

29 February 2024

The Manager
ASX Market Announcements
ASX Limited
Sydney NSW 2000

By e-Lodgement

Platinum Asset Management Limited (ASX: PTM) – 2024 Half-Year Financial Results

PTM encloses for release to the market the following information:

1. Appendix 4D
2. Interim financial report for the six months ended 31 December 2023.

Authorised by

Joanne Jefferies | Company Secretary

Investor contact

Elizabeth Norman | Director of Investor Services and Communications
Platinum Asset Management Limited
Tel: 61 2 9255 7500
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LISTING RULE 4.2A

| COMPANY | PLATINUM ASSET MANAGEMENT LIMITED |
|---|-----------------------------------|
| ASX Code | PTM |
| Half-year ended | 31 December 2023 |
| Previous corresponding period – half-year ended | 31 December 2022 |
| ABN | 13 050 064 287 |

RESULTS FOR ANNOUNCEMENT TO THE MARKET

This announcement to the market for the Platinum Asset Management Limited Consolidated Group should be read in conjunction with the attached 31 December 2023 Interim Financial Report and the 30 June 2023 Annual Financial Report.

| | % CHANGE | 31 DEC 2023 \$A'000 | 31 DEC 2022 \$A'000 |
|--|----------|------------------------|------------------------|
| Total revenue and other income | -2% | 99,784 | 102,258 |
| Profit from ordinary activities after income tax | -5% | 35,633 | 37,558 |
| Operating profit attributable to members | -5% | 35,703 | 37,558 |
| Basic EPS (cents per share) | | 6.29 cps | 6.55 cps |
| Diluted EPS (cents per share) | | 6.13 cps | 6.43 cps |

FUM at 31 December 2023 was \$15.4 billion and this represented a decrease of 10.8% from the 30 June 2023 closing FUM of \$17.3 billion. The change in FUM was driven by net outflows of \$1.8 billion and negative investment returns of \$0.1 billion during the half-year. Average FUM for the six months to 31 December 2023 was \$16.2 billion which was 9.1% lower than the average FUM of \$17.8 billion for the previous corresponding half-year.

Profit after tax was \$35.6 million (31 December 2022: \$37.6 million) for the half-year. Basic earnings per share was 6.3 cents per share (31 December 2022: 6.6 cents per share). The decrease in profit and earnings per share is a result of a decrease in management fees partially offset by an increase in other income.

Underlying profit after tax, which excludes gains and losses on seed investments and amortisation of performance rights granted under the Platinum Partners' Long-Term Incentive Plan ("Platinum Partners' LTIP") (all net of tax), was \$37.3 million (31 December 2022: \$39.8 million). Accounting rules require a share-based payments expense of \$4.2 million to be recorded in the current period for the Platinum Partners' LTIP. These awards will only vest in the event that total shareholder return hurdles are met (refer to the 30 June 2023 Remuneration Report for details) which did not occur at the first two test dates (30 June 2021 and 30 June 2022).

Fee revenue was \$92.4 million for the period ended 31 December 2023, a decrease of 6.9% from \$99.3 million in the previous corresponding period. Management fee revenues decreased 6.9% compared to the 31 December 2022 period primarily due the decrease in average FUM. There were no significant performance fee revenues in the half-years ended 31 December 2023 or 31 December 2022.

Other income increased from a \$3.0 million gain in the period ended 31 December 2022 to a \$7.4 million gain in the current half-year due primarily to higher interest income and improved returns from seed investments.

Refer to the attached Auditor-reviewed financial statements for more financial information on the Consolidated Group results.

DIVIDENDS

| INTERIM DIVIDEND DECLARED | 6 CENTS PER SHARE FULLY-FRANKED |
|----------------------------------|--|
| Ex-dividend date | 7 March 2024 |
| Record date | 8 March 2024 |
| Payable date | 22 March 2024 |

The final dividend paid for the year ended 30 June 2023 was 7 cents per share fully-franked.

DIVIDEND REINVESTMENT PLAN

Whilst the Company has a Dividend Reinvestment Plan in place, it has not been activated.

OTHER INFORMATION

| NET TANGIBLE ASSETS | 31 DEC 2023 | 30 JUN 2023 | 31 DEC 2022 |
|---|--------------------|--------------------|--------------------|
| Net tangible assets per share of the consolidated entity attributable to owners | \$0.54 | \$0.55 | \$0.55 |

Joanne Jefferies
 Company Secretary
 29 February 2024



Interim Financial Report

For the half-year ended 31 December 2023

DIRECTORS

Guy Strapp
 Anne Loveridge
 Brigitte Smith
 Philip Moffitt
 Andrew Clifford (resigned as Board Director 1 February 2024)
 Elizabeth Norman (resigned as Board Director 1 February 2024)
 Andrew Stannard (resigned as Board Director 1 February 2024)
 Stephen Menzies (retired 15 November 2023)

COMPANY SECRETARY

Joanne Jefferies

SHAREHOLDER LIAISON

Elizabeth Norman

REGISTERED OFFICE

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 Sydney NSW 2000
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 Phone +61 2 9255 7500

SHARE REGISTRAR

Computershare Investor Services Pty Ltd
 Level 3, 60 Carrington Street
 Sydney NSW 2000
 Phone 1300 855 080 (Australia only)
 Phone +61 3 9415 4000
 Fax +61 3 9473 2500

AUDITOR AND TAXATION ADVISOR

Ernst & Young
 The EY Centre
 Level 34, 200 George Street
 Sydney NSW 2000

SECURITIES EXCHANGE LISTING

Platinum Asset Management Limited shares are listed on the Australian Securities Exchange (ASX code: **PTM**)

WEBSITE

www.platinum.com.au/ptm-shareholder

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity', 'Group' or 'Platinum') consisting of Platinum Asset Management Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2023.

DIRECTORS

The following persons were Directors of Platinum Asset Management Limited during the half-year and up to the date of this report, unless otherwise stated:

| | |
|------------------|---|
| Guy Strapp | Chair and Non-Executive Director |
| Anne Loveridge | Non-Executive Director |
| Brigitte Smith | Non-Executive Director |
| Philip Moffitt | Non-Executive Director |
| Andrew Clifford | Chief Executive Officer/Managing Director (resigned as Board Director 1 February 2024)* |
| Elizabeth Norman | Executive Director and Director of Investor Services and Communications (resigned as Board Director 1 February 2024)* |
| Andrew Stannard | Executive Director and Chief Financial Officer (resigned as Board Director 1 February 2024)* |
| Stephen Menzies | Non-Executive Director (retired on 15 November 2023) |

* Further information about these changes is provided below.

PRINCIPAL ACTIVITIES

The Company is the non-operating holding company of Platinum Investment Management Limited ("PIML") and its controlled entities. PIML, trading as Platinum Asset Management (Platinum), operates a funds management business.

APPOINTMENT OF CEO AND BOARD RESTRUCTURE

The Company announced the appointment of Mr Jeff Peters as Chief Executive Officer ("CEO") on 8 January 2024.

Mr Peters appointment follows an extensive global search to replace co-founder Andrew Clifford as CEO following the Company's announcement in August 2023 that he would be stepping aside from the CEO role.

With over 30 years of industry experience, Mr Peters brings to Platinum an extensive asset management background, together with strategic and management consulting skills. He previously led the institutional and international businesses of two large global asset management firms, Columbia Threadneedle Investments and Putnam Investments, respectively, following his time running the asset management practice at McKinsey. Mr Peters was educated at Princeton University and holds an MBA from Harvard Graduate School of Business Administration.

The Board utilised Mr Peters' appointment as an opportunity to restructure its composition to ensure that it remains independent and meets best practice corporate governance standards. Accordingly, Andrew Clifford, Elizabeth Norman and Andrew Stannard stepped down from the Board on 1 February 2024. Mr Clifford continues in his role as Co-Chief Investment Officer and Ms Norman and Mr Stannard will continue to perform their management duties, reporting to the new CEO.

OPERATING AND FINANCIAL REVIEW

The key variables that drive the profitability of the Group are average funds under management ("FUM") growth, investment performance, including performance of our seed investments, performance fees earned and expense management.

FUM at 31 December 2023 was \$15.4 billion and this represented a decrease of 10.8% from the 30 June 2023 closing FUM of \$17.3 billion. The change in FUM was driven by net outflows of \$1.8 billion and negative investment returns of \$0.1 billion during the half-year. Average FUM for the six months to 31 December 2023 was \$16.2 billion which was 9.1% lower than the average FUM of \$17.8 billion for the previous corresponding half-year.

OPERATING AND FINANCIAL REVIEW (CONTINUED)

FUM for the half-year ending 31 December 2023 is shown in the table below.

| FUNDS | OPENING BALANCE (1 JUL 23) \$'M | FLows \$'M | INVESTMENT PERFORMANCE \$'M | DISTRIBUTION AND OTHER \$'M | CLOSING BALANCE (31 DEC 23) \$'M | % OF TOTAL |
|--|--|----------------|-----------------------------------|-----------------------------------|---|---------------|
| Retail offerings | | | | | | |
| Platinum Trust Funds (excluding funds fed from PIXX and PAXX) and Platinum Global Fund (mFund) | 10,530 | (761) | (91) | - | 9,678 | 63% |
| Quoted Managed Hedge Funds PIXX, PAXX and PGTX | 437 | (21) | (6) | - | 410 | 3% |
| Listed Investment Companies PMC and PAI | 836 | (3) | (15) | (18) | 800 | 5% |
| MLC Platinum Global Fund | 630 | (28) | 8 | - | 610 | 4% |
| Institutional mandates | | | | | | |
| Management Fee Mandates | 1,694 | (190) | - | - | 1,504 | 10% |
| UCITS Platinum World Portfolios | 155 | (6) | 4 | - | 153 | 1% |
| Cayman Funds | 36 | (34) | (2) | - | - | -% |
| 'Absolute' Performance Fee Mandates | 261 | (55) | 2 | - | 208 | 1% |
| 'Relative' Performance Fee Mandates | 2,748 | (655) | (9) | - | 2,084 | 13% |
| Total | 17,327 | (1,753) | (109) | (18) | 15,447 | 100% |

Source: Platinum Investment Management Limited.

The 'Distribution and Other' figure is comprised of dividend and tax payments made by the listed investment companies: Platinum Capital Limited (ASX code: PMC) and Platinum Asia Investments Limited (ASX code: PAI). Platinum Investment Bond is included within Platinum Trust Funds. **Past performance is not a reliable indicator of future returns.**

Profit after tax was \$35.6 million (31 December 2022: \$37.6 million) for the half-year. Basic earnings per share was 6.3 cents per share (31 December 2022: 6.6 cents per share). The decrease in profit and earnings per share is a result of a decrease in management fees partially offset by an increase in other income.

Underlying profit after tax, which excludes gains and losses on seed investments and amortisation of performance rights granted under the Platinum Partners' Long-Term Incentive Plan ("Platinum Partners' LTIP") (all net of tax), was \$37.3 million (31 December 2022: \$39.8 million). Accounting rules require a share-based payments expense of \$4.2 million to be recorded in the current period for the Platinum Partners' LTIP. These awards will only vest in the event that total shareholder return hurdles are met (refer to the 30 June 2023 Remuneration Report for details) which did not occur at the first two test dates (30 June 2021 and 30 June 2022).

Fee revenue was \$92.4 million for the period ended 31 December 2023, a decrease of 6.9% from \$99.3 million in the previous corresponding period. Management fee revenue decreased 6.9% compared to the 31 December 2022 period primarily due to the decrease in average FUM. There were no significant performance fee revenues in the half-years ended 31 December 2023 or 31 December 2022.

Other income increased from a \$3.0 million gain in the period ended 31 December 2022 to a \$7.4 million gain in the current half-year due primarily to higher interest income and improved returns from seed investments.

Total costs were \$48.1 million for the period ended 31 December 2023, a decrease of \$0.1 million from the previous corresponding period. The decrease in total costs is mainly due to:

- A \$2.2 million decrease in salaries and employee related expenses due to lower provisions for variable compensation.
- Share-based payment expenses increased by \$0.7 million mainly due to an additional grant of performance rights under the Platinum Partners' LTIP.
- Non-staff expenses were \$1.4 million higher compared with the previous corresponding period primarily due to an increase in technology and professional expenses. The increase in non-staff expenses includes higher non-recurring project costs of \$0.8 million.

OPERATING AND FINANCIAL REVIEW (CONTINUED)

Platinum believes it is well positioned to play an important role in the funds management sector because:

- We maintain a highly differentiated investment style and a strong position in the Australian retail market; and
- Our investment team continues to deliver high-quality research and a large idea base.

The Group is in a solid financial position, with a strong balance sheet. However, the most significant driver of sustainable future growth is, and will always be, the delivery of superior long-term investment returns for our clients.

DIVIDENDS

The Company has limited capital requirements and generally expects that most, if not all, future profits will continue to be distributed by way of dividends, subject to ongoing capital requirements. Given that the basic earnings per share for the 2024 interim period was 6.3 cents per share, post 31 December 2023, the Directors determined a 2024 interim fully-franked dividend of 6 cents per share with a record date of 8 March 2024 and payable to shareholders on 22 March 2024.

The 2023 interim fully-franked dividend for the previous corresponding period was 7 cents per share.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 6.

This report is made in accordance with a resolution of Directors, pursuant to section 306(3)(a) of the *Corporations Act 2001*.

On behalf of the Directors



Guy Strapp
Chair

29 February 2024
Sydney



Anne Loveridge
Director



**Building a better
working world**

Ernst & Young
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Sydney 2000 NSW Australia

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Auditor's Independence Declaration to the Directors of Platinum Asset Management Limited

As lead auditor for the review of the half-year financial report of Platinum Asset Management Limited for the half-year ended 31 December 2023, I declare 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;
- b. No contraventions of any applicable code of professional conduct in relation to the review; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

This declaration is in respect of Platinum Asset Management Limited and the entities it controlled during the financial period.

A handwritten signature in black ink that reads 'Ernst & Young' in a cursive script.

Ernst & Young

A handwritten signature in black ink that reads 'Rita Da Silva' in a cursive script.

Rita Da Silva
Partner
29 February 2024

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GENERAL INFORMATION

The financial statements cover Platinum Asset Management Limited (the "Company") as a consolidated entity (the "Group") consisting of Platinum Asset Management Limited and the entities it controlled at the end of, or during, the half-year ended 31 December 2023. The financial statements are presented in Australian dollars, which is the Company's functional and presentation currency.

A description of the nature of the Group's operations and its principal activities are included in the Directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 29 February 2024.

The Directors have the power to amend and re-issue the interim financial report.

The interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, the report is to be read in conjunction with the annual report for the year ended 30 June 2023 and any public announcements made by Platinum Asset Management Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

Consolidated statement of profit or loss and other comprehensive income

FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

| | NOTE | HALF-YEAR ENDED | |
|---|------|-----------------------|-----------------------|
| | | 31 DEC 2023 \$'000 | 31 DEC 2022 \$'000 |
| Revenue | | | |
| Management fees | | 92,380 | 99,258 |
| Performance fees | | - | 2 |
| Total revenue | | 92,380 | 99,260 |
| Other income | | | |
| Interest | | 4,222 | 1,705 |
| Distributions and dividends | | 1,313 | 1,298 |
| Share of profit/(loss) of associates | 4 | 3,763 | (1,474) |
| Gains/(losses) on financial assets at fair value through profit or loss | | (1,891) | 1,376 |
| Foreign exchange gains/(losses) on overseas bank accounts | | (3) | 93 |
| Total revenue and other income | | 99,784 | 102,258 |
| Expenses | | | |
| Employee expenses | | | |
| • Salaries and employee-related expenses | | 22,876 | 25,072 |
| • Share-based payments | | 8,300 | 7,581 |
| Custody and unit registry | | 3,156 | 3,167 |
| Business development | | 3,744 | 3,815 |
| Technology, research and data | | 3,958 | 3,042 |
| Legal, compliance and other professional | | 2,966 | 2,090 |
| Depreciation of right-of-use assets | | 996 | 970 |
| Depreciation of fixed assets | | 476 | 386 |
| Mail house, periodic reporting and share registry | | 604 | 501 |
| Insurance | | 597 | 1,284 |
| Rent and other occupancy | | 160 | 144 |
| Finance costs on lease liabilities | | 95 | 59 |
| Other | | 204 | 94 |
| Total expenses | | 48,132 | 48,205 |
| Profit before income tax expense | | 51,652 | 54,053 |
| Income tax expense | | 16,019 | 16,495 |
| Profit after income tax expense | | 35,633 | 37,558 |
| Other comprehensive income | | | |
| Exchange rate translation impact of foreign subsidiaries and associates | | (1,899) | (407) |
| Other comprehensive income for the half-year, net of tax | | (1,899) | (407) |
| Total comprehensive income for the half-year | | 33,734 | 37,151 |
| Profit after income tax expense for the year is attributable to: | | | |
| Owners of Platinum Asset Management Limited | | 35,703 | 37,558 |
| Non-controlling interests | | (70) | - |
| | | 35,633 | 37,558 |
| Basic earnings per share (cents per share) | 3 | 6.29 | 6.55 |
| Diluted earnings per share (cents per share) | 3 | 6.13 | 6.43 |

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Consolidated statement of financial position

AS AT 31 DECEMBER 2023

| Assets | NOTE | 31 DEC 2023 \$'000 | 30 JUN 2023 \$'000 |
|---|------|-----------------------|-----------------------|
| Current assets | | | |
| Cash and cash equivalents | | 158,756 | 86,183 |
| Term deposits | | 49,876 | 99,876 |
| Trade and other receivables | | 20,853 | 24,977 |
| Income tax receivable | | 1,769 | 1,422 |
| Total current assets | | 231,254 | 212,458 |
| Non-current assets | | | |
| Equity investments in associates | 4 | 82,002 | 71,696 |
| Financial assets at fair value through profit or loss | 8 | 32,602 | 62,250 |
| Fixed assets | | 2,245 | 1,664 |
| Right-of-use assets | | 12,737 | 2,914 |
| Total non-current assets | | 129,586 | 138,524 |
| Total assets | | 360,840 | 350,982 |
| Liabilities | | | |
| Current liabilities | | | |
| Trade and other payables | | 11,929 | 8,658 |
| Employee benefits | | 4,834 | 4,973 |
| Lease liabilities | | 1,568 | 2,141 |
| Income tax payable | | 405 | 658 |
| Total current liabilities | | 18,736 | 16,430 |
| Non-current liabilities | | | |
| Provisions | | 1,629 | 1,408 |
| Employee benefits | | 939 | 970 |
| Lease liabilities | | 11,550 | 1,112 |
| Net deferred tax liabilities | | 155 | 1,531 |
| Total non-current liabilities | | 14,273 | 5,021 |
| Total liabilities | | 33,009 | 21,451 |
| Net assets | | 327,831 | 329,531 |
| Equity | | | |
| Issued capital | 6 | 699,001 | 702,022 |
| Reserves | | (547,582) | (551,440) |
| Retained profits | 7 | 173,420 | 177,589 |
| Total equity attributable to the owners of Platinum Asset Management Limited | | 324,839 | 328,171 |
| Non-controlling interests | | 2,992 | 1,360 |
| Total equity | | 327,831 | 329,531 |

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity

FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

| | ISSUED CAPITAL | RESERVES | RETAINED PROFITS | NON- CONTROLLING INTERESTS | TOTAL EQUITY |
|---|-------------------|------------------|---------------------|----------------------------------|-----------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Consolidated | | | | | |
| Balance at 1 July 2023 | 702,022 | (551,440) | 177,589 | 1,360 | 329,531 |
| Profit/(loss) after income tax expense for the half-year | - | - | 35,703 | (70) | 35,633 |
| <i>Other comprehensive income</i> | | | | | |
| Exchange rate translation impact of foreign subsidiaries and associates | - | (1,899) | - | - | (1,899) |
| Total comprehensive income for the half-year | - | (1,899) | 35,703 | (70) | 33,734 |
| Treasury shares transferred (net) | 2,544 | - | - | - | 2,544 |
| Share-based payments reserve | - | 5,757 | - | - | 5,757 |
| Shares bought back on-market | (5,565) | - | - | - | (5,565) |
| Dividends paid | - | - | (39,872) | - | (39,872) |
| Transactions with non-controlling interests | - | - | - | 1,702 | 1,702 |
| Balance at 31 December 2023 | 699,001 | (547,582) | 173,420 | 2,992 | 327,831 |

| | ISSUED CAPITAL | RESERVES | RETAINED PROFITS | NON- CONTROLLING INTERESTS | TOTAL EQUITY |
|---|-------------------|------------------|---------------------|----------------------------------|-----------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Consolidated | | | | | |
| Balance at 1 July 2022 | 706,595 | (560,123) | 177,082 | - | 323,554 |
| Profit after income tax expense for the half-year | - | - | 37,558 | - | 37,558 |
| <i>Other comprehensive income</i> | | | | | |
| Exchange rate translation impact of foreign subsidiaries and associates | - | (407) | - | - | (407) |
| Total comprehensive income for the half-year | - | (407) | 37,558 | - | 37,151 |
| Treasury shares transferred (net) | 4,683 | - | - | - | 4,683 |
| Share-based payments reserve | - | 2,897 | - | - | 2,897 |
| Dividends paid | - | - | (40,145) | - | (40,145) |
| Transactions with non-controlling interests | - | - | - | - | - |
| Balance at 31 December 2022 | 711,278 | (557,633) | 174,495 | - | 328,140 |

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Consolidated statement of cash flows

FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

| | 31 DEC 2023 \$'000 | 31 DEC 2022 \$'000 |
|---|-----------------------|-----------------------|
| Cash flows from operating activities | | |
| Receipts from operating activities | 96,152 | 105,047 |
| Payments for operating activities | (34,769) | (27,763) |
| Finance costs paid | (95) | (59) |
| Income taxes paid | (17,196) | (22,497) |
| Net cash from operating activities | 44,092 | 54,728 |
| Cash flows from investing activities | | |
| Interest received | 4,092 | 1,448 |
| Proceeds on maturity of term deposits | 99,876 | 59,876 |
| Purchase of term deposits | (49,876) | (19,876) |
| Payments for purchases of fixed assets | (1,062) | (160) |
| Receipts from sale of financial assets | 41,635 | 9,387 |
| Payments of purchases of financial assets | (14,267) | (17,385) |
| Proceeds from sale of investments in associates | - | 38,279 |
| Payments of purchased of investments in associates | (8,561) | (38,279) |
| Dividends and distribution received | 1,335 | 1,316 |
| Net cash provided by investing activities | 73,172 | 34,606 |
| Cash flows from financing activities | | |
| Dividends paid | (39,872) | (40,145) |
| Payment of lease liability principal | (953) | (976) |
| Proceeds from units issued from non-controlling interests | 1,702 | - |
| Shares bought back on-market | (5,565) | - |
| Net cash used in financing activities | (44,688) | (41,121) |
| Net movement in cash and cash equivalents | 72,576 | 48,213 |
| Cash and cash equivalents at the beginning of the half-year | 86,183 | 87,449 |
| Effects of exchange rate changes on cash and cash equivalents | (3) | 93 |
| Cash and cash equivalents at the end of the half-year | 158,756 | 135,755 |

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

NOTE 1. MATERIAL ACCOUNTING POLICIES

These general purpose financial statements for the interim half-year reporting period ended 31 December 2023 have been prepared in accordance with Australian Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Act 2001*, as appropriate for for-profit entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2023 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

Accounting standards and interpretations not yet mandatory or early adopted during the half-year

There are no standards that are not yet effective that are expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

The Group has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

Accounting standards adopted during the half-year

There are no standards that are effective for the first time in the current period that have a material impact on the Group.

NOTE 2. SEGMENT INFORMATION

The Group is organised into two main operating segments being:

- funds management: through the generation of management and performance fees from Australian investment vehicles and investment mandates, its US based investment mandates and Platinum World Portfolios Plc. ("PWP") and associated costs; and
- investments and other: through the Group's investment in the (a) ASX listed, PAI (b) PWP (c) unlisted Platinum Trust Funds and (d) other investments and seed funds. Also included in this category are Australian dollar term deposits as well as associated interest derived from these.

The segment financial results, segment assets and liabilities are disclosed below:

| | 31 DECEMBER 2023 | | | 31 DECEMBER 2022 | | |
|---|-------------------------------|------------------------------------|-----------------|-------------------------------|------------------------------------|-----------------|
| | FUNDS MANAGEMENT \$'000 | INVESTMENTS AND OTHER \$'000 | TOTAL \$'000 | FUNDS MANAGEMENT \$'000 | INVESTMENTS AND OTHER \$'000 | TOTAL \$'000 |
| Revenue and other income | | | | | | |
| Management and performance fees | 92,380 | - | 92,380 | 99,260 | - | 99,260 |
| Interest | 1,602 | 2,620 | 4,222 | 936 | 769 | 1,705 |
| Net gains/(losses) on financial assets and equity in associates | - | 1,872 | 1,872 | - | (98) | (98) |
| Distributions and dividends | - | 1,313 | 1,313 | - | 1,298 | 1,298 |
| Foreign exchange gains/(losses) on overseas bank accounts | - | (3) | (3) | - | 93 | 93 |
| Total revenue and other income/(loss) | 93,982 | 5,802 | 99,784 | 100,196 | 2,062 | 102,258 |
| Expenses | 47,600 | 532 | 48,132 | 47,918 | 287 | 48,205 |
| Profit/(loss) before income tax expense/(benefit) | 46,382 | 5,270 | 51,652 | 52,278 | 1,775 | 54,053 |
| Income tax expense/(benefit) | 14,438 | 1,581 | 16,019 | 15,963 | 532 | 16,495 |
| Profit/(loss) after income tax expense/(benefit) | 31,944 | 3,689 | 35,633 | 36,315 | 1,243 | 37,558 |
| Other comprehensive income/(loss) | (39) | (1,860) | (1,899) | 2 | (409) | (407) |
| Total comprehensive income/(loss) | 31,905 | 1,829 | 33,734 | 36,317 | 834 | 37,151 |
| Total assets | 157,232 | 203,608 | 360,840 | 109,988 | 249,915 | 359,903 |
| Total liabilities | 33,396 | (387) | 33,009 | 31,763 | - | 31,763 |
| Net assets | 123,836 | 203,995 | 327,831 | 78,225 | 249,915 | 328,140 |

NOTE 3. EARNINGS PER SHARE

| | CONSOLIDATED HALF-YEAR ENDED | |
|---|---------------------------------|-----------------------|
| | 31 DEC 2023 \$'000 | 31 DEC 2022 \$'000 |
| Profit after income tax attributable to the owners of Platinum Asset Management Limited | 35,703 | 37,558 |
| | NUMBER | NUMBER |
| Weighted average number of ordinary shares used in calculating basic earnings per share | 567,215,356 | 573,448,746 |
| Adjustment for deferred rights and share buyback | 15,318,097 | 10,725,051 |
| Weighted average number of ordinary shares used in calculating diluted earnings per share | 582,533,453 | 584,173,797 |
| | CENTS | CENTS |
| Basic earnings per share | 6.29 | 6.55 |
| Diluted earnings per share | 6.13 | 6.43 |

NOTE 4. EQUITY INVESTMENTS IN ASSOCIATES

The Group's investments in PAI and PWP represent interests in associates which are accounted for using the equity method of accounting. Information relating to this is shown below:

(a) Interests in associates

| ENTITY | COUNTRY OF INCORPORATION | EQUITY INTEREST % | | FAIR VALUE \$'000 | | CARRYING AMOUNT \$'000 | | REASON FOR ASSESSMENT OF SIGNIFICANT INFLUENCE |
|--------|-----------------------------|----------------------|----------------|----------------------|----------------|---------------------------|----------------|---|
| | | 31 DEC 2023 | 30 JUN 2023 | 31 DEC 2023 | 30 JUN 2023 | 31 DEC 2023 | 30 JUN 2023 | |
| PAI | Australia | 8.1 | 8.1 | 24,750 | 25,650 | 29,366 | 31,086 | Ownership interest was 8.1% at 31 December 2023; PIML acts as Investment Manager (IM) in accordance with the investment management agreement; PIML provides performance and exposure reports to the PAI Board. |
| PWP | Ireland | 34.6 | 26.1 | 52,636 | 40,610 | 52,636 | 40,610 | Ownership interest was 34.6% at 31 December 2023; PIML acts as IM in accordance with the investment management agreement; the Group provides performance and exposure reports to the PWP Board, Stephen Menzies was a Director of PWP until 27 September 2023 and was a Director of the Company until 15 November 2023. |
| | | | | 77,386 | 66,260 | 82,002 | 71,696 | |

The fair value of PAI reflects the 30 million shares held multiplied by the PAI closing share price at 31 December 2023 of \$0.825 (30 June 2023: \$0.855).

The fair value of PWP is approximated by the shares held in the sub-funds multiplied by their respective closing share prices at 31 December 2023.

The carrying value reflects the Group's share of each associate's net assets, including assessment of any impairment.

NOTE 4. EQUITY INVESTMENTS IN ASSOCIATES (CONTINUED)**(b) Associates' statement of financial position**

| 31 DECEMBER 2023 | TOTAL ASSETS [^] \$'000 | TOTAL LIABILITIES* \$'000 | NET ASSETS \$'000 |
|--|-------------------------------------|------------------------------|----------------------|
| Associates financial position | | | |
| PAI | 362,916 | 804 | 362,112 |
| PWP | 154,123 | 1,941 | 152,182 |
| Total associates' statement of financial position | | | 514,294 |
| Group's share of associate | | | |
| PAI | 29,431 | 65 | 29,366 |
| PWP | 53,468 | 832 | 52,636 |
| Total Group's share of associate | | | 82,002 |
| 30 JUNE 2023 | TOTAL ASSETS [^] \$'000 | TOTAL LIABILITIES* \$'000 | NET ASSETS \$'000 |
| Associates financial position | | | |
| PAI | 384,846 | 1,425 | 383,421 |
| PWP | 157,959 | 2,218 | 155,741 |
| Total associates' statement of financial position | | | 539,162 |
| Group's share of associate | | | |
| PAI | 31,201 | 115 | 31,086 |
| PWP | 40,734 | 124 | 40,610 |
| Total Group's share of associate | | | 71,696 |

[^] Associates total assets include non-current assets of \$7,556,000 (30 June 2023: \$3,936,000).

* Associates total liabilities include non-current liabilities of \$0 (30 June 2023: \$0).

(c) Carrying amount of investment using the equity method

| | 31 DEC 2023 \$'000 | 30 JUN 2023 \$'000 |
|--|-----------------------|-----------------------|
| Opening balance | 71,696 | 92,394 |
| Purchase of PWP units | 8,561 | - |
| Sale of PWP units | - | (21,891) |
| Share of associates' profit/(loss) (see Note 4d) | 4,512 | 803 |
| Exchange rate translation impact | (2,018) | 1,917 |
| Dividends paid and dilution of unitholding (see Note 4d) | (749) | (1,527) |
| Closing balance (see Note 4a) | 82,002 | 71,696 |

NOTE 4. EQUITY INVESTMENTS IN ASSOCIATES (CONTINUED)**(d) Associate's net income**

| 31 DECEMBER 2023 | PAI \$'000 | PWP \$'000 | TOTAL \$'000 |
|--|-----------------|----------------|-----------------|
| Associates' net income | | | |
| Total investment income/(loss) | (11,754) | 8,398 | (3,356) |
| Total expenses | (2,743) | (857) | (3,600) |
| Profit/(loss) before tax | (14,497) | 7,541 | (6,956) |
| Income tax benefit | 2,518 | - | 2,518 |
| Total profit/(loss) after tax | (11,979) | 7,541 | (4,438) |
| Group's share of associate | | | |
| Total investment income/(loss) | (953) | 5,815 | 4,862 |
| Total expenses | (222) | (332) | (554) |
| Profit/(loss) before tax | (1,175) | 5,483 | 4,308 |
| Income tax benefit | 204 | - | 204 |
| Total profit/(loss) after tax | (971) | 5,483 | 4,512 |
| Dividend received and dilution of unitholding | (749) | - | (749) |
| Transfer from foreign currency translation reserve | - | - | - |
| Undistributed profit/(loss) in the period | (1,720) | 5,483 | 3,763 |
| 31 DECEMBER 2022 | | | |
| | PAI \$'000 | PWP \$'000 | TOTAL \$'000 |
| Associates' net income | | | |
| Total investment income/(loss) | (3,929) | 536 | (3,393) |
| Total expenses | (3,149) | (2,955) | (6,104) |
| Profit/(loss) before tax | (7,078) | (2,419) | (9,497) |
| Income tax benefit | 1,479 | - | 1,479 |
| Total profit/(loss) after tax | (5,599) | (2,419) | (8,018) |
| Group's share of associate | | | |
| Total investment income/(loss) | (320) | (1,857) | (2,177) |
| Total expenses | (255) | (582) | (837) |
| Profit/(loss) before tax | (575) | (2,439) | (3,014) |
| Income tax benefit | 120 | - | 120 |
| Total profit/(loss) after tax | (455) | (2,439) | (2,894) |
| Dividend received and dilution of unitholding | (762) | - | (762) |
| Transfer from foreign currency translation reserve | - | 2,182 | 2,182 |
| Undistributed profit/(loss) in the period | (1,217) | (257) | (1,474) |

NOTE 5. EQUITY – DIVIDENDS**Dividends paid**

Dividends paid during the half-year were as follows:

| | 31 DEC 2023 \$'000 | 31 DEC 2022 \$'000 |
|---|-----------------------|-----------------------|
| Final dividend paid for the 2023 financial year (7 cents per share) | 39,872 | - |
| Final dividend paid for the 2022 financial year (7 cents per share) | - | 40,145 |
| | 39,872 | 40,145 |

The Directors have determined to pay an ordinary fully-franked dividend of 6 cents per share on 22 March 2024 (31 December 2022: ordinary dividend of 7 cents per share) payable out of profits for the 6 months ended 31 December 2023. This dividend has not been provided for at 31 December 2023, as it was determined after period-end.

NOTE 6. EQUITY – ISSUED CAPITAL

| | 31 DEC 2023 SHARES | 30 JUN 2023 SHARES | 31 DEC 2023 \$'000 | 30 JUN 2023 \$'000 |
|----------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Ordinary shares – fully paid (a) | 582,167,116 | 586,678,900 | 745,790 | 751,355 |
| Treasury shares (b) | (17,023,901) | (17,949,392) | (46,789) | (49,333) |
| Total issued capital | 565,143,215 | 568,729,508 | 699,001 | 702,022 |

(a) *Ordinary shares*: entitles shareholders to participate in dividends as determined and in the event of winding up of the Company, to participate in the proceeds in proportion to the number of and amounts paid on the ordinary shares held. Ordinary shares entitle the shareholder to one vote per share, either in person or by proxy, at a meeting of the Company's shareholders. All ordinary shares issued have no par value. On 15 September 2023, the Company announced a 12-month extension to the on-market share buy-back program, in which shares will be bought-back, should the Board consider that such is in the interest of shareholders as a whole. 4,511,784 shares have been bought-back as at 31 December 2023.

(b) *Treasury shares*: are shares that have been purchased by the Employee Share Trust, pursuant to the Deferred Remuneration Plan. Treasury shares are held by the Employee Share Trust for future allocation to employees. Treasury shares decrease when employees receive shares after exercising vested share-based payment arrangements.

NOTE 7. EQUITY – RETAINED PROFITS

| | HALF-YEAR ENDED 31 DEC 2023 \$'000 | YEAR ENDED 30 JUN 2023 \$'000 |
|---|---|--|
| Retained profits at the beginning of the period | 177,589 | 177,082 |
| Profit after income tax expense attributable to owners of the Company | 35,703 | 80,851 |
| Dividends paid | (39,872) | (80,344) |
| Retained profits at the end of the period | 173,420 | 177,589 |

NOTE 8. FAIR VALUE MEASUREMENT**Fair value hierarchy**

AASB 13: *Fair Value Measurement* requires the consolidated entity to classify those assets measured at fair value using the following fair value hierarchy model:

- (i) quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- (ii) 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
- (iii) inputs for the assets or liabilities that are not based on observable market data (unobservable inputs) (level 3).

The investments in PAI and PWP have not been measured at fair value because they have been classified as equity investments in associates. If these were to be measured at fair value, PWP would be classified as level 2 whilst PAI would be classified as level 1.

The following table analyses within the fair value hierarchy model, the consolidated entity's assets and liabilities, measured or disclosed at fair value, using the three-level hierarchy model at 31 December 2023 and 30 June 2023.

| 31 DECEMBER 2023 | LEVEL 1 | LEVEL 2 | LEVEL 3 | TOTAL |
|---|----------------|----------------|----------------|---------------|
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Financial assets | | | | |
| Equity securities held by wholly owned seed funds | 26,031 | 149 | - | 26,180 |
| Unlisted shares & convertible note | - | - | 6,237 | 6,237 |
| Platinum Trust fund investments | - | 185 | - | 185 |
| | 26,031 | 334 | 6,237 | 32,602 |
| 30 JUNE 2023 | | | | |
| | LEVEL 1 | LEVEL 2 | LEVEL 3 | TOTAL |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Financial assets | | | | |
| Equity securities held by wholly owned seed funds | 55,521 | 303 | - | 55,824 |
| Unlisted shares & convertible note | - | - | 6,237 | 6,237 |
| Platinum Trust fund investments | - | 189 | - | 189 |
| | 55,521 | 492 | 6,237 | 62,250 |

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels at the end of the reporting period.

Valuation techniques used to classify assets as level 2

The direct investments in the Platinum Trust Funds are valued using their respective Net Asset Values (adjusted for the buy-sell spread) and include the impact of the 30 June distribution. Accordingly, management has assessed the fair value investments as being level 2 investments.

Valuation techniques used to classify assets as level 3

Level 3 financial assets consist of:

- Investment in unlisted equity investment. The investment is initially recognised at fair value, being the consideration given. After initial recognition, the shareholding continues to be measured at fair value based on the recent transaction price between independent parties.

These assets are valued in accordance with a valuation policy established by PIML as the investment manager. Level 3 assets were 1.9% of net assets at 31 December 2023 (30 June 2023: 1.9%). Further details related to the level 3 securities are not disclosed, as the amounts are not material to the Group.

NOTE 9. CONTINGENT ASSETS, LIABILITIES AND COMMITMENTS

The Group has no commitments for significant capital expenditure. No contingent assets or liabilities exist at 31 December 2023 and 30 June 2023.

NOTE 10. EVENTS AFTER THE REPORTING PERIOD

Apart from the dividend determined on 29 February 2024, as disclosed in Note 5, no other matter or circumstance has arisen since 31 December 2023 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

In the Directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, Australian Accounting Standard AASB 134: *Interim Financial Reporting*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to section 303(5)(a) of the *Corporations Act 2001*.

On behalf of the Directors



Guy Strapp
Chair

29 February 2024
Sydney



Anne Loveridge
Director



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working world**

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Independent Auditor's Review Report to the Members of Platinum Asset Management Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Platinum Asset Management Limited ("the Company") and its controlled entities (collectively "the Group"), which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of material accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group does not comply with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the consolidated financial position of the Group as at 31 December 2023 and of its consolidated financial performance for the half-year ended on that date; and
- b. 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 Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Directors' Responsibilities for the Half-Year Financial Report

The directors of the Company 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 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.

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 Group's consolidated financial position as at 31 December 2023 and its consolidated 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 that reads 'Ernst & Young'.

Ernst & Young

A handwritten signature in black ink that reads 'Rita Da Silva'.

Rita Da Silva
Partner
Sydney
29 February 2024