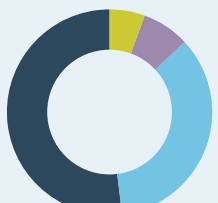
Our gaming investments were mixed with Macau holdings, Wynn Macau (-5%) and MGM China (-6%), taking a breather after a strong September. Conversely Nagacorp (+33%) and Donaco International (+12%) were among the biggest positive contributors. Nagacorp's solid performance comes in the lead up to the official opening of their Naga 2 casino in Phnom Penh on November 3rd.

As witnessed by the recent performance of Asian markets the pendulum has clearly shifted with investors now holding a much more favourable view of the region's economic prospects, particularly those in China. As a result, many of the anomalies that existed twelve months ago have been realised and we have therefore gradually reduced the invested position.

Despite the noticeable improvement in sentiment many of the risk factors at the forefront of investors' minds during 2016 still exist and continue to pose real risks to the economic growth and investor's confidence. Consequently, we remain judicious when redeploying capital and caution readers in becoming caught up in the euphoria of strong markets.

Net Tangible Asset (NTA) backing per ordinary share (all figures are unaudited)	September 2017 (ex) ³	October 2017 (ex) ⁴	Change ⁵
NTA before tax accruals plus franking credits ¹	\$1.2491	\$1.2947	+ 3.65%
NTA after tax ²	\$1.1745	\$1.2078	+ 2.84%

1. 31 October 2017 includes \$0.0311 of franking credits. 2. Net Tangible Assets (NTA) refers to the net assets of the Company after the accruals for net current and deferred tax liabilities/assets. 3 & 4. NTA on an ex-dividend basis for the fully franked interim dividend of 2.5cps. 5. Change calculated on an ex-dividend basis. Refer to 'Key Company Details' for payment details.

Portfolio investments	Weighting	Current stock example	Domicile of listing [^]
Consumer - Breweries	6.5%	Heineken Malaysia	 <ul style="list-style-type: none"> Hong Kong 36.5% North America 27.3% Malaysia 14.5% Australia 8.5% Singapore 7.6% Korea 5.6%
Consumer - Other	8.6%	Dali Foods	
Online Classifieds & Ecommerce	16.0%	Baidu	
Gaming - Macau	9.8%	Wynn Macau	
Gaming - Other	8.9%	Donaco International	
Financials	19.2%	HSBC Holdings	
Capital Goods & Commodities	11.6%	Turquoise Hill Resources	
Oil & Gas Infrastructure	9.7%	Sinopec Kantons	
Other	2.8%		
Long Equities Position	93.1%		
Short Equities Position	-2.4%		
Net Invested Equities	90.7%		
Total holdings	25		
		Currency exposure [*]	Domicile of business [^]
		USD 59.2%	 <ul style="list-style-type: none"> Greater China 51.9% South East Asia 34.9% International 7.6% Developed Asia 5.6%
		HKD 36.7%	
		SGD 16%	
		MYR 15%	
		Other 10%	
		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.

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 11 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 30 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.

Further Information

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Share Registry Enquiries

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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 100% 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 30 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

Listing Date

21 May 2014

Shares on issue

56,248,711

Category

Asian (ex-Japan)² 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

Dividend

Ex-Dividend Date: 13 September 2017
Record Date: 14 September 2017
Last date to elect DRP: 15 September 2017
Payment Date: 5 October 2017

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