



Annual General Meeting

5 November 2020

Statutory accounts

- ◆ For the financial year ended 30 June 2020, the Company made a statutory pre-tax operating loss of \$15.3m and a post-tax operating loss of \$10.1m.



Investment performance

as at 30 June 2020

- ◆ Platinum Capital Limited's overall investment return (using pre-tax NTA) for the 2020 financial year was negative 3.5% versus the MSCI AC World Net Index which returned 4.08%.
- ◆ This return occurred against a challenging backdrop across global markets due to the COVID-19 pandemic and geo-political tensions.
- ◆ The poor investment returns over the last year were largely attributable to losses on short positions in the portfolio.
- ◆ On average, the long positions performed broadly in line with the market despite the Company's smaller exposure to the large cap technology stocks of Amazon, Apple and Microsoft.
- ◆ The investment manager expects market volatility to continue.



Investment performance

as at 30 June 2020

Period	Pre-Tax NTA Return *	MSCI All Country World Net Index (\$A) Return
1 year (compound pa)	(3.50)%	4.08%
3 years (compound pa)	3.72%	10.03%
5 years (compound pa)	4.38%	8.82%
7 years (compound pa)	7.96%	12.29%
Since inception (compound pa)	11.33%	7.05%

*The pre-tax NTA returns are calculated using the Company's ("PMC's") pre-tax net tangible asset backing per share for the specified period (as released to the ASX) and represent the combined capital and income return of the Company's investments after the deduction of fees and expenses, adjusted for corporate taxes paid any capital flows, and assumes the reinvestment of all dividends. Returns are not calculated using the Company's share price.



Dividends

- ◆ The Company declared a fully-franked 2020 interim and final dividend each of 3 cents per share, bringing the total dividends declared for the 2020 financial year to 6 cents per share.
- ◆ The dividend yield for the year was 4.8% based on the 30 June 2020 closing share price of \$1.25.
- ◆ The ability to manage the level of fully-franked dividend payments over time is a key feature of listed investment companies. Over the last 3 and 10 years the dividend yield for the Company has been 5.3% and 4.6%, respectively.



Capital management

- ◆ The Board has been actively monitoring the share price discount.
- ◆ On 8 April 2020 the Company announced an on-market share buy-back for up to 10 per cent of the Company's issued share capital to be implemented over a period of up to 12 months.
- ◆ No shares have been bought-back to date.
- ◆ Based on other Australian LIC participants, it is not clear that any buy backs implemented to date have narrowed existing discounts.
- ◆ Improved investment performance should be the biggest contributor to closing this discount, given that the portfolio is comprised of high-quality liquid stocks and the listed investment company structure is simply an alternative investment vehicle to active ETFs, which typically trade close to their NTA.



Investment outlook

- ◆ At 31 October 2020, the most recent weekly pre-tax NTA released to the market was \$1.42.
- ◆ The investment manager has recently noted:
“We have talked ad nauseum about the dispersion in markets – indeed we have described “two stock markets” – the mania in much-loved growth stocks and a bear market in the economically sensitive stocks.....”
- ◆ During this period, Platinum has remained true to its investment philosophy by seeking
 - the out of favour and overlooked parts of the market; and
 - to minimise losses in the event of a market downturn.
- ◆ Platinum is optimistic about the current positioning of the portfolio, having regard to the Company’s recommended investment time horizon of 5 to 7 years.



Business of the Meeting

1. Re-election of Margaret Towers as a Director
2. Adoption of the Remuneration Report



Proxy results

1. Re-election of Margaret Towers as a Director

FOR	AGAINST	OPEN-USABLE CHAIR	OPEN-USABLE NON-CHAIR
32,854,835	1,281,341	1,809,531	1,049,654
88.81%	3.46%	4.89%	2.84%



Proxy results

2. Adoption of the Remuneration Report

FOR	AGAINST	OPEN-USABLE CHAIR	OPEN-USABLE NON-CHAIR
30,859,291	3,487,712	1,614,116	976,324
83.54%	9.44%	4.37%	2.64%



Platinum Capital Limited

- ◆ Investment manager's report
- ◆ Close of meeting



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