

Platinum Global Transition Fund (Quoted Managed Hedge Fund)[®]

ARSN 658 996 251

Interim Financial Report For the half-year ended 31 December 2023

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This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report should be read in conjunction with the financial report for the year ended 30 June 2023. In addition, reference should be made to any public pronouncements made in respect of the registered scheme during the interim reporting period.

The interim financial report covers Platinum Global Transition Fund (Quoted Managed Hedge Fund)[®] as an individual entity.

The responsible entity of Platinum Global Fund is Platinum Investment Management Limited (ABN 25 063 565 006). The responsible entity's registered office is: Level 8, 7 Macquarie Place, Sydney, NSW 2000.

The interim financial report was authorised for issue on 26 February 2024 by the Directors of Platinum Investment Management Limited, who have the power to amend and re-issue the interim financial report.

Responsible Entity Report

The Directors of Platinum Investment Management Limited (trading as Platinum Asset Management[®]) (ABN 25 063 565 006 AFSL 221935), the responsible entity of the Platinum Global Transition Fund (Quoted Managed Hedge Fund) (“PGTX”, the “registered scheme”), present their report on the registered scheme for the half-year ended 31 December 2023.

Principal Activities

The Platinum Global Transition Fund (Quoted Managed Hedge Fund) (ASX code: PGTX) is an Australian registered managed investment scheme. Its units are quoted on the Australian Securities Exchange (ASX) under the ASX AQUA Rules. The registered scheme was formally registered on 9 May 2022 and commenced trading on 4 July 2022.

The registered scheme seeks to provide capital growth over the long-term by investing in undervalued companies from around the world that are enabling or contributing to the transition away from fossil fuel-derived energy and goods production and consumption.

The principal activity of the registered scheme during the half-year/period was the investment of funds internationally into securities of companies, in accordance with the Product Disclosure Statement (“PDS”) and the Constitution.

There were no significant changes in the nature of the registered scheme’s activities during the half-year/period.

Directors of the Responsible Entity

The Directors of Platinum Investment Management Limited (“PIML”) during the half-year/period and up to the date of this report, unless otherwise stated were:

Andrew Clifford
Elizabeth Norman
Andrew Stannard

Significant Changes in the State of Affairs

There were no significant changes to the state of affairs of the registered scheme during the half-year/period.

Operating and Financial Review (“OFR”)

As at 31 December 2023, the registered scheme’s Funds Under Management (“FUM”) was \$13.6 million (30 June 2023: \$12.0 million). The six month return for the period from 1 July 2023 to 31 December 2023 was -1.0%¹. The return for the 12 months ended 31 December 2023 was 6.5% and the return since inception was 3.9%.

As at 31 December 2023, the registered scheme’s Net Asset Value per unit was \$1.0588 (30 June 2023: \$1.0697 after the 30 June 2023 distribution).

¹ PGTX’s returns are calculated using PGTX’s net asset value per unit (which does not include the buy/sell spread) and represent PGTX’s combined income and capital returns over the specified period. Returns are net of accrued fees and costs, are pre-tax, and assume the reinvestment of distributions.

Operating and Financial Review (“OFR”) (continued)

The performance of the registered scheme, as represented by the results of its operations for the half-year ended 31 December 2023, were as follows:

	Half-year ended	
	31 December 2023	For the period from 9 May 2022 to 31 December 2022
Net operating profit/(loss) (\$'000)	(179)	(70)

The method of operating the registered scheme is not expected to change in the foreseeable future.

Rounding of amounts to the nearest thousand dollars

The registered scheme is of a kind referred to in ASIC Corporations (*Rounding in Financial/Directors' Reports*) Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with this Instrument to the nearest thousand dollars, unless otherwise indicated.

Auditor's independence declaration

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* is attached on page 4.

This report is made in accordance with a resolution of the Directors.



Andrew Stannard

Director

Sydney
26 February 2024



Auditor's Independence Declaration

As lead auditor for the review of Platinum Global Transition Fund (Quoted Managed Hedge Fund) for the half-year ended 31 December 2023, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.

A handwritten signature in black ink, appearing to read 'CJ Cummins', written over a horizontal line.

CJ Cummins
Partner
PricewaterhouseCoopers

Sydney
26 February 2024

Statement of Comprehensive Income

	Half-year ended	For the
	31 December	period from
	2023	9 May 2022
Note	\$'000	to 31 December
		2022
		\$'000
Investment income		
Dividends	112	19
Interest	17	36
Net gains/(losses) on financial assets and liabilities at fair value through profit or loss	(152)	140
Net foreign exchange gains/(losses) on forward currency contracts	18	28
Net foreign exchange gains/(losses) on bank accounts	(89)	(227)
Total net investment income	(94)	(4)
Expenses		
Management fee	65	50
Withholding tax on foreign dividends	11	2
Transaction costs	8	13
Other	1	1
Total expenses	85	66
Net operating loss	(179)	(70)
Other comprehensive income	-	-
Total comprehensive income	(179)	(70)

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Statement of Financial Position

	Note	As at	
		31 December 2023 \$'000	30 June 2023 \$'000
Assets			
Cash and cash equivalents		1,557	2,213
Receivables		95	14
Financial assets at fair value through profit or loss	3	<u>12,050</u>	<u>9,878</u>
Total Assets		<u>13,702</u>	<u>12,105</u>
Liabilities			
Payables		113	40
Financial liabilities at fair value through profit or loss	3	<u>19</u>	<u>18</u>
Total Liabilities		<u>132</u>	<u>58</u>
Net Assets Attributable to Unitholders - Equity	4	<u>13,570</u>	<u>12,047</u>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

	Note	Half-year ended 31 December 2023	For the period from 9 May 2022 to 31 December 2022
		\$'000	\$'000
Total equity at the beginning of the half-year/period		<u>12,047</u>	<u>-</u>
Loss for the half-year/period		<u>(179)</u>	<u>(70)</u>
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income for the half-year/period		<u>(179)</u>	<u>(70)</u>
Transactions with equity holders			
Applications	4	1,807	10,000
Redemptions	4	<u>(105)</u>	<u>-</u>
Total transactions with equity holders		<u>1,702</u>	<u>10,000</u>
Total equity at the end of the half-year/period		<u>13,570</u>	<u>9,930</u>

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows

	Half-year ended 31 December 2023	For the period from 9 May 2022 to 31 December 2022
Note	\$'000	\$'000
Cash flows from operating activities		
Purchase of financial assets	(6,502)	(6,599)
Proceeds from sale of financial assets	4,190	1,457
Interest received	21	36
Dividends received	91	8
Management fees paid	(64)	(42)
Performance fees paid	(18)	-
Other expenses paid	(9)	(18)
Net cash outflow from operating activities	<u>(2,291)</u>	<u>(5,158)</u>
Cash flows from financing activities		
Proceeds from units issued	4 1,807	10,000
Payment for units redeemed	4 (117)	-
Net cash inflow from financing activities	<u>1,690</u>	<u>10,000</u>
Net (decrease)/increase in cash and cash equivalents	(601)	4,842
Cash and cash equivalents at the beginning of the half-year/period	2,213	-
Effects of exchange rate changes on cash and cash equivalents	(55)	(240)
Cash and cash equivalents at the end of the half-year/period	<u>1,557</u>	<u>4,602</u>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

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1 General information

Platinum Investment Management Limited (ABN 25 063 565 006 AFSL 221935) is the responsible entity of Platinum Global Transition Fund (Quoted Managed Hedge Fund) ("PGTX", the "registered scheme"). The registered office is Level 8, 7 Macquarie Place, Sydney, NSW 2000. The registered scheme name was changed from Platinum Carbon Transition Fund (Quoted Managed Hedge Fund) to Platinum Global Transition Fund (Quoted Managed Hedge Fund) on 21 December 2022.

2 Basis of preparation of the interim financial report

This financial report for the half-year reporting period ended 31 December 2023 has been prepared in accordance with Australian Accounting Standard AASB 134: *Interim Financial Reporting and the Corporations Act 2001*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34: *Interim Financial Reporting*.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the financial report for the year ended 30 June 2023 and any public pronouncements made in respect of the registered scheme during the interim reporting period.

The accounting policies are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated. Comparative information has been reclassified, where appropriate, to enhance comparability.

(a) New accounting standards and interpretations

There are no standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 July 2023 that have a material impact on the amounts recognised in the prior periods or will affect the current or future periods.

3 Financial assets and liabilities at fair value through profit or loss

	As at	
	31 December 2023	30 June 2023
	\$'000	\$'000
Financial assets		
Equity securities	12,013	9,867
Derivatives	<u>37</u>	<u>11</u>
Total financial assets at fair value through profit or loss	<u>12,050</u>	<u>9,878</u>
Financial liabilities		
Derivatives	<u>19</u>	<u>18</u>
Total financial liabilities at fair value through profit or loss	<u>19</u>	<u>18</u>
Total of financial assets less liabilities	<u>12,031</u>	<u>9,860</u>

4 Net assets attributable to unitholders

Movements in number of units and net assets attributable to unitholders during the half-year/period were as follows:

	31 December 2023 \$'000	For the period from 9 May 2022 to 31 December 2022 \$'000	31 December 2023 Units '000	For the period from 9 May 2022 to 31 December 2022 Units '000
Opening balance	12,047	-	11,261	-
Applications during the half-year/period	1,807	10,000	1,652	9,990
Redemptions during the half-year/period	(105)	-	(97)	-
Total comprehensive income for the half-year/period	(179)	(70)	-	-
Closing balance	<u>13,570</u>	<u>9,930</u>	<u>12,816</u>	<u>9,990</u>

5 Fair value measurement

AASB 13 *Fair Value Measurement* requires the registered scheme to classify its assets and liabilities held at fair value based on the following fair value hierarchy model:

- a) quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- b) inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly (as prices) or indirectly (derived from prices) (level 2); and
- c) inputs for the assets or liabilities that are not based on observable market data (unobservable inputs) (level 3).

The registered scheme measures and recognises the following assets at fair value on a recurring basis:

- equity securities, long equity swaps;
- short equity swaps.

The tables on the following page analyses within the fair value hierarchy model, the registered scheme's assets and liabilities measured at fair value at 31 December 2023 and 30 June 2023.

5 Fair value measurement (continued)

	31 December 2023				30 June 2023			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial assets								
Equity securities	12,013	-	-	12,013	9,867	-	-	9,867
Derivatives	-	37	-	37	-	11	-	11
	<u>12,013</u>	<u>37</u>	<u>-</u>	<u>12,050</u>	<u>9,867</u>	<u>11</u>	<u>-</u>	<u>9,878</u>
Financial liabilities								
Derivatives	-	19	-	19	-	18	-	18
	<u>-</u>	<u>19</u>	<u>-</u>	<u>19</u>	<u>-</u>	<u>18</u>	<u>-</u>	<u>18</u>
Total of financial assets less liabilities	<u>12,013</u>	<u>18</u>	<u>-</u>	<u>12,031</u>	<u>9,867</u>	<u>(7)</u>	<u>-</u>	<u>9,860</u>

The registered scheme's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. There were no transfers between levels 1 and 2 for any assets or liabilities measured at fair value during the half-year.

Valuation techniques used to classify assets and liabilities as level 1

The majority of the equity securities held by the registered scheme are valued using quoted prices in active markets, and these are classified as Level 1 in the fair-value hierarchy model.

Valuation techniques used to classify assets and liabilities as level 2

There are some financial instruments that have been classified as level 2, because there is a degree of adjustment made to the quoted price i.e., whilst all significant inputs required for fair value measurement are observable and quoted on an active market, there is a degree of estimation or adjustment involved in deriving the fair value. Examples include:

- Foreign exchange contracts are classified as level 2, even though forward points are quoted in an active and liquid market. The forward points themselves are based on interest rate differentials; and
- Certain Participatory Notes ("P-Notes") and warrants are classified as level 2, because they are traded over-the-counter and are often priced in a different currency to the underlying security.
- OTC equity swap contracts are classified as level 2 because the swap contract itself is not listed and does not have an observable market price. However, the underlying security referred to in each swap contract has a directly observable quoted price in an active market.

6 Events after the reporting period

There are no matters or circumstances that have arisen since 31 December 2023 that have significantly affected, or may significantly affect the registered scheme's operations, the results of those operations, or the registered scheme's state of affairs in future financial years.

7 Contingent assets, liabilities and commitments

The registered scheme have no contingent assets, liabilities or commitments as at 31 December 2023 or 30 June 2023.

In the opinion of the Directors of the responsible entity:

- (a) the financial statements and notes set out on pages 5 to 13 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards, the *Corporations Act 2001* and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the registered scheme's financial position as at 31 December 2023 and of its performance for the financial period ended on that date, and
- (b) there are reasonable grounds to believe that the registered scheme will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.



Andrew Stannard
Director

Sydney
26 February 2024



Independent auditor's review report to the unitholders of Platinum Global Transition Fund (Quoted Managed Hedge Fund)

Report on the half-year financial report

Conclusion

We have reviewed the half-year financial report of Platinum Global Transition Fund (Quoted Managed Hedge Fund) (the Registered Scheme) which comprises the statement of financial position as at 31 December 2023, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, selected explanatory notes and the directors of Platinum Investment Management Limited (the Responsible Entity) declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Platinum Global Transition Fund (Quoted Managed Hedge Fund) does not comply with the *Corporations Act 2001* including:

1. giving a true and fair view of the Registered Scheme's financial position as at 31 December 2023 and of its performance for the half-year ended on that date
2. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report.

We are independent of the Registered Scheme in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibilities of the directors of the Responsible Entity for the half-year financial report

The directors of the Responsible Entity are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors of the Responsible Entity determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement whether due to fraud or error.

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Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Registered Scheme's financial position as at 31 December 2023 and of its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

A handwritten signature in black ink, appearing to read 'PricewaterhouseCoopers', written in a cursive style.

PricewaterhouseCoopers

A handwritten signature in black ink, appearing to read 'CJ Cummins', written in a cursive style.

CJ Cummins
Partner

Sydney
26 February 2024