

Platinum Global Fund

ARSN 600 630 537

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 Fund during the interim reporting period.

The interim financial report covers Platinum Global 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 Fund present its report, together with the financial statements of Platinum Global Fund (the “Fund”) for the half-year ended 31 December 2023.

Principal Activities

Platinum Global Fund is part of the mFund Settlement Service (“mFund”) offered by the Australian Securities Exchange (“ASX”). mFunds are unlisted managed funds that investors can access through a broker or directly with Platinum.

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

The Fund was registered on 22 July 2014 and commenced trading on 5 September 2014.

The Fund did not have any employees during the half-year.

There were no significant changes in the nature of the Fund’s activities during the half-year.

Directors of the Responsible Entity

The Directors of Platinum Investment Management Limited (“PIML”) during the half-year 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 Fund during the half-year.

Operating and Financial Review (“OFR”)

The Fund has predominantly maintained its investment strategy in listed equities and currency contracts.

The Fund produced returns of 2.4%¹ for the 6 months to 31 December 2023. The benchmark Morgan Stanley Capital International All Country World Net Index (MSCI) in A\$ terms generated a return of 4.6%² for the same period.

On 27 November 2023, the ASX announced its decision to wind down and close the mFund service. The mFund service remains open for applications and redemptions from Investors until further notice. PIML will work with the ASX to plan and implement the necessary changes before the proposed closure date of 31 May 2026.

¹ Investment returns are calculated using PGF’s net asset value per unit (which does not include the buy/sell spread) and represent PGF’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.

Index returns assume the reinvestment of dividends from constituent companies, but do not reflect fees and expenses. Platinum does not invest by reference to the weightings of any index or benchmark, and index returns are provided as a reference only. PGF’s underlying assets are chosen through Platinum’s bottom-up investment process and, as a result, PGF’s holdings may vary considerably to the make-up of the index.

The investment returns shown are historical and no warranty can be given for future performance. Historical performance is not a reliable indicator of future performance. Due to the volatility of the underlying assets of PGF and other risk factors associated with investing, investment returns can be negative, particularly in the short-term.

² Source: All data where MSCI is referenced is the property of MSCI. No use or distribution of this data is permitted without the written consent of MSCI. This data is provided “as is” without any warranties by MSCI. MSCI assumes no liability for or in connection with this data.

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

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

	Half-year ended	
	31 December 2023	31 December 2022
Net operating profit/(loss) (\$'000)	778	3,308
Redemption Price – (cum-distribution) (dollar per unit)	1.3985	1.3107

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

Rounding of amounts to the nearest thousand dollars

The Fund is 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, or in certain cases, the nearest dollar.

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 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	
	31 December 2023	31 December 2022
Note	\$'000	\$'000
Investment income		
Dividends	347	272
Interest	30	4
Net gains/(losses) on financial assets at fair value through profit or loss	676	3,199
Net foreign exchange gains/(losses) on forward currency contracts	195	(15)
Net foreign exchange gains/(losses) on bank accounts	<u>(191)</u>	<u>116</u>
Total net investment income	<u>1,057</u>	<u>3,576</u>
Expenses		
Management fee	236	235
Withholding tax on foreign dividends	33	25
Transaction costs	<u>10</u>	<u>8</u>
Total expenses	<u>279</u>	<u>268</u>
Net operating profit	<u>778</u>	<u>3,308</u>
Other comprehensive income	<u>-</u>	<u>-</u>
Total comprehensive income	<u>778</u>	<u>3,308</u>

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		3,257	2,531
Receivables		606	108
Financial assets at fair value through profit or loss	3	<u>29,716</u>	<u>35,355</u>
Total Assets		<u>33,579</u>	<u>37,994</u>
Liabilities			
Unitholders' distribution payable	6	-	2,417
Payables		<u>36</u>	<u>42</u>
Total Liabilities		<u>36</u>	<u>2,459</u>
Net Assets Attributable to Unitholders - Equity	4	<u>33,543</u>	<u>35,535</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 \$'000	31 December 2022 \$'000
Total equity at the beginning of the half-year		<u>35,535</u>	<u>33,875</u>
Profit for the half-year		<u>778</u>	<u>3,308</u>
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income for the half-year		<u>778</u>	<u>3,308</u>
Transactions with equity holders			
Applications	4	721	167
Redemptions	4	(4,545)	(2,851)
Units issued upon reinvestment of distribution	4	<u>1,054</u>	<u>812</u>
Total transactions with equity holders		<u>(2,770)</u>	<u>(1,872)</u>
Total equity at the end of the half-year		<u>33,543</u>	<u>35,311</u>

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

Statement of Cash Flows

	Note	Half-year ended	
		31 December 2023 \$'000	31 December 2022 \$'000
Cash flows from operating activities			
Purchase of financial assets		(5,599)	(5,108)
Proceeds from sale of financial assets		11,587	4,583
Interest received		31	4
Dividends received		336	290
Management fees paid		(242)	(236)
Other expenses paid		(9)	(7)
Net cash inflow/(outflow) from operating activities		6,104	(474)
Cash flows from financing activities			
Proceeds from units issued	4	721	167
Payment for units redeemed	4	(4,545)	(2,851)
Distributions paid		(1,363)	(1,151)
Net cash outflow from financing activities		(5,187)	(3,835)
Net increase/(decrease) in cash and cash equivalents		917	(4,309)
Cash and cash equivalents at the beginning of the half-year		2,531	7,793
Effects of exchange rate changes on cash and cash equivalents		(191)	102
Cash and cash equivalents at the end of the half-year		3,257	3,586

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 the Fund. The registered office is Level 8, 7 Macquarie Place, Sydney, NSW 2000.

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 Fund 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 at fair value through profit or loss

	As at	
	31 December 2023 \$'000	30 June 2023 \$'000
Financial assets		
Equity securities	29,708	35,355
Forward currency contracts	<u>8</u>	<u>-</u>
Total financial assets at fair value through profit or loss	<u>29,716</u>	<u>35,355</u>
Total of financial assets	<u>29,716</u>	<u>35,355</u>

4 Net assets attributable to unitholders

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

	31 December 2023 \$'000	31 December 2022 \$'000	31 December 2023 Units '000	31 December 2022 Units '000
Opening balance	35,535	33,875	25,981	28,401
Applications during the half-year	721	167	521	134
Redemptions during the half-year	(4,545)	(2,851)	(3,326)	(2,317)
Units issued upon reinvestment of distribution	1,054	812	771	681
Total comprehensive income	778	3,308	-	-
Closing balance	<u>33,543</u>	<u>35,311</u>	<u>23,947</u>	<u>26,899</u>

5 Fair value measurement

AASB 13 *Fair Value Measurement* requires the Fund 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 Fund measures and recognises the following assets at fair value on a recurring basis:

- equity securities; and
- forward currency contracts.

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

	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	29,708	-	-	29,708	35,355	-	-	35,355
Forward currency contracts	-	8	-	8	-	-	-	-
	<u>29,708</u>	<u>8</u>	<u>-</u>	<u>29,716</u>	<u>35,355</u>	<u>-</u>	<u>-</u>	<u>35,355</u>
Total of financial assets	<u>29,708</u>	<u>8</u>	<u>-</u>	<u>29,716</u>	<u>35,355</u>	<u>-</u>	<u>-</u>	<u>35,355</u>

The Fund'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.

5 Fair value measurement (continued)

Valuation techniques used to classify assets and liabilities as level 1

The majority of the equity securities held by the Fund 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.

6 Distribution to unitholders

The distributions paid during the half-year were as follows:

	31 December 2023 \$'000	31 December 2023 CPU	31 December 2022 \$'000	31 December 2022 CPU
30 June paid	<u>2,417</u>	<u>9.30</u>	<u>1,963</u>	<u>6.91</u>
	<u>2,417</u>		<u>1,963</u>	

7 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 Fund's operations, the results of those operations, or the Fund's state of affairs in future financial years.

8 Contingent assets, liabilities and commitments

The Fund 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 12 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards, the *Corporations Act 2001* and other mandatory professional reporting requirements;
 - (ii) giving a true and fair view of the Fund's financial position as at 31 December 2023 and of its performance for the half-year ended on that date, and
- (b) there are reasonable grounds to believe that the Fund 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 Fund

Report on the half-year financial report

Conclusion

We have reviewed the half-year financial report of Platinum Global 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 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